

The future of employee recognition



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The workplace is changing and employee engagement strategies **are changing along with it.**

Anyone involved in employee engagement knows that conventional wisdom has been turned on its head by a pandemic. Even though the complexity of the workplace has changed, recognition can be the connection that continues to inspire your employees to do great work. How well do you know the people who come to work every day and how will you effectively engage them in the next 12 months? Here are some trends that we believe will shape the future of employee recognition.

Connect with employees emotionally.

What happens when you recognize an employee's behavior? You start a cycle of success, grounded in the science of behavioral economics. It works like this:

- The employee you recognized experiences the dopamine effect, a rush felt after something good happens.
- He or she feels valued and appreciated, which leads to enhanced subjective well-being, or perceived happiness.
- Your employee reciprocates the desired behavior in order to feel the beneficial effects of recognition and in turn, becomes more engaged and motivated.

The key to boosting employee engagement – and your organization's long-term success – is to make a habit of recognizing. Think of ways you can inspire great work and acknowledge your team's contributions. Connect recognition back to your company's strategies, make it meaningful and use it frequently.

Organizations have been trying to build a business case for employees on engagement but what employees really want is happiness and to be inspired, pure and simple. Instead of declaring undying loyalty or planning long-term career intentions, employees want to enjoy their work, find meaning in it, be recognized when they do well and feel a sense of achievement.

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Recognize early.

Making a connection with employees early in their tenure – day one, week one, month one, for example – is a predictor of long-term employee satisfaction, intent to stay and inspires employees to do great work for the organization. This early recognition will help them feel connected to your brand and mission while also impacting how they interact with your customers. This value proposition is a powerful strategy for your business, your customers and your employees.



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Value loyalty.

Don't wait for the traditional five-year work anniversary. Celebrate milestones early and often, including one month and one year.

Enhance your culture.

Work should be somewhere employees want to be, not have to be. Don't be afraid to give them opportunities to thrive.

Engage your managers.

Standard practice is to acknowledge contributions made across every level of the organization but there's added impact when an immediate supervisor or manager notices—and recognizes—excellent work. Managers might need some help spotting and rewarding desired behaviors but the effort will pay off in the long run.

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Train them.

Recognition is a learned behavior. Let managers know why employee recognition is important and the value it plays in reinforcing key behaviors.

Empower them.

When managers have recognition budgets to use at their discretion, employee retention increases. A BIW study of recognition with points showed employee turnover is **4x higher** among employees who received the lowest frequency of recognitions per month compared to employees who received the highest frequency.

Communicate, measure, then do it all again.

Spread the word and keep checking back to make sure goals are being met.

Make work meaningful.

Employees are looking for more than “just a job” and are seeking work that's personally meaningful. If employees aren't using their skills and being challenged, they'll move on. Hiring managers might be seeking someone to complete specific tasks immediately but they must also make sure even entry-level jobs provide opportunities to learn, contribute and grow.

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Let them lead.

Give employees a specific project or initiative to own. Be there to support them when needed but give them the freedom to manage it and see it through to completion.

Connect them to the bigger picture.

Make sure employees are given regular opportunities to see how their everyday work contributes to larger organizational goals.

Live out your mission.

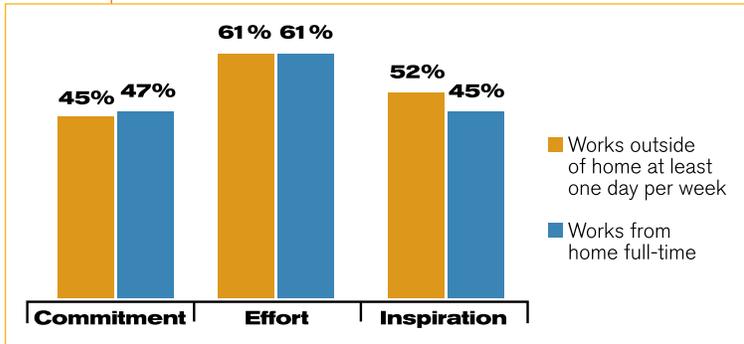
Employees who see value in the purpose and mission of their company will work harder to bring it to life each day.

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Seek to inspire.

