

WORKHUMAN-GALLUP RESEARCH

# How Does Recognition Boost Productivity?



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For corporate leaders being asked to do more with less, a “sure thing” sounds like a fairy tale. But something as simple as praising your employees for a job well done is not just a nice idea, it’s a powerful tool to help drive performance in your workforce.

At a time when positive daily experiences for employees are near historic lows, new longitudinal [research](#) from Gallup and Workhuman® strengthens existing evidence about the impact of recognition on employee engagement and retention.

To operationalize what impactful recognition looks like, Gallup and Workhuman have

developed five essential pillars of strategic recognition in the workplace.

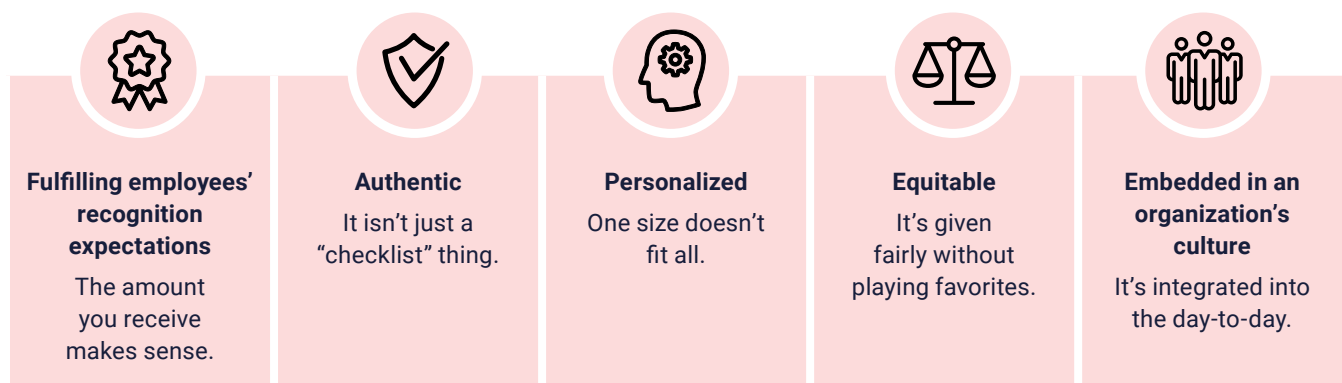
The research shows that when employee recognition is fulfilling, authentic, personalized, equitable, and embedded in company culture — what we at Workhuman call **recognition done right** — employees are more connected to their organization’s culture and more likely to stay at their organization years into the future.

But the benefits don’t stop there.

Let’s see how recognition can boost performance and elevate your business.

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## Five pillars of strategic recognition



# How do you measure performance in concrete ways?

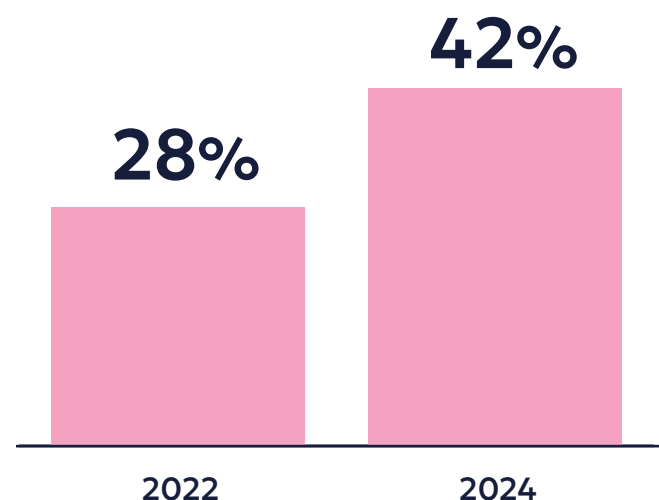
We get it. Performance is a broad term and doesn't mean much without numbers to back it up — but wait. Gallup and Workhuman's research, [From Praise to Profits: The Business Case for Recognition at Work](#), analyzed hundreds of organizations and thousands of teams across different industries to quantify the link between employee recognition and employee outcomes. Recognition supports three critical criteria to improving productivity and reducing burnout: It celebrates individual work, it bonds teams together, and it connects personal achievement to organizational success. That success is your bottom line in real dollars and cents. That's your "sure thing."

From Praise to Profits sets out to determine how a strategic investment in recognition can boost company bottom lines. Gallup data found that one in four employees strongly agrees that they have received recognition or praise for doing good work in the last week.

On top of that, leaders have increasingly begun to acknowledge the potential for recognition to transform organizations and positively influence real business outcomes. In 2022, Gallup and Workhuman found that 28% of senior leaders strongly agreed that their organization's senior leadership valued employee recognition. In 2024, this percentage increased substantially to 42%.

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**Now more senior leaders strongly agree their organizations value employee recognition**



While this data is encouraging, when done right, a recognition program can do much more. By doubling the number of employees who strongly agree with that statement, an

average business of 10,000 U.S. employees (i.e., a median business in the Gallup database) can see striking results.

If just two out of four employees strongly agreed they were recognized for doing good work in the last week, what improvements could a median business expect?

**9%**

**improvement in productivity**  
as well as sizable decreases in safety incidents and absenteeism.

And how much savings could a median business expect?

**\$92M**

**in gained employee productivity,**  
as well as impressive savings due to decreased on-the-job injuries and fewer unscheduled absences.

Bottom line: Recognition isn't some warm and fuzzy initiative. It produces tangible business results.

# How does recognition impact productivity?

Previous Gallup and Workhuman research supports the critical impact of showing employees the value they bring to the workplace to encourage them to exercise their full potential in a safe, connected, and supportive environment. A pat on the back does all that?

This most recent report points to a more nuanced approach.

Employee productivity is how much an employee produces compared to what they are paid.

Salary is an extrinsic motivator and only goes so far in getting employees out of bed in the morning. Intrinsic motivators, on the other hand, directly tap into employee value, potential, and connection. Humans are drawn to activities that are fascinating, enjoyable, and fun, which may not be the first words that come to mind when you think of work.

Work can feel **intrinsically engaging** when people:

- Like the work they do
- Like the people they are around
- See the meaning and purpose in their efforts



How do you foster these engaging motivators at the office? You called it: recognition. But not just any gold star or free lunch. You need to create cultures of recognition where praise and acknowledgment pervade every level of the organization. An inconsistent,

slapdash approach can do more harm than good because employees can sense a lack of authenticity.

In fact, when recognition incorporates a majority of the five pillars of strategic recognition, it can be truly transformational.

Those who receive recognition that fulfills at least four pillars are:

**12.2x**

as likely to strongly agree that they are connected to their organization's culture

**9.0x**

as likely to be engaged

This is as compared to employees whose recognition experiences do not fulfill any of the five pillars. Asking employees (including

managers and supervisors) how they would like to be recognized is one of the first steps.

# How do you start increasing productivity with recognition?

It's important to realize that recognition takes practice. And managers and supervisors need training, tools, and resources to build a strategic recognition program that's fulfilling, authentic, personalized, and equitable — not to mention the support of executives at the highest levels to embed the values and practice of recognition throughout the company.

**Get started by downloading our free report** that presents the business case for a strategic recognition program, arming you with the facts and figures you'll need to show how your workforce and your bottom line can be transformed with recognition.

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