From Appreciation to Equity:

HOW RECOGNITION REINFORCES DEI IN THE WORKPLACE

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Table of Contents

Introduction

We are experiencing a time of social unrest.

The Black Lives Matter movement, the overturning of Roe vs. Wade and experiences expressed in the #MeToo movement exemplify a reckoning of just some of the issues Americans face today.

Satisfaction with the way things are going in the U.S., in fact, dipped to near-historical lows in 2022, and close to four in 10 U.S. adults have felt the urge to organize or join a public demonstration. This is four times higher than what Gallup measured in 1965, during the peak of the Civil Rights Movement.[1]

In light of this increasing social unrest, many businesses have publicly committed to fostering diversity, equity and inclusion (DEI) among their employees. As time passes, the pressure is mounting to hold businesses accountable to these commitments.

The vast majority of HR leaders (97%) report that their organization has made changes to improve DEI, but many employees feel differently. According to a recent Gallup survey, just over a third (37%) of employees strongly agree that their employer has made changes to improve DEI in their workplace, signaling some success stories amid considerable room for improvement across many organizations.[2]

People want — and are expecting to see — this change. The DEI movement is happening whether businesses are ready for it or not. Business leaders who proactively prioritize DEI could be the first to reap the financial and brand benefits as employees increasingly demand accountability. And organizations missing the mark on DEI may be forced down a corrective path to recover from potential damages incurred along the way.

So, what can organizations do? Research from Gallup and Workhuman suggests a powerful solution to foster the equitable and inclusive workplace that today's workforce expects. And that solution is within every leader's reach: employee recognition.

In this report, we break down how recognition — when done right — can foster an environment of equity and inclusion, shine a light on historically overlooked or under-supported employees, as well as shield a diverse workforce against burnout and turnover. We also offer leaders actionable next steps to start transforming their workplace today.

> DEI is not a box for organizations to check by making statements about its importance or updating the company website. Applicants and employees alike want to see organizations take meaningful action.
>
> Harnessing the power of strategic recognition is a simple, yet effective way to build a culture that celebrates collective differences and a workplace where people of all backgrounds can thrive.

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1   Brenan, M. (2022, October 27). Abortion Issue Top Factor Urging Americans to Protest. Gallup.com. https://news.gallup.com/poll/395561/abortion-issue-top-factor-urging-americans-protest.aspx

2   Brecheisen, J. (2023, March 9). Research: Where Employees Think Companies' DEIB Efforts Are Failing. Harvard Business Review. https://hbr.org/2023/03/research-where-employees-think-companies-deib-efforts-are-failing

Defining D, E and I

Diversity

The traits and characteristics that make people unique.

Equity

Fair treatment, access and advancement for each person.

Inclusion

An environment that makes people feel welcome, respected and valued.

Diversity, broadly defined as the traits and characteristics that make people unique, is an important part of all thriving workplaces. Whether we're talking about gender, age, sexual orientation, ability, religion, culture or race and ethnicity, a diverse workforce is only sustainable if it is also accompanied by an equitable and inclusive culture.

The data in this report come from multiple Gallup-Workhuman surveys of the U.S. workforce fielded in 2022 and 2023 (see Methodology section at the end of this report for more details). While the present research focuses primarily on experiences by gender as well as race and ethnic groups, we also acknowledge that experiences of groups not explicitly mentioned in this report are critical to moving our workplaces forward and will be explored in depth in future research.

Our bottom line is this: If employee uniqueness is a barrier to advancement or a catalyst for disrespect, leaders might be alienating the talented people who drive their organization forward. However, delivering fulfilling, authentic recognition is associated with more equitable and inclusive workplaces.

Delivering the Right Amount of Recognition *Authentically* Has Equitable Impacts

Gallup and Workhuman have identified that employees' individual needs vary, so there's no "magic number" for how frequently recognition should be given. We've found strong patterns that frequent and authentic recognition, together, predict meaningful change.

Our past studies show that **more than 40%** of employees who strongly agree they're receiving the right amount of recognition for their work are being recognized by coworkers a few times a week, or more.

There's no such thing as *too much* recognition so long as it's genuine and authentically given. And the benefits of getting this right are bountiful.

