Valuing versus recognizing employees
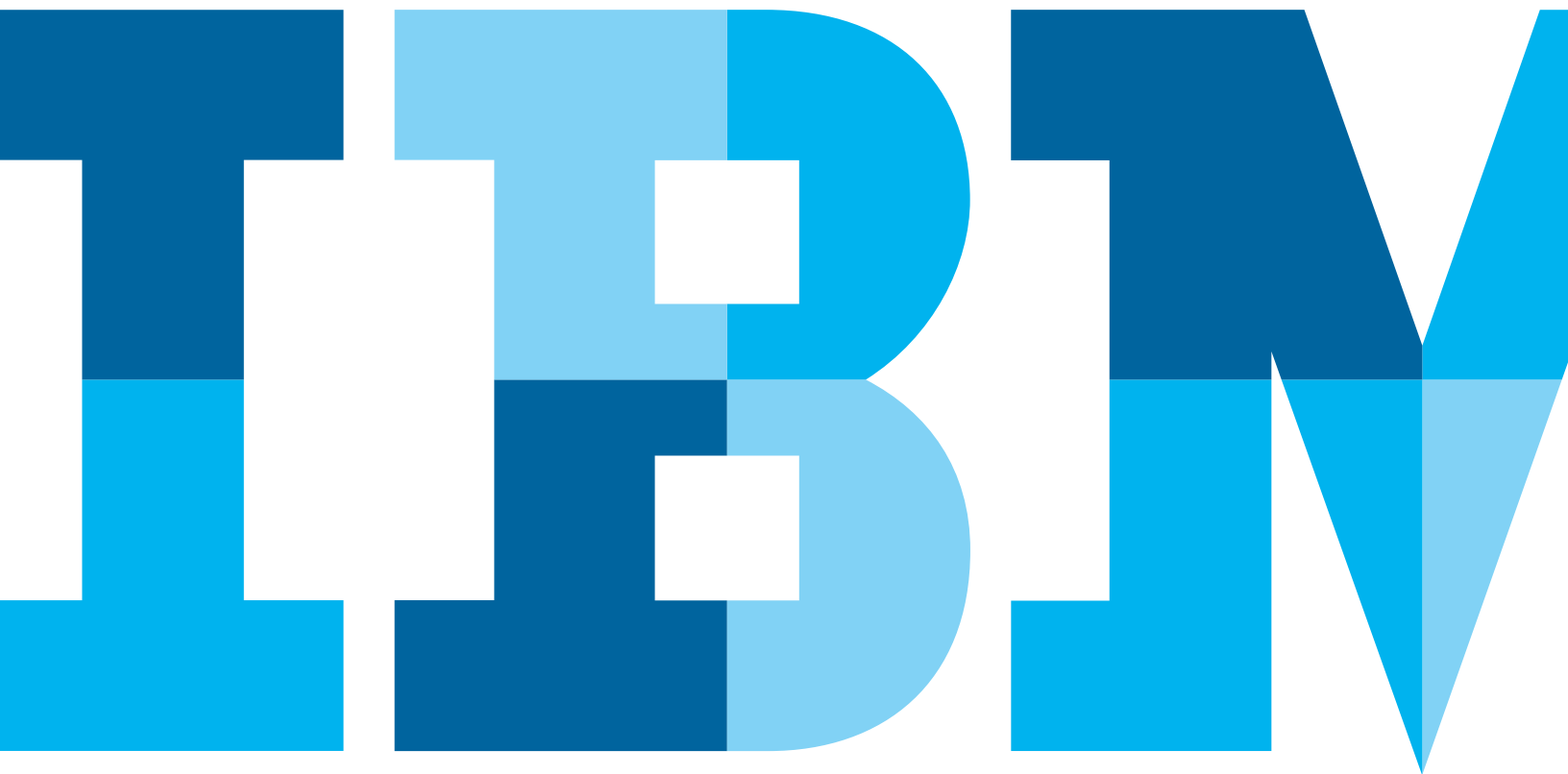
The importance of valuing employees as a driver of engagement

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There is currently a lot of talk about recognition. A Google search on Employee Recognition churns out more than 900,000 hits. Recognition is one of those principles of people management that we are routinely reminded about, and frankly, should be reminded about, because it can always be done better and more often.

Many of the best organizations spend a substantial amount of money and resources on their recognition program. One only needs to look at the number of Google hits to see how many are related to employee awards and services being sold. Despite these investments, employees do not necessarily feel they are being recognized for great work.

One of the more common inquiries on employee engagement surveys is some variation of, "I receive recognition when I do good work." The norm score across industries and countries for this question is about 55 percent favorable. Meaning, on average, about half of all employees feel they are appropriately recognized. The top 10 percent of companies scored approximately 66 percent favorable. Not overly impressive when these companies have favorable scores in the 80 to 90 percent range in a number of other areas.[1]

Compare this to the inquiry, "I feel valued as an employee of this company," which is much less frequently asked (indicating that many organizations do not even see the value in asking about employees feeling valued). The average score here is 41 percent favorable, with 32 percent marking an unfavorable response. In other words, on average, less than half of the employees in a typical organization feel valued as an employee and one-third actively believe they are not valued.[2]

These findings also indicate that there is a difference between recognizing and valuing employees. As a whole, organizations tend to be especially weak in creating an environment where employees truly feel valued.

