



SHINE
INSPIRING SUCCESS IN YOUR WORKPLACE

WORK MODE VS HOLIDAY MODE

THE GUIDE TO FESTIVE MOTIVATION,
INCENTIVES AND REWARDS

INTRODUCTION

Keeping staff motivated, productive, engaged and happy can be a challenge at any time of year, but during the festive period it becomes more difficult than ever. With pressure to meet deadlines and hit end-of-year targets, bank holidays looming, financial stress and a workforce who are desperate to get home to their families, the approaching holidays can cause all kinds of problems.

So what's the answer? Breathing down your team's necks until 5:30 on Christmas Eve might make sure everything gets done, but it's no good for morale. Let's look at what your employees are thinking as the year comes to an end – what pressures they're facing and what they want from you as an employer. By understanding why your staff may be experiencing stress or are feeling unmotivated over the festive period, it will become clearer as to how incentives and rewards can help, and what methods could work best for your organisation.

CONTENTS

04 Holiday mode

Does productivity and motivation fall before the holidays?

06 Catching up or winding down?

Are your employees putting off work or rushing to get everything done?

08 Festive worries

Are your staff ending the year under pressure?

10 The things affecting your employees' motivation

Whether positive or negative, are these what's keeping work from getting done?

16 How an incentives and rewards program can help

What's the right way to use sales incentives and staff rewards at Christmas?

20 Let your employees set the pace

Flexibility is key – what are your employees telling you they need?

22 January blues

What's causing your employees' post-Christmas slump?

24 Our solutions

More information about how we can help you provide festive rewards.



**HOLIDAY MODE IS A STATE OF
MIND WHERE THINGS JUST
DON'T GET DONE**



HOLIDAY MODE

**DOES PRODUCTIVITY AND MOTIVATION
FALL BEFORE THE HOLIDAYS?**

This will be a familiar scenario for any employer or manager. December rolls around, and productivity seemingly grinds to a halt. At some point during the second week of the month, or sooner if you've got an employee who's over-eager with the office decorations, the festive lull will set in. People are using up their holiday allowance, battling Christmas party hangovers, and generally slipping into the dreaded holiday mode.

Holiday mode is a state of mind where things just don't get done. Staff are winding down, avoiding taking on new work, and thinking about being elsewhere. It can strike at any time, with outbreaks occurring throughout Summer in particular – **August is often regarded as the least productive month of the year**¹ because of Summer holidays – but it's at Christmas where the entire staff can be struck with the productivity-shattering affliction, and in many industries, it's December where staff motivation and productivity really takes a hit.

In a survey of catering industry workers², for example, almost half of the respondents admitted to doing up to 20% less work in the last month of the year, with one in six saying it was as much as 30% less. Another survey we conducted of employees of all kinds in 2015 found that more than a quarter (27%) are least motivated around the Christmas period compared to the rest of the year†, while our 2016 survey found that 28% of people will avoid taking on new work as they wind down for the holidays*.

Combine this with the unfortunate fact that December is often the shortest working month of the year for businesses – with bank holidays, staff holidays and festive shutdowns – and your relatively unmotivated team has even less man hours than usual to get their work done.