> Employees who strongly agree that they receive the right amount of recognition for the work they do are **four times more likely** to perceive their workplace as inclusive, and **seven times more likely** to perceive it as equitable compared to those who don't receive the right amount of recognition. However, **when recognition is not hitting the mark (i.e., employees do not strongly agree they're getting the right amount of recognition), just nine percent feel their workplace is equitable, and only 16% feel it is inclusive.**

While the magic number for how frequently employees should be recognized might vary by preferences and performance, managers need to be sure they aren't overlooking anyone's contributions and accomplishments. Business leaders should take the time to recognize employees for what they, uniquely, bring to the table.

TABLE 1

Employee perception of equity and inclusivity in the workplace by amount of recognition						
	Equitable	Somewhat equitable	Not equitable	Inclusive	Somewhat inclusive	Not inclusive
All U.S. employees	29%	45%	26%	36%	43%	21%
Right amount: strongly agree	73%	25%	2%	81%	18%	1%
Right amount: not strongly agree	9%	54%	37%	16%	54%	30%

It may sound like adding a "hand out praise" line on a checklist could be the quick fix for DEI disparities, but leaders would be doing their team a disservice with a recognition checklist mindset. This brings us back to an earlier important point that recognition is powerful when done right.

Praising others haphazardly isn't the same as doing it right. Three-quarters of Black and Hispanic employees do not strongly agree that the recognition they receive is authentic. By comparison, White employees are 10 percentage points more likely to feel the recognition they receive is authentic.

Authentic recognition requires getting to know employees on a personal level, understanding their individual interests and passions and then carefully considering what motivates them (or doesn't). The point is to understand who employees are as people — and recognize them as such. That's where the authenticity shines.

Doling out haphazard, inauthentic thanks won't yield the culture boost leaders are looking for — especially if they're after an improvement in wellbeing along with stronger DEI. Authentic recognition is a key predictor of employee wellbeing, and, in particular, Black and Hispanic employees are highly attuned to authenticity. Black employees are 79% more likely to be thriving, and Hispanic employees are 69% more likely, when they also strongly agree the recognition they receive is authentic.

Authentic Recognition and Key Employee Experiences

Past Gallup and Workhuman research established a significant connection between elements of strategic recognition and key employee experiences that are critical to advancing equity and inclusion at work: sense of belonging, seeing a path for growth at the organization and feeling like the organization cares about wellbeing.

Overall, when employees strongly agree that the recognition they receive is authentic, they are five times more likely to feel like they belong in their workplace; the pattern is stronger for Black and Hispanic employees than White employees.

Authentic recognition also predicts a greater likelihood of employees seeing a path to grow at the organization and feeling like the organization cares about their overall wellbeing. For these latter key outcomes, the relationship is strongest for Black employees compared to White and Hispanic employees.

TABLE 2

Impact factor for authentic recognition on key employee experiences			
	BLACK EMPLOYEES	**HISPANIC EMPLOYEES**	**WHITE EMPLOYEES**
I feel like I belong at my organization	7x	7x	4x
I see a path to grow at my organization	8x	5x	5x
My organization cares about my wellbeing	8x	6x	6x

These data suggest that strategic recognition, when done authentically, can help to build more equitable and inclusive workplace environments where both employees and businesses can thrive.

But that's not all.

In addition to the connection recognition has between employees, employers and the work environment, recognition is also connected with lower levels of burnout and turnover. Let's take a closer look.

Recognition Shields a Diverse Workforce Against Burnout

To be diverse, an organization must hire from a wide range of backgrounds and ensure representation throughout its ranks. As such, recruiter and hiring manager decisions are critical for building a diverse workforce. Organizations should prioritize instituting strategies and procedures to eliminate discrimination and bias from the hiring process in accordance with employment laws.

However, real and effective diversity in a DEI strategy isn't just about getting people in the door. It's about fostering and protecting the uniqueness that each employee brings when they show up or sign on each day. It also means protecting all employees from the psychological damage that coincides with burnout for all groups, and the regrettable consequences to organizations that come with preventable turnover.

Recent Gallup data show that 26% of employees experience burnout very often or always. While burnout impacts all employees to some degree, it impacts some groups differently. And the effectiveness to resolve it varies across demographic groups, based on the unique needs and experiences of the workforce.

