



IRF Releases Study on Non-Financial Benefits of Incentive, Reward and Recognition Programs

Washington, DC (May 22, 2018): More than 80 percent of the market value of publicly-traded firms is attributed to intangible value. The competitive advantage achieved by corporate giants such as Apple and Amazon is found in their *intangible* assets, including ideas, brand, relationships, human capital, and managerial expertise. In its newest release, *Establishing the Intangible, Non-Financial Value of Awards Programs*, the Incentive Research Foundation explores the important role of intangible benefits – such as culture, collaboration, and teamwork – and how they are a critical component of the most impactful incentive, rewards, and recognition programs.

“Many of the cultural conditions that drive an organization’s intangible value stem from incentives, rewards, and recognition,” said **Melissa Van Dyke**, IRF President. “*Establishing the Intangible, Non-Financial Value of Awards Programs* explains how a broad mix of tangible and intangible rewards create the conditions that set high performing organizations apart from the competition.”

The study features new research conducted by the IRF in the Fall of 2017. In a survey of 137 managers specializing in reward management, key findings included:

- Across incentive structures, approximately one-third of all managers reported they strongly believe their IRR initiatives have increased intangible benefits, including employee teamwork, learning, innovation, engagement in training, organizational culture, and engagement in organizational values.
- Non-cash incentive programs are 50% - 150% more likely to be linked to employee retention, satisfaction, and performance than cash only incentive structures.
- Respondents were resoundingly positive regarding the intangible value of award programs (5.5 on a 7-point scale).
- Almost a full third (30.8%) of respondents strongly believed they have increased engagement in organizational values through their IRR programs.

The benefits of non-cash rewards programs include significant intangible value. Although difficult to measure, intangible value may rival a program's the financial impact. *Establishing the Intangible, Non-Financial Value of Awards Programs* provides an overview of methods to measure the intangible value of investments in non-cash reward programs, including tracking changes in employee surveys and measuring employee participation in non-core business activities.

Establishing the Intangible, Non-Financial Value of Awards Programs was supported by IRF Research Advocacy Partner, Hawk Incentives.

To view or download a copy of *Establishing the Intangible, Non-Financial Value of Awards Programs* please visit: <http://theirf.org/research/irf-white-paper-establishing-the-intangible-non-financial-value-of-awards-programs/2471/>

About the IRF:

The Incentive Research Foundation (TheIRF.org) funds and promotes research to advance the science and enhance the awareness and appropriate application of motivation and incentives in business and industry globally. The goal is to increase the understanding, effective use, and resultant benefits of incentives to businesses that currently use incentives and others interested in improved performance.