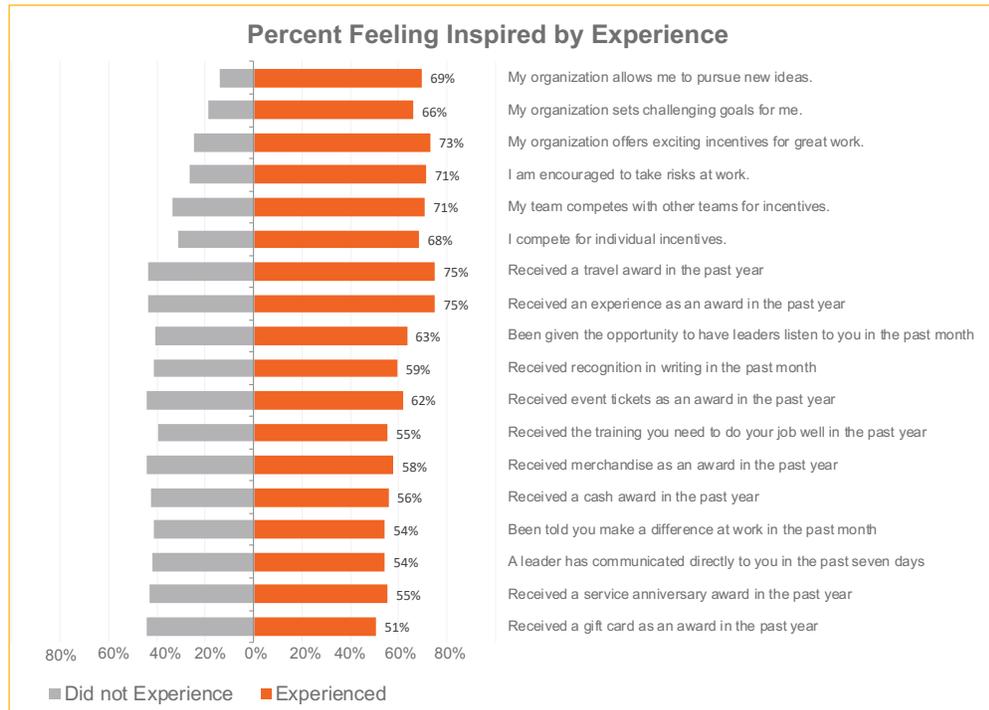
Inspiration is equally important for all employees but a bit harder to attain for those currently working from home full time. In a recent benchmark study, we compared office workers who work outside the home at least one day per week those who work from home every day. The two groups were



equally committed to their organizations and giving equal effort. However, those who were working from home full time were slightly less inspired.

We explored what experiences are most associated with employees feeling inspired. Being able to pursue new ideas and risks, setting challenging goals, competing

for exciting incentives like travel, experiences or event tickets and receiving recognition all significantly increased the odds of employees feeling inspired.



2020 New Rules of Engagement® Research

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Involve employees in goal-setting.

You'll find greater commitment, ownership and achievement of big goals when you involve employees in setting them from the start.

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Encourage out-of-the-box thinking.

Don't get stuck in "the way things are done around here." Employees who are allowed to take risks and do things differently will be inspired to bring their best thinking to work each day.

Reward them.

Nobody likes to work hard day in and day out with no end in sight. Use incentives and rewards to mix it up and offer them something fun to work towards.

Lead with compassion.

Research by Dr. Brad Shuck, an internationally respected researcher on the psychology of engagement, and Maryanne Honeycutt-Elliott, expert in leadership development and executive coaching, has shown higher levels of engagement from employees who work for a compassionate leader—one who is authentic, present, has a sense of dignity, holds others accountable, leads with integrity and shows empathy. In fact, 74% of employees who work for compassionate leaders say they are unlikely to leave their current organization in the next five years.

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Translate strategic goals into individual goals.

This requires genuinely listening to others and working to leverage their strengths, as well as having a willingness to be flexible and adaptable.

Develop others.

Focus outward—not inward—in a way that develops the skills, competencies and abilities of others.

Give and receive helpful feedback.

Listen deeply and communicate well, and you will create credibility, trust and influence.

Meet employees where they are.

Innovative technologies allow employees to speak and be spoken to with relevance and relevance leads to better results. They're accustomed to pulling out their phones whenever they have a spare minute and crave instant, easy access to news, apps, pictures, videos, statuses – all on their terms. They expect the same of their recognition program.

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See it, believe it and live it.

Start with a clear direction that includes what you're communicating and use multiple channels and touchpoints.

Make it easy.

Give employees the ability to recognize each other on devices with which they're comfortable or in an app. Incorporate social elements like news feeds, comments and sharing to enhance the experience.

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Mix it up.

Offer multiple ways to communicate to employees, including traditional methods like company intranets as well as mobile, social recognition platforms and data visualization boards in areas where employees physically gather, like break rooms or conference rooms.

Increase frequency and two-way communication.

There is a trend toward more frequent, two-way communication between leaders and employees. Rather than a single annual engagement survey, organizations are moving toward more frequent pulses or listening strategies. Rather than a single annual performance review, organizations are working to set goals and provide feedback throughout the year. And rather than rewarding the very top performers with a single annual reward, organizations are providing recognition for achievements as they happen.

Increasingly, we are seeing that trust in leadership depends not just on leadership being transparent with employees but also on leadership providing opportunities for employees to voice feedback – and then see action taken to address that feedback.

Recognition systems should ensure employees are able to get immediate feedback on progress and accomplishments. They can also be used to connect employees to one another and to leadership, providing employees with the opportunity to praise leaders or suggest new ideas.

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Share your vision.

Show employees you have a plan for the future and that you are adapting that plan based on what they're telling you is working (and what's not).

Listen, listen and listen some more.

Don't just say you have an open-door policy. Employees will quickly realize their input means nothing if they give suggestions and nothing seems to change.

Embrace different points of view.

Employees need to see that not all ideas and plans are coming from a single part of the organization or a single person on a team. Show them that different viewpoints are not only encouraged but celebrated.

Always remember that what gets recognized will get repeated. Connecting your employee recognition program back to the objectives of your business, no matter what they are or how they change, will drive continued focus on the right behaviors.

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