Women, in particular, are experiencing burnout differently, especially women in management. Across the U.S., three in 10 employed women report they always or very often feel burned out at work. This disparity between burnout rates among men and women has only gotten worse since the start of the COVID-19 pandemic.[3]
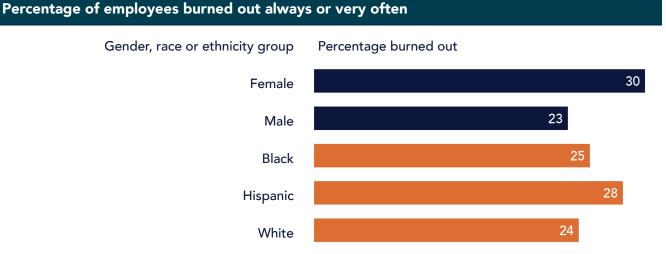
CHART 1

Percentage of employees burned out always or very often

Gender, race or ethnicity group	Percentage burned out
Female	30
Male	23
Black	25
Hispanic	28
White	24

Note: Data for male and female rows of this chart are from the Gallup Q1 2023 U.S. Workforce Survey. Data for Black, Hispanic and White rows in this chart are from the Gallup Q1 2023 Center on Black Voices Survey.

3   Saad, L., Agrawal, S., & Wigert, B. (2021, December 27). Gender Gap in Worker Burnout Widened Amid the Pandemic. Gallup.com. https://www.gallup.com/workplace/358349/gender-gap-worker-burnout-widened-amid-pandemic.aspx
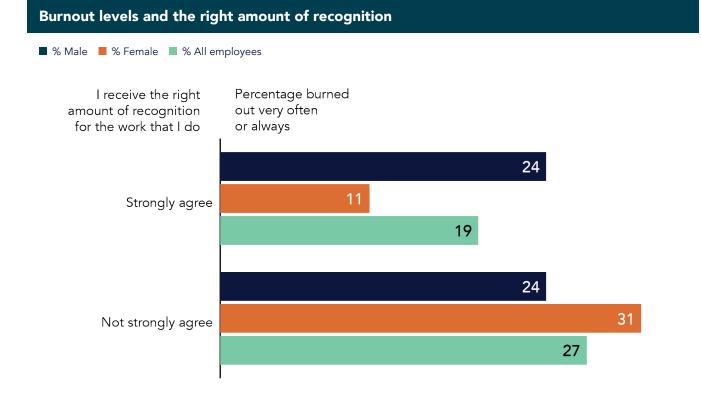
Workers who feel they get the "right" amount of recognition are **31% less likely to experience burnout** than those who do not believe they are getting the right amount of recognition.

And this is where recognition comes into play — it insulates *all* employees, regardless of the factors that make them unique from one another, from the damages of burnout. Workers who strongly agree they get the right amount of recognition are 31% less likely to experience burnout very often or always than those who do not strongly agree, and the relationship is stronger for some groups.

Specifically, fulfilling recognition is found to be a buffer against burnout. Fulfilling recognition is defined as an individual feeling they are receiving "the right amount" for the work they do.

In particular, 11% of women who strongly agree that they are receiving the right amount of recognition are burned out, compared to 31% who do not strongly agree, meaning women are 63% less likely to experience burnout if they strongly agree that they're getting the right amount of recognition for the work that they do. Women are more likely to be burned out without fulfilling recognition but far *less* likely to be burned out *with* fulfilling recognition, when compared to men.

CHART 2

Burnout levels and the right amount of recognition

■ % Male ■ % Female ■ % All employees

I receive the right amount of recognition for the work that I do

Percentage burned out very often or always

Strongly agree
- Male: 24
- Female: 11
- All employees: 19

Not strongly agree
- Male: 24
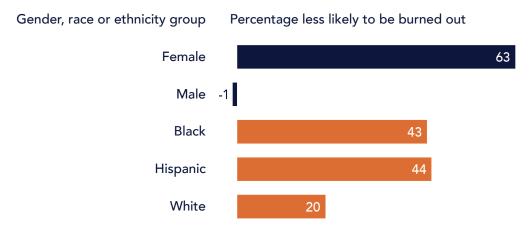- Female: 31
- All employees: 27

In addition to examining differences between male and female employees, our analysis also explored the relationship between fulfilling recognition and burnout across White, Black and Hispanic employees.

