

Make Their Day!: Employee Recognition that Works, Proven Ways to Boost Morale, Productivity, and Profits, Second Edition, Revised and Expanded

by Cindy Ventrice

Introduction: Real Results

Overview

A new sales manager is given the second-lowest-performing region. He believes that people who feel valued will outperform others and so he decides to make recognition a priority. His first quarter as manager, his team beats its quota. The second quarter they do it again, and at the end of the third quarter . . . well, at the end of the third quarter they are the second-highest-performing region!

They went from second-lowest-performing to second-highest in nine months.

It is a simple fact: people who feel valued perform at a much higher level. Think about a great manager you've had, one who made you feel valued. What would you have done to make him or her look good? I know the answer. A lot!

An executive leaves one company for another. With him, he takes his "good, solid performers." The new company is built on a culture of recognition. Once he adapts to their style, he says, "My good, solid performers became stars."

His good, solid performers became stars.

Wouldn't you like to have a few more stars on your team? With a little time and effort to offer meaningful recognition, you will see significant results.

Results that you can see—that is what this book is about. *Make Their Day!* will introduce you to [*recognition that works*](#)—recognition that is meaningful, memorable, and boosts morale, productivity, and profits. As you read this book, you will learn simple, effective techniques that you can begin to implement today.

Making Recognition a Priority

I know you're busy. You have to make sure the work gets done. You may even be dealing with hiring freezes, layoffs, mergers and acquisitions, strikes, budget cuts, rising expenses, product defects, missed deadlines, or high turnover among in-demand workers. There's a good chance that, in addition to your managerial duties, you are also an individual contributor. In terms of priorities, if you're like many managers, supervisors, and team leaders, recognition has come dead last. While this may be

understandable, it is a big mistake. Managing is easier, not harder, when you make recognition a priority.

Don't Put Recognition on Your To-Do List

After reading the heading for this section, you're probably thinking, "What do you mean, don't put recognition on your to-do list? If it's not on my to-do list, how can recognition be a priority? Isn't that a contradiction?" No, it isn't. I've seen many managers and supervisors who decided to make recognition a priority. They had the best intentions when they put "recognize employees" on to their to-do lists, and then, as the weeks progressed and pressing matters demanded their attention, they slowly moved recognition farther and farther down the list. Even though their intentions were good, recognition never happened.

You have enough to do already! If you add recognition to your oversized to-do list, there is a good chance that you won't get to it. When you do manage to get to it, you're likely to do it once, check it off, and then forget about it. This isn't the kind of recognition that works.

Make Recognition the Header on Your To-Do List

Recognition isn't something you can do and then check off your list. You need to think of recognition a little differently. Instead of adding recognition to your to-do list, make it *the header*. Find ways to make recognition part of every employee interaction. When you delegate, add a little praise of past accomplishments. When you receive project updates, thank employees for their promptness, thoroughness, or accuracy. When you hold a team meeting to talk about a new challenge, express confidence in the group's ability to meet that challenge. As you complete each item on your to-do list, think about how you can incorporate recognition into it.

Make Your Job Easier!

Make recognition the header on your list, and you will find your job gets easier. There are hundreds of small things you can do to provide the recognition your employees crave without putting a greater strain on your time, things that positively affect the work environment because they provide the right kind of recognition. With the right recognition, you will find employees more willing to tackle problems on their own instead of bringing them to you to solve. With the right recognition, employees will show more concern about quality and reputation. With the right recognition, employees will be more willing to pitch in when things get difficult. Morale will go up. Absenteeism will go down. And your job will get easier.

Recognition that works does this: it energizes and revitalizes the workplace. It creates a loyal, motivated, and productive workforce. And a loyal, motivated, and productive workforce makes your job as a manager easier.

Chapter 1: Recognition That Works

Overview

“Please, not another T-shirt!”

“I resent the money that’s spent to purchase doodads. It could be spent much more wisely.”

“Certificates of appreciation? I hate the damn things.”

I assume this isn’t the reaction you expect from recognition. Yet, if you depend on your organization to fulfill your employees’ need for recognition, there is a good chance that your employees would express similar opinions.

According to a former employee of one technology company:

“Our company offered the Terrific Employee Award. Everyone thought it was a cheesy name. People didn’t know why they were being awarded. It became a joke. The CEO never got involved. No one but HR took it seriously. They solicited employees for nominations and got so few responses they eventually gave up and selected someone themselves. The awards were gift certificates. They were nice, but without meaning.”

Missing the Mark

When you think of recognition, what comes to mind? Do you think of raises, bonuses, stock awards, gift certificates, parties, prizes, and plaques? Many managers view these things as recognition, but they are wrong. Employees see it differently.

According to employees, 57 percent of the most meaningful recognition is free!

That’s right: in an international survey in 2007, I found that 57 percent of the most meaningful recognition doesn’t even cost a dollar!

Like the person in the last example, employees are looking for meaning, *not things*. They see tangible awards as a vehicle for *delivering* recognition, but they don’t regard the awards themselves as recognition. They’re much more interested in the underlying message behind the reward.

Your employees are strong believers in the old saying “It’s the thought that counts.” For awards to count as recognition, your employees need to see acknowledgment of their specific accomplishments and sincere appreciation of their personal value to the organization. The following examples will illustrate why recognition often misses the mark.

Perks Aren't Recognition

The director of a small nonprofit agency hosts a dinner on a Friday night for employees and volunteers. Everyone has a great time and goes back to work the following Monday feeling refreshed and energized. The director planned this event as a form of recognition. Although it was fun and boosted morale, it wasn't recognition; it was a perk—a little something extra.

To add an element of recognition, the director can announce that the dinner is a way of thanking the group for something they have accomplished; for example, "We served ten thousand clients this year, and we couldn't have done it without your help." She can include an after-dinner presentation during which she tells detailed stories about the specific ways in which employees and volunteers helped accomplish this feat. Her message will provide the recognition.

Bonuses Aren't Recognition

The owner of an insurance agency gives holiday bonuses. They come in handy when employees head out to do their last-minute shopping. Employees appreciate the bonus but don't see it as recognition. They expect it and feel entitled to it. Many have already budgeted for it, and if it is less than they anticipated, employees are resentful. If the bonus is more than was expected, they're pleasantly surprised but figure they must have earned it.

The owner of the agency thinks the bonuses are a form of recognition, but employees don't agree. To provide recognition, the owner needs to tie the bonuses to an achievement. But that isn't enough. He also needs to state that the bonuses are his way of showing appreciation: "Our customer service ratings are up 10 percent over last year. That increase has helped us better position ourselves in the market. I know we couldn't have done it without all of your hard work, and I want to show my appreciation by giving each of you this bonus." Without the tie-in and the statement of appreciation, the bonus is just another way in which employees get paid.

Plaques and Awards Aren't Recognition

Each month in a staff meeting, the manager of a city public works department presents one employee with a plaque and a gift certificate. As she hands out the awards, she explains that the recipient is "doing a good job" and is a "great employee." She believes she is recognizing employees, but employees in her department have no idea what it takes to get the award. This public award is supposed to be recognition, but these employees see it as favoritism and feel even less recognized. If employees, including the recipients, don't understand why recognition is given, then recognition hasn't taken place.

If this manager establishes criteria for the award such as excellence in customer service or cost cutting, and then describes what the recipient did to earn the award, then the award will provide recognition.

Incentives Aren't Recognition

A manufacturer sets up a quota system for assemblers: when they reach a certain level, they will receive a \$100 gift certificate. As assemblers reach their quota, they find their certificate tucked in their pay envelope. Their supervisor thinks the certificates are recognition, but they aren't. They are incentives. They tell employees, "If you do this, you will get that." Used properly, incentives can motivate people to do more, but there really isn't much recognition built in.

The line supervisor can easily add an element of recognition to the incentive. If he hand-delivers the certificate, personally congratulates the recipient, and offers appreciation for a job well done, then the incentive will have recognition value.