27%

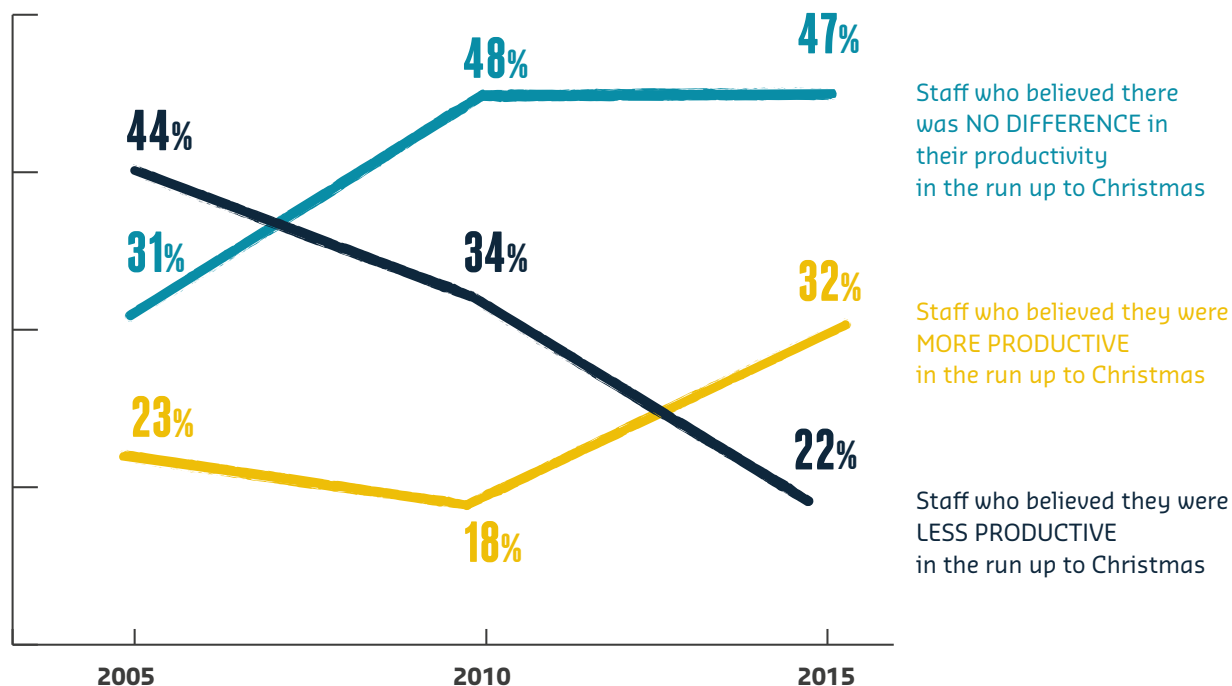
OF EMPLOYEES ARE LESS MOTIVATED
AROUND CHRISTMAS THAN AT ANY
OTHER TIME OF YEAR

A woman with long, wavy blonde hair is standing in a room, decorating a Christmas tree. She is wearing a light-colored button-down shirt and dark pants. She is holding a small, clear glass ornament and is in the process of hanging it on the tree. The tree is decorated with various ornaments, including blue and silver balls, white stars, and a small white tree ornament. The background shows a wooden staircase and a window with a star-shaped decoration hanging on the wall.

CATCHING UP OR WINDING DOWN?

**ARE YOUR EMPLOYEES PUTTING
OFF WORK OR RUSHING TO GET
EVERYTHING DONE?**

Chart showing the changing attitudes of staff over a 10 year period in relation to their perception of how productive they are in the run up to Christmas:



It seems as though pressure is actually making people more productive as holidays approach. Isn't this a good thing? Well, maybe not. They may be productive, but they may not necessarily be happy.

There's another side to holiday mode. Although some of your staff may be winding down, others will be working frantically to make sure everything gets done before the break, dealing with a remarkable amount of pressure – no doubt not helped by their more relaxed colleagues. Our research has found that 15% of people are working harder in an effort to hit targets as Christmas approaches*.

It seems that a panicked approach is increasingly becoming the norm, and this shift in attitudes is not just unique to British workers. US-based staffing agency Accountemps have polled business executives regularly over a 10-year period – in 2005, 2010 and 2015, covering both pre and post-recession periods – providing interesting longitudinal data on how staff attitudes leading up to a holiday have changed.



ALTHOUGH SOME STAFF MAY BE WINDING DOWN, OTHERS WILL BE WORKING FRANTICALLY TO MAKE SURE EVERYTHING GETS DONE BEFORE THE BREAK



FESTIVE WORRIES

ARE YOUR STAFF ENDING THE YEAR UNDER PRESSURE?



IT'S IMPORTANT TO REMEMBER THAT PEOPLE AREN'T JUST DISTRACTED BY EXCITEMENT, AND THERE MAY BE VERY SERIOUS REASONS WHY DECEMBER IS DIFFICULT FOR YOUR EMPLOYEES

An essential first step to ensuring your staff remain motivated is understanding the pressures they're facing – there's more to holiday mode than you might think, particularly in December. Staff aren't just distracted by the fun of the festive season or rushing to get work done – there is a variety of anxieties and worries that can take hold at work all year round, but become increasingly pressing as the year comes to an end.

Statistics from the Health and Safety Executive⁶ show that, between 2008 and 2015, 44% of UK workers reported work-related stress, depression or anxiety, and in 2013, the Guardian found that **staff were more stressed at work⁷** than they had been at any point in the last 20 years because of concerns about loss of job status and pay reductions – issues particularly in the forefront of employees' minds as they approach the new year.

Research finds that the Christmas period is often the most stressful for employees⁸, and our 2016 survey found that 23% of UK employees feel more stressed in the run up to Christmas*.

