

workhuman*

Manager's Field Guide to Gratitude

A COMPREHENSIVE GUIDE TO
EFFECTIVE EMPLOYEE RECOGNITION





RECOGNITION IS A MANAGER'S MOST POWERFUL TOOL.

People managers wield more power than they probably think. They either enhance or hurt their direct reports' experience and can influence an employee's view toward their organization.

There's the laissez faire manager who's laid back, but perhaps to a fault. On the other end, there's the micromanager, who has their nose in just about everything. And then there are the managerial styles that fall in between those two extremes. While best-practice managerial styles are constantly evolving, gratitude is an easy way to help employees connect meaning to their work despite who's in charge.

THE MOST SUCCESSFUL BUSINESSES OUT THERE KNOW THAT THE MORE GRATITUDE THERE IS IN A COMPANY, THE BETTER IT PERFORMS.

The data proves it, over and over again. And the best vehicle for this? Strategic peer-to-peer recognition – the idea of connecting people to a shared purpose through evergreen streams of gratitude and acknowledgment.



On average, a 10,000-person organization with an already engaged workforce can save up to **\$16.1 million annually due to reduced employee turnover.**

And it doesn't end there. When people are empowered to recognize one another for the work they do every day, it deepens relationships, drives engagement, ties together geographically dispersed teams, inspires better work, and builds trust in your brand.

In this guide, you'll find some best practices along with new, creative ways of managing through recognition to motivate you and your team to do the best work of your lives. Here we go!

WHAT'S THE BEST WAY TO SHOW GRATITUDE?

Recognition programs, specifically in the Workhuman Cloud®, create abundant displays of gratitude throughout the organization. When you see activity that moves the needle, call it out.

However, individual acts of recognition should be just that – individualized. They should also be fulfilling, authentic, embedded in your company's culture, and equitable.

Cost reduction in absenteeism after doubling the rate of employees who have received recognition or praise for good work in the last seven days for an organization with 10,000 employees.

Industry	Reduction in # of workdays missed	Cost savings for reduced absenteeism
Average	11,180	\$3,801,336
Professional & Business Services	9,051	\$3,077,272
Finance & Insurance	7,986	\$2,715,240
Manufacturing	11,180	\$3,801,336

Source: "From Praise to Profits: The Business Case for Recognition at Work," Workhuman and Gallup, 2023



1. Fulfilling

Express genuine appreciation for the accomplishment. The Workhuman Cloud makes recognition convenient, but your sincerity makes the recognition moment personal. Be sure to link your message to the value demonstrated or objective achieved to ensure it feels appropriate to the accomplishment.

2. Authentic

If recognition is unauthentic, it isn't as effective. Being too vague and not calling out the distinct reason for the praise leads employees to believe their manager or coworker doesn't care or doesn't know what they do.

3. Embedded in the culture

A culture of recognition is one in which gratitude, praise, and appreciation are freely given, regularly received, and reach all corners of the organization. Gallup found that by embedding recognition into culture, organizations can more than double the impact of their recognition initiatives. With hybrid work on the rise, these types of cultures can be reinforced through inclusive recognition for both remote and in-office workers.

4. Individualized

One-size-fits-all doesn't apply to meaningful recognition. Gifting employees the autonomy to redeem their recognition points for preferred merchandise – not what a coworker or manager decides for them – is more likely to be a positive, inclusive experience.

5. Equitable

Gallup research shows that equitable recognition, which can help a company align itself with diversity, equity, and inclusion goals, helps employees feel they're being fairly recognized for their work outside of the organization and for the work being done inside the organization.



How can recognition help you manage?

You're busy! It's hard enough to get a to-do list finished, never mind find time to sit and reflect on each employee's performance. Regular, ongoing recognition breaks feedback down into small, individual moments. It's easier because you're noticing and appreciating great work in real time and in manageable bites. By embedding it in the day-to-day, it becomes part of your regular routine, and giving consistent, ongoing feedback helps you positively affect behavior, improve performance, and reinforce values for your team.

Beyond helping your team stay motivated and engaged, poignant recognition moments also help the bottom line. Personal achievement is tied to the organization's success, and therefore, when employees are recognized, there's a 9% improvement in productivity, a 22% decrease in safety incidents, and a 22% decrease in absenteeism.