There's a lot you can do that will make people feel recognized, but first you have to be clear about what recognition *isn't*. It isn't perks, bonuses, plaques and awards, or incentives. While these things aren't recognition, they can be a highly valued part of the recognition experience. They can serve as excellent concrete reminders of the recognition you offer.

An employee who does customer support offers the following example:

"I was given a tough customer to assist. The underlying message was 'We don't entrust really important relationships to just anybody. We believe in you. You have proven yourself.' After I was successful, they let me pick from a catalog of gifts. The opportunity was the recognition, but the mixer I selected reminds me of it—every time I walk into the kitchen."

Don't make the mistake of thinking that the awards are the recognition. If you do, you will fall into a common trap: assuming that all you need to make recognition work is a new award. Focus only on the tangible award, and recognition will most likely fail. Focus on the *meaning* behind the award, and employees will receive recognition that works.

This isn't to say that looking for new award ideas doesn't have value. It's always a good idea to come up with new and creative ways to show recognition. Many excellent books are filled with great recognition ideas. Two that I would recommend are *1001 Ways to Reward Employees* by Bob Nelson and *301 Ways to Have Fun at Work* by Dave Hemsath and Leslie Yerkes. Nothing is wrong with getting ideas. In fact, the *Make Their Day* web-site offers a free weekly tip subscription that will provide you with lots of new ideas. By all means, get creative.

Remember, *57 percent of surveyed employees said the most meaningful recognition was free!* Eighty-eight percent said it cost under \$100. What makes recognition meaningful isn't the award; it is the meaning behind the award.

What Makes Recognition Work

Simple, thoughtful gestures are what employees tell me make their day. Here are some examples:

- A souvenir from your vacation
- Remembering the details of an employee's project
- A thank-you e-mail
- A handwritten note

The hundreds of stories that I've heard confirm that recognition doesn't have to be big and splashy to be memorable and meaningful. What stands out in employees' minds is recognition that is memorable because of the consistency and regularity with which it is offered, sometimes because it is clever and unique, but most often because it sends a strong message that they are valued.

rec·og·ni·tion (rĕk 'g-nîsh' n) *n.* **1. the act of seeing or identifying. 2. the perception of something as existing or true. 3. the acknowledgment of something as valid or entitled to consideration.**

Look up *recognize* and *recognition* in any dictionary, and you will find definitions that use words like *see*, *identify*, and *acknowledge*. These words are at the core of how employees define recognition. One man told me, "I'd be happy if I thought anyone here even knew I existed." Most employees don't feel anywhere near this level of dissatisfaction, but his comment does show the extreme of what it means to feel completely unrecognized.

Before you give an award ask yourself a few questions:

- What achievement does the award recognize?
- How are the recipients selected?
- When and how are awards presented?
- What can I do to make sure that the award provides recognition?

Another told me about how much more productive she was when she had the cubicle outside her manager's office. She emphasized that she wasn't intimidated, just visible.

Employees want to be seen—sometimes literally. When anyone higher up the organizational ladder greets an employee by name in the hallway, typically that employee will view the greeting as a form of recognition. Why? Because these are the people who employees most want to be seen by because they have the most influence over their careers.

Employees also want their accomplishments identified and acknowledged. When coworkers, internal customers, managers, and supervisors provide specific details about

the value of an employee's contribution, they provide recognition that works at its most fundamental level.

How well do you see employees? Here is a visibility quiz for you:

Imagine a senior manager stops by during your team meeting. Could you, if asked, introduce each individual in the room by providing the following information?

- Name
- Length of time with the company •Role on the team
- Special strengths
- Current project and why it is important

If you don't have all of this information right on the tip of your tongue, work on it. Great leaders really know the people on their teams.

The Elements of Recognition

Recognition that works has four basic elements: praise, thanks, opportunity, and respect. Every successful gesture of recognition includes at least one of these four basic elements and is typically a combination of more than one. If you don't include at least one of the elements, you aren't giving recognition. You're giving an incentive, prize, gift, or plaque, but not recognition that works. Let's look at each element separately.

Praise

Employees want to hear you say, "Hey, you accomplished something important." They want you to acknowledge their progress. They want you to notice what they do right.

You can praise employees publicly or privately. Be aware that while every employee wants praise, not all employees want public praise. It's up to you to learn each employee's preference.

Here are three tips for offering praise:

- Be clear and concise about what you are praising.
- Make the praise proportional to the accomplishment. Don't exaggerate or overdo it.
- Keep it timely. Don't wait six months for the performance review. When you see it or hear about it, praise it.

Thanks

A sincere thank-you is a highly valued form of recognition that works. Some managers think there is no need to thank a person who is doing his or her job. It's true that you don't *have* to thank each employee, but if someone's efforts make your job easier, then thank that person. Everyone responds to heartfelt appreciation. Employees will work

many times harder for managers who express their gratitude. Offer a sincere thank-you, and you will make significant progress in improving morale and productivity.

To make sure that your thank-you has the desired effect, describe why the person is being thanked. Be specific, accurate, clear, and concise.

Remember: the simplest and frequently most desired form of recognition is a simple expression of gratitude.

Put It in Writing

While you're at it, think about providing your praise and appreciation in the form of a handwritten note. People tell me they hang on to these for years and pull them out when they need a boost. Talk about a great return on the time you have to invest in writing the note!

Opportunity

At first glance, opportunity doesn't appear to be an element of recognition, but it's actually a very important element of recognition that works. Over half of the examples of meaningful recognition that I have heard include this element. Give your employees new opportunities to contribute in a meaningful way and learn new skills, provide them with more freedom in how the work gets done, and they will be committed to you and your department's success.

The results will be happy, productive employees who never want to leave!

Respect

Respect is an often overlooked element of recognition. In reality, it is the most crucial element. You've heard the phrase "You must be present to win." Well, respect must be present for recognition to take place.

Consider employee needs as you make decisions, and you recognize employee value. Stop and listen, make allowances for personal crises, get to know something about each person who works with you, and you show respect.

Focusing on respect along with praise, thanks, and opportunity means that you'll be offering meaningful, memorable recognition that boosts morale and productivity.

Consider these opportunity tips:

- Learn about employees' workplace aspirations.
- Assess their ability and desire to work effectively with little supervision.
- Coach them on what they need to do to achieve their goals.
- Offer learning opportunities that will help them reach those goals.

- Increase their freedom in incremental stages as they demonstrate their ability to work well on their own.

Taking Action

Here are a few things you can do to ensure that you offer recognition that works:

- Make sure employees feel like you are seeing and acknowledging them. Look for ways to simplify. You don't have to be clever—just sincere.
- Assess all tangible awards for recognition potential. Just because the incentives, perks, and celebrations aren't in and of themselves recognition doesn't mean you can't add an element of recognition to make them more meaningful.
- Continue reading for more ways to make their day!

Chapter 2: Finding Recognition Everywhere

I am making a difference.

When employees make statements such as these, they are describing recognition that comes from the work and the workplace. They feel valued without being told they are valuable. This is inherent recognition.

Every day employees everywhere look for proof they are valued. Not only do they want their managers to tell them they are important, but they also want them to show it. They want to work for a manager who builds recognition into everyday occurrences. They want to work where recognition is inherent in the way they are treated and in the work they do. Let's look at how you can do that.

Plante & Moran

Company recruiters visit college campuses every year. They want to lure the best and the brightest to their organizations. They paint an appealing picture of what awaits these college graduates. Recruiters tell these potential hires that they will be a valuable part of their team if only they will choose to work for them. Once hired, these new employees often find the situation a little different from what the recruiters described. Only a small percentage of organizations demonstrate, in any meaningful way, that they really believe the positive things their recruiters say to lure new hires.