It's important to remember that, when trying to motivate staff through the Christmas period, people aren't just distracted by excitement over time off, and there may be very serious reasons why December in particular is difficult for your employees.



23% OF UK EMPLOYEES FEEL
MORE STRESSED IN THE
RUN UP TO CHRISTMAS





THE THINGS AFFECTING YOUR EMPLOYEES' MOTIVATION

WHETHER POSITIVE OR NEGATIVE,
ARE THESE WHAT'S KEEPING WORK
FROM BEING DONE?

DECEMBER IS USUALLY ONE OF THE SHORTEST MONTHS OF THE YEAR FOR WORKING DAYS, DEPENDING ON WHEN THE WEEKENDS FALL

Stress has a serious effect on the body and the brain. The impact of stress can include:

- Sleep disturbance
- Restlessness
- Lack of energy and fatigue Mental slowdown, difficulty concentrating and forgetfulness
- Frustration
- Feeling overwhelmed

And **much, much more**⁹ – none of which sound particularly conducive to getting work done. But unfortunately, in December and in the build-up to the holidays, there is a lot more to be stressed about.

LESS TIME TO GET WORK DONE

Our research found that having less time to get work done before taking time off at Christmas causes stress for 29% of people. As we've already discussed, December is usually one of the shortest months of the year for working days, depending on when the weekends fall – in 2016, it's tied shortest with January and May with just 20 days.

However, many people will also take off the 24th, as well as the 27th to the 31st – which can bring working days in the month down to between 15 and 17.

Some businesses also shut down for the festive period which, while a wonderful gesture, will leave the remaining days feeling far more stressful as staff try to complete the same amount of work in three-quarters of the time – often while trying to deal with clients or suppliers who have shut down for the holidays themselves.

29%

OF PEOPLE ARE STRESSED BECAUSE
THEY HAVE LESS TIME TO GET
WORK DONE AT CHRISTMAS



**45% OF BRITISH
PEOPLE FIND THE
CHRISTMAS PERIOD
FINANCIALLY
STRESSFUL**

FINANCIAL WORRIES

Money is tight at Christmas – this much is common knowledge. Presents, parties, travel, food – it all adds up. The average UK salary is £27,600¹⁰, which typically leaves a take-home pay of around £1,700 per month, and last year British families spent an average of more than £800 on Christmas¹¹ – that’s almost half December’s wage!

The same research found that 23% of people feel pressured to spend more than they can afford, and our own 2015 survey found that 50% of UK adults will use credit cards, long-term savings, or even payday loans to fund the cost of Christmas¹.

According to research from Bacs¹², as many as 45% of British people find the Christmas period financially stressful, and our own survey found that 32% of people are affected at work by financial pressures*.

BONUSES

Many businesses may be ditching the annual bonus in favour of a more well-rounded recognition program, but for many employees at organisations around the UK, the end-of-year bonus can be the difference between a

comfortable or cost-cutting Christmas. It’s the most important part of the festive period for 39% of UK employees* because of just how much of an impact it can have.

ILL HEALTH

Illness caused by winter weather is a cause of workplace stress for 16% of UK employees*. According to the Office for National Statistics’ most recent report¹⁵ into sickness absence at work; coughs, colds and flu account for 30% of the 130 million-plus working days lost to illness each year – and these illnesses are particularly common in the winter.

When staff are ill, losing a day or two in the office to stay at home in bed can actually be the best case scenario – research has found¹⁶ that almost half of the UK’s workers will go into work despite feeling unwell.

An ill worker is definitely not a motivated worker, but this happens enough that employees who come into work, despite feeling sick, and get nothing done has a name: “Presenteeism”. And, of course, there’s a huge risk of illness spreading to others, knocking even more employees out of action for a few days.

COMPETITION OVER DAYS OFF

Everyone will want to book time off around Christmas and New Year but, unless your organisation shuts down for a week on Christmas Eve, some people will be in for a disappointment. Not everyone can take time off – Christmas cover will often be required, and managers will have to make a decision as to who will be working as fairly as possible.

Some will have used up too much holiday throughout the course of the year, whether it was for a holiday or a personal obligation. Whatever the reasons, the thought of spending Christmas at work can be very demoralising.

FESTIVE ACTIVITIES

Christmas is fun! At least, it's supposed to be. Decorating the office, planning for the office party, being hungover after the office party, organising Secret Santa, handing out gifts and cards... whatever your workplace does to make the festive season a little bit more festive is, unfortunately, going to distract staff to some extent. As many as 15% of UK employees say that being distracted by festive office events affects their motivation and productivity*.

