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Date: August 28, 2009

**AGENDA ITEM - 8**

**TO: MEMBERS OF THE GOVERNANCE COMMITTEE**

- I. SUBJECT: DISCRETIONARY EMPLOYEE RECOGNITION PROGRAM**
- II. PROGRAM: HUMAN RESOURCES**
- III. RECOMMENDATION: Information**
- IV. ANALYSIS:**

The attached brochure describes each component of State Fund's employee recognition program.

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ANDREAS ACKER, Sr. VP of HR and  
Organizational Development

Cc: Janet D. Frank, President  
Jeanne Cain, Chair of the Board of Directors  
Carol R. Newman, Esq., General Counsel and Corporate Secretary

Encl.

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GOVERNANCE COMMITTEE MEETING (OPEN)

AGENDA ITEM 8

ATTACHMENT 8-I

DISCRETIONARY REWARD AND RECOGNITION PROGRAMS

PRESENTED BY: Andreas Acker

September 10, 2009

**State Fund's**



**Recognition  
Programs**

## **Our New Awards**

- BRAVO!
- Encore!
- Leadership Award
- Service Recognition Award Program
- Retirement Recognition Award
- Employee Appreciation Week
- Executive “On the Spot” Program Recognition

## **Committee Details**

Nominations for some of our new Recognition Programs include an Evaluation Committee. The Evaluation Committee will oversee nominations for the following recognition programs

- Encore! Award
- Leadership Award
- Employee Appreciation Week
- Presentation Ceremony

The responsibilities of a local Evaluation Committee include:

- Review and rank the nominations monthly
- The committee must include the Program Managers
- The committee also includes a representative from Human Resources who is a non-voting representative
- The remaining members will consist of an equal number of Employees and Supervisors determined by the local program.
- All members (except PM and HR representative) will serve a one year tenure.

## **Recognition Program Website:**

For more information please visit our link on Worksite at:

<http://hr.scif.com/EOD/employeerecognition.html>

## **BRAVO!**



### **Description:**

An award to provide internal customers and peers the opportunity to say “thank you” for unusual responsiveness, extra effort and assistance that goes beyond simply “doing the job”. The focus of the Bravo! award is to provide a mechanism for quick recognition for work behaviors that model State Fund’s brand, service to others, and adaptability to challenges.

### **Objective:**

To help build a recognition culture in which making the extra effort, performing beyond the requirements, and scope of a job is noticed and appreciated throughout the organization.

### **Eligibility:**

All State Fund employees are eligible to receive the recognition. Vendors or consultants to State Fund are not eligible for this award.

### **Who Can Nominate?**

Any State Fund employee can initiate a Bravo! Award.

### **How to Nominate?**

The initiating employee will:

1. Complete a short nomination form on the Bravo! Award Recognition website. The ballot identifies the employee being recognized, the nominating employee, the reason for the recognition and the date of the recognition.
2. Coordinate with the nominee’s supervisor to provide the printed out confirmation of the ballot directly to the recipient along with a Bravo! award pin (obtained from management). If the nominee’s supervisor is not available or cannot be present due to location, another onsite supervisor or manager may attend with the nominator.
3. Provide a copy of the confirmation nomination form to the supervisor of the employee being recognized

### **Nomination Cycle:**

The Bravo! Award is ongoing with no specific starting and ending cycle. However, the first week of every month, all nominations from the previous month are entered into a drawing for a \$25.00 gift card or gift certificate. All nominees for that month and winners of the gift cards are published on the Recognition Website. Of all the nominees submitted by all program, 20% will be randomly drawn to win the \$25.00 gift card or gift certificate.