Plante & Moran, a Midwest-based midsized accounting firm, is an exception. Its new hires know from the moment they arrive that they're valued. On their first day of work, new recruits receive business cards, manuals that will help them do their jobs well, and their own office with their name outside the door. They're assigned two people: one a supervising partner, and the other an experienced coworker called a "buddy." These two people help them adapt to work life and excel in their new careers. Plante & Moran provides concrete recognition of the value of new employees from the moment they are hired.

Employees see recognition in small gestures like receiving a nameplate on their first day and in bigger gestures like having a partner assigned to help them thrive and excel. The Plante & Moran new-hire process addresses the need for both respect and opportunity, two of the four elements of recognition. Employees there know they are valued. They know they are part of an organization where management wants to help them succeed.

It takes planning, preparation, and follow-through to make recognition part of the environment itself. The new-hire orientation at Plante & Moran is one example of how an organization does this. As a manager, you can learn from Plante & Moran's success.

Make a fuss over new hires:

- Send "welcome to our team" cards to their homes.
- Provide all the resources they need to get started.
- Take the team to lunch on new employees' first days.
- Assign "buddies" to orient them to the workplace.
- Connect often to see how you can assist them.

More examples in this chapter describe how you can create inherent recognition. First let's take a brief look at motivation theory and how it impacts your ability to recognize employees.

Understanding the Motivation Connection

Motivation can be intrinsic, extrinsic, or some combination of the two. Extrinsic motivation comes from outside the individual. Extrinsic motivators are the incentives that you can offer: the promise of a bonus if certain criteria are met, the prize in a contest, and the lure of a raise if a project is completed on time. Used properly, these types of incentives can work well,^[1] but there isn't much recognition built into them.

Used improperly, incentives damage motivation. One seminar participant told me, "I have a supervisor who complains about employees in our unit and then gives them a cash award in hopes that they will improve. What she should be doing is working to get rid of them." This supervisor has damaged employee trust and is no longer respected. Employees in her department are *less* likely to feel motivated to perform.

In contrast to extrinsic motivation, intrinsic motivation comes from within. Individuals motivate themselves based on their own personal needs and expectations. Intrinsic motivation varies from person to person, with each individual being motivated by something slightly different from anyone else. A model of intrinsic motivation developed by David McClelland^[2] says that what motivates us falls into three basic categories:

- **Achievement.** People motivated by achievement want to do something important or create something of value. They want to be valued for what they do.
- **Affiliation.** People motivated by affiliation want to belong. They want to be part of something bigger than themselves. They want to be valued for who they are and the company they keep.
- **Power/control.** People motivated by power and control want to have an impact on others or the environment. They want to be valued for how they change the world.

In varying degrees, these three motivators drive all of us.

A biotech scientist might find motivation in her desire to make a discovery that would have an impact on the health and well-being of cancer victims (achievement and power/control).

A line worker might care more about producing quality work (achievement) and belonging to a team (affiliation).

What effective recognition does best is acknowledge and support people's intrinsic motivators and inherent recognition— recognition that comes from the work and workplace—often does this best. For instance, the biotech scientist in the example above would see additional funding for her research as a valuable form of recognition because it validates the importance of her work. Her manager's efforts to get project funding, whether successful or not, recognize her potential to achieve and her ability to make a difference. The primary purpose of securing funding is to go forward with the research, not to recognize the employee. Yet the employee will feel recognized. That is inherent recognition— recognition that is built right into the work and workplace.

For the line worker who is motivated by affiliation and achievement, the supervisor can have a positive impact by supporting the team in its efforts to improve performance. The line supervisor might champion his team's suggestion to change workflow in order to reduce the defect rate simply because he wants to see a reduction in the defect rate. Yet the employee motivated by affiliation and achievement will feel recognized because of the inherent recognition that comes from the supervisor's support.

What are the intrinsic motivators for the individuals on your team? How can you reinforce these motivators through the work and workplace?

- **Achievement.** Focus on results. Set individual goals and celebrate success. Provide new tasks that build on past achievements.
- **Affiliation.** Focus on the team. Set team goals and celebrate team success. Provide social opportunities and awards that demonstrate that they are part of the team.
- **Power/control.** Focus on positive effect. Are they improving the environment, making the streets safe, providing a phenomenal customer experience?

Recognizing Purpose and Quality

Purpose is a powerful motivator. The inherent recognition in having a common purpose comes from seeing progress toward goals that have a positive effect. Just ask the employees of most nonprofit agencies devoted to providing social services. If they know what their agency is trying to achieve and they believe they are making a contribution to

those goals, they feel a strong sense of satisfaction. Many work willingly for much lower pay than they would in private industry because they believe they're making a difference.

Contrast the nonprofit example with the bureaucracy of some large organizations. You have probably heard more than a few jokes that make fun of bureaucracies. But it's no longer funny when you find yourself having to deal with a bureaucratic agency or giant conglomerate. Have you ever experienced a situation where you had a problem and couldn't get anyone to help you? Did employees recite policies that made no sense? Did they shuffle you from department to department until you became frustrated by their lack of concern and caring? Coping with a bureaucracy can quickly wear you down.

Imagine how unmotivated the employees in these organizations must feel. They have to work all day, every day, in an environment that frustrates and drains *you* in only a matter of moments. In this type of atmosphere, it is difficult to retain a sense of purpose. There is little motivation to do good work. They produce results of subpar quality. Employees are disconnected from the recognition that is inherent in doing valued work.

Employees want to take pride in their organization. They receive a form of recognition when they say, "I work for XYZ company," when XYZ company has a reputation for serving its community and producing quality products and services.

In the 2007 survey employees completed for *Fortune* magazine's "100 Best Companies to Work For" list, nearly all Google employees said they were proud to tell others where they work. Googlers, as they are called, are proud of their product. One hundred percent of employees use the Google search engine over the competition. They believe their product is the best and adds value to people's lives. They are also proud of the good works the company does, including green initiatives. According to one employee, "The 'don't be evil' mantra is more than skin deep; it is the core of the culture." Google provides a great example of the recognition that is inherent in purpose and quality.

Every job, unless it's illegal or immoral, can have a mission or purpose that makes work meaningful and creates inherent recognition.

Consider the employees who work the counter at the Department of Motor Vehicles (DMV). Many DMV offices act as purposeless bureaucracies with unengaged workers. Within that environment, a dynamic supervisor can still motivate employees by helping them recognize how they contribute to the public good. Suddenly those same workers aren't just shuffling papers. They are doing their part to make the streets safe for the public by testing drivers' knowledge, verifying that drivers are insured and requiring proof that vehicles don't spew pollutants.

What if you're the broker of a real estate office? Do your agents and employees simply deal in property sales, or do they help people fulfill their dreams of owning a home? If you help them identify a purpose that creates a sense of pride, you have helped develop inherent recognition. Agents and employees with a higher purpose are far more likely to

be enthusiastic and meticulous in their work. There is far more recognition in helping people fulfill their dreams than there is in selling houses.

Regardless of what your group does, it has a worthwhile purpose. Help your people find that purpose. Help them provide services or products of exceptional quality. Continually work to improve the group's reputation within the organization and your community. Remember that one of the elements of recognition is opportunity. Give employees the opportunity to contribute in a meaningful way. Acknowledge their progress. Doing so will create inherent recognition. When people are part of a team that knows that their work is making a difference, they receive recognition that works.

Recognizing Trustworthiness

People want to be trusted to do the right thing. Managers who demonstrate trust by providing unlimited access to information and giving employees the freedom to work flexible hours, telework, make decisions without someone's approval, or do the job as they see fit so long as they meet objectives are recognizing that employees have the best interests of the organization at heart and can be trusted to do what is right. Trusting employees provides two elements of recognition: respect and opportunity.

At Best Buy's corporate offices, managers have used this concept to completely revamp their culture. They consider theirs a results-only work environment (ROWE). Employees are free to come and go as they please. They choose how, where, and when the work gets done. The only measure is *whether* the work gets done. Since implementing this change, voluntary turnover has decreased and productivity is up 42 percent.