FEELING PRESSURED TO JOIN IN WITH THE FUN CHRISTMAS ISN'T NECESSARILY FUN FOR EVERYONE.

A 2013 YouGov survey¹⁷ found that 21% of people (that's one in five) dislike Christmas, while research by OnRec¹⁸ found that 54% of employees dread the office party – and 7% will either avoid it entirely or leave as early as possible. Our own survey of UK employees found that almost a quarter (23%) experience stress because they feel pressured to join in with “fun” activities*.

Forced fun definitely isn't fun for everyone. In their research study, Mandatory Fun: Consent, Gamification and the Impact of Games at Work¹⁹, Ethan Mollick and Nancy Rothbard found that the notion of prescribed fun at work can create tension. Fun is meant to be spontaneous and, in particular at work, a subversion of what staff are actually meant to be doing.

If people are forced to take part in activities, or just feel pressured to get involved, then how is it any different from work?

1/5 PEOPLE DISLIKE CHRISTMAS



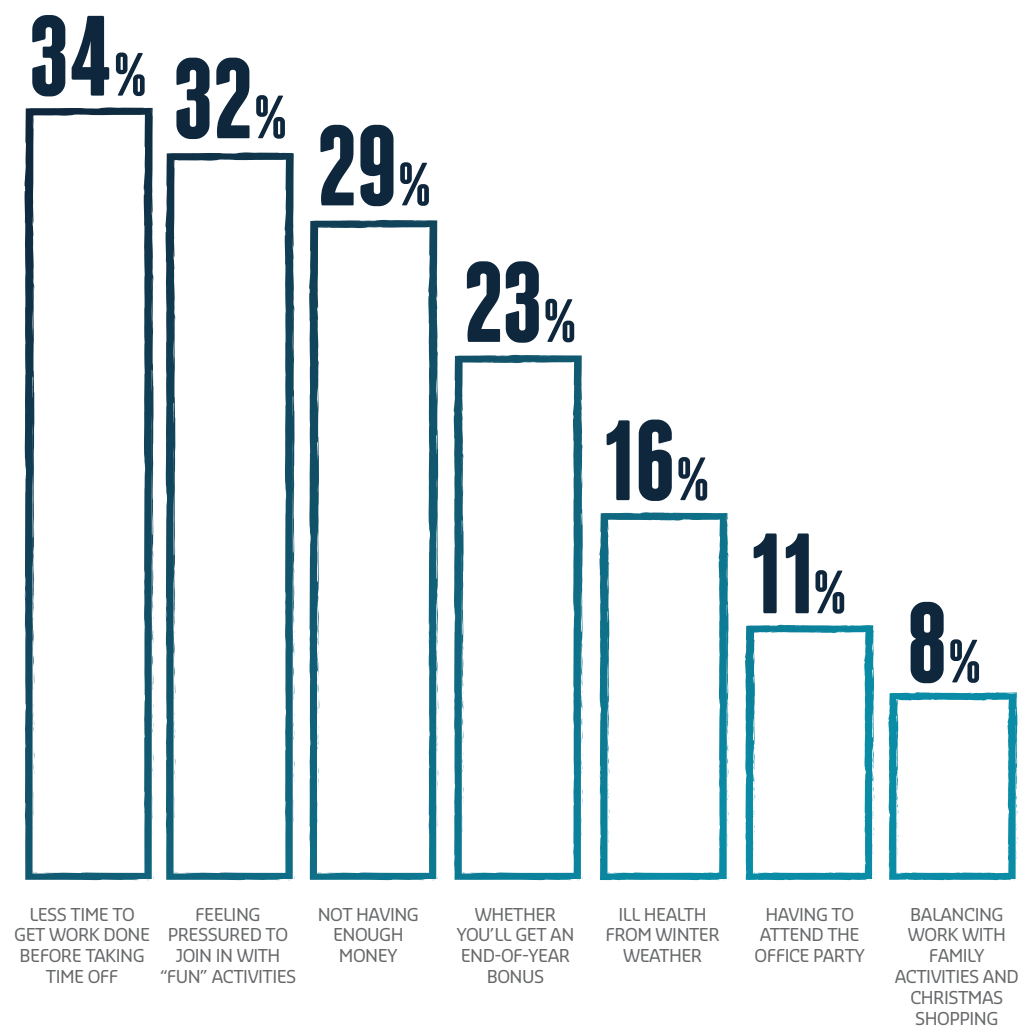
WORK/LIFE BALANCE

While 10% of people²⁰ may start planning for Christmas in October, a lot of the burden comes in December. With shopping to complete, school functions for the kids, family obligations and more, people's time is particularly stretched in the festive period. Research has found that people spend an average of 270 hours²¹ preparing for Christmas, and when people are working long hours, there's even less time to fit everything in.