While receiving the right amount of recognition for the work employees do is beneficial overall, the corresponding lower burnout rates are further reduced for Black and Hispanic employees. Both Black and Hispanic employees who strongly agree that they are receiving the right amount of recognition are 43% and 44% less likely to be burned out, respectively, than those who do not strongly agree. Comparatively, the corresponding reduction in burnout is 20% among White employees. Fulfilling recognition predicts lower rates of burnout, and this relationship is stronger for Black and Hispanic employees than for White employees.
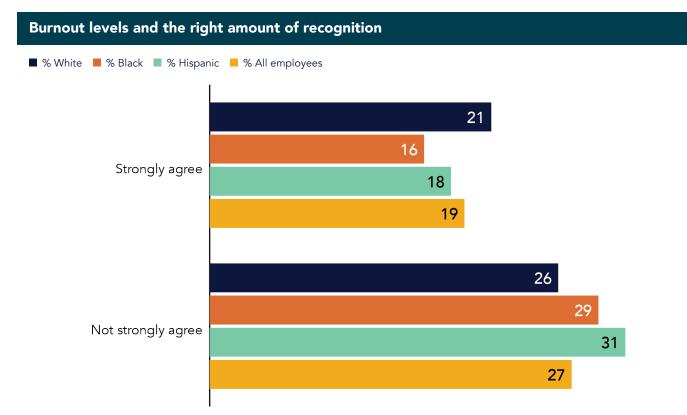
CHART 3

Difference in likelihood to be burned out among employees who strongly agree they receive the right amount of recognition for the work they do

Gender, race or ethnicity group	Percentage less likely to be burned out
Female	63
Male	-1
Black	43
Hispanic	44
White	20

Note: Data for male and female rows of this chart are from the Gallup Q1 2023 U.S. Workforce Survey. Data for Black, Hispanic and White rows in this chart are from the Gallup Q1 2023 Center on Black Voices Survey.

CHART 4

Burnout levels and the right amount of recognition

■ % White   ■ % Black   ■ % Hispanic   ■ % All employees

Strongly agree	White	21
	Black	16
	Hispanic	18
	All employees	19
Not strongly agree	White	26
	Black	29
	Hispanic	31
	All employees	27

Now that we've established recognition as a powerful tool in the fight against burnout — particularly for women and Black and Hispanic employees — let's turn our attention to another way recognition can foster and maintain DEI across organizations.
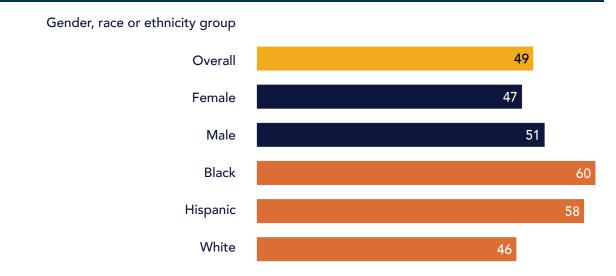
Recognition Helps Maintain Diversity in the Workforce

Employees are struggling and many feel their employers aren't doing enough to help. Only 24% of employees strongly agree that their organization cares about their overall wellbeing. And even fewer are satisfied with their company as a place to work (20%).

As a result, the grass is looking greener on the other side for many. In fact, a recent Gallup survey found that almost half (49%) of America's working population is actively job searching or watching for new employment opportunities.

CHART 5

Percentage of employees actively looking or watching for job opportunities

Gender, race or ethnicity group

Group	Percentage
Overall	49
Female	47
Male	51
Black	60
Hispanic	58
White	46

Note: Data for male and female rows of this chart, and for the rate reported overall, are from the Gallup Q1 2023 U.S. Workforce Survey. Data for Black, Hispanic and White rows in this chart are from the Gallup Q1 2023 Center on Black Voices Survey.

Turnover is expensive. Past Gallup and Workhuman research shows that making recognition an important part of the organizational culture can save an already-engaged 10,000-employee company up to $16.1 million in turnover costs annually. Even a small change in the turnover rate at an organization can yield meaningful financial benefits.[4]

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4   Gallup, Inc. & Workhuman. (2022, May 5). Unleashing the Human Element at Work: Transforming Workplaces Through Recognition. Workhuman.com. https://www.workhuman.com/resources/reports-guides/unleashing-the-human-element-at-work-transforming-workplaces-through-recognition

While it's critical to build diverse hiring into recruitment practices, it's also important to retain talent. So, how can organizations keep employees — and their inherent unique strengths and experiences — from walking out the door? Our analysis found, once again, that fulfilling recognition is a crucial pillar for DEI.