According to Amy Johnson, Demand Planning Manager, who worked for a manager who offered ROWE-type scheduling early on, "She treated us like grown-ups. . . . It made me feel so energized."

To manage effectively, the Best Buy managers I spoke with say you need to do all of the following:

Best Buy managers say that when you give people absolute freedom in how, where, and when the work gets done, some may test the boundaries for a couple of weeks, and then most will settle in. One or two under-performers will become obvious, and you will have to work with them to get them acclimated to working in this environment.

Ironically, they say that by focusing on results, it may feel like you are micromanaging. Frequent status meetings, until commonplace, can feel like you are checking up on people. You may also have people who aren't comfortable with determining how the work gets done. You will have to work with that.

Tyler Rebman, Director of Local Insights, who manages a ROWE team, says he once had a manager who said, "You are a big boy/girl. I trust you to do what is right." And

according to Rebman, “That is the essence.” The freedom and flexibility at Best Buy shows employees they are valued.

Recognizing Individual Value

Opportunities for Growth

Employees want to be recognized for their achievements, but they also want to know they are valued as people—that they are respected for who they are, not just what they do. One way you show employees they are valued is by providing opportunities for growth.

The people at Plante & Moran know they are valued, in part, because the organization does such an exceptional job of helping people learn, develop, and grow. Managers focus on retaining people by meeting their need for new opportunities and challenges. They recognize people’s value by ensuring that they are doing a job that provides satisfaction. To do this, employees are encouraged to use Plante & Moran’s in-house vocational counselors. If someone is bored with auditing, the vocational counselors will help that employee find a new challenge appropriate to his or her skills, aptitude, and interests. Usually employees are able to stay within the company, perhaps moving to a position where they offer investment advice, expert testimony, or handle mergers and acquisitions. Occasionally, employees discover a passion that just can’t be filled within an accounting firm. Plante & Moran’s vocational counselors still assist these employees in the process and have, on occasion, counseled employees who go on to become doctors, priests, and even, in one case, a disc jockey. They lose a few people, but at the same time they develop a reputation of truly having their employees’ best interests at heart.

Bill Bufe, Plante & Moran’s Human Resources Director, joined the company directly out of college with a major in accounting. He started as an auditor, but it wasn’t long before he realized he had a knack for recruiting and training. As he expressed interest in this area, he found his responsibilities gradually shifting. Over time he moved from audit partner to human resources. His responsibilities changed as his interests changed. Thirty-two years later, he is still with the company because he knows he is valued. Employees know the management at Plante & Moran wants them to do what they love and what they do best. It is one of the ways the management demonstrates that employees are important. It is one of the ways they provide inherent recognition.

Because the average employee changes jobs every few years, managers typically feel less of an obligation to provide growth opportunities to their employees than did their predecessors a few decades ago. Ironically, one of the reasons people leave is to pursue new growth opportunities. If managers focused more attention on creating new opportunities for their employees, they could reduce turnover and increase inherent recognition.

To improve both retention and enthusiasm, help employees take on new and different responsibilities. Recognize employees' value to the organization by giving them opportunities to grow and learn. Invest your time and budget in helping employees develop skills that will move them forward in their careers—even if your department won't benefit directly from those skills. The more opportunities for growth that you provide, the greater your reputation for developing people. You will attract people who particularly value this form of recognition—people who will work hard to make your department successful.

Pay and Benefits

Pay and benefits demonstrate individual value. Pay people less than they're worth and less than others in similar positions are paid, and they will interpret that to mean, "You don't matter to us."

Underpaying Employees

A CEO once asked me to help implement a recognition program to address a problem his company was having. The problem? This company had 300 percent turnover!

The first question I asked was "What is causing this kind of turnover?" I didn't have to dig too deep to find the answer. They were paying employees far less than the industry average. In fact, 75 percent of those working elsewhere were making more than they were.

Underpaid employees feel exploited. Common benefits such as health insurance and vacation have an impact similar to fair pay. Provide less than is customary, and employees feel undervalued. According to Frederick Herzberg,^[3] pay and benefits don't motivate, but their lack can cause dissatisfaction. In the same regard, people really don't think of pay and benefits as recognition, but they can see their absence as a lack of recognition.

As a manager, you probably don't have a great deal of say in how much your group, as a whole, is paid. If your group is paid well or has outstanding benefits, talk to employees about how they are valued by both you and the organization. If they are underpaid or have limited benefits, you need to counteract the negative impact by explaining the situation as best you can. Maybe your company is going through hard times, and the situation is temporary. Maybe your company simply doesn't think that it has to meet industry standards. Whatever the reason, clarify that you think they are worth more than they are getting.

Work Environment

Do employees have the resources they need to do their work? Is their work area clean and safe? The work environment that you help create is another way that you tell employees that they are valued. Like pay and benefits, it's not so much that they see

these things as recognition; rather, they see a poor work environment as a lack of recognition of their value to you and the organization. Employees don't say, "Golly, I have all this information at my disposal; they must think I'm important." They don't spend much time thinking about the work environment—unless it's substandard. Then employees begin to question their importance to the organization. Public school teachers offer a classic example. Many teachers dig into their own paychecks to buy basic classroom supplies like paper and markers. When they have to do this, they're likely to think, "The district [or community] doesn't consider my work important." Is it any wonder many teachers feel undervalued?

Many elements of the work environment are out of a manager's control. School principals may have no budget for supplies, but that doesn't mean they can't work with parents, teachers, and community supporters to find a solution. Fire and police chiefs can't guarantee a work environment that is always safe. They can, however, work with their people to create as safe an environment as possible. Anything a manager does to improve the employee work environment—successful or not—will recognize employee value.

One element of the work environment is within a manager's control. Every manager can influence team spirit. Managers are the primary influence as to whether the work environment is oppressive or supportive. To create a more positive environment, you can introduce humor into the workday, have small celebrations, and encourage people to work together. People will enjoy being part of your group and will feel valued. They will recognize that you have their best interests in mind.

Recognition Is Everywhere

Anything that tells people they are valued and important has inherent recognition. It isn't all about perks and special benefits. It's about basic respect. A sixth-grade teacher told me that when he experienced a hearing loss, his principal refused to do anything to help him remain effective. Her indifference and lack of support showed him he wasn't valued. Ultimately, he resigned.

Recognition, or lack of it, really is inherent in everything we do. Keeping employees informed and updated recognizes their value. Providing the best possible work environment does the same thing. Consider the Plante & Moran philosophy: managers believe they should re-recruit their employees every day. Bill Bufe describes re-recruiting this way: "Think of your best staff member. Think as if he is coming in to see you today. What would you do or say if he said he was leaving? Do those things anyway."

Taking Action

- Provide appropriate opportunities. While you are delegating responsibilities, consider who has the appropriate skills *and* who would value a new opportunity.

- Clarify your organization's purpose, and make sure employees understand their role in achieving that purpose.
- Provide the tools, resources, and information employees need to do their jobs effectively.
- Treat employees as if they have just said they are leaving. What will you do differently in order to keep them?

There is an ongoing debate whether external motivators or incentives work. Alfie Kohn has written many books and articles on the topic, including *Punished by Rewards* (Boston: Houghton Mifflin, 1999) and an article for the *Harvard Business Review*, "Why Incentive Plans Cannot Work." In contrast, Harold Stolovitch, Richard Clark, and Steven Condly did a meta-analysis of all the research on the topic. They found that incentives positively and strongly influence performance. Their findings, "Incentive, Motivation and Workplace Performance: Research and Best Practices," are available through the Professional Society for Performance Improvement.

See David C. McClelland, *The Achievement Motive* (New York: Appleton-Century-Crofts, 1953); *Power: The Inner Experience* (New York: Irvington, 1975).

In *The Motivation to Work* (New York: Wiley, 1959), Fredrick Herzberg established his hygiene theory that stated that certain factors such as working conditions, salary, and benefits aren't motivators, but the lack of these factors leads to employee dissatisfaction.