### **Core Competencies and Values:**

The award will focus on those State Fund individual competencies noted below:

- Inspires and Motivates Others to High Performance
- Exemplifying State Fund's brand, promise, mission, vision, and values
- Teamwork and Collaboration

### **Specific Evaluative Criteria:**

Guidelines for the Bravo! Award will be published and available on the Recognition website. The State Fund Bravo! Award is intended to provide a way for you as an employee to say thank you to any co-workers or staff members who:

- Go out of their way to make you feel like a valued internal customer via specific action that exceeds your expectations
- Set a model for others by initiating help or assistance without being asked
- Set a model for others by exemplifying State Fund's brand, promise, mission, vision, and values
- Volunteer to "roll up their sleeves" and help out in job duties where this would not be typical or expected
- Show significant flexibility in their work schedule or duties in order to support a special need
- Accept an unanticipated challenge with good humor and a positive can-do spirit

### **Review/Approval Process:**

There is no formal review or approval process. Any employee can initiate a Bravo! Award to any other employee, regardless of level within the organization. The directness of the award serves to promote a culture of recognition and appreciation in which taking the step to say "thank you" is not encumbered by administrative details.

### **Presentation Ceremony or Method:**

- With a Supervisor present, the employee initiating the award should present the award ballot and a small commemorative pin to the recognized employee personally, if possible. Winners of the drawing should also receive the award personally from a direct supervisor or manager. The pin serves as a memento, beyond the nomination form, for the recognized employee. Employees may display earned pins at their workstations if they choose to do so.

### **Publication/communications:**

- Monthly posting of drawing winners on a section of the Recognition website set aside for the publicizing of recognition program activities.

### **Awards:**

- Copy of nomination form will be sent the official personnel file and the direct supervisor
- Bravo! Award pin\*
- Name will be entered in a monthly drawing for a chance to win a \$25 gift card

### **\*Note:**

Bravo! Award Pins will be distributed to a representative of each local office for inventory purposes.

## **Encore!**



### **Description:**

The purpose of the Encore! Award is to provide appreciation for employee job performance that achieves notable results, beyond those routinely expected. This recognition program will also encompass Team Awards. A team consists of a small group made up of 2 or more individuals committed to a common purpose and sets a specific goal to achieve maximal outcome for the organization.

The focus is not just on effort, but on measurable results that exceed the requirement of the work and the expectations of supervisors and managers. Results can be either quantitative or qualitative, but need to be clearly expressed by nominators as a threshold that was significantly exceeded by the employee.

### **Objective:**

To promote superior job performance that indicates initiative and a commitment to achieving high quality results that goes far beyond meeting basic job requirements.

### **Eligibility:**

Open to all rank and file employees. Supervisors and managers are only eligible when being recognized as part of the Team Award.

### **Who Can Nominate?**

Employees can be nominated by any State Fund employee.

### **How to Nominate?**

Complete the nomination form on the intranet. Completion of the form should identify the nominee(s), the nominator, the reason for the recognition and the date of the recognition.

### **Nomination Cycle:**

On-going nomination process not tied to a specific award period. Nominees and recipients will be announced once a quarter at a Presentation Ceremony. (Please see page 15)

### **Core Competencies and Values:**

The award will focus on those State Fund individual competencies noted below:

- Quality Results Orientation and Initiative
- Resilience and Flexibility
- Accountability
- Decisive judgment
- Team Work and Collaboration
- Exemplifying State Fund's brand, promise, mission, vision, and values.

**Specific Evaluative Criteria:**

The nominating employee will be required to provide detailed examples of the witnessed work behaviors that illustrate the individual competency(ies) being cited. Where appropriate, it may be recommended to append other documentation to the nomination form to better communicate the scope and scale of the notable results being elaborated by the nominator.

Evaluative criteria could include some of the following standards:

- I. The outstanding results achieved are clearly linked to specific identifiable employee work behavior
- II. The outstanding results significantly exceed the expectations and parameters set by the employee's direct supervisor.
- III. The outstanding results are linked to employee actions/behaviors that exceed the task requirements by supervision and display individual initiative and commitment to quality.
- IV. The nominated employee sought out or volunteered for the task/project that resulted in the outstanding results.
- V. The achievement required the nominated employee to accept an opportunity to work with a new process, program or subject matter with requirements to learn new tasks, systems or work tools.
- VI. The achievement of the nominated employee may have implications for evolving performance standards, staff training and expectations for similar work in the future.
- VII. The outstanding results were achieved while working respectfully and cooperatively with others and exhibiting conduct that reflects highly on State Fund.