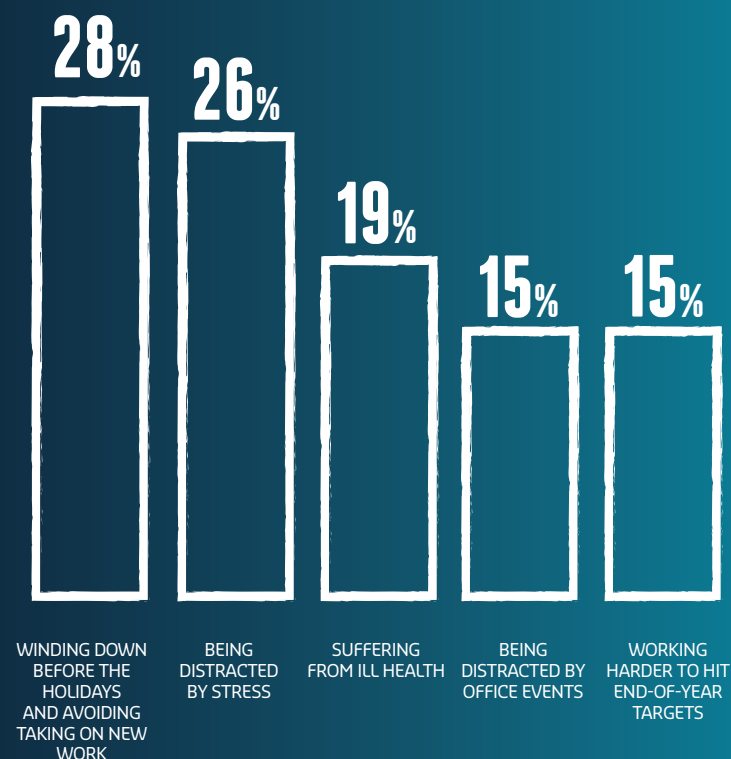
A poor work/life balance in the lead up to Christmas was cited as the biggest cause of stress for UK employees, with 34% of people citing balancing work with family activities and Christmas shopping as being stressful*.

PEOPLE SPEND AN AVERAGE OF
270 HOURS
PREPARING FOR CHRISTMAS

FACTORS AFFECTING STRESS



FACTORS AFFECTING MOTIVATION



Source: Survey of 1,004 UK consumers employed full or part-time aged 18+, The Leadership Factor, 2016



HOW AN INCENTIVES AND REWARDS PROGRAM CAN HELP

WHAT'S THE RIGHT WAY TO USE SALES
INCENTIVES AND REWARDS AT CHRISTMAS?

SALES INCENTIVES AND STAFF REWARDS HAVE BEEN SHOWN TO IMPROVE EMPLOYEE MOTIVATION AND ENGAGEMENT ALL YEAR ROUND

Sales incentives and staff rewards have been shown to improve employee motivation and engagement all year round, and as the year comes to an end they could be the ideal solution for keeping morale and productivity high.

REDUCING FINANCIAL PRESSURES

We've already discussed the extent of financial pressures over Christmas, and focusing on alleviating some of that burden for your employees will go a long way to improving staff morale throughout December, and there are more ways to do this than just through the simple end-of-year bonus – which can all-too-often feel like it disappears to the taxman for employees.

Vouchers, gift cards and pre-paid debit cards can make an ideal reward or gift for employees at the end of the year. While any extra money on a payslip at the end of the month will likely be swallowed up by bills, these alternatives give staff something they can set aside.

Whether it's discounts at a supermarket to help cover Christmas food costs or vouchers to take the family out to the cinema, these little things can really make a difference when money is so tight.

Net salary reduction programs can also help reduce financial pressures. Employees could be making savings on childcare or parking throughout the year, helping them to save a little extra, or putting aside a portion of their salary to pay for a new phone, tablet or laptop as a gift.

REDUCING UNCERTAINTY AND ANXIETY

End-of-year bonuses create a great deal of uncertainty and, when coupled with a performance review, can be a major cause of stress. An established rewards and incentives program, in which employees have a better understanding of what they will receive as a return for their hard work, and where communication is a bit more transparent, can go a long way to relieving this.