Chapter 3: Recognition Starts with Your Relationships

What is it that makes recognition work? That's what I wanted to know when I began asking employees from around the country to tell me about memorable workplace recognition they had received. I wanted to hear directly from the people being recognized and get their reaction to their employers' recognition efforts. I wanted to hear about the recognition experiences that had "made their day."

In my initial research, I solicited the opinions of over one hundred employees across the United States. My continuing research has expanded to over a thousand and includes people from all over the world.

So, what do employees say makes their day?

Sticky Recognition

If your manager put a sticker on a report you had written, would that make an impression on you? Would that impression be positive or negative? Two women from two different companies each described having a sticker applied to a report that they had prepared. The stickers made a big impression. Each woman said that she would never forget how it felt to receive one. That's where the similarity ends. One described

the sticker as an example of the types of silly things her manager does to motivate people. She and her coworkers thought the stickers were childish and embarrassing, an example of recognition with a negative impact. Their negative response might seem like the only reasonable reaction to receiving a sticker, except that the other woman told the story as an example of recognition with a positive impact. She said the stickers were highly valued in her company. They were both meaningful and memorable. Getting a sticker showed that your work was of exceptional quality. It was a little like getting a Pulitzer Prize.

Makes you want to shop at the second sticker store, doesn't it? If only it were that simple. Clearly, the form that recognition takes isn't what creates the impact. It isn't the quality of the sticker, nor is it simply a matter of difference in individual preference. If these women are representing their organizations in a fairly accurate manner, they share their opinions with the majority of their coworkers. So what is the difference? What makes one sticker valuable and the other absurd?

Further exploration of the sticker stories revealed a difference in the relationships that these two women had with the managers presenting the stickers. The "Pulitzer" manager was highly regarded and had an excellent relationship with his employees. Any form of recognition he used, from candy bars to public praise, would probably have positive results. The other manager had never earned employee respect. Any form of recognition he used, including bonuses and promotions, would probably have failed. Employees would have viewed them with suspicion.

Everything Else Is Secondary

With recognition, nothing is more important than the relationship between the giver and the receiver. You can structure an innovative and generous program. You can offer frequent, timely, and proportional recognition. You can plan a program that is technically flawless, but none of that matters if the people you are recognizing don't value your feedback. Next to relationships, everything else is secondary.

Managers who are most successful spend less time thinking about recognition itself and more time thinking about how they can help the people they work with.

Here are some of the thoughts and actions that will make you successful:

- Get to know your people.
- Help others learn and grow.
- Share information, and trust people to use it appropriately.
- Value both the individual and his or her contribution.

People can tell when someone really cares about them. That can't be faked. When it comes to recognition that works, nothing can replace sincere respect and the positive relationships that it creates.

Consider your own work relationships. Do people trust you to have their best interests at heart? Whether you are aware of it or not, our colleagues and coworkers keep a kind of mental balance sheet on each of us. Steven Covey calls it an “emotional bank account.”^[1] I prefer “trust account.” When you make a promise and follow through, you make a small deposit into your trust account. When you are honest and open, you make another deposit. Give an evasive answer or make inappropriate disclosures about other employees, and you write a large check. Listen poorly, offer insincere recognition, or represent yourself as an expert when you’re not, and before you know it, that trust account is overdrawn, and the people you work with have stamped an imaginary NSF (Not Sufficient Funds) on your forehead. Your account is the reputation you build one person at a time. That reputation decides the quality of your relationships and the impact of your recognition.

If you have any doubts about the relationships you’ve built, forget about actively recognizing people for a while. Instead, work on the inherent recognition that comes with trust, respect, and caring. You will strengthen the foundation on which your relationships are built. Keep the best interests of employees and coworkers at heart, and the recognition that you offer will have a positive impact.

Steven Covey talks about the emotional bank account in his book [*The Seven Habits of Highly Effective People*](#) (New York: Simon & Schuster, 1990).

Employees Have Their Say

A director-level member of a network marketing organization told me that he had competed for his company’s President’s Circle Award.^[2] After a year of hard work, he won. He was the top sales producer for his region. At the annual conference, the president of the company presented him with a plaque. The director was very proud of his accomplishment and the organization-wide recognition that it offered. The experience would have been very positive and motivating, except that when he returned to his seat and looked at the plaque, he discovered that his name had been misspelled. Now he sensed that the award might not be as important to the president as it was to him, but he didn’t want to jump to any conclusions. He told the president about the error and gave him the opportunity to make things right. The president could have repaired the situation by simply apologizing and getting the plaque corrected. Instead, he responded, “Oh, well”

The company president in this story assumed that getting the top sales producer award was what mattered. What he didn’t understand was that the director was more interested in how the award would affect their relationship. He assumed that, as the top sales producer, he was now a member of the organization’s inner circle. He assumed that he and the president would have a new relationship and that the award was the formal announcement of that relationship to the rest of the organization.

Seeing his name misspelled cast doubt on his assumptions, but he offered the president the opportunity to repair the situation and reconfirm that he valued their relationship. Instead, the president's lack of interest in rectifying the mistake made it clear to the director that their relationship was insignificant. Recognition from the president no longer has meaning for this director. While he may continue to be top sales producer for a while, his sense of loyalty to the organization is damaged. When a new job opportunity comes along, he will be much more likely to take it.

Relationships are the cornerstone of recognition. In interview after interview, this same theme kept replaying itself. Without trust, respect, and communication, recognition doesn't matter. With these things, nearly anything can become valued recognition.

Some respondents told of managers who let them work flexible hours or gave them control over how the work was completed. Others shared how supervisors helped them overcome obstacles, let them find their own way through obstacles, or selected roles for them that offered new and interesting challenges. Not everyone mentioned their managers or supervisors when they told of recognition that made their day. They also told stories of coworkers who shared credit for success on a project or offered appreciation for their assistance. I heard dozens of very different responses to my questions about what makes recognition memorable and meaningful. The common thread throughout was that the person offering the recognition knew the recipient well enough to know what was wanted or needed and then provided it. They had built a respectful relationship.

Respectful Relationships and Recognition

The president of a company asks an employee to take his place on a panel discussion at an international conference.

Result? She says that this opportunity was one that she will never forget. The president was highly respected in his field and with his employees. Without his saying so with words, the employee interpreted his request to mean that he considered her an expert in their field and that he trusted her to represent him. No wonder this opportunity made her day.

If she had a poor relationship with the president, she wouldn't have interpreted the request the same way. She would have wondered why he didn't want to go and why she was stuck taking his place.

A sports fan receives her annual company-required performance evaluation. The written evaluation contains sports terminology to describe her performance. Her supervisor uses phrases like "You really scored big" and "Shows an improved ability to tackle problems."

Result? She feels her supervisor has communicated to her that he cares about both her and her performance. They have a strong relationship built on trust and loyalty.

With a poor relationship, an evaluation like this would have caused the employee to roll her eyes in ridicule.

The name of the award was changed to allow for the director's anonymity.

Filling the Other Guy's Basket

Some organizations seem to have an almost intuitive understanding about workplace relationships. When you enter one of these organizations, you get a sense that everyone likes, trusts, and respects the people they work with. These organizations have a reputation as a great place to work. They have their choice of the best employees in their industries. They have no trouble recruiting or retaining, even while others struggle. They get consistently high job satisfaction ratings from their employees, and employees go out of their way to find ways to improve their products, services, and work environment. Recognition in these organizations reinforces the positive relationships that have already been built.

At Dallas-based retailer The Container Store, 97 percent of employees agree with the survey statement "People care about each other here." The company has made respect for employees a cornerstone of their philosophy. They show that respect in a number of ways. Even with more than forty stores from coast to coast, the executive team still knows most full-time employees by name. Part-timers are known as prime-timers, and employee salaries are well above industry average. Everything they do, individually and as an organization, is meant to acknowledge the vital role that all employees play in the success of the company.

