

RECOGNITION GIVEN FOR HIGH-PERFORMANCE IS THE MOST IMPACTFUL DRIVER OF EMPLOYEE ENGAGEMENT

A compilation of presentations and publication by Harvard Business Review, Willis Towers Watson, Post PhD Research by Dr. Bob Nelson, *501 Ways to Reward Employees* by Dr. Bob Nelson, Gallup Wellbeing (2010), HR Solutions, Maritz Poll, Recognition Professionals International, Ceridian “3 Tips for Recognition”, and Wellbeing - The Five Elements by Dave Trapp (7/11/11).



3167 Berlin Drive • La Crosse WI 54601

(P)608-788-6160 (F)608-788-7012

www.mcdonaldagency.com

Dave Trapp – Insurance Consultant/Intermediary

davet@mcdonaldagency.com

“We Sell Solutions”

Research by HR Solutions with 3 Million Employees...

Recognition was the #1 driver of employee engagement, accounting for 56% of the variance in employee engagement services.

COMMITTED “ENGAGED” EMPLOYEES DELIVER 57% MORE EFFORT THAN UNCOMMITTED ONES



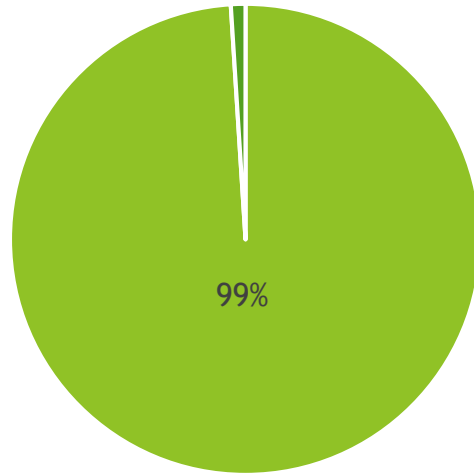
Source: Willis Towers Watson
Engagement Research

Employees that are recognized by their employers are...

- ▶ 5 times more likely to feel valued
- ▶ 6 times more likely to strongly endorse their company as a great place to work
- ▶ 7 times more likely to stay with the company for the rest of their career
- ▶ 11 times more likely to feel completely committed to their jobs

Source: Maritz Poll

Most Employees Want Recognition...



**99.4% of employees
expect to be
recognized when
they do good work.**

Source: Post-doctoral research conducted by Dr. Bob Nelson

Management is out of touch - few employees feel recognized today

- ▶ Only 12% of employees feel recognized in ways they value
- ▶ Almost 34% feel they are not recognized in meaningful ways
- ▶ 80% of managers feel they are good at recognizing their employees

What have organizations historically done to recognize employees...

- ▶ Years of Service recognition
- ▶ Employee of the Month
- ▶ Holiday Parties
- ▶ Summer Picnics
- ▶ Birthdays
- ▶ Retirement Parties

Realigning Your Recognition Focus

Old System of Rewards

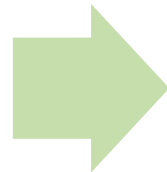
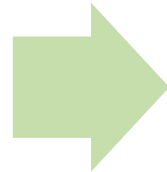
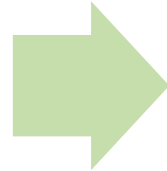
Presence