Recognition also provides you with information to make your job of managing much easier. Each recognition moment adds to a broader picture of strengths and weaknesses. When it's time to create individual development plans or evaluations, you have a real-time record of that worker's achievements – as they were created in the moment and not recalled months after the fact. Moreover, it lifts the burden off you alone.

Truly strategic recognition is peer-to peer, which means it can come from anyone to anyone. This makes your entire team your eyes and ears on the ground, noticing their colleagues' performance when you can't be there. It gives you a more rounded view of any one employee, because peers expand the scope of recognition and feedback. And you're also encouraging each of those employees to consider what it means to practice your company values and to be inspired by the work of their peers.

According to Gallup, across the United States, 54% of employees have been told by a manager or leader that they're a top performer at work. Employees who have suffering wellbeing are told they're a top performer at a significantly lower rate: 42%. However, when suffering employees have great strategic recognition experiences, they are told they're a top performer by their manager or leader at a rate of 70%.



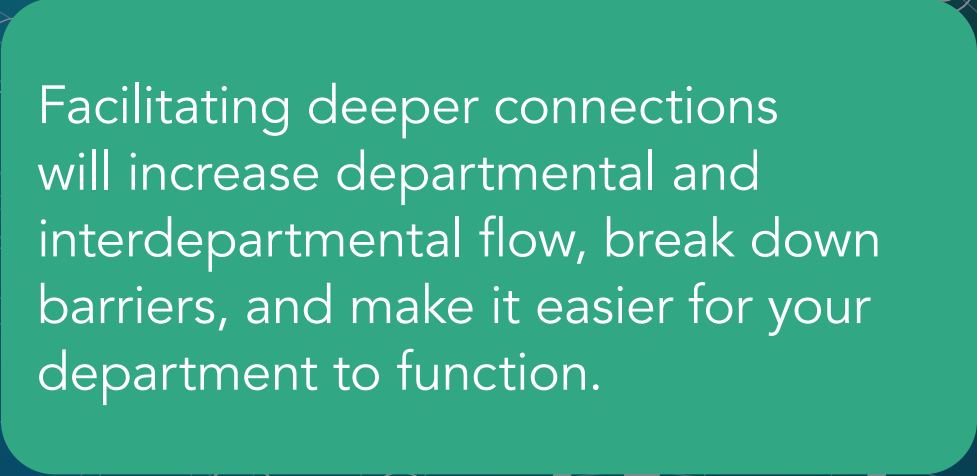


Most employees prefer recognition to be delivered or acknowledged by their immediate supervisor.

However, not all employees enjoy public recognition, so please use your best judgment and take your employees' individual preferences into account. And remember, to avoid creating an atmosphere of winners or losers, **always emphasize the accomplishment, not the reward.**

HOW CAN RECOGNITION HELP YOU COACH A TEAM?

Recognition is also great for managing a broader team or department. The way work gets done today is based on cross-functional teams and human connections. Each recognition moment helps forge stronger relationships among your team and between your team and others in the organization – and you'll get a visual map of those relationships just by leveraging the data.



Facilitating deeper connections will increase departmental and interdepartmental flow, break down barriers, and make it easier for your department to function.

If you're trying to manage your culture on a departmental level, recognition is a fantastic tool. You can pool data on your team members to get a sense of where your department may have weaknesses or soft spots. Say, for example, you notice your department of engineers is getting many awards for quality, but few for innovation or risk-taking. This may suggest some coaching may help the group at large. Or perhaps your marketing organization is often recognized by R&D but rarely by sales, indicating there is relationship-building that needs to happen.

WHY DO REWARDS MATTER?

A recognition moment must be supported by a meaningful note, a substantive reward – something that lends psychological weight and meaning to the experience. Words are powerful, but employees appreciate when companies walk the talk and avoid the hard feelings that might come when praise is perceived as lip service. Not only do employees appreciate it when there's more investment in their recognition program, but they become even more productive.

Workhuman® customers that invest more in recognition programs have higher productivity.



Source: "Linking Social Recognition to Retention,"
Workhuman and LinkedIn, 2023

EVEN MUNDANE TASKS DESERVE PRAISE.

Every now and then, remember to praise activities that might seem like typical tasks. Consider recognizing the effort and attitude that goes into completing thankless tasks – even if they are routine. Thankless tasks are some of the hardest to bring ourselves to complete day after day. It's fantastic when, every once in a while, we realize someone is noticing and grateful for our daily grind. Don't go wild with this sort of recognition if the tasks are routine, but occasional acknowledgment can go very far.