PROVIDING A PERSONALISED APPROACH

Personalisation is really important – and a lot of the more traditional festive rewards, such as a one-size-fits-all performance bonus, aren't very personal. Providing employees with choice through reward cards or vouchers that can be used with multiple retailers can be very effective – it shows that you know what is important to your staff, but gives them the freedom to make their own choice. Unlike a bonus, which just appears on the payslip, you can hand over physical rewards in person, with an extra thank you for their contributions throughout the year.

GIVING THE GIFT OF TIME

It's a difficult thing to balance, given that many will already be short on time. But if you can plan carefully, using extra time off outside of flexible working considerations as a reward for good performance can provide employees with the time they need to deal with some of the family commitments and shopping trips that are causing stress in the countdown to the holidays.

REDUCING THE BLOW OF HAVING TO WORK OVER THE HOLIDAYS

If there are people stuck in the office between Boxing Day and New Year's Eve, an incentive scheme is a simple way to ensure that there's something to keep them motivated, with added rewards for those who are working, while others are celebrating at home.

BOOSTING MOTIVATION

Whether your targets are measured monthly, quarterly or annually, don't expect staff to have it at the forefront of their minds in December, particularly if you're measuring performance over a longer period – people will forget and lose focus as the weeks go by. Reminding your employees that they're getting closer to their rewards, or changing pace by adding something different – such as a game to test employee knowledge, offering a chance to earn extra rewards – especially for the Christmas period, could be a simple way of refocusing and keeping motivation up as the year draws to a close.

//
**1/5 PEOPLE
ARE LOOKING TO CHANGE
CAREER IN THE NEXT
12 MONTHS**
//



38%
**OF EMPLOYEES WANT
REWARDS THAT MAKE THEM
FEEL VALUED**

REWARDING EMPLOYEES FOR A JOB WELL DONE

Incentives and rewards shouldn't be viewed as a way to bribe staff into working harder – they should be provided to make staff feel valued for the work they do for the organisation. With as many as one in five people²² looking to change career in the next 12 months, inspiring the loyalty of staff is essential.

Our research has found that 38% of employees want rewards that make them feel valued (compared to just 9% who are either looking for something fun or something that makes them more productive)*, while 55% of employees would feel more valued if they received a non-financial reward†, so the importance of finding out what your employees actually want beyond a few extra numbers on

their payslip should be clear. There's always the potential to go big with your staff incentives – for example, rewarding the exceptional performers of the year with an all-expenses paid weekend trip to Christmas markets or New Years' celebrations in Edinburgh, could be a fantastic way to reward your employees without impacting their time in the office, while providing something to work towards that makes those rushing to get their work done feel valued for their efforts.

A man and a woman are shown from the chest up, carrying a large, wrapped Christmas tree on their shoulders. The man, on the left, has a grey beard and is smiling broadly. The woman, on the right, has short dark hair and is laughing with her mouth open, her hand raised near the tree. They are both wearing dark blue puffer jackets. The background is a soft, out-of-focus outdoor setting.

LET YOUR EMPLOYEES SET THE PACE

**FLEXIBILITY IS KEY - WHAT ARE YOUR
EMPLOYEES TELLING YOU THEY NEED?**

It's important to remember that there's really no one-size-fits-all solution: retail environments are completely different to offices, and then offices themselves are all different, with different sales processes, organisational structures and objectives.

Both the development of an incentives and rewards program, and planning for the festive period, should be led by the needs of the staff – so let them set the pace. In the build-up to Christmas, you could survey your staff to find out what they want from workplace festivities, as well as what they are interested in receiving in the year ahead.

Our research in 2015 found that the majority of employees (84%) think they would feel more motivated if they received a non-financial reward, while almost half (49%) think a multi-choice gift card or voucher would be one of the best options† indicating a desire to move away from the unpredictable, taxable Christmas bonus to something more flexible and creative.

There are other ways to give employees a little bit more control at work at the most stressful time of the year, too. Flexible working can have a positive impact all year round, but it's not for every organisation in the long term.

