

4 benefits of positive recognition to boost employee engagement

By Raphael Crawford-Marks | September 14, 2020 | Employee Benefit News



With all that's happening, it's easy to become overwhelmed with the negativity in the world. Our emotional state is important at work. Positive emotions transform our minds and increase our ability to bounce back from hard times.

The power of positivity should not be overlooked, and recognition plays a critical role in generating these emotions in a modern workplace. Open acknowledgement and expressed appreciation for employees' contributions can go a long way.

1. Improve employee retention

The first benefit of positive employee recognition is improving employee retention. In fact, according to industry analyst Josh Bersin, companies that build a recognition-rich culture actually have a 31% lower voluntary turnover rate.

Gallup research on recognition also shows that employees who don't feel recognized at work are twice as likely to quit within a year. In today's current environment where many organizations are driving more productivity with fewer employees, leaders need to ensure that they're not forgetting to focus on employee retention. You'd be hard-pressed to find an organization that isn't concerned about retaining top talent right now; top performers will find new opportunities

even when they're hesitant to move.

Creating a workplace where people want to stay isn't just beneficial for employees; it's also good for the bottom line. Turnover cost can be difficult to compute, but I challenge you to consider the costs of recruiting, onboarding, training, and the lost institutional knowledge that comes with poor retention.

2. Increase employee engagement

The second benefit that is particularly important right now is increased employee engagement. Our own research showed that 84% of highly engaged employees were recognized the last time they went above and beyond at work compared with only 25% of actively disengaged employees. We also found that while 71% of highly engaged organizations recognize employees for a job well done, only 41% of less-engaged organizations did so.

Positive recognition is powerful and has a clear tie to engagement. Yet, many organizations still do not adequately measure engagement. When was the last time you measured engagement with your own team? How much opportunity is there to improve through recognition?

3. Boost employee morale

The third benefit of positive recognition is boosted morale. I already mentioned the transformative effect of positivity, but the simple act of thanking people can make a tremendous difference. When employees were asked about their experience at work, 70% said that motivation and morale would improve "massively" with managers saying thank you more.

How did you feel last time you were recognized?

Positivity has an important impact on employees, but it also pays literal dividends to companies that have figured out how to encourage it. Research from author Shawn Achor shows that happiness raises sales by 37% and productivity by 31%. Consider ways you can encourage your team to recognize each other more often.

4. Leverage peer recognition

It turns out that peer recognition massively outperforms top-down recognition. Peer recognition occurs when individuals give and receive recognition from their peers, managers, and direct reports.

Being recognized by colleagues is incredibly powerful for employees, especially when it's done publicly. Peer recognition is 36% more likely to have a positive impact on financial results than manager-only recognition, according to SHRM. Managers can't see every positive action that occurs, so think about how to encourage everyone to participate in recognition of great work across the entire organization.