workhuman*

Recognition's Role in Transforming Workplace Culture

FINDINGS FROM A GALLUP-WORKHUMAN STUDY





The world of work has shifted.

In this new playing field, leaders need to forge and leverage a culture that attracts talented employees and engages them in driving their organization forward. Just two in 10 U.S. employees strongly agree they are connected to their organization's culture.

Fortunately, recent Gallup® and Workhuman® <u>research</u> has found that strategic recognition can be a flexible and potent tool to shape and reinforce workplace culture in any organization. Among employees who strongly agree that recognition is an important part of their culture, **seven in 10 strongly agree that they feel connected to their organization's culture**.

Recognition not only helps to build strong company cultures, it also makes good business sense. By making recognition an important part of company culture, a 10,000-person organization with an already engaged workforce can <u>save up to \$16.1 million</u> annually due to reduced employee turnover.

Let's learn more about how recognition is one of the strongest forces for building and maintaining culture.

Defining workplace culture



Workplace culture is inherently complex and often eludes a singular definition. Gallup conceptualizes workplace culture as "how we do things around here." And, more specifically, it is a function of how people within the organization interact with one another, as well as its customers, and how they get their work done

Put simply, culture is the soul of an organization.

While the effects of a workplace culture can certainly be good or bad, the construct of culture itself and its components are neutral, not inherently right or wrong. The optimal culture is unique to every organization and should reflect its past and present, along with its goals and vision for the future.

Strong cultures emerge when there is cohesion and unity in how individuals do things in an organization. A strong culture acts both as a catalyst to generate engagement and as a road map to channel that engagement in a way that best serves an organization's goals and mission.

How recognition clarifies and amplifies workplace culture

Through positive reinforcement, recognition spotlights the behaviors that best exemplify the culture an organization is aspiring to and motivates employees to model those behaviors more often.

When leaders practice recognition and emphasize its importance, it sparks a chain reaction. Leaders signal to employees, and soon employees signal to one another, what's important to them by expressing recognition, gratitude, and appreciation for the things they want to see more of in their organization.

Recognition works because it can be targeted to promote the desired cultural elements of any given organization. It can also be adjusted and fine-tuned over time to adapt to changing workplace demands.

Recognition drives professional and personal results. Those who strongly agree with "I feel connected to my organization's culture" are:

3.7X as likely to be engaged at work

5.2x

as likely to strongly agree they would recommend their organization as a great place to work

less likely to feel burned out at work very often or always

less likely to be watching for job opportunities or actively looking for another job

Recognition is a consistent, direct tool for leaders to communicate their cultural goals and expectations. It is essential in helping employees develop a robust connection to their workplace culture. It also helps create unity not just in stated values but in the way work gets done across an organization.

The impact of strategic recognition



When leaders practice recognition that is perceived as excellent across each of the five essential pillars of strategic recognition, employees become energized and buy into how people interact with one another and how work gets done within their organization.

Gallup and Workhuman research has shown that recognition is most effective when it's:

- Fulfilling employees' recognition expectations: The amount you receive makes sense.
- Authentic: It isn't just a "checklist" thing.
- Personalized: One size doesn't fit all.

- Equitable: It's given fairly, without playing favorites.
- Embedded in an organization's culture: It's integrated into the day-to-day.

When all five elements are present, you get "great recognition." Research shows that employees who receive great recognition are 20x as likely to be engaged as employees who receive poor recognition.



To learn more about how recognition can vitalize an organization's culture and generate engagement, download the <u>full free report</u>. "Empowering Workplace Culture Through Recognition" offers four practical steps for leveraging the power of recognition to cultivate and sustain a strong culture.

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