

Recession-Friendly Employee Perks

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published on BNET.com 7/01/2008

During a slow economy, most companies are looking for places to cut spending. It's tempting to start with employee perks and rewards — the word “perk” itself implies an unnecessary extra. But your employees are your most important asset, and keeping them happy is never more important than when layoffs and budgets cuts have made work a challenge. Here are three creative ways to keep rewards in your budget.

1. Give Gifts That Mean Something

For those familiar with Fat Tire, New Belgium Brewery's flagship ale, the Fort Collins, Colorado-based brewery's most unique benefit shouldn't come as a surprise: Employees receive a custom bicycle for their one-year anniversaries. Founder Jeff Lebesch started the brewery after a bicycle tour through Belgium, and the brewery has encouraged a culture of cycling enthusiasm since. #It's a very tactile, tangible event when you receive your bike,# says New Belgium media director Bryan Simpson. The one-year anniversary gift of a custom 1- or 3-speed cruiser bike — from popular bike makers like Electra, Spot, and Felt — is accompanied by a celebration, which Simpson says is almost like an initiation into a tribe, as all employees also become part owners after a year's time. The brewery provides ample bike parking and on-site showers to encourage workers to commute with their gifts, and many do, Simpson says, making the award a vital employee benefit. #It's a couple hundred dollars for the bike, but it means so much more,# he says.

2. When You Can't Give Money, Give Time

Running into an employee who called in sick — or seeing [incriminating photos of them on Facebook](#) — isn't just uncomfortable: it can jeopardize a career and increase office tension. To avoid forcing employees to use fake excuses to get a free day, Los Angeles-based public relations firm JS Communications recently gave its employees two free #I Don't Want to Get Out of Bed# days. #You don't have to worry about seeing your boss later in the day,# says Alissa Pinck, general manager and vice president of JS's New York office. #The day is yours, and you can do whatever you want with it.# Whether it's relationship troubles, bad weather, or a day where getting out of bed just isn't happening, JS2's employees have readily accepted their two extra days per year, Pinck says, which can be used on any day when an employee doesn't have a meeting or conference call scheduled. #At first people were kind of like, 'What's the catch?'# she says. #But since then, people have been taking them, and they love them.#

3. Make Incentives Memorable and Incremental

Studies show that cash incentives don't stick in an employee's mind: Most folks use the money to pay bills and later forget where it went. To generate greater attachment to its incentives, the Harbor Court Hotel in San Francisco, part of the Kimpton Hotel chain, launched a program called #Kimpton Moments. Whenever a customer reports that an employee provided exceptional customer service, managers give that employee a poker chip. The chips, worth two dollars each, can be redeemed by the end of the month for gift cards to places such as the Gap, Starbucks, Crate and Barrel, and Jamba Juice. Ross Lucas, supervisor at Harbor Court, says although the incentives are small (the gift cards are worth \$10 to \$25), they work because they're incremental. Once employees earn a chip, they're motivated to rack up even more, in order to beef up the amount of the award. It motivates them to work towards something, Lucas says. Instead of providing excellent customer service and not getting anything in return, they work harder so they can get rewarded.