Ranked on *Fortune* magazine's "100 Best Companies to Work For" list year after year, The Container Store rates consistently high in employee satisfaction. It has a turnover rate of about 15 percent in an industry where annual turnover of over 100 percent is common, and more than 40 percent of new hires come from employee referrals. Reduced costs associated with recruiting and hiring mean the company is able to pay higher salaries than the industry average and still experience 15 to 20 percent sales growth each year.

At The Container Store, employees believe that everyone should "fill the other guy's basket to the brim." It's a memorable image for a retailer, one that suggests that everyone is responsible for making sure that both customers and coworkers get what they need. Employees live this philosophy. Elizabeth Barrett, VP of Operations, shared an example that illustrates this philosophy. A customer forgot her merchandise in the parking lot of one of their stores and later returned to retrieve it. When she found that it wasn't in the parking lot, she went into the store to see if it had been turned in. The customer was very upset to discover that it hadn't been. The employee whom she spoke

with assessed the situation and literally “filled her basket to the brim,” replacing the missing merchandise.

Make sure people get what they need. This philosophy doesn’t mean that The Container Store employees give away the store, but it does mean that they take care of the customers and each other. Employees fill their coworkers’ baskets to the brim in a variety of ways. They might grab a ladder from the stockroom for someone who is struggling with a ladder that is too small or fill in for someone who has to take a day off unexpectedly. You’ll often overhear employees in all areas of the company saying, “Thanks for filling my basket!” It is all about helping one another any way that they can.

The Container Store does a good job of demonstrating that, while relationships are between individuals, organizational structure and culture can also work to build relationships. The company has developed a culture that puts relationships first. The leadership sets a strong example, and managers and employees follow that example because they firmly believe in the philosophy. According to Jane Ellen Graham, Travel Manager, “I have never worked anywhere else where I felt appreciated every day! It is so nice to have people take the time to say thanks even though I’m just doing my job. It makes you want to always make the extra effort, because your fellow employees will do the same for you.” Everyone in this company fills the other guy’s basket with respect and recognition.

Organizational Respect

The executive team at The Container Store leads the way in living this philosophy. They are continually looking for new ways to fill employees’ baskets to the brim. The following are just a few of the ways they have done so:

- **They made the decision to “blow up HR,”** giving many of its responsibilities back to each store in order to strengthen the relationship between employees and their managers. They wanted employees to bring issues directly to their managers rather than to an intermediary.
- **Full-time store employees receive a minimum of 241 hours of training in their first year!** That is 11 percent of a standard forty-hour work week. In subsequent years, training averages out to approximately 162 hours per year.
- **All full-time employees were granted their wish to have two consecutive days off.** This practice is unusual in retail and is particularly surprising given that a full third of all Container Store employees are full-time.

Creating Loyalty

The low turnover and solid growth rate at The Container Store demonstrate that strong relationships create a tremendous amount of employee loyalty. The correlation between turnover, relationship, and loyalty isn’t unique to The Container Store. Most companies that put a high value on relationships enjoy a correspondingly high level of employee loyalty. Xilinx, a semiconductor company based in San Jose, California, provides another example.

To build strong relationships, one of the most important things recognition should do is communicate that a person is valued. Xilinx did this during the economic slump that began in 2001 in a way that employees found particularly meaningful. Although many companies say they value employees and structure elaborate recognition programs to demonstrate that value, when hard times hit, the first thing many do is lay off 25 percent of their work-force. This action sends a conflicting message that damages relationships and causes morale to drop among those employees who remain. Managers at Xilinx, in contrast, decided the best way they could demonstrate employee value was to avoid layoffs if at all possible.

According to Chris Taylor, who was then Senior Director of Human Resources, Xilinx leaders sat down and reassessed their company values. They decided that if they really respected people and really believed their people were their best resource, they should recognize that fact by finding alternate ways to scale back labor costs, reserving layoffs as their last resort.

The year 2001 was a tough one for most technology companies. Xilinx was no exception. By December, revenue was off 50 percent. What made Xilinx exceptional under these circumstances was that the company hadn't laid off a single employee. It could have chosen a more cost-effective short-term solution, but management believed that the long-term gain from having retained their highly valuable workforce was worth the risk. Xilinx found other ways to reduce labor costs. Management started with a tiered pay cut, with the biggest earners taking the largest cut. Then came an across-the-board pay cut, and finally a variety of voluntary programs to decrease labor costs. They communicated their plans to employees each step of the way, never promising that layoffs wouldn't eventually become necessary, but demonstrating that layoffs would be the last resort. This commitment to Xilinx employees was a powerful form of recognition.

Management demonstrated just how valued their employees were.

Employees responded with a tremendous amount of understanding and loyalty. Some offered to take even greater pay cuts than requested. The organization demonstrated employee value in a way that no recognition program could match. Through their commitment to retaining their people, even during difficult times, the leadership strengthened their relationship with every employee.

A strong relationship between employees and the leadership is nothing new at Xilinx. When CEO Wim Roelandts left Hewlett-Packard to join the firm in 1996, Xilinx was heading into a difficult time. Under his leadership, the company was able to gain momentum, surpassing its closest competitor in revenue. During the fiscal year that ended March 2000, Xilinx reached a milestone: it hit the billion-dollar mark. To show his gratitude, Roelandts gave every employee a bottle of champagne labeled Xilinx Billion Dollars. It came in a champagne bucket engraved with the individual's name. It was a nice gift, and because recognition goes both ways, employees wanted to thank him for his leadership. They decided to take out a full-page ad that read, "Wim Roelandts:

Thanks a Billion for Your Leadership!” Behind the bold-print headline, in faint print was the name of every employee in the organization. When employees showed their CEO the ad at a company meeting, there was a five-minute standing ovation. Roelandts was choked up. Even CEOs love recognition.

Strong bonds between employees at all levels create powerful company loyalty. Building strong bonds means building trust. Building trust means developing respect and cooperation. In organizations where strong relationships are valued, everyone works hard to maintain these things and is careful not to do anything to damage those relationships.

Creating a Respectful Environment

So, what do you do, as a manager, if you don’t work for a Xilinx or a Container Store? You don’t have control over how your organization behaves, but you can replicate their philosophies relating to respectful relationships.

- Be on the lookout for anything in your organization that seems disrespectful of employees. Do what you can to encourage change or, at the least, lessen the impact on your employees.
- Ask employees what they want and need that will make them most effective.
- Listen and respond to the best of your ability.
- Encourage respectful behavior among team members.
- Become a proponent of company policies that serve both the employees and the organization.

How Do You Measure Up?

Do you focus on what matters most? Ask yourself whether the people you work with value the recognition that you already give. Have you developed mutual trust, respect, and loyalty with them? If you aren’t sure, ask them or participate in a multirater assessment (often referred to as a 360 assessment) of your skills as a manager.

The Dangers of Intracompany Competition

Lots of organizations, divisions, and departments stage competitions. After all, contests among departments, teams, and individuals seem like a fun way to achieve a goal. Sports pit teams against each other, and people enjoy the competition, so why not enjoy that same spirit of competition at work? The difference is that in sports, opposing teams aren’t expected to work together or cooperate and collaborate after the competition. High-stakes competition often creates animosity between competitors, which damages relationships and makes working together difficult. Consider the following situation:

A small manufacturer of bath products holds a production contest. The morning and evening shifts compete to see who produces the most during the quarter. The prize is a

\$300 bonus for everyone on the production shift: line workers, members of the maintenance crew, and the shift supervisor. At the end of the first week, production is up. Line workers are working faster and smarter. Changes to the line that will improve performance are suggested. So far so good.

As the second week comes to a close, management learns that production levels have stalled. They give both shifts a pep talk, trying to motivate them to find innovative ways to increase production. Workers push for ways to outpace their competitors. They skip routine maintenance, withhold information, hoard supplies, and do their best to make production impossible for the other crew. Cooperation that once existed is now gone. Nobody wins.

