motivosity

Top-Down Should Be a Dirty Word (Okay, a Hyphenated Dirty Word)

How To Do Peer Recognition Right

Time to ditch the gold watch, jelly-of-the-month club, employee of the year, top-down recognition of the past.

There's a better way.

Let's start by understanding the changes we face. Three new dynamics are in play that are influencing the way forward-thinking leaders are engaging today's knowledge worker.

| The Millennial Mindset | The Pace Of Work | The Gig Economy |

1. The Millennial Mindset

You get it. Millennials are different in many ways from their generational predecessors. Study after study reveals that millenials want an inspiring workplace, transparency, and a clear vision of the future[1]. When asked about what they value most, salary and other benefits rank below "being in a role I'm passionate about"[1]. A best friend[2] and a caring boss[3] top the charts for satisfaction and engagement at work.

The millennial that doesn't feel passionate, doesn't have a boss that cares about them, and doesn't have a friend at work simply leaves. In fact, a recent study shows that 6 in 10 millennials are looking for a new job right now[4].

2. The Pace of Work

The pace of work continues to move faster and faster. We communicate and work and collaborate with people all over the world in real time. The need for speed and flexibility is so critical that old processes and procedures simply don't make the cut anymore. As the speed of work gets faster and the amount of information increases, the need for an empowered frontline becomes clearer.

And there's a direct correlation between empowered employees and increased engagement at work. Highly empowered employees are 67% more likely to give more to their jobs and the company[5].

Today's challenge shifts. Your job now becomes leading an organization in such a way that you're empowering your employees to make decisions and drive results inside an environment that is moving faster and faster each day.

motivosity

3. The Gig Economy

One of the greatest changes to the workplace is the place itself. With the rise of the digital native, the workplace is global, dispersed, diverse. It comes in the form of flextime workers, freelancers, and multiple locations. It's a work anytime, anywhere culture, where you often find people assembling for a project (a gig) then dispersing and moving on to the next assignment.

Even the in-house employees have changed the way their work looks. The average knowledge worker puts in eight hours from home every week. And more than three quarters of employees have flexibility in their schedule, utilizing that for a more balanced work and life schedule[6].

This new work dynamic bottom line -- you must ensure your dispersed workforce stays connected to your organization.
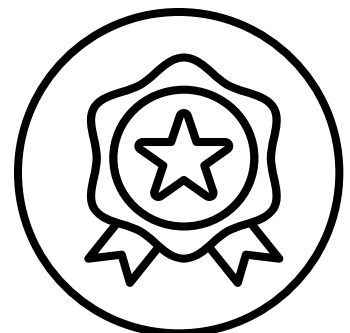
Only 8% of employees rate perks and parties as effective drivers of employee engagement

motivosity

Failed Attempts

With these dynamics in play -- the millennial mindset, the pace of work, and the gig economy -- what are businesses doing about it? How are they adapting? Most are doing something, yet many say they aren't getting results from their efforts and initiatives. We see many of the following failed attempts:

Popular perks

Free soda machines, nap rooms, gaming stations, company swag. Employees like them, but the impact of the perks only runs surface deep. Enjoyable yes, but they don't move the needle on how connected the employees feel to the business and they don't have any influence on retention.

Parties, picnics, amusement park days

Again, while well-intentioned, these activities feel mandatory and don't break down silos when everyone continues to interact with the colleagues they work with daily anyway.

Hackathons, offsite brainstorms, CEO suggestions boxes

Headed in the right direction, these responses put the power back in the hands of the people, but only for a short time. Good ideas from hackathons are often deprioritized and many people hesitate to even use suggestion boxes that might not be anonymous.

What works better?

77%

of employees find that their peers are the key to happiness and satisfaction at work[7].

Employee of the month, quarterly manager lunches, annual company employee awards

These top-down recognition programs, meant to increase connections (lunches), and recognize employees for their efforts (awards often left in desk drawers) fall flat because they aren't regular or consistent. They don't motivate the group as a whole when only a handful of employees are recognized and they don't create engagement between departments, remote employees, or teams.

More HR programs

More and more programs are introduced every year! Companies are conducting more surveys, requiring more performance management, more onboarding, and profiling employees more than ever before... and the result over the last ten years? Absolutely nothing has changed. Employee engagement scores are still a pitiful 32 - 33%[8].

motivosity

Peer Recognition is the Right Way Forward

We agree on the challenge -- to provide meaningful work, empowerment, and connection for the new, modern workforce. The action that will deliver the biggest impact on getting this done? A peer recognition program.

Peer Recognition Delivers

Peer-to-peer recognition, done the right way, promotes trust between employees, breaking down the silos of the past that kept good ideas in miscellaneous folders. It opens up the possibilities for communication and collaboration between people and departments that didn't connect before the modern workforce.

What is a peer recognition program? A peer recognition program allows a business to operationalize how employees are recognized and rewarded. It most commonly includes an online platform (or if you prefer a more formal description -- a browser-based application) where employee peers and managers have the ability to give formal awards and small monetary rewards to each other for accomplishments and exemplary performance.

A peer recognition program improves employee engagement, increases visibility across the organization, develops increased trust, and improves the connections and collaboration between employees.

The facts support peer recognition. Seventy-four percent of companies that implement a peer recognition program believe that it "creates a positive work environment"[9].