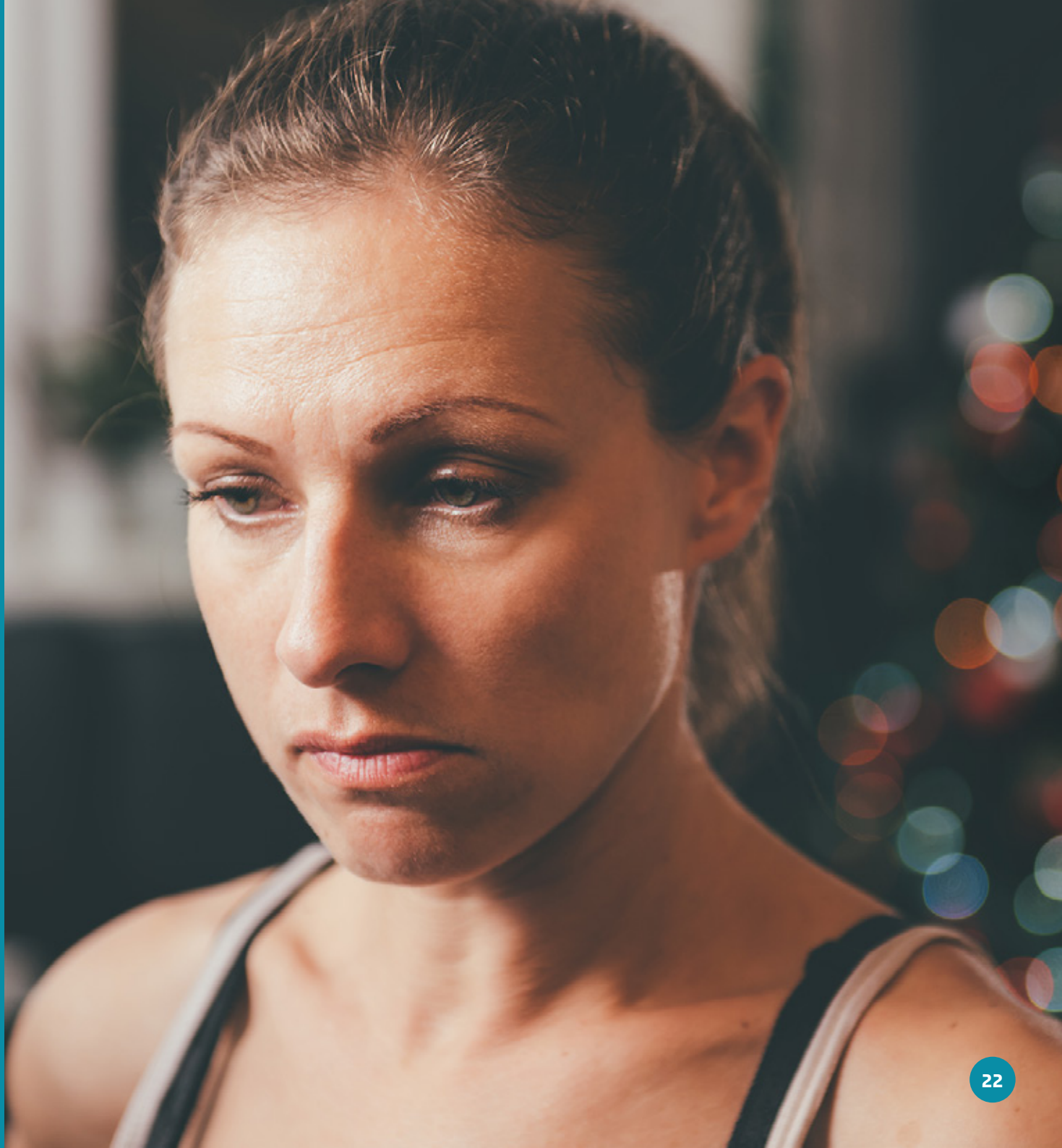
Implementing short-term flexible working policies for December in particular could have a positive effect – allowing staff to work from home to receive deliveries, start earlier in exchange for an early finish to make it to a child's school event or a longer lunch to do some Christmas shopping could be an easy way to reduce the pressures on your employees. It's something people want: in our 2016 survey, we found that 16% of employees would like flexible working or early finishes, and 18% wish their office shut down over Christmas*. The most important part is providing the choice.

**84% OF EMPLOYEES
THINK THEY WOULD FEEL MORE
MOTIVATED IF THEY RECEIVED A
NON-FINANCIAL REWARD**

What is most important to an employee when receiving rewards	%
Feeling valued	38%
Keeping motivated	29%
More flexibility	11%
Improving productivity	9%
Something fun	9%
Fulfilling contractual obligations	4%

JANUARY BLUES

WHAT'S CAUSING YOUR
EMPLOYEES' POST-
CHRISTMAS SLUMP?



