

Recognition Matters!

Employee Recognition: A Strategic Business Imperative



Top two reasons managers give for not giving more recognition?

They don't have time & they don't know how.

Employee Motivation & Happiness

- 91% of employees ranked “recognition for a job well done” as motivating for high performance. *www.recognition.org*
- 65% of Americans report receiving no recognition or praise in the workplace. *Maritz*

The Manager's Role

- Managers are the single largest influence on employee engagement, retention, and productivity. *Gallup Organization*
- 46% of employees are likely to leave their company if they feel unappreciated by their immediate manager. *Office Team*
- Praise and commendation from managers was rated the top motivator for performance, beating out other non-cash and financial incentives by 67% of workers. *McKinsey Motivating People*
- Training managers on the right way to deliver recognition increases recognition usage by 30 to 40% -- which has a direct impact on employee engagement and retention. *Towers Perrin*

Recognition Matters!

Employee Recognition: A Strategic Business Imperative



Recognition & Retention

- 89% of managers think that people leave their jobs for more money. Truth is: 64% leave because they don't feel appreciated for their contributions. Only 12% leave for more pay. *Leigh Branham, The Seven Hidden Reasons Employees Leave*
- 51% of employees are actively looking for a new job or watching for openings. *Gallup*
- It can cost up to 1.5 times an employee's salary to replace that person. *Hay Group*
- O.C. Tanner, a culture consulting firm, found that 20% of employee turnover happens in the first 45 days. An Allied Workforce Mobility Survey found that 23% of new employees turnover before their first anniversary. And, a BambooHR survey found that 31% had quit a job before their six month anniversary.

Recognition & Worker Productivity

- 35% of employees consider lack of recognition of work as the biggest hindrance to their productivity. *TJ Insite*
- 60% of Best in Class organizations stated that employee recognition is extremely valuable in driving individual performance. *Aberdeen Group*

"Managing is easier when recognition is a priority."

Rochelle Crollard, Human Resources Director
The Everett Clinic

*Fortune Magazine's 100 Best Place to Work
2011, 2012 and 2013*

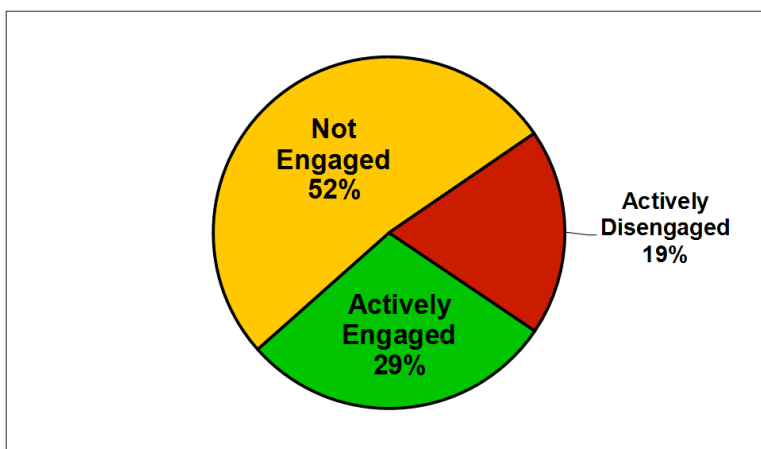
Recognition Matters!

Employee Recognition: A Strategic Business Imperative

Frequent, meaningful appreciation leads to higher levels of employee engagement:

Actively engaged employees stay for what they give.

Actively disengaged employees stay for what they get.



Towers Watson further reported that regular appreciation and thanks for a job well done increases employee engagement by 60%.

In the last 7 days have you received recognition or praise for doing great work? Have you given it? *Gallup Q12*

“Everyone in the middle 70% needs to be motivated and made to feel as if they truly belong. You don’t want to lose the majority of your middle 70 – you want to improve them.”

*Jack Welch
On Differentiation*

Recognition Matters!

Employee Recognition: A Strategic Business Imperative



Recognition & Positioning Your Company as an Employer of Choice

- Fortune's 100 Best Places to Work are also the Most Profitable!
 - ↑ More engaged employees
 - ↑ 50% increased employee retention
 - ↑ Higher customer service scores
 - ↑ Higher levels of employee productivity
 - ↑ 30-40% more profitable than S&P 500 companies

A **dynamic employee recognition strategy** is a critical component of the 100 Best Companies' business models and they practice it!

Recognition Impacts the Bottom Line



- 73% of managers report receiving positive results when they use recognition. *Dr. Bob Nelson*
- According to Dr. Nelson, author, *Recognition & Rewards Fieldbook*, employees in companies that practice a culture of recognition and appreciation are...
 - 5 times more likely to feel valued;
 - 11 times more likely to feel 100% committed;
 - 7 times more likely to stay;
 - 8 times more likely to give enthusiastic referrals; and
 - They put forth 57% more discretionary effort.

Recognition Works helps companies build cultures of appreciation and best places to work. Theresa Chambers, Chief Motivation Officer, facilitates Recognize the Moment® keynotes, lunch-n-learns, workshops for leaders and recognition/culture champions, designs workplace culture surveys for small companies and provides consultation on employee recognition strategy design – virtually or in person.