When employees are empowered from the bottom up, enabled to recognize each other, they are "twice as likely to identify themselves as highly engaged"[10]. Want less turnover? Give the power to the people!

And it doesn't stop there. When workers are recognized, they want to work harder. Seventy-seven percent of workers agree[11]!

If a program is going to be successful, it has to be owned by the employees. It must truly be by the people, for the people. When peers are delivering recognition, without the top-down management approval requirement, it's "35.7% more likely to have a positive impact....than manager-only recognition"[12].

How does it stack up against the three drivers of the modern workplace?

Let's check it out.

motivosity

1. Millennials Thrive On Peer Recognition:

Only one in three employees working in the U.S. received recognition for good work completed in the last seven days[13] -- that's a pretty pitiful number. It's clear that most workers feel like their hard work isn't noticed, or that it's completely ignored[13]. What's the millennial take on all of this? Eight out of 10 believe they aren't recognized enough for their work[14]. And, when workers aren't recognized, they're "twice as likely to say they'll quit in the next year"[13].

What do millennials want? Fifty-three percent say recognition from managers and peers is the answer[15]. According to Neil Shastri, leader of Global Insights & Innovation at Aon Hewitt, "being recognized and thanked by leaders in a meaningful way and on a frequent basis not only gives millennial workers a rewarding experience, but also strengthens their personal connection to the organization and encourages them to continue to be key contributors"[15].

2. Peer recognized employees solve problems faster:

Organizations need to get out of the way of their employees trying to do good work. The layers of titles and approvals only slow down good ideas. The answer to fostering relationships, promoting cross-departmental collaboration, and employee trust? Peer-to-peer recognition.

Empowered to provide peer recognition, and enabled to receive it, workers can break down silos, build relationships, and get more work done. With peer-to-peer recognition, the speed of work can actually thrive. When workers are empowered to recognize one another, they're empowered to solve problems together, too. And to hearken back to an early stat, highly empowered employees are 67% more likely to give more to their jobs and the company[16].

3. Work anytime, anywhere. Get recognized anytime, anywhere.

Adding a scalable, sustainable, and instant peer-to-peer recognition system will impact in-house employees and virtual workers alike. Sitting halfway across the globe from the rest of the team can be isolating. With a simple, virtual recognition, and automated social promotion of the work they're doing, suddenly they're part of the group.

And if the most productive workplaces find that recognition is received at least once every week[17], the fastest way to meet that quota is to elicit help from the team. Virtual recognition, delivered peer-to-peer, works for in-house teams, remote employees, anyone in the work-anytime, work-anywhere culture. Work done anywhere can be recognized anywhere.

"Being recognized and thanked by leaders in a meaningful way and on a frequent basis not only gives millennial workers a rewarding experience, but also strengthens their personal connection to the organization and encourages them to continue to be key contributors"[15].

– Aon Hewitt

motivosity

Time to Do Something About It

You can continue to talk about the need for a great culture, for engaged employees, and better collaboration across the business. Continue to throw the latest fad perk at the problem. Or worse yet, just keep your head down and make sure all the compliance requirements are met and that the employee satisfaction survey goes out on time.

Or you can do something that will make a difference.

It's time to modernize the way you engage knowledge workers. Millennials, the speed of the new, virtual workplace, and the gig mindset aren't going away. They'll continue to grow and make up more and more of your employees and the way work gets done.

It's time for a modern peer recognition platform. It's a change that will actually make a difference in how much your employees look forward to coming to work, recruit others to the organization, and advocate on behalf of the company. It will create an environment where they feel trusted, where their work is recognized and visible to others, and where they feel a connection to their coworkers and to the business. This is where the magic happens -- productivity goes up and turnover goes down.

Your employees are screaming for a relationship with your organization. It's time to take the most impactful action for success. Implementing a peer recognition platform is the better way you've been looking for!

The Motivosity team would love to help you get started.

Works Cited

(1) http://www.press.pickworthbell.com/department26/Millennials+Work.pdf

(2) http://news.gallup.com/businessjournal/24883/what-workplace-buddies-worth.aspx

(3) http://news.gallup.com/businessjournal/493/item-supervisor-cares-about.aspx

(4) http://fortune.com/2017/06/27/best-companies-millennials/

(5) https://www.forbes.com/sites/joefolkman/2017/03/02/the-6-key-secrets-to-increasing-empowerment-in-your-team/#2ade47de77a6

(6) https://www.martechadvisor.com/articles/asset-management/embracing-the-shift-to-remote-and-flex-work/

(7) https://www.forbes.com/sites/victorlipman/2015/07/26/new-management-research-analyzes-how-recognition-affects-retention/#1a61cef674d1

(8) http://www.theemployeeapp.com/gallup-2017-employee-engagement-report-results-nothing-changed/

(9) https://www.worldatwork.org/docs/research-and-surveys/survey-brief-trends-in-employee-recognition-2013.pdf

(10) http://www.globoforce.com/resources/research-reports/mood-tracker-summer-2013-report-empowering-employees-to-improve-employee-performance/

(11) https://www.achievers.com/blog/2017/01/employees-love-social-recognition/

(12) http://go.globoforce.com/SHRM-winter-2012-report_announcement.html

(13) http://news.gallup.com/businessjournal/193238/employee-recognition-low-cost-high-impact.aspx

(14) http://blog.viacom.com/2012/10/consumer-insights-mtvs-no-collar-workers/