



Paylocity Adds Peer-to-Peer Rewards to Strengthen Team Bonds and Share Everyday Moments of Gratitude

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Innovative capability positions peer appreciation as a business-critical driver of culture, employee engagement and retention.

SAN DIEGO, June 30, 2025 (GLOBE NEWSWIRE) -- SHRM 2025 Conference -- In response to strong demand from clients seeking more impactful ways to drive retention, performance, and engagement of key employees, [Paylocity](#) (NASDAQ: PCTY), an award-winning provider of cloud-based HR, payroll, and spend management software solutions, today announced the addition of Peer-to-Peer Rewards to its [Recognition & Rewards solution](#). Managers and peer employees can now provide direct recognition and reward for outstanding performance and impact with monetary awards and digital gift cards, seamlessly processed through Paylocity's integrated payroll and tax platform. Administrators retain full control and visibility into how Rewards are funded and distributed, ensuring alignment with company culture, objectives, budgets and policies.

While manager-driven rewards remain important, high-performing organizations have also benefited from employees' ability to acknowledge and support each other directly for impactful performance - helping organizations turn everyday appreciation into a strategic lever for building culture, driving performance, strengthening team relationships, and improving retention.

Appreciating employees in impactful ways drives engagement and retention. [Research from Gallup and Workhuman shows](#) employees are 45 percent less likely to leave when they feel recognized and valued. Among Paylocity clients, 82 percent of Rewards are redeemed as cash, reflecting a strong employee preference for flexible unrestricted rewards. Unlike other providers that rely on gift cards to navigate tax complexities, Paylocity is the only HCM solution to deliver cash rewards natively. This offers organizations a simple, compliant way to meet employee preferences and create more inclusive reward programs.

"Some of our most effective innovations are driven by listening to clients and creating solutions that align with the business outcomes they need to drive, and how people truly work," said Melissa King, Paylocity SVP of Product and Technology. "This latest enhancement to our Rewards & Recognition offering is a powerful way for businesses to reward impactful performance, strengthen culture, boost engagement, and retain top talent."

Key Features:

- **Rewards:** Administrators can allocate Reward Dollars from the Company Wallet to any employee's wallet, fostering a company-wide culture of appreciation.
- **Flexible Redemption Options:** Employees can redeem Reward Ducks via direct deposit or choose digital gift cards from popular brands, stores, and restaurants. There are no additional fees for clients when redeeming either cash or gift cards.
- **Automated Taxation:** Peer-to-Peer Rewards is on the same platform clients use for payroll, so tax calculation and collection are processed seamlessly in the next payroll batch, ensuring compliance without added administrative burden.
- **Simplified Fund Management:** Admins have full visibility and control over how rewards are funded and distributed, with the ability to pre-fund monetary rewards into a company wallet and allocate them to individual wallets as needed. They also have complete oversight of funding and history, helping organizations manage spend in a way that aligns with their financial priorities.
- **Customization and Personalization:** Admins can craft customized recognition programs, including custom badges aligned with company values. Employees can add photos, videos, or GIFs to recognitions and even use AI Assist for writing messages.
- **Seamless Platform Integration:** Paylocity's solution is accessible across the platform, including the Recognition & Rewards workspace, Community, employee Home dashboard, and Mobile App. This makes appreciation a natural part of daily workflows without requiring separate logins or third-party tools.

Availability

Built upon Paylocity's popular Rewards & Recognition solution, the new Peer-to-Peer Rewards functionality will be available to Paylocity clients in August 2025.

About Paylocity

Headquartered in Schaumburg, IL, Paylocity (NASDAQ: PCTY) is an award-winning provider of cloud-based HR, payroll and spend management software solutions. Founded in 1997 and publicly traded since 2014, Paylocity offers an intuitive, easy-to-use product suite that helps businesses automate and streamline HR and payroll processes, attract and retain talent, and build culture and connection with their employees. Known for its unique culture and consistently recognized as one of the best places to work, Paylocity accompanies its clients on the journey to create great workplaces and help all employees achieve their best. For more information, visit www.paylocity.com.

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