Employees who strongly agree they receive the right amount of recognition for the work they do are 37% less likely to be looking or watching for jobs, compared to those who do not strongly agree. The pattern is significant for men, and is even more so for women, who are 43% less likely to be actively looking or watching for job opportunities when they strongly agree they receive the right amount of recognition for the work they do.
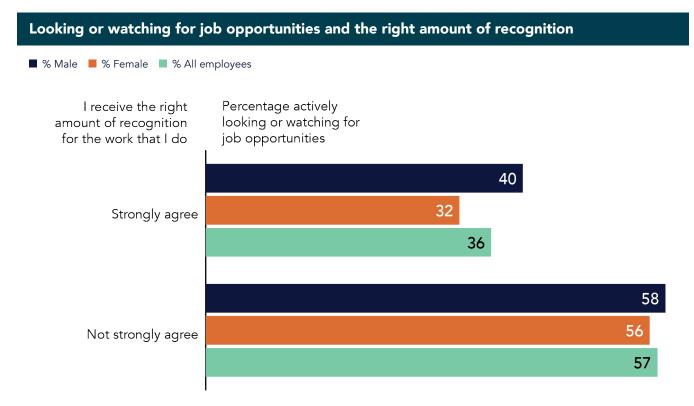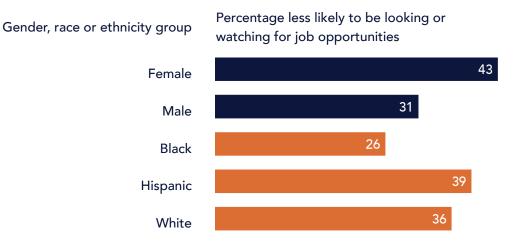
CHART 6

Looking or watching for job opportunities and the right amount of recognition

■ % Male ■ % Female ■ % All employees

I receive the right amount of recognition for the work that I do | Percentage actively looking or watching for job opportunities

Strongly agree
- Male: 40
- Female: 32
- All employees: 36

Not strongly agree
- Male: 58
- Female: 56
- All employees: 57

CHART 7

Difference in likelihood to be looking or watching for job opportunities among employees who strongly agree they receive the right amount of recognition for the work they do

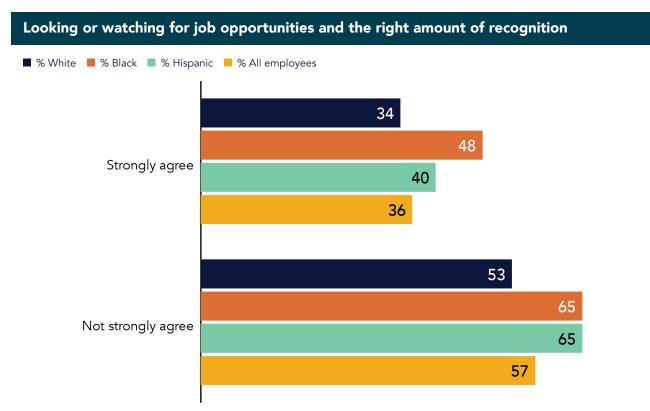| Gender, race or ethnicity group	Percentage less likely to be looking or watching for job opportunities
Female	43
Male	31
Black	26
Hispanic	39
White	36

Note: Data for male and female rows of this chart, and for the rate reported overall, are from the Gallup Q1 2023 U.S. Workforce Survey. Data for Black, Hispanic, and White rows in this chart are from the Gallup Q1 2023 Center on Black Voices Survey.

But fulfilling recognition (i.e., receiving the right amount for the work that is done) isn't only important for gender diversity. The right amount of recognition can protect racial and ethnic diversity as well.

Black employees who strongly agree they receive fulfilling recognition are 26% less likely to be actively searching or watching for another job compared to those who do not strongly agree. Among White and Hispanic employees, the relationship is somewhat stronger — with these groups being 36% and 39% less likely to be engaging in job-searching behaviors when they receive the right amount of recognition for their work, respectively.

CHART 8

Looking or watching for job opportunities and the right amount of recognition

■ % White   ■ % Black   ■ % Hispanic   ■ % All employees

Thus, appreciation (when given authentically and in a fulfilling way) helps to keep *all* employees — regardless of the factors that make them unique from one another — from feeling compelled to search for another job opportunity.

> By strategically recognizing employees for who they are and what they do, organizations can prevent employees from heading for the exit and, in turn, keep the diversity many have labored intensively to build.

Today, many organizations are implementing resource-intensive initiatives to combat employee burnout. While these initiatives can lead to positive change in the right circumstances, organizations may be overlooking an easier and possibly more effective alternative.

By taking steps to authentically recognize women and Black and Hispanic employees for their contributions and accomplishments in the workplace, organizations can significantly reduce these employees' risk of burning out and turning over.