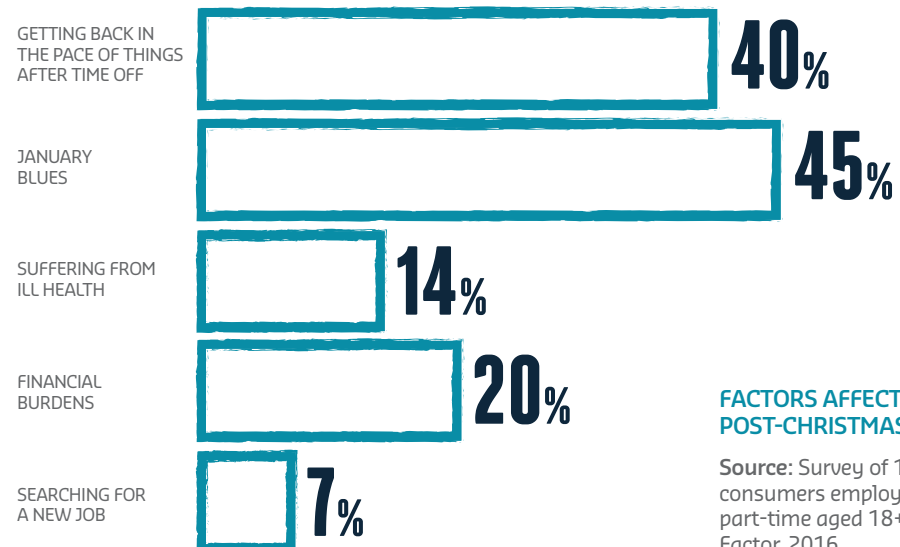
SPLITTING YOUR
CHRISTMAS REWARDS
BUDGET OVER DECEMBER
AND JANUARY COULD
HAVE A GREATER IMPACT
ON STAFF AND REDUCE
THE FINANCIAL BURDENS
THAT **20% OF STAFF**
ARE FEELING
POST- CHRISTMAS

Once Christmas is over, it's important to deal with the aftermath in the right way. January tends to have the highest absence rate²³ in the year, with increased sickness and the annual problem of the January Blues. Employees are struggling to get back into work mode, and on top of that, are short on funds following the Christmas period.

This is where having a recognition and rewards scheme all year round, rather than just relying on one end-of-year bonus, really comes into play. January is when 7% of your staff are looking for a new job, 20% are experiencing financial burdens, and 45% are suffering from poor mental health

– this is an essential time to show your staff that they're valued, to give them options to choose a net salary reduction in exchange for an investment that they'll see the benefit of all year, and offer incentives to help them get back into the swing of working again.

One approach could be splitting your Christmas rewards budget over December and January, allowing it to be used when it would have the greatest impact for staff.



**FACTORS AFFECTING MOTIVATION
POST-CHRISTMAS**

Source: Survey of 1,004 UK consumers employed full or part-time aged 18+, The Leadership Factor, 2016

OUR SOLUTIONS

MORE INFORMATION ABOUT
HOW WE CAN HELP YOU
PROVIDE FESTIVE REWARDS





WE PROVIDE A RANGE OF SOLUTIONS FOR SALES INCENTIVES, STAFF REWARDS AND EMPLOYEE BENEFITS



VOUCHERS AND GIFT CARDS

We offer single-use vouchers and reloadable gift cards for dozens of retailers, with a wide enough range to ensure there'll be something that everyone in your organisation will love. Covering online retailers, supermarkets, entertainment and travel providers, and restaurants, there's a great deal of choice – and our list of retailers is always being updated, too.

EVENTS AND AVIATION

We can help you plan, organise and run events and travel for your employees, ranging from simple trips and celebrations to once-in-a-lifetime holiday experiences.

ONLINE PORTALS AND E-GIFTING

Have discount codes and vouchers sent directly to employees' email inbox, or provide an online portal for staff to access and choose for themselves. We can help you provide instant rewards to your employees that cover a wide range of retailers and services.

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**EMPLOYEE & CONSUMER
ENGAGEMENT** | *Bringing people and
business together*

GET IN TOUCH

Part of Sodexo Employee and Consumer Engagement, our Shine solutions inspire a successful workplace culture by incentivising performance and recognising success. We change behaviours and drive outstanding engagement - all focused around your specific business objectives. Never out of a box, we're all about the experience, always purposeful and always powerful.

At Sodexo, we have over 50 years' heritage in creating award-winning experiences that make people's lives better. From growing employee culture and inspiring success in your workplace, to driving consumer engagement with your brand, we transform the way in which employees and consumers behave or perform, meaning they'll engage more deeply with you.

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