WHAT CAN YOU SAY WHEN YOU RECOGNIZE?

Now that you know when and what to recognize, what comes next can be a challenging part of recognition for many managers: what in the world to write!



Here are seven tips on how to write authentic, memorable, and impactful messages of appreciation to your employees:

- 1. Give details.** Be as precise and explicit as you can about what exactly the employee did that was worthy of recognition.
- 2. Talk about results.** Part of your specificity should be to explain not just what was done, but why it was worthy of recognition. In other words, what were the results from that activity?
- 3. Consider your words.** Language has tremendous power. Choose your words carefully, and make your message impactful. Consider words like “because” and “as a result” to transition from action to success, and use [Inclusion Advisor](#) from Workhuman to mitigate unconscious bias.
- 4. Make it original.** Try not to use the same phrases in every recognition message you write. Cut and paste is not your friend when it comes to recognition. The contribution was unique, so take the extra moment to explain how.
- 5. Use their name.** If we’re talking about building connections, using a person’s name is the way to do that – just like looking someone in the eyes when you’re speaking to them. It acknowledges that you see them, and it’s their biggest connection to their own identity and importance.
- 6. Tell a story.** Use emotionally evocative language that captures the sequence of events and displays their hard work.
- 7. Say “thanks.”** Make sure somewhere in your message you include “thanks” or “thank you.” It might seem like a no-brainer, but it means a lot.

What do you do after the reward is given?

Once you've crafted and sent an award, what should you do?

Here are four things to consider:

PRIVACY AND SENSITIVITY

While most people seem to like public recognition, everyone is different. A good social recognition platform will include an option to remove a given recognition message from the internal social feed. Ensure that your employees know how to do this and that they know it is OK to do if it will make them more comfortable.

CONGRATULATIONS

Encourage people to congratulate the award recipient. Also be sure to participate yourself in that reinforcement by reading and adding congratulations to awards that others give and to all awards received by your direct reports.

ACKNOWLEDGMENT

Don't behave awkwardly or avoid the topic of the award. Even if the award is kept private and not made social on an internal news feed, feel comfortable mentioning the award and taking an extra moment to reinforce it. It is entirely appropriate to say, "Did you see that award, Nina? It was so well deserved. Thanks again." Likewise, it's always a good idea to write a note thanking a nominator when you've received a recognition yourself – or to drop by in person to say "thanks."

CONSISTENCY

You sent an award, but don't stop there. Make it an ongoing part of your routine to notice, be inspired by, recognize, and congratulate good work. Even 30 minutes a week engaged in this sort of activity will yield significant results from your team.



HOW DO I USE RECOGNITION INSIGHTS?

Let's unpack some of the specific ways you can use recognition program data to enhance your existing talent and team management activities.

Onboarding

Recognition is a fantastic tool for getting new employees quickly oriented in your culture. It is a surefire way to help employees internalize your values and understand what it means to live them. Nominate new employees soon after they begin to help them resonate with your values and goals, and then invite them to notice and recognize their peers for doing great work. This helps them understand how their work and their efforts align with company values and contribute to organizational goals.

Talent management

When you access the data on who is being recognized and for what, which values are being practiced, and which have not been

recognized, you can use these powerful insights to make your talent systems smarter and drive your talent strategy forward. When the relationships an employee is forming within and outside of the department are reflected in their recognition moments and data, you gain powerful clues into how well they are doing.

Succession planning

From line management to the C-suite, succession planning and the development of high-potential employees is an important tool for growth trajectories. Recognition data can illuminate hidden gems within your organization, which makes finding future leaders a more democratic process and promotes elevating talent from within versus always hiring from the outside.

Performance evaluation

People hate performance reviews. You probably do too. And we know employees prefer more frequent feedback on their performance. Also, because of the typical schedule of traditional annual reviews, sometimes good work that happened earlier gets forgotten.

By incorporating crowdsourced recognition data into performance reviews, you can bring in a chorus of creditable voices and information that will turn a painful, negative process into a constructive, positive one.

When performance reviews come around, review recognition activity over the course of the previous year and remind yourself of the accomplishments for which your employee has received recognition.

Manager self-assessment

And finally, recognition is a fantastic opportunity for self-reflection. As you receive communications on your own recognition activity and that within your team, it might highlight areas of development for you as a people leader.

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