



The Business Impact of
Inclusive and Frequent
Recognition

Research Brief



2020

Table of Contents

Introduction.....	3
The Power of Technology.....	4
Highly Rated Tech Providers	4
Recognition's Impact on Employer Brand	5
Case in Point: General Motors Leverages Achievers To Engage A Global Workforce	6
The Importance of Frequent Recognition	7
The Right Technology Drives Frequent Recognition.....	7
The Impact of Achievers	8
Key Takeaways	8
Authors and Contributors	10
About Brandon Hall Group	11

Introduction

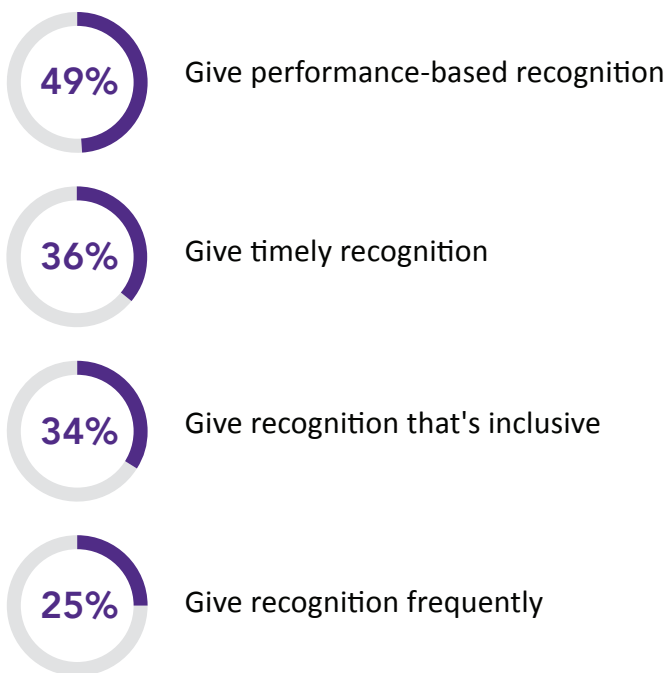
In this era of business transformation, successful organizations need agile, engaged employees who can adapt to the frequent and substantial changes required to succeed in the digital age.

Building a culture of recognition and appreciation is critical to drive the trust and engagement needed to succeed in this environment of disruption and change. **Brandon Hall Group’s 2020 Culture of Recognition Pulse Survey shows that organizations that rate their culture of recognition highly¹ are:**



However, less than half of organizations say they are effective at giving recognition that is performance-based, timely, inclusive and frequent² (Table 1).

Table 1: Percentage of Companies Using Effective Recognition Practices



Source: 2019 Brandon Hall Group Rewards and Recognition Study (Organizations with 500-4,999 employees)

Recognition for meaningful contributions is critical for reinforcing behaviors that align with company values and goals, but only 46% of organizations give their leaders and managers high ratings for it.³

A true culture of recognition means recognition and rewards (R&R) across the entire enterprise, at all employee levels, with no bias. Recognition must extend to individuals, work teams, business units and locations — wherever good work is getting done. In other words, R&R should be inclusive or “democratized.”

This can be a tall order for any employer, especially large and widely dispersed organizations. But R&R technology can be a powerful enabler.

¹ A high rating for culture of recognition and employer brand equates to a score of 4 or 5 on a 5-point scale

² 2019 Brandon Hall Group Rewards and Recognition Study

³ Brandon Hall Group 2020 Employee Engagement Study

The Power of Technology



*R&R technology users are **72% more likely** to rate their culture of recognition highly¹ than non-users.*

R&R technology is a critical driver of a strong recognition culture that delivers business impact. The Culture of Recognition Pulse Survey found that this technology can make it easy for anyone in the organization to recognize anyone else — direct reports, peers, supervisors — at any time, in any place and on any device. The solutions are meant to give leaders the ability to track the quality, frequency and breadth of recognition as they work to improve their recognition culture.

Unfortunately, R&R technology use is far from universal (Table 2) and not all technology providers deliver the same impact.

Table 2: Use of Recognition and Rewards Technology



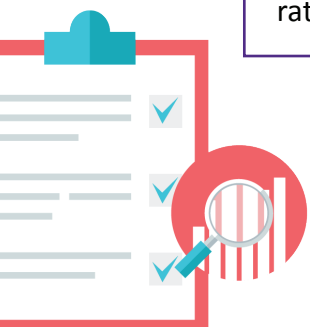
Source: 2019 Brandon Hall Group Rewards and Recognition Study (Organizations with 500-4,999 employees)

Highly Rated Tech Providers

The 2020 Culture of Recognition Pulse Survey asked R&R technology users which provider they used and the impact of the technology on their organizations. Survey results showed that:

Customers of **Achievers**, a leading employee voice and recognition solution provider, were **107% more likely** to give their culture of recognition a high rating¹ than organizations that don't use recognition technology.