**Review/Approval Process:**

At the program level, an evaluation committee will review and rank the nominations monthly. If the PM is nominated, then the nomination is submitted to HR for review by the Evaluation Committee (participants to be determined).

All nominations are submitted via the electronic nomination form and reviewed by a representative from Human Resources prior to submission to the evaluation committee.

There is no proposed allocation or "quota" of award winners in this program. The decision to award will be a Yes/No decision by the evaluation committees, mindful of the obligation to consistently use award selection criteria to avoid the dilution of the award's status and motivational impact. All who meet the criteria and receive a Yes decision from the evaluation committee should be provided recognition.

**Presentation Ceremony or Method:**

- All employees nominated, even if not selected for an award, will be personally informed of the nomination by their supervisor.
- Employees who are selected to receive the award from those nominated will receive an award at quarterly public event coordinated at the program level.

**Publication/communications:**

- Recognition web page coverage
- All employees nominated, even if not selected for an award, will be publicized internally (via program wide email)

**Awards:**

- High quality certificate
- Additional awards to be determined. Please continue to check our website at: <http://hr.scif.com/EOD/encore.html> for the latest updates.



## **Leadership Award**



### **Description:**

The purpose of the Leadership Award is to recognize superior leadership by State Fund supervisors and managers. The focus of this award is on the impact the leader has to the staff they directly supervise.

For example, a customer service manager may have a performance goal for customer satisfaction. This award would not focus on the final satisfaction rating. It would, however focus on how that rating was achieved such as completing work through others.

### **Objective:**

To attract and retain supervisors and managers who are models of positive and sustained team leadership and promote the leadership competencies of those managers.

### **Eligibility:**

Formal supervisors and managers through the Program Manager level only

### **Who Can Nominate?**

Supervisors and managers can be nominated by any State Fund employee.

### **How to Nominate?**

Complete the nomination form on the intranet. Completion of the form should identify the nominee, the nominator, the reason for the recognition and the date of the recognition.

### **Nomination Cycle:**

Semi-annual nomination cycles, tied to the 2 six-month halves of the calendar year

### **Core Competencies and Values:**

The Leadership Award will focus on the State Fund leadership competencies in the area of supervisor-employee relationship as opposed to the competencies that focus on more strategic and business skills.

The competencies emphasized in the award include:

- Communicates Powerfully, Prolifically and Effectively
- Develops Others
- Engenders Trust
- Inspires and Motivates Others to High Performance
- Negotiation and Conflict Management

This award may also be used to recognize how a supervisor or manager leads his or her employees in understanding and exemplifying State Fund's brand, promise, mission, vision, and values.

**Specific Evaluative Criteria:**

The nominating employee will be required to provide detailed examples of the witnessed supervisory behaviors that illustrate the leadership competency(ies) being cited. Where appropriate, it may be recommended to append other documentation to the nomination form to better communicate the scope and scale of the commendable leadership being acknowledged by the nominator.

An award nominee must be a manager or supervisor in “good standing.”

**Review/Approval Process:**

At the program level, an evaluation committee will review and rank the nominations monthly. If the PM is nominated, then the nomination is submitted to HR for review by the Evaluation Committee (participants to be determined).

All nominations are submitted via the electronic nomination form and reviewed by a representative from Human Resources prior to submission to the evaluation committee.

There will be no minimum or maximum number of award winners. Additionally, there is no requirement that there be a nomination from each program or unit. If no one is nominated, there will be no recipients for that award period.

**Presentation Ceremony or Method:**

- All supervisors who are nominated for an award, whether or not they are selected for an award, will receive personal notification that they have been nominated.
- Supervisors who are selected to receive the award from those nominated will receive it during an awards event coordinated at the program level. Awards will be given out 2 times per year at the presentation ceremony. (Please see page 15)

**Publication/communications:**

- Recognition website coverage
- Publication (via program wide email) of all supervisors nominated for an award, regardless of whether or not selected for the award
- Copy of the certificate put into their file

**Awards:**

- A formal written certificate
- A permanent plaque in the programs office in a prominent location which records the organization’s leadership award winners by year awarded
- A choice of one of the following awards:
  - Regional lunch with the President or Senior Executives
  - Money (\$250)
  - Gift card (\$250 value)
  - Donation to charity of choice
  - Day off (8 hours)
  - Payment towards a training event (up to \$250 – including travel/lodging expenses)

## Service Recognition Award Program



### **Description:**

An award to acknowledge and reward a sustained commitment to continued employment with the State Fund. To acknowledge their commitment to building a career and contributing to the organizational knowledge of the State Fund.