Disjointed

Administrative Burden

No Measurement/Tracking

One-Size Fits All



New System of Rewards

Performance

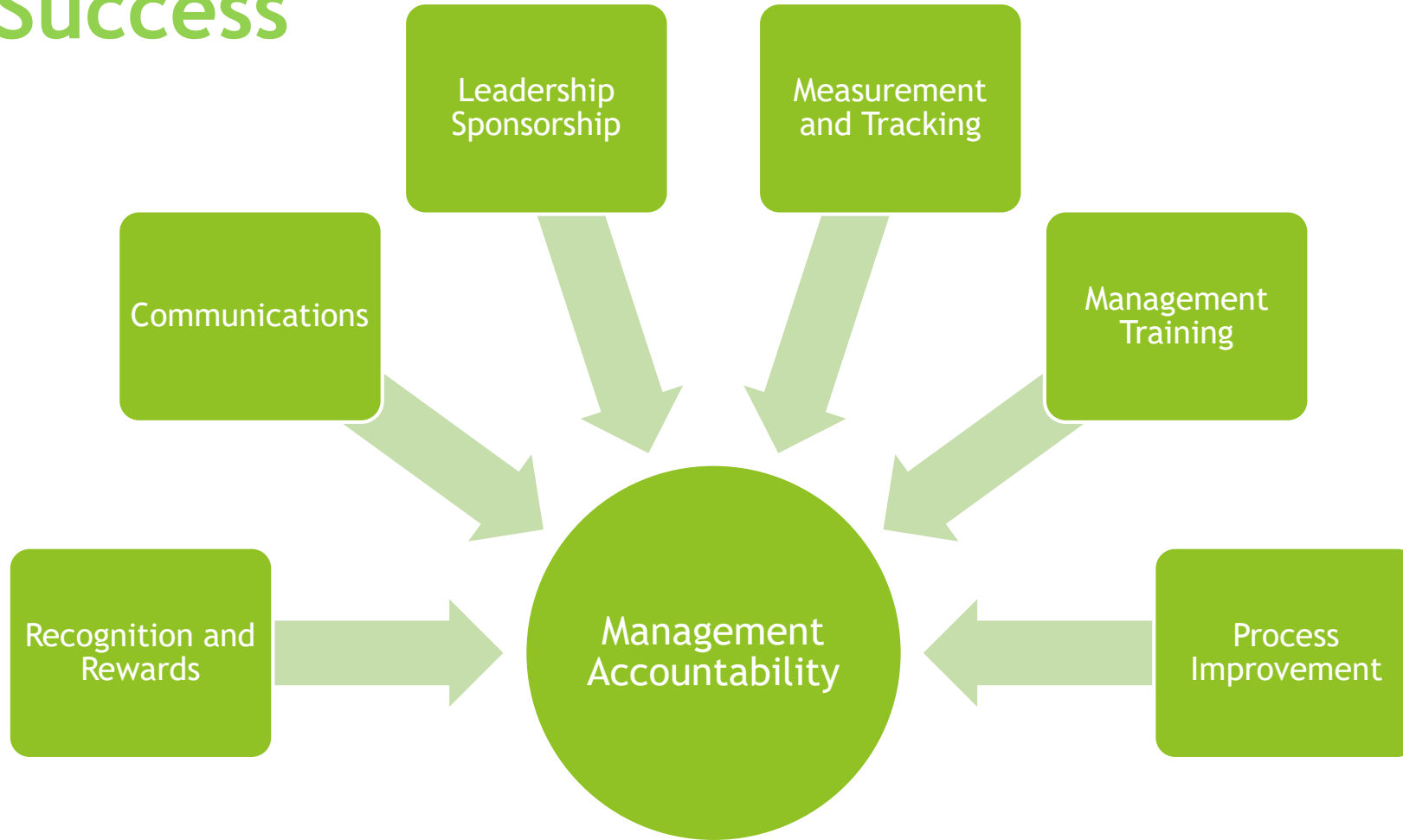
Consolidated

Leveraging Technology

Systematic
Measurement/Tracking

Allow Employee Choice of
Broad Options

Management is Responsible for Elements of Success



Source: Best Practices research conducted by Recognition Professionals International

Managers report that focused/meaningful recognition helps employees:

- ▶ Achieve their job goals (60%)
- ▶ Better achieve their personal goals (69%)
- ▶ Enhance productivity (78%)
- ▶ More easily get work done (80%)
- ▶ Provide practical feedback (84%)
- ▶ Increase employee performance (84%)
- ▶ Better motivate employees (90%)

Source: Findings from Bob Nelson PhD Research as reported in 501 Ways to Reward Employees & The 1001 Recognition & Rewards Field book

Providing Recognition

- ▶ Give Recognition...
 - ▶ On what employees value (free paid time, paid time off, flex time, bonuses, or ask them)
 - ▶ 76% of employees keep handwritten thank you notes.
 - ▶ On a timely basis, as soon as possible after achievement
 - ▶ Based on organization's values and achieving larger goals furthered by employees (not just a job well done)
- ▶ Proper recognition drives productivity because of increased “wellbeing” based on the employee's financial achievements, which are foundation to “wellbeing”.

** For a synopsis of the Gallup “Wellbeing: The Five Elements” (2010), visit www.armitageinonline.com/insurance-publications/white-papers White Paper #21

Recognition Driven Engagement is a workplace strategy that combines:

- ▶ Alignment of the organizations' and employees' purpose and values
- ▶ Clear goals and adequate tools for employees to do their jobs well
- ▶ Ability for employees to develop, grow and enhance their prospects
- ▶ Recognition is most rewarding and beneficial to all concerned. No Cost increases.
- ▶ Why not do more of it?



3167 Berlin Drive • La Crosse WI 54601
(P)608-788-6160 (F)608-788-7012
www.mcdonaldagency.com
Dave Trapp – Insurance Consultant/Intermediary
davet@mcdonaldagency.com

“We Sell Solutions”