You can have successful intracompany competitions without damaging relationships, but only if you work hard to ensure that those relationships remain intact. Competition has to be secondary to maintaining the bonds between employees. Focus on what matters most. The tips in the next box will help.

Recognition that works has more to do with trust, respect, loyalty, and creating strong relationships than contests, programs, or awards. Without healthy working relationships, recognition is meaningless. It is up to you to create an atmosphere of trust, respect, and loyalty where recognition can thrive.

Competitions That Work

It's possible to compete successfully without damaging relationships if you do a couple of things differently.

- Don't compete for high-stake rewards. Keep competitions fun by keeping the prizes fun. People aren't as likely to toss out the relationships that they've built for a pizza party as they are for a \$300 bonus.
- Compete to surpass past measures, such as improving on a safety record, beating a sales goal, or improving a customer satisfaction rating. Multiple winners should be possible.

Taking Action

- Assess your relationships with the people you work with. If your relationships are damaged, recognition will be meaningless. Build strong relationships first, and then you can explore other ways to recognize people.
- Look at how your organization demonstrates the value of relationships. See if there are ways that you can build trust and respect into the organizational culture. If you're unable to influence organizational behavior any other way, work to improve the relationships within your department or unit. Model behavior that creates strong working relationships.

- Regardless of your role in your organization, you can show recognition by treating individuals as the valuable people they are. Find ways to help others. As The Container Store employees would say, “Fill their baskets to the brim.”

Chapter 9: Getting Specific and Relevant

Lesson from a Fortune Cookie

Crack open a fortune cookie, and you get a fortune that’s nearly always true. Yet you will rarely find the message interesting. Why? Because it is vague. In the writer’s attempt to make the fortune relevant to everyone, it becomes relevant to no one. You can learn a recognition lesson from the fortune cookie.

Vague recognition that could apply to anyone doesn’t leave people feeling recognized.

The Employee of the Month Award is the classic example. Typically, there are no set criteria for receiving the award. It’s simply given to an employee identified as doing a good job. Without set criteria, Employee of the Month leaves workers asking questions: “How is this month’s winner a better employee than I am?” “Am I doing a good job?” “What exactly do you have to do to become Employee of the Month?” If employees can’t find satisfactory answers to these questions, the title quickly becomes meaningless. People won’t strive to win the award if they don’t know what it takes to win it. If, by chance, they do win, their sense of pride will be limited because they won’t know what the award represents.

When you play a game, you want to know the rules before you begin.

Think of the last time you played a game: a sport, board game, computer or video game—anything that you like to play for fun. Did you know the rules of the game before you began? Did everyone play by the rules? What would happen if you all played by different rules or someone cheated? Your first reaction might be frustration. You might attempt to get everyone to play fairly by the same rules, but if that failed, you would probably lose interest and quit. The same thing is true with recognition. When recognition is ineffective, frequently it is because no one knows the rules of the recognition “game.”

Playing by the rules means you judge and recognize performance based on preestablished criteria. This increases the likelihood that your recognition will be perceived as fair. It builds trust when you play by the rules, and employees who work in an atmosphere of trust are happier and more willing to work cooperatively.

So, how do you establish the rules of recognition? You begin by identifying the values, goals, and behaviors that lead to success.

What Do Values Have to Do with Recognition?

The Microsoft Business Solutions peer recognition program was based on the group's mission and shared values that were integral to their culture. The program reinforces their organizational culture because it allows employees the opportunity to see examples of what is outstanding.

Ask a Microsoft Business Solutions employee why a coworker won the Heritage Award, and that person would know. When the award was presented and the nomination read, everyone learned why the nominee was chosen to receive the award. They knew the nominee's actions embodied the values that they all shared. Ask a recipient if the award had meaning, and you would get a resounding yes.

Values Help Avoid Unintended Results

Recognition that isn't based on strongly held organizational values gets limited results, no results, or the wrong results. Setting goals, particularly goals accompanied by financial incentives, without creating a strong foundation in values is potentially dangerous. Consider the following example:

For a chemical manufacturer, a top concern should be safety. Its people should live and breathe safety. If everything they do isn't focused around promoting safety, then a goal to reduce the number of accidents reported would only lead to a reduction in the number of accidents *reported*, not necessarily a reduction in the number of accidents occurring. This is especially true if recognition is accompanied by a financial incentive.

Even if the manufacturer puts a high value on safety, some employees would still find it tempting not to report minor accidents if it meant they would get a bonus. To reduce the possibility of this happening, management needs to confirm that they recognize and reward only desired behaviors. They need to ask themselves the following questions:

- Do we emphasize the importance of *being* safe rather than *appearing* safe?
- Do we value consistency in following safety protocol rather than having speed and profit our primary concerns?
- Do we recognize and reward ideas that will improve safety rather than proving everything is perfect the way it is?
- Do we recognize and reward people for reporting and correcting violations rather than overlooking and concealing violations?

Your goals and actions have to clearly support the company's key values. In the chemical manufacturer's case, the key value is safety. If you were a manager in this organization, you would want to reinforce safety in everything you do, from communicating project strategy to the recognition you offer. There should be no doubt about your priorities.

You don't have to be a manager to communicate and reinforce values. Wherever you are within your organization, the values you hold and communicate should align with the organization's values.

Remember, you are defining the rules of the game.

Clarifying values helps define the objective. It begins to answer the questions "What do we have to do to win?" and "How do we know when we have won?" The answers determine how employees will behave.

Values Provide Purpose and Meaning

Have you ever heard employees say, "What's the point?" They may be burned out and need serious guidance or coaching to get them back on track. Or it may simply be that they don't understand how their work fits into the bigger picture. An understanding of their value to the team and/or organization motivates most people.

Can the people who work with you describe what your organization, division, or department values? Do they understand your business model, your mission statement? If not, you need to communicate that information.

Know what you value. Know where your organization is going, clarify your departmental or team goals as they relate to the bigger goals, and know how you plan to get there. Communicate your strategy clearly and frequently. Provide employees with the necessary resources. Work these things into the fiber of your organization or department. Then use recognition to reinforce what is important.

Recognition as a tool to reinforce values and goals can be extremely effective. I learned this lesson firsthand while consulting for Raytek Corporation, an international company that manufactures infrared thermometers. Years ago, when Raytek first became my client, I was touring the company's offices and noticed something intriguing. Everywhere I looked, people's cubicles had plastic apples on display. When I asked about them, I learned that the apple awards were given, along with an extra vacation day, to employees who used no sick time during the previous year. As my guide continued to explain, I learned that the company placed a high value on saving money. Much of their corporate culture was based around that value. The people at Raytek were proud of their ability to improve profitability by reducing costs, and management acknowledged their efforts. One way employees helped save money was by using sick time only when they were sick, rather than using the time as discretionary personal days. The days off were a valued reward, but the apples were a lasting symbol of their contribution. Employees were proud of what the apples represented.

Linking Goals to Individual Performance

Peak performers want to do work that matters. For their 1999 book *First, Break All the Rules* Marcus Buckingham and Curt Coffman of the Gallup Organization sifted through

more than a million interviews to determine what matters most to top performers. They found twelve workplace characteristics most critical to these employees. These characteristics are frequently referred to as the Q12. According to the research, one of the twelve characteristics concerns whether the “mission/purpose of my company makes me feel my job is important.”

Employees are more willing to take the initiative when they understand the mission, values, strategic plan, and goals of the organization. Being able to see how these relate to individual performance is motivating. Part of your job, in recognizing individuals, is to establish a clear link between the organization’s values and goals and the individual’s goals and behaviors. The link between these two is shared goals.

Shared Goals and Performance

Effective organizations set high-level performance goals. Each level in an organization then sets goals that align with all the entities they report to. The goals of a business unit may only need to align with those of the organization, while the goals of a cross-functional team might need to align with the goals of the organization, their division, and each of their individual departments.

