## Having Words With Larry Leith, founder and Chief Innovation Officer of Tokyo Joe's

## How to Build a Cool Culture based on Recognition and Rewards

What's green and goes with everything? Cold hard cash.

I was always under the impression that cash was king, but the longer I've run the Tokyo Joe's restaurant group, the more I realize there is much more to our work than a paycheck.

Recognizing the needs and desires of employees is a powerful recipe for success. In fact, research done by <u>Forbes</u> found that companies that scored in the top 20 percent for building a "recognition-rich culture" actually had 31 percent lower voluntary turnover rates. A well-designed recognition program can achieve this result.

Founded in 1996, with a focus on creating a menu that the average American Joe could access, our brand has grown from its original location in suburban Denver to 30 system-wide units today. Although our company has grown and changed over the years there has always been one constant; we care about our people and our culture.

For instance, for the past nine years, we have brought our restaurant managers and kitchen managers to our home in Maui for a week to reward them for their hard work. We pay for the flight and board and the employees spend the week enjoying the beauty of Hawaii and bonding personally and professionally.

We've coined it 'House of Joe's'. Some employees have been coming since the beginning and the memories that have been built sustain them throughout the year.

We have had managers opt to take their parents on the trip, who have never in their own lives had such an opportunity or adventure; we've employees honeymoon there; there's been engagements, folks that have never before seen the ocean, family get togethers and employees who have connected with one another by piggy backing on each other's weeks.

But I think most the most important thing to note is that we've had hard-working people that got to feel very appreciated, unwind, ride my bike to the beach and dip their toes in the sand - all knowing that they get to come back and do it again next year too.

Marci, my wife, started a program for employees who are parents called "Marci's Back to School Shopping Spree" where she hosts three events a year for employees with kids ages 5-18. The kids are taken shopping to get shoes, outfits and a "goodie" bag of school supplies.

She has also babysat for employees that are in need last minute.

We also sponsor Tokyo Joe's Mountain Biking Team and have been supporting and sponsoring the team for the past 12 years. I'm a former athlete and lifetime health enthusiast, proud to support an-award winning team of athletes that match the mission of Tokyo Joe's; "eat good, feel good."

All of these rewards and recognition programs we provide engenders a culture of unification and shows our employees that we truly care about them.

The Incentive Research Foundation (yes, there is such a thing) challenged the widely held belief that cash incentive awards are always the most effective employee motivator in a research review conducted with the <u>Incentive Federation</u>. Examining a wide variety of studies in various industries, the audit found that non-cash awards can actually capture an employee's imagination better than cash - thereby motivating them to increase performance.

For business executives focused on the bottom line this study proves extremely valuable and forces the question, "Does your company have the right award mix in place?"

Companies looking for non-cash award ideas can try some of these.

- 1. Home is where the heart is Many employees spend more time with their co-workers than their spouses and children. Time off work or flexible hours can be a reward that is greatly appreciated and shows employees that the company respects and encourages family values.
- 2. **Peer to peer recognition** Leaders in organizations tend to think that an employee values their recognition the most, but surveys show that employees feel better when they are recognized by their peer because they know what you're doing on a day to day basis. Top-down recognition is often viewed as political and it rarely reaches the "quiet but critical high-performers" in the company.
- 3. **Surprise!** Not everyone loves a surprise, but a boring weekday afternoon can turn into a fun adventure for the entire team with a surprise outing to get everyone out of the office and re-energized.
- 4. **Wall of Fame** Set aside a public space inside your office and place photos of employees who've accomplished something truly special, along with the details of what they did to earn their place on the wall.
- 5. **Valet it** Give the best parking spot for employees who've done something truly worthwhile. If public transportation is the way to go, buy them a cab or limo ride home.

Finding your own mix of rewards and recognition will help define your culture and make the workplace a more inviting and invigorating destination for employees. Give it a try for your company in 2015.