Achievers customers were **54% more likely** to give a high rating of their recognition culture¹ than customers of other technology providers.



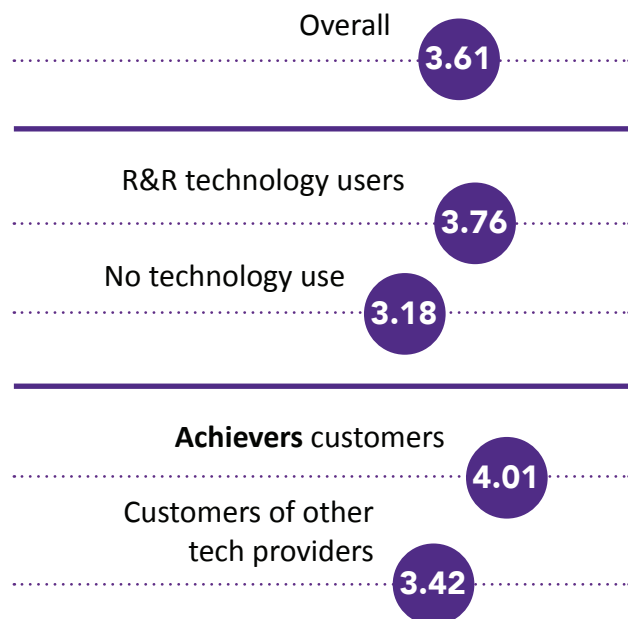
¹ A high rating for culture of recognition and employer brand equates to a score of 4 or 5 on a 5-point scale

Recognition's Impact on Employer Brand

The data also reinforced that a **strong recognition culture impacts employer brand**, which is an organization's reputation as a place to work and its employee value proposition. It encompasses an organization's mission, values, culture and personality. According to the survey:

- ↗ Organizations that rate their culture of recognition highly¹ were **79% more likely** to give their employer brand a high rating¹.
- ↗ Users of R&R technology were **23% more likely** to rate their employer brand highly¹ than non-technology users.

Table 3: Average Employer Brand Ratings (5-point scale)



Source: 2020 Brandon Hall Group Culture of Recognition Pulse Survey

¹ A high rating for culture of recognition and employer brand equates to a score of 4 or 5 on a 5-point scale

Achievers customers were:

- ↗ **36% more likely** to rate their employer brand highly¹ than non-tech users.
- ↗ **33% more likely** to rate employer brand higher than customers of Achievers' competitors.

Why is this important? Because organizations that rate their employer brand highly¹ are:

- ↗ **2.7x more likely** to see increased employee retention.
- ↗ **Twice more likely** to see increased employee engagement.



CASE IN POINT

General Motors Leverages Achievers to Engage a Global Workforce

GENERAL MOTORS

General Motors (GM), a global automotive company, employs more than 160,000 employees across six continents. During a recent business and cultural transformation, GM revealed its vision to create a world with, “zero crashes, zero emissions, and zero congestion.”

The company believes recognition – for the same values or behaviors around the world – creates the active alignment and behavior-driven workforce needed to realize their vision. After listening to employees, GM discovered that there was significant dissatisfaction with their existing recognition programs. This kicked off GM’s extensive search for a robust R&R platform that would align to their corporate behaviors, help build their global

The GM team launched its GM's Recognition Program, powered by Achievers, to 67,000 employees across 26 countries. Within 30 days of the launch, 87% of GM’s global population was active in the Achievers platform and they sent more than 80,000 unique recognitions.

Just six months after the program launched, employee recognition became one of the five most improved areas in GM’s engagement survey. Recognition was also the most commented topic in the engagement survey.

GM’s Objectives for R&R Technology

#1

Establish one global program and platform

#2

Build strategic alignment to accelerate culture change

#3

Drive employee engagement

#4

Provide consistency and simplicity

Impact of Achievers-Driven Recognition and Rewards



activation rate



7/10 employees

active in the recognition program monthly.



8/10 managers

send recognitions monthly.

5,000

positive comments about the program and how employees felt more appreciated and valued in the workplace.

Source: General Motors

The Importance of Frequent Recognition

Frequency of recognition has significant business impact, according to the Culture of Recognition Pulse Survey. Organizations that give frequent recognition⁴ to employees rate their culture of recognition 34% higher than other organizations. **Organizations that give frequent recognition also are:**

41% | more likely to see increased employee retention

34% | more likely to see increased employee engagement

Most organizations give recognition for major milestones, such as years of service, which is popular but not very effective in driving performance and engagement. This is because the nature of the recognition limits frequency.

