

# WHY SHOULD WE RECOGNIZE EMPLOYEES? GUIDE



## EMPLOYEE ENGAGEMENT

Did you know that worldwide, 63% of employees are not engaged at work? Employee engagement has been a major issue for businesses and been in the spotlight for years. Yet many businesses choose to do nothing and suffer the consequences. There are two choices for HR managers, to do something or do nothing about employee engagement. Let's take a deeper look at both options.



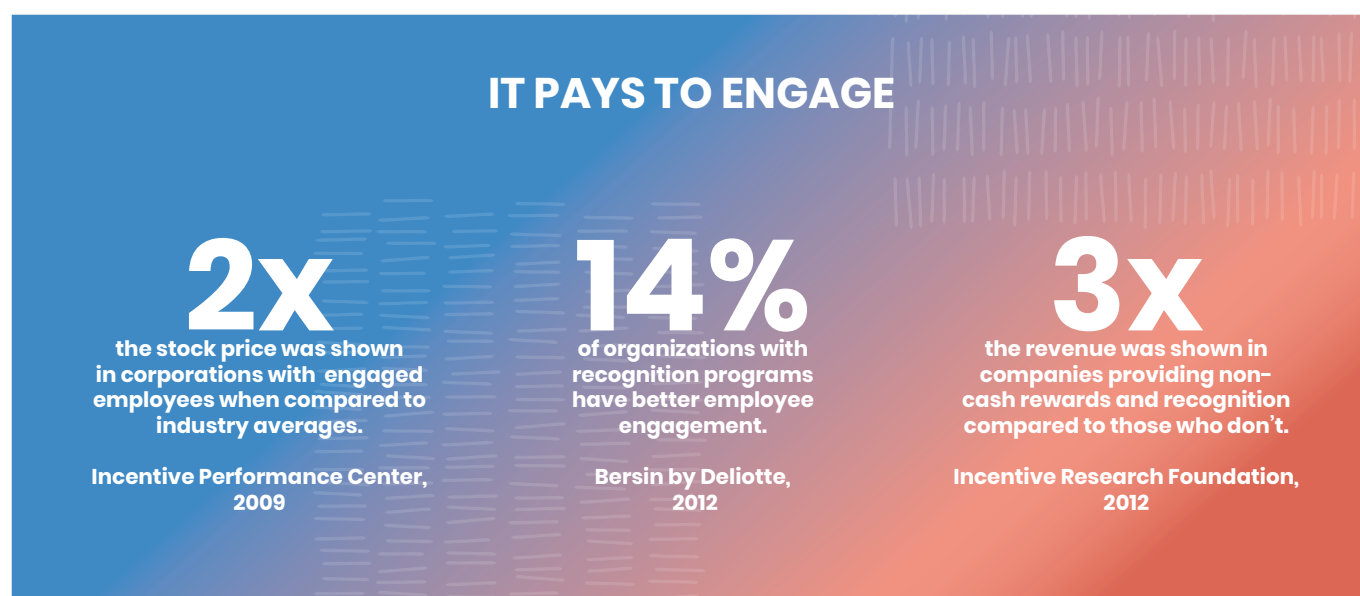
## WORKING TO FOSTER EMPLOYEE ENGAGEMENT

There are many benefits of employee engagement including:

- High quality customer service
- Better employee retention
- Increased employee productivity
- Raised customer loyalty
- Better growth
- Increased profits



Recognition and reward programs are one of the best ways to increase employee engagement. Managers need a process in place for consistently recognizing and rewarding employees who demonstrate desired behaviors and go above and beyond. In fact, companies with recognition programs have 14% better employee engagement on average. Although there are many factors that go into having engaged employees, like opportunities for growth, employees who are recognized will feel more engaged at work.



## DOING NOTHING TO FOSTER EMPLOYEE ENGAGEMENT

If you don't specifically target employee engagement as an initiative, you may be just fine. Or you could end up with high turnover, low customer satisfaction and employee productivity could take a dive. It is amazing to think how much turnover alone costs US businesses each year: \$11 Billion (yes, Billion with a capital B!). Turnover isn't the only cost you could be incurring though. When employees are engaged, you may be able to increase discretionary effort. This term means how quickly people work, how often they take breaks or chat with co-workers. Business Journal earlier this year cited a study in which companies with engaged employees had 21% higher productivity.<sup>1</sup> That's like getting an extra day a week from each engaged employee.

There seems to be an attitude that low employee engagement is just the status quo in certain industries. That it is unavoidable and inherent in the industry. This just isn't true! A recent study in the UK evaluated brands based on their actions, recommendations and engagement.<sup>2</sup>

#### Here were the results:

#1- Cadbury (Manufacturing/Retail/Food Industries)

#2- John Lewis (Retail Industry)

#3- Amazon (Retail Industry)

#4- Weetabix (Food Industry)

#5- PayPal (Tech/Retail Industries)

In the US, there are many brands that stand out as having highly engaged employees.

Costco, Southwest Airlines, Starbucks are all at the top of the list and all have happy, engaged employees working for them.





## SOURCES

1. Gallup - Five Ways To Improve Employee Engagement Now, 2013.
2. Marketing Week - Why Good Deeds Pay Off For Brands, 2014.

Ready to learn more?

**REQUEST A DEMO**

Awards Network aims to Amplify Workplace Culture® across all organizations, no matter the size or industry. Our proprietary engagement platform of rewarding activities and features creates an exhilarating employee recognition and appreciation experience for employees and managers alike.

AWARDS NETWORK 