### **Objective:**

To publicize and reward continued employment with the State Fund at designated increments beginning with the completion of three years of service. State Fund service increments will be 3, 5, 10, 15, 20, 25, 30, or greater years of service.

### **Eligibility:**

All employees of State Fund

### **Who Can Nominate?**

N/A—nominations are calculated by Human Resources based on sustained work service.

### **Nomination Cycle:**

Service milestones will be published on the Recognition website during the first month of a fiscal quarter for employees completing a service milestone during the preceding quarter.

### **Specific Evaluative Criteria:**

N/A—service milestones are calculated from the HRIS systems.

### **Core Competencies and Values:**

Supports Leadership Competencies:

- Inspires and Motivates Others to High Performance
- Organizational Astuteness
- Future Focused

### **Review/Approval Process:**

Not applicable, given the nature of the award.

**Presentation Ceremony or Method:**

- Quarterly publication of seniority milestones to the whole organization via intranet.
- Quarterly awarding of anniversary certificates to employees starting after 3 years of service at local level meetings.
- Recognition at the quarterly presentation ceremonies for the 5 and 10 year anniversaries.

**For Larger Milestone Celebrations (15 years and greater):**

- Program-wide ceremonies for 15, 20 years of service or greater.
- It will be the responsibility of the employees to cover expenses related to these larger celebrations. Program-wide ceremonies are only a suggestion and will not be paid for by State Fund.
- If a larger celebration is not held, it is suggested that recognition be given at the quarterly presentation ceremony.

**Publication/communications:**

- Publication of service milestones achieved quarterly on the Recognition website
- Publication of anniversary event photographs, links to video footage and agenda materials on the State Fund intranet

**Awards:**

- Service certificate
- Service pin (5 years and greater)
- Additional awards to be determined. Please continue to check our website at: <http://hr.scif.com/EOD/serviceaward.html> for the latest updates.

In addition, at each State Fund milestone reached, during the presentation of the State Fund award/gift, mention will be made of total years of service with the State of California\*.

**\*Note:**

Please be advised that in addition to of State Fund's own Service Recognition Award Program for State Fund service, we will continue to honor and acknowledge those employees with 25 years of state service with the proper protocol provided by the State of California.

## Retirement Recognition Award



### **Description:**

Recognition to acknowledge service with the State of California/State Fund upon retirement

A core consideration of the retirement award program is the type of appreciation upon ending their relationship with State Fund. It is a representation to the remaining State Fund employees of how the organization treats those who have made a significant career commitment to the agency and the State of California.

### **Objective:**

To express appreciation to retirees for their commitment and contribution to State Fund during their period of service; to communicate to the rest of the organization the value State Fund places on its employees at all stages of the employment relationship including the ending of that relationship.

### **Eligibility:**

All full-time regular employees of State Fund

### **Who Can Nominate?**

N/A

### **Nomination Cycle:**

N/A

### **Core Competencies and Values:**

N/A

### **Specific Evaluative Criteria:**

N/A

### **Review/Approval Process:**

N/A

### **Presentation Ceremony or Method:**

- Recognition events should be held at the local level with voluntary employee participation.
- Participation and attendance would be voluntary with shared expenses among attendees. Retirement ceremonies will not be paid by State Fund.
- Recognition should be personal and take into account the preferences of the retiree.

**Publication/communications:**

- Publication of retirement announcements quarterly on the Recognition website
- Publication of retirement event photographs, links to video footage and agenda materials on the intranet

**Awards:**

- Awards to be determined. Please continue to check our website at: <http://hr.scif.com/EOD/retirementaward.html> for the latest updates.