For a culture of recognition to develop, employees need to be recognized by both managers and peers for a wide variety of meaningful contributions on a regular basis. Extrinsic rewards are good forms of recognition, especially for performance progress or milestones. But non-monetary, timely recognition for meaningful contributions is particularly important to build the culture.

High-Value Recognitions Celebrate:

- | | | |
|---|--|--|
| <ul style="list-style-type: none"> • Quality of work • Upholding organization values as the 2nd bullet. • Level of effort • Reaching or exceeding performance goals • Learning achievements, | <ul style="list-style-type: none"> • such as new skills or competencies • Safety or wellness achievements • Acts of kindness, assistance or support • Contributions for a team project | <ul style="list-style-type: none"> • Exemplary customer service • Innovation or creativity • Community service or outreach aligned with organizational values/mission |
|---|--|--|

Source: Brandon Hall Group research

The Right Technology Drives Frequent Recognition

The best R&R solutions are highly configurable, have mobile capabilities, encourage meaningful recognitions to happen in real time — often in the person’s work app (e.g. Outlook, Slack, etc.) or on mobile — and quickly let employees select who they want to recognize, why and for what.



⁴High frequency of recognition = multiple times each month
 Low frequency of recognition = quarterly, twice a year, annually or never

These solutions empower recognition in the flow of work, which drives frequency and builds the foundation of a recognition culture.

Organizations without R&R technology are 160% more likely than those with technology to recognize employees just twice a year or less. That infrequent recognition increases the likelihood of employee retention and engagement challenges.



The Impact of Achievers

Among R&R technology providers identified in the Culture of Recognition Pulse Survey, Achievers stands out for recognition frequency. **Achievers customers are:**

3.6x more likely

than customers of other providers to give **recognition multiple times** each month.

2.5x more likely

to see increased **employee retention**.

36% more likely

to see an increase in **employee engagement**.

Key Takeaways

We are in the midst of an unprecedented industrial revolution. Employees are expected to adapt and thrive amid constant disruption. To gain the trust, collaboration and commitment they need from their workforces, employers must create a culture in which every worker feels valued, respected and set up for success.

Recognizing employees who make meaningful contributions to the organization is a significant driver of key performance indicators that reflect a strong culture. Brandon Hall Group research shows that organizations that rate their culture of recognition highly are significantly more likely to experience increased employee engagement and retention.



However, recognition must be frequent, timely, performance-based and inclusive to have real business impact. Our research shows that less than half of organizations are effective at any of those actions. R&R technology makes that significantly easier. It enables recognition to happen in real time and in the flow of work, whether employees sit side-by-side or are separated by oceans. The Culture of Recognition Pulse Survey found that R&R technology users are 72% more likely to rate their culture of recognition highly¹ than non-users.

Here are some recommendations, based on Brandon Hall Group research, for improving your culture of recognition to drive engagement and retention:

1 ALIGN RECOGNITION WITH EMPLOYEE PERFORMANCE.

For recognition and rewards to have high impact, companies should give performance-based recognition and always tie it back to company goals. Celebrate individual achievements that help the company hit milestones and uphold its values.

2 EMPOWER LEADER-EMPLOYEE CONNECTIONS.

Employees yearn for better relationships with leaders. Leaders at all levels should spend as much time as possible coaching, developing, recognizing and building positive connections with their teams. Employers should give leaders the training they need to nurture those connections.

3 MAKE RECOGNITION INCLUSIVE.

Recognition and rewards must extend to everyone in the organization, from the most junior of associates to the C-Suite. Technology enables great reach, but organizations must also actively support a diverse and inclusive environment.

4 LINK RECOGNITION AND REWARDS TO OPPORTUNITY.

Offering employees new experiences as part of recognition — online learning, team projects, job rotations or whatever is most relevant — is an important link between recognition and performance.

5 SELECT TECHNOLOGY THAT DRIVES BUSINESS IMPACT.

As this report shows, not all technology providers have the same impact. Be diligent in your selection process and talk to providers that have a track record of measurable business benefit.



¹ A high rating for culture of recognition and employer brand equates to a score of 4 or 5 on a 5-point scale

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About Achievers

Achievers' employee voice and recognition solutions bring organizational values and strategy to life by activating employee participation and accelerating a culture of performance. Achievers leverages the science behind behavior change, so organizations and their people can experience sustainable, data-driven business results.

Learn more at: www.achievers.com

About Brandon Hall Group

Brandon Hall Group is an HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and HR/Workforce Management.

With more than 10,000 clients globally more than 25 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

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OPTIMIZE

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