Linking Social Recognition to Retention

A CASE STUDY

Founded in 2003, LinkedIn has become one of the world's most recognizable brands. Not only is it the largest professional network on the Internet – with more than 774 million members – but LinkedIn also generates revenue from Talent Solutions, Marketing Solutions, Learning & Sales Solutions, and Premium Subscription products. At its headquarters in Silicon Valley and in offices around the globe, LinkedIn's 16,000+ employees are on a mission to connect professionals from all over the world to make them more productive and successful.

LinkedIn's culture is based on its core values, which are: Members First; Relationships Matter; Be Open, Honest, and Constructive; Inspire Excellence; Take Intelligent Risks; and Act Like an Owner.

The challenge

One challenge that led LinkedIn to look into social recognition was corporate growth. "We're in a period of superfast growth. It's been a bit of a wild ride, with some volatility. We wanted a program that could drive stability and emphasize our culture and values," says Christina Hall, former chief people officer at LinkedIn. For this reason, it was important that the program be peer-based, rather than hierarchical and top-down.

Additionally, LinkedIn needed to modernize its spot bonus program, which wasn't driving the results they needed. Utilization of the program was inconsistent, infrequent, and involved a drawer full of gift cards, which was an administrative challenge.

Recruiting talent in the heart of Silicon Valley can also have its challenges. While it's difficult to imagine any job candidate who isn't familiar with LinkedIn, the company invests a lot of time and resources into creating the best possible new hire experience. This is one of the reasons re-vamping employee recognition at LinkedIn was so important:

"New hires are a place where we're making a significant investment. Anything we can do that helps tip them toward staying is wonderful," says Christina.

The solution

LinkedIn partnered with Workhuman® to launch Bravo!, a global, peer-to-peer recognition and rewards program. Unlike the former spot bonus program, Bravo! has clear ties to LinkedIn's corporate values and is efficient, consistent, and timely.

"Everyone from the most junior person to the most senior person can give and receive awards. It's great because it takes it out of the standard construct. We don't give Bravo! awards because of an annual review. We believe recognition should flow freely throughout the year," says Christina.
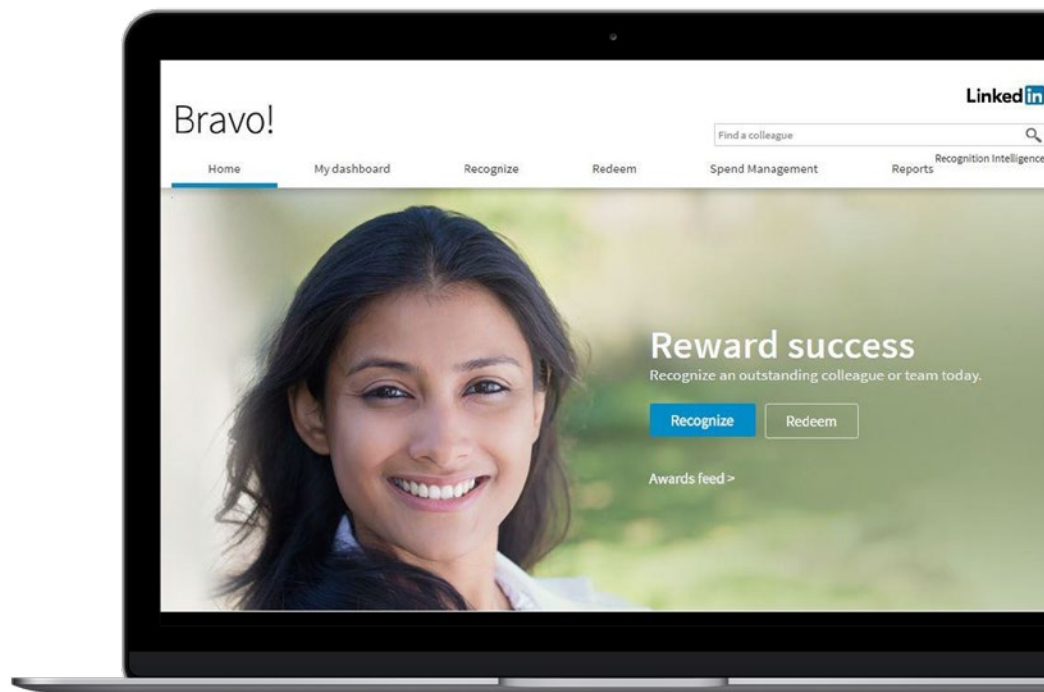
The result

Eighteen months after launch and with high adoption of the program, LinkedIn embarked on an in-depth analysis of Bravo!. In partnership with Shawn Achor, Harvard-trained researcher and best-selling author, and Workhuman iQ, the study examined the correlation between social recognition experience and the retention of key employees.

"The LinkedIn data shows not only the ripple effect that occurs in terms of performance, but the actual creation of praise recipients into praise providers. People are becoming happier and more engaged, and they're part of the process of making other people more positive and engaged," says Shawn.

96% 96% retention rate for all employees who receive 4+ Bravo! awards

54% 54% of employees showed a YOY increase on performance rating when they receive 3+ awards

95% 95% retention rate for new hires who receive 4+ Bravo! awards, an increase from 86% retention rate when new hires receive zero awards

Every time an employee is recognized, they're likely to recognize two other people in the organization. What's more, as the number of awards increases, so do retention rates. For new hires – a group LinkedIn specifically wanted to target with their recognition system – retention rates are nearly 10 percentage points greater for employees who receive four or more awards, as opposed to employees who don't receive any awards.

LinkedIn has also seen a significant impact on employee performance since launching Bravo! "If employees received three or more awards, 54% of those employees improved their performance rating year over year," says Christina.

The associated award doesn't have to be high value, either. In fact, the average award size is $135. "We're seeing these results because it's about the sentiment of gratitude, not a large monetary value. Recognition is this source of motivation that inspires people to do their best work," explains Christina.

At the outset, LinkedIn wanted a program that would mobilize employees at all levels to show appreciation

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> **Recognition can be an invaluable source of motivation and subsequently inspire people to do their best work.**
>
> JEFF WEINER
> Former CEO, current
> Executive Chairman

and drive the culture – and the data shows this is happening with Bravo! Nearly a quarter of the awards (24%) given are peer-to-peer – between employees in the same job grade. Globally, 83% of employees received an award and 62% of employees gave one over the course of one year.

"What I love about this research is it shows the repetition of praise within the program is what matters – the continual bringing it back to the forefront. This means we need to activate champions at every level of our organization to be those praise providers," says Shawn.

Bravo! is also proving to be a key ingredient in LinkedIn's diversity, inclusion, and belonging (DIBs) strategy.

"The strength of our culture helps us retain great employees in a tight job market," says Christina.

"Making people feel they belong at LinkedIn and recognizing their contributions is core to that culture. Our use of the Bravo tool, as powered by Workhuman, helps power that recognition."

To get more ROI from your recognition program, get in touch.

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