

Do We Need Employee Recognition?

The Perils of Doing Nothing

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Every organisation has a set of goals to achieve, and it's a constant challenge to reach them. Competitive forces are greater and margins are smaller. Customer expectations are higher and room for error is lower. Organisations face significant pressure to achieve financial targets, but nothing can be accomplished without the **right people** taking the **right actions** at the **right time**.

Success is all about your people: what you need them to do more of, what you need them to do differently and what you need them to stop doing altogether. It's exactly like being the captain of a rowboat: if you've got a boat filled with rowers, you need them all rowing in sync to reach your destination.

Unfortunately, in the real world, leaders can't step out on deck and see how all the rowers are performing at a glance. In the real world, it's easy to assume everyone is 'rowing' together because the company keeps growing. The big questions are: could it be growing higher, with less cost and with better customer experiences? Could you be gaining market share at a faster rate, launching more innovative products or expanding globally?

To continue with the rowboat metaphor, every organisation has several kinds of rowers.



- **Top performers:** they have natural talent and are intrinsically motivated to succeed. Point them in the right direction, give them the rhythm and let them go to work.
- **Middle performers:** depending on the day, they might feel like rowing hard but they might also get distracted. They know that the top performers are going to keep the boat in motion, so they aren't too worried about the consequences if they let go of the oar now and then.
- **Bottom performers:** some have never been in a boat before, some are still learning the rhythm and others know that they aren't meant for the sea but have nowhere else to go.
- **Disengaged performers:** these people may be so unhappy that they're rowing in the wrong direction just to slow the rest of the boat down.

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Your organisation's mix of performers will vary, but you'd likely clone the top performers if you could. Since that's not an option, using recognition is the next best solution. Here's why:

- Publicly recognising top performers serves as **role-modelling** the right behaviours in others.
- Recognition can be just as effective as rewards in **motivating** desired behaviours without the cost.
- When an employee is recognised it creates a dopamine burst in her brain that makes her want to **repeat** that behaviour in order to experience that rush again.
- Gamification in recognition drives **increased activity** of the behaviours.
- A recognition technology platform allows you to **measure** the behavioural activity for analysis, insights and evaluation.
- Empowering recognition across all employee levels increases the recognition opportunities that **reinforce** positive behaviours.
- Managers can use recognition tools to **coach, course-correct and create quality conversations** with their team members more often than in formal performance reviews.

Recognition is an essential tool for creating a high-performance team whose actions are aligned with the business's objectives.

The perils of doing nothing

In 1998, Nokia was the global leader in cellular phones. In the decades prior, it had launched many of the industry's firsts including an international cellular system, a transportable phone and an all-in-one phone that included email, fax and web-browsing capabilities. In the early 2000s, it led the industry with the first built-in camera, full-colour display and video recorder. Momentum plummeted soon after, and with only 3% of the market, the former electronics giant sold its cellular phone division to Microsoft.

This is a cautionary tale about the perils of doing nothing. Nokia focused on being a hardware company rather than changing into a software + hardware company, which was the direction the market was moving (think apps). It also overestimated the strength of its brand and underestimated customers' expectations for constant innovation in their user experience. Not willing to wait for Nokia to catch up, customers moved on to new hi-tech giants that could deliver what they wanted.

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As a business leader, you are faced with a Nokia-like situation in your workforce. Over the last couple decades, the work environment has significantly changed. Everything from social media, Millennials and the GFC to industry disruption, technological tools and lifestyles have affected the way employers and employees impact each other's success.

Rather than rely on the strength of the way you've always done things, think of your employees as customers. They have expectations of a workplace, expectations of your brand and a number of choices for employment if they aren't satisfied with the experience you provide.

Recognition is essential to the employee experience

In the traditional employee recognition space, most staff were recognised once every five to 10 years in a service anniversary program. A few others were recognised once a year for major accomplishments for specific goals, sales results or patents. In total, about 15% of the total workforce was recognised each year and employee tenure averaged about 10 years.

Today, average employee tenure is just over three years, and Australians spend *40 hours more per week* with online media than we do with live interactions. In this new reality, the old way of recognising employees just won't work any longer; it's time for 'Recognition 2.0'.

- **Anytime, anywhere:** employees aren't tied to a desktop, so neither should their recognition program. Ensure it's accessible on mobile phones and tablets.
- **Social:** maximise the dopamine effect with a program that lets employees share, like and comment on the recognition they receive.
- **Collaborative:** engage with team members outside the vertical hierarchy structure.
- **Empowered:** create peer-to-peer programs that allow anyone to recognise any other person in the organisation at any time; real-time and no approvals needed.
- **Vivid:** create a memorable brand for the program that has a personality. Use built-in communication tools, recognition eCards and behaviour badges to make the program stand out.
- **Frequent:** run a couple programs concurrently so that every employee can get recognised several times per year; don't just focus on quarterly or annual nominations. This is especially essential for Millennials.



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- **Game mechanics:** utilise elements of chance, continual measurement, emotional triggers and changes in status to motivate action.
- **Transparent:** publicise behaviours, achievements and results; clearly communicate program eligibility, expectations and rewards.
- **Personal:** create options for recognition givers to personalise recognition to the receiver, and give receivers choices for public/private sharing, creating groups and follow lists.
- **Meaningful:** connect the initiatives to values and goals. Design the program so that individuals clearly see the impact their action has on the organisation.
- **Fast:** send a recognition in less than 20 seconds, edit your personal preferences with a couple of clicks and get email alerts when an action is needed.

What gets
recognised gets
repeated.

Recognition is a strategic initiative that drives behaviour in your organisation. With the right program design, you'll retain your top performers and motivate middle performers to adopt more 'top-performer' characteristics. You'll clearly demonstrate what behaviours you want to see, coach towards those goals and have the tools to measure it.

Most importantly, if you don't recognise, you won't drive sustained behaviour change. Why settle for the performance you have when recognition can unleash the competitive advantage of your employees to achieve so much more?

To learn more about how BI WORLDWIDE can help get the right people to take the right action at the right time, visit BIWORLDWIDE.com.au or email enquiries@au.biworldwide.com.