To illustrate this point, take a look at how the various departments of a large nonprofit agency might align themselves with a company-wide goal to reduce costs.

At each level, groups pursue separate goals, but their goals all align with the cost-cutting goal of the organization.

So, how are shared goals developed?

Shared goals can be developed by management and dictated to employees, but you will find it more effective to use a collaborative process. Let employees help set shared goals, and they will have a better understanding and greater ownership of those goals. They will also be more likely to achieve them.

Setting collaborative goals together provides the group with a strong sense of clarity about what those goals mean. This improves employees’ sense of purpose. To further emphasize that sense of purpose, recognize groups when they achieve a shared goal. You might celebrate the achievement of small goals with an announcement and doughnuts or pizza (employees and managers alike say that food is a requirement for any celebration!). For bigger goals, dinner for the group, along with a formal acknowledgment, might be appropriate. Regardless of the form it takes, when you recognize shared successes, you provide an opportunity for everyone in the group to be a winner.

Individual Goals and Performance

Group goals provide a framework for individual performance goals. Understanding what motivates the organization, division, department, or team helps employees align their own goals and gives them a greater sense of purpose.

Employees in the Volunteer Education department of our previously mentioned nonprofit share the organization-wide goal to reduce costs. They know that online training can be very cost-effective in some instances, so they choose, as their department goal, to implement an online learning solution to help educate the agency's volunteers.

Several members of the department set individual goals to become familiar with available learning technologies. Together they will select the most cost-effective solution. Other members choose to focus on which courses can best adapt to the online format and provide the most cost savings. Alex embraces his department's goal to implement online learning but chooses to balance the department's cost-saving efforts with his own efforts around another shared value—customer service. Volunteers are the customers of their department, so with his manager's guidance, Alex chooses to survey volunteers to determine what they want from training. He is excited about the project because he is clear that his contribution will make the online learning solution better.

When the survey is complete, Alex has successfully captured the volunteer perspective; he knows what they want. Alex's manager asks him to act as the implementation team expert on that perspective. While Alex is the obvious choice for this role, the new responsibility is also a form of recognition. It recognizes the value of Alex's contribution to the team.

Help employees select goals that align with your shared values and goals. Clarify tasks and roles so that each person can recognize his or her own unique contribution. Help employees discover, understand, and even extend the magnitude of their contribution, and you help them recognize the value of their own achievements. In turn, they will be more enthusiastic and productive.

Reinforce Your Values

A team leader wanted a novel way to recognize the people on her team during a retreat. I gave her the following assignments to help her prepare:

Assignment 1: Make a list of everyone on your team. Next to each name write at least one behavior, skill, or attitude that this person brings to the group. She told me that this exercise gave her a greater appreciation of those on her team. "Frankly," she said, "there are a couple of people I hadn't realized brought anything to the team!"

Assignment 2: For each individual, think of (and purchase) an inexpensive object that symbolizes one of their positive attributes. This process takes a bit of imagination. She found having someone to brainstorm with really helped.

Assignment 3: Prepare a presentation where you will talk about the positive attributes of each person, present the gift, and make the connection between the object and what you just said. This team leader gave each person a creative and meaningful award. For example, she gave a rubber chicken to the guy who brought his sense of humor to a stressful work environment and a toy telephone to the woman who always maintained her professionalism when talking to upset clients.

Starting with a list of what she valued about each person, she was able to create an event that communicated those values and reinforced individual performance beautifully. It was an event that few are likely to forget anytime soon.

Recognize individuals who achieve their goals using the approaches discussed earlier in this book. With smaller goals, you will probably want to offer recognition one-to-one. A private verbal acknowledgment or a handwritten or e-mailed note is appropriate. If the goal was a significant milestone, announce it in a team meeting or provide a gift certificate when you acknowledge the achievement, whatever is most appropriate for the individual.

High-Performance Behaviors

Employees like recognition that is specific, relevant, and *frequent*. According to the Gallup survey (*First, Break All the Rules*) mentioned earlier in this chapter, peak performers want to be recognized at least every seven days. This presents a challenge. If you help each employee set and achieve about ten goals for the year and recognize the employee for every achievement, recognition is still too infrequent.

You probably couldn't handle the workload that would accompany setting fifty-two goals per employee per year. There are two solutions for the frequency problem that are more manageable and effective. The first solution is to get everyone involved in the process of recognition: team leaders, coworkers, even the individual him- or herself. Second—and the point I want to address here—is that you want to recognize behaviors as well as goals. Together these two things will expand the opportunities for recognition exponentially without overburdening you, the manager.

Problem: Many goals take months, even years, to accomplish, and recognition needs to be frequent to be effective.

Solution: Recognize both *accomplishments* and the *behaviors* that lead to those accomplishments.

Marcus Buckingham and Curt Coffman, *First, Break All the Rules: What the World's Greatest Managers Do Differently* (New York: Simon & Schuster, 1999).

Specific Recognition Makes Their Day

Recognized behaviors, like goals, need to be specific. When people tell you they appreciate that you offer several possible solutions when you present a problem, you know exactly what they value. You can't say the same thing when they compliment you on your positive attitude. Do they mean they like that you don't mention potential problems? Do they like that you tell jokes in the break room every morning? Or do they mean that it's great that you let them push you around without complaint? With vague recognition, their meaning is left up to the imagination.

Vague: Positive attitude

Specific: Treats customers and coworkers with respect.

Tackles projects outside the scope of the responsibilities of the job.

Rarely complains, prefers to look for solutions.

Brings a bit of fun or humor to every meeting.

Treats failure as a learning opportunity.

Clear, specific recognition of behaviors is meaningful. It provides guidance, strengthening the working relationship with the person giving the recognition. Compare the impact of these two thank-you notes:

Jan,
Thank you for your work on the new accounts
receivable system. Your efforts are appreciated.
Thank you, Sara

While many employees would be thrilled to receive this much recognition from a manager or coworker, consider how much more meaningful it would be to receive the next version.

Jan,

Just a quick note to let you know how much I appreciate the initiative you've taken with our new accounts receivable system. I understand some of the processes are less than intuitive and that many members of the implementation team are already frustrated. Your efforts to understand the quirks of the system and assist your team members in overcoming them will help us to achieve our goal of a flawless transition and help us to serve our customers better when the new system is in place.

Thank you, Sara

It takes more time and effort to be specific, and people appreciate that effort. Send a thank-you note like the one in the second example, and you tell the recipient she is important because you know precisely what she did that was commendable, and you took the time to tell her. Send a thank-you note like the second example, and you offer recognition that positively impacts performance.

The mother of a young Staples office supply employee told me, “[At Staples] they have ‘I noticed’ cards. There is no value attached. It’s just a note from the manager saying what she noticed the employee doing. My son has every one he’s received posted on a board at home!”

Specific recognition tells employees exactly what they are doing that is valued. On each of the Staples’ employee’s “I noticed” cards, his manager had communicated what behavior she considered commendable and told the employee that he exhibited that behavior. This young employee responded to being “noticed.”

Remember the fortune cookie. Vague, unspecific recognition that could apply to anyone leaves employees feeling unrecognized. Specific, detailed recognition, based on your organizational goals and values, is most meaningful. Communicate “the rules”—the specific goals, desired behaviors, and intended purpose of recognition. Use recognition to emphasize the group and individual efforts and results. Work to provide fair, specific, and frequent recognition and you’ll provide recognition with meaning.

Taking Action

- Offer specific, meaningful recognition by telling employees exactly what they did and why you value their behavior or contribution.
- Evaluate your recognition efforts by asking yourself these questions:

- Is my recognition focused on the most important issues? •Have I clarified how recognized behaviors and outcomes support what I value?
- Am I confident I'm recognizing the intended behaviors and outcomes and not others?
- Have I achieved the results I anticipated?