> Fulfilling recognition can protect diversity in the workplace. In every case, female, Black and Hispanic employees are significantly insulated from burnout and turnover when they receive the right amount of recognition.

In this report, we unpacked findings from our most recent studies that showed how authentic and fulfilling (i.e., getting the right amount) recognition can support DEI. Specifically, fulfilling and authentic recognition has an outsized positive impact for Black and Hispanic workers' perceptions of their workplace being equitable and inclusive. And fulfilling recognition was found to shield women and Black and Hispanic employees from burnout and turnover. Thus, recognition, when done right, can both foster inclusion and protect diversity within an organization. With these trends in mind, we offer leaders actionable next steps on how to use recognition to begin transforming their workplace *today*.

How Leaders Can Integrate Recognition Into DEI Strategies Today

1 **Recognize your employees with authenticity and frequency, especially for those who pull extra weight.** Employees care about being recognized for the everyday things they do. And when they are recognized, they are much more likely to see their employer as inclusive and fair.

- Talk to your managers about tracking both big and small successes.
- Get to know your coworkers and recognize them for their unique talents, passions and perspectives.
- Create easy, energizing forms of recognition that everyone can access.
- Whether it be a shout-out during the weekly team meeting or being recognized at the annual company award ceremony, find ways to make recognition tangible, public and fun.

2 **Think about recognition as a tool to celebrate people for who they are.** It is important to remember that your employees are not simply the output of their work. They are whole human beings with unique perspectives, interests, lived experiences and backgrounds, all of which provide richness and depth to your team. Be sure to recognize and celebrate your employees for who they are as well as what they do.

- Spend time talking to your coworkers about their passions outside of work.
- Create a dedicated space or channel where people can recognize each other for non-work-related accomplishments.

3 **Recognition goes further for some employees than others.** Everyone benefits from recognition. But, if your organization is struggling with retention of women or employees of color, take stock of your recognition practices: Are those employees getting recognized as much as their White, male counterparts? Both burnout and turnover of traditionally under-supported employee populations can be combated, at least in part, by fulfilling, authentic recognition.

- Encourage managers to be conscious of their biases. Are they giving certain types of employees more praise? Make sure they know to give frequent feedback across racial, gender, other identities or personal characteristics in their teams.
- Use recognition as a tool to enhance employee resource groups.
- Kick off every meeting with five minutes of shout-outs.
- Audit recognition programs. Is recognition given to diverse groups that receive outsized benefits? Data patterns can be powerful to help reinforce messages to increase the equity of recognition.
- Ask employees in exit interviews how they felt about your organization's recognition efforts, and if that made an impact on their decision to leave.

Methodology

Gallup Q1 2023 Center on Black Voices Survey: These results are based on a Gallup Center on Black Voices web study completed by 10,026 working U.S. adults, aged 18 and older, fielded February 8-28, 2023. The survey was conducted in English. Individuals without internet access were not covered by this study. Respondents were recruited from the Gallup Panel, supplemented from a third-party sample provider (Dynata). There were 3,137 Black, 3,863 White and 2,791 Hispanic respondents. Demographic targets were specified for the third-party sample provider to improve representativeness of the sample. Sample sources were integrated through propensity score matching, and the combined sample for this study was weighted to be demographically representative of the U.S. adult population, using the most recent Current Population Survey figures. Results presented in this study represent employees working full-time or part-time. For results based on this sample, the maximum margin of sampling error, which takes into account the design effect from weighting, is ±1 percentage point at the 95% confidence level. Margins of error for subgroups are higher. In addition to sampling error, question wording and practical difficulties in conducting surveys can introduce error and bias into the findings of public opinion polls.

Gallup Q1 2023 U.S. Workforce Survey: These results are based on a Gallup quarterly workforce web study completed by 18,943 U.S. adults, aged 18 and older, working full-time or part-time for an employer, fielded February 6-20, 2023. Data were weighted using demographic variables to represent the U.S. population of employed adults over the age of 18. The sample for this study was weighted using the most recent Current Population Survey figures. For results based on this sample, the maximum margin of sampling error, which does not take into account the design effect from weighting, is ±1.1 percentage point at the 95% confidence level. Margins of error for subgroups are higher. In addition to sampling error, question wording and practical difficulties in conducting surveys can introduce error and bias into the findings of public opinion polls.

GALLUP®

World Headquarters

The Gallup Building
901 F Street, NW
Washington, D.C. 20004

t +1.877.242.5587
f +1.888.500.8282

www.gallup.com