This is more than a difference in semantics; it is a difference in experience. Recognition is the identification or acknowledgement of something. When we recognize employees, we acknowledge that they are doing good work and letting them know we appreciate their efforts. Recognition is typically tied to what we do – not who we are.

Valuing is about appreciating the worth of something (someone) and of esteeming something (someone) highly. When we value employees, we appreciate them for who they are and what they bring to the organization. We acknowledge them not merely for tasks, but for the deeper intrinsic worth they add to the organization by just being there.

Recognizing an individual means successfully completing a project. Valuing someone is letting him or her know that you are glad he or she is on the team and that things would not be as good without them.

Research from several clients of IBM, that have included both value and recognition items in their surveys shows that, in general, valuing employees appears to be a driver of engagement (and often the top driver) more often than recognizing their efforts.[3] In a limited sample of companies, feeling valued showed up as a driver 85 percent of the time, whereas recognition of efforts emerged only 30 percent of the time.[4] Feeling valued seems to reflect a broad core of what

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people are looking for in an engaging work experience – that is, a primary element that connects people to their organization and motivates is a strong sense of feeling valued and appreciated. Recognition is important, but is more likely to be seen as a singular experience (event driven) than sustained (environment driven).

The two are interactive, however. Organizations that had high scores on valuing employees had higher scores on recognizing employees. However, recognizing efforts did not always translate to people feeling valued.

Looking at dysfunctional organizations, one characteristic that emerges for some is rote recognition. These companies recognize people for practically anything and everything with no real purpose or thought behind it. It is as if someone was told, "recognition equals engagement" and so he or she just ran around patting each person on the back saying "good job" without considering the real effort or accomplishment achieved. This underscores the importance of showing your people you value, not just recognize, them.

Recognition without value, over time, will likely make the recognition hollow. It turns something that should be satisfying and special to employees into something rote and meaningless. Furthermore, without valuing employees, organizations can fall into a dangerous zone where they fail to treat and see employees as people.

Valuing others is not a leadership thing, it is a people thing, and it is probably the people thing that the majority of us cherish the most. If you think back to a moment in your life when you felt special and appreciated, it is most likely a time when you were being valued in some way.

Creating value and recognition

Looking across eight companies of different sizes and industries, our research shows the following common behaviors emerged that promote higher ratings of value and recognition.[5]

To make employees feel valued:

- Encourage involvement – actively solicit people's thoughts.
- Recognize real contributions – when someone does something exceptional, let them know.
- Allow open expression – let people feel free and safe to express their opinions, even if they are not consistent with leadership views.
- Show respect – treat people as you want to be treated – do not yell, belittle, trivialize, patronize or deceive.
- Empower decision making – give people input into the decisions that affect their work the most – make them a part of the decision making process.
- Discuss expectations and responsibility – let people know how to add value to their job and success to the organization.
- Encourage growth and development – actively work to help strengthen the skill set of your employees and find ways to enhance their personal and professional growth.
- Be fair – have transparent and clear performance management evaluation and promotion practices.
- Explain why they are important – discuss how one's role and contributions fit into the overall success of the company.
- Explain rather than tell – avoid dictating change and process to employees; let them understand the reasons behind things.
- Talk to them – increase leadership visibility and one-on-one discussions with employees at each level; help people feel that they are more than just a cog in the machine.

To recognize employees:

- Identify exceptional customer service – whether it is internal or external, give praise when a customer was served in an extraordinary way.
- Look at team performance – do not focus solely on individual contributions, but also note how team efforts contributed to overall success.
- Train supervisors – day-to-day recognition can be expressed effectively by immediate supervisors, but make sure they know how to give recognition appropriately.
- Encourage initiative and risk taking – when an employee tries something new or takes charge of something, encourage him/her and provide support.
- Make sure job performance and pay are linked – people should feel that the effort they put forth is reflected in their pay.
- Be transparent and fair – let people know why others are receiving recognition or promotion opportunities and avoid favoritism.
- Build an organizational culture of celebration over competition – encourage each person to celebrate an individual's or team's success.

We can each do a better job of valuing those around us. For those doing the valuing, it is not only rewarding, it is where you can feel the most vulnerable. This is why we do not do it as often as we should. Instead, we censor ourselves – fearing our comments might be used against us. In many cases, it is not a warranted fear, and the gains can far outweigh potential risks in making one's deep appreciation of others known.

As you go through your recognition rituals, take a few moments to show those around you how you value them. Maybe it is because they make you feel good, or you learn something new from them each day, or they are warm to those around them, or they have the knack of diffusing tension in difficult situations, or they take care of the small stuff so you do not have to. There are a million reasons to value others. Enough, in fact, to value others throughout the year, not just during year-end holidays.

About the author

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1 World Norms, Kenexa's client-derived employee engagement survey normative
database. The World Norms data is constantly being updated. Data was pulled
in 2008

2 Ibid, 2008

3 Ibid, 2008

4 Ibid 2008

5 Ibid 2008

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