

# Employee rewards vs. Company benefits

With employee engagement and retention at a premium, recognition plays a key role. For employees who travel, allowing them to keep card program reward points can be a perfect way to recognize their extra efforts—particularly when it comes to the time they may spend away from their family. On the other hand, it is the company's money being spent on the travel. Some organizations believe the company should retain reward points to use for future travel, savings and discounts. The debate rages on...



## Rewards are the best part

Nearly half [of those surveyed] find that earning points in airline and hotel programs is the most enjoyable part of business travel.”<sup>1</sup>

 **5X more**  
likely to feel valued

Employees who work in a culture of recognition are 5x more likely to feel valued than those who do not.”<sup>2</sup>

### Employee rewards

## Employee rewards pay off

When their accomplishments are acknowledged and appreciated, employees feel valued, motivated and invested in their organization.

Reward points from corporate card programs play a key role in appreciation and can have a lasting impact on retention—especially for employees who travel on a regular basis.

Business trips mean time away from family and friends. Flight delays, poor sleep and off-kilter fitness routines can add additional stress.

Allowing employees to accrue airline miles for the travel, sleep vouchers for the hotel stays and points for their purchases is a simple and cost-effective way to reward employees and keep them motivated throughout every trip.

Company benefits

## Companies want options

For some organizations, it makes more sense to keep the rewards from their card programs,

particularly when the program offers few rewards or limited options to earn points until specific dollar amounts have been spent.

Other organizations may choose to pool reward points and use them to offset annual fees or supplement additional T&E expenses, an approach that mitigates the risk of employees abusing the point system.

Organizations may also choose to trade reward points for merchandise or gift cards, electing to use these more tangible items in their overall incentive program.

There are cases in which companies opt out of corporate rewards altogether, choosing card programs that offer other benefits such as supplier discounts on airfare, hotels and other purchases.<sup>5</sup>



Annual fees  
as high as  
**\$450+**

Certain premium cards charge annual fees as high as \$450 or more.<sup>3</sup>

“You could end up that someone goes for a more expensive carrier simply to get the air miles simply to suit them.”<sup>4</sup>

# Finding the Balance

## Employee rewards and company benefits: the foundation of success

Reward points from card programs can play a valuable role in an organization's retention strategy. When it comes to reward points from various card programs, the organization must decide which benefits are right for the business—and the employees. It's important to note that one size (or reward type) does not fit all. Some card programs offer individual card holders rewards while simultaneously offering benefits to the company. It comes down to evaluating which types of rewards are most motivating for employees and finding a system that fits an organization's unique needs.

<sup>1</sup> Small Market Meetings Magazine, Survey reports business travel is worth the hardships, 2012

<sup>2</sup> Incentive Magazine, The Power of Perks, 2013

<sup>3</sup> The Simple Dollar, Does It Make Sense to Pay an Annual Fee?, 2016

<sup>4</sup> BBC News, The Ethics of Air Miles, 2008

<sup>5</sup> CreditCards.com, Corporate credit cards: How they work, benefits, drawbacks, 2008