

## Employee Recognition vs Employee Compensation (vsdiff.com)

Criteria	Employee Recognition	Employee Compensation
<b>Definition</b>	Formal acknowledgment of an employee's efforts, skills, or achievements.	Monetary rewards or benefits provided to employees for their work.
<b>Purpose</b>	To enhance morale and motivation.	To ensure fair payment for work performed.
<b>Types</b>	Verbal praise, awards, certificates, employee of the month programs.	Salary, bonuses, health benefits, retirement plans.
<b>Impact on Employee</b>	Increases job satisfaction, loyalty, and engagement.	Provides financial security and stability.
<b>Cost to Employer</b>	Generally low cost, but implementing effective recognition programs may incur costs.	Often a large and ongoing expense for the company.
<b>Long-term Effects</b>	Fosters a positive workplace culture.	Influences employee retention and attraction.

Source: <https://vsdiff.com/employee-recognition-vs-employee-compensation/>