**Notes:**

Publication on the Recognition website allows Programs to share their themes and ideas for others.

All gift options will be regularly reviewed and updated to ensure the perception of value, quality and variety meets employee expectations.

## Employee Appreciation Week



### **Concept:**

The concept behind Employee Appreciation Week is to focus on appreciation for the work State Fund employees do throughout the year. This recognition is not focused on specific individuals or teams but is an opportunity for managers and supervisors to express generalized thanks to staff for their efforts and achievement.

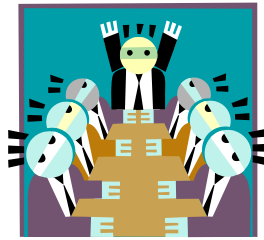
Local level events are to be held in the month of May.

Employee Appreciation Week components may include:

### **Process:**

- Local programs will decide the form in which the appreciation is expressed.
- The designated week provides an opportunity for publicizing at an organization-wide level. The event focus will be on the activities of the local programs.
- The goals of the events are to enhance the sense of team membership, promote a culture of appreciation for the ongoing efforts of staff, and provide an outlet for supervisor/manager creativity in expressing appreciation. The events themselves could range from a staff lunch event to performing some public service for a couple hours or a group recreational trip.
- While the selection of the activities are left to the local programs, some basic guidelines for the activity may include:
  - The selection of the activity should be a group consensus.
  - Managers and supervisors must be actively engaged in the planning and execution of the event—responsibility for the event cannot be wholly delegated to staff
  - Committees should be designated by the programs and include employees and management.
  - The activity should be fun, recreational and team-building.
  - The activity cannot reflect poorly on the reputation and conduct standards of State Fund.
  - There is a capture by Human Resources of the range of appreciation events taking place during this week (e.g. intranet-posted “scrapbook” or picture gallery) which can be shared with all employees later to foster creativity in recognition throughout the year
  - A specific budget per capita is set at \$40.00 per employee (food, beverage, transportation, tax, tip, service fee, etc.)
- For the latest updates and ideas, please continue to check our Recognition website at: <http://hr.scif.com/EOD/employeeappreciation.html>

## Executive “On The Spot” Program Recognition



### **Concept:**

The underlying concept is for Executive to be able to provide recognition to a program for a specific job well done.

### **Eligibility:**

All State Fund programs

### **Who Can Nominate?**

Executive Committee Members

### **Nomination Cycle:**

Anytime throughout the year

### **Core Competencies and Values:**

- Quality Results Orientation and Initiative
- Resilience and Flexibility
- Accountability
- Decisive judgment
- Team Work and Collaboration
- Exemplifying State Fund’s brand, promise, mission, vision, and values

### **Process:**

Executives can nominate a program for a specific goal or job completed well (for example an excellent CDI audit score). The Executive Committee Members would vote on the nomination. If passed, the Executive would arrange for a small program recognition event. The event *might* include cake and beverages at a program meeting led by the Executive. However, all details will be determined by the Executives. For the latest updates, please continue to check our website at: <http://hr.scif.com/EOD/onthespotaward.html>.



## Presentation Ceremony



### **Concept:**

The underlying concept behind a presentation ceremony is to publicly present awards to the winners of the Encore!, Leadership Award, and Service Recognition Awards (Please refer to page 10 under “*Presentation Ceremony or Method*” for clarification on Service Recognition Awards).

The ceremony will provide a platform for employees to be acknowledged in front of their peers and management. This will give them an opportunity to congratulate and support one another in their successes.

### **Eligibility:**

All State Fund programs

### **Cycle:**

Quarterly

### **Process:**

The Evaluation Committee will be responsible for organizing, planning, and leading the event. The programs will be allotted \$20.00 per person per year (\$5 per quarter) for light refreshments for their attendees. The ceremonies are to be held on State Fund property where the program resides. Programs are to conduct a presentation of the awards including the description of why the employee was nominated as written on the nomination form.

Participation and attendance in any celebrations beyond the presentation ceremonies listed above would be strictly voluntary with shared expenses among attendees. State Fund is not responsible for such reimbursements.