The Human Science of Giving Recognition: 
Creating True Connections Between Humans in the Workforce 
Special thanks to the contributions of Melissa Van Dyke and Melanie Mihal
Introduction

In today’s knowledge economy, the wealth of most companies is people-based wealth. For companies to achieve sustainable competitive advantage, attracting, retaining and motivating people are critical success factors. In an otherwise vacuous toolbox, employee recognition is one of the few power tools available for leaders, OD practitioners, HR professionals and front-line managers to accomplish these business imperatives.

What is employee recognition, exactly, and why does the term sometimes cause confusion? Let’s start by defining what it is not. Employee recognition is not compensation, which is payment for doing the job. Employee recognition is not a benefit, such as vacation days or health insurance. Employee recognition is not an incentive or reward for the achievement of specific performance goals.

Employee recognition is a critical and often underutilized tool in addressing the age-old problem of underperformance, specifically performance that falls below the potential of the individual, team or organization.

Employee recognition encompasses a variety of practices and experiences that expand and enrich employee capabilities. It is connecting and engaging with employees in interpersonal conversations characterized by rich, honest dialogue. It is asking employees’ opinions about how to build a better product or service. It is a heartfelt “thank you” or a warm “well done.” It is enriching employees’ work and personal lives by giving them the chance to grow and develop.

Successful firms understand that recognition is a powerful way to develop and retain their employees, enhance performance and build a vibrant, values-based culture.

Recognition may also include tangible rewards, but a continuing focus remains on expressing gratitude, positive feedback and acknowledgement. Recognition leverages what makes us human. In today’s era of economic uncertainty, recognition motivates people by delivering mutual benefit … better business and better lives.

This document shares insight based on experiences and research, old and new, that enables you and your organization to better understand the environment and the practices necessary to successfully harness this powerful tool.

The New Normal

In the past few years, the economic and employment landscape has fundamentally changed. Today’s “new normal” is characterized by increased frugality, more focus on the non-monetary aspects of life, decreased workplace engagement and diminished trust in organizations. In this new normal, the problem of underperformance is exacerbated by a widely-shared outlook that includes eroded trust, engagement and purpose.

Diminished Trust

Recent Maritz research indicates that today’s crisis of organizational trust has profound implications for employee engagement (Maritz Research, 2010). In cases where management trust was strong, poll results show that employees were significantly more committed to working for their companies. For those with strong management trust, 50 percent of
respondents indicated they look forward to coming to work every day, and 58 percent were completely satisfied with their job. Conversely, only 3 percent of respondents with weak management trust look forward to coming to work every day, and a mere 4 percent were completely satisfied with their job.

Trust In Management Has Profound Implications

<table>
<thead>
<tr>
<th></th>
<th>High Trust in Management</th>
<th>Low Trust in Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Look forward to work each day”</td>
<td>50%</td>
<td>3%</td>
</tr>
<tr>
<td>“Completely satisfied with my job”</td>
<td>58%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Employee trust in leaders, managers and peers is at its lowest level since Maritz began its research a decade ago.

Employee Disengagement
Contrary to the popular belief that everyone is just happy to have a job, the Corporate Executive Board found that the number of disengaged workers doubled between 2007 and 2009, and that those disengaged workers were staying longer than they did in 2006 (Corporate Leadership Council, 2009). While disengaged employees are staying longer, top performers are increasingly planning to leave with 25% indicating an intention to leave when the economy improves.

And perhaps most troubling, 60 percent of those employees who are engaged are not directing their efforts towards their firm’s top priorities (Corporate Executive Board, 2010).

Purpose
Organizations designing their response to the new normal are increasingly looking to purpose as a critical differentiator. Purpose is the focus or vision of the organization – the compass or guiding star. Purpose answers the question: What are we doing that’s important? How are we adding value to society?

Research shows that consumers and employees are demanding a clear sense of purpose. In their book Firms of Endearment authors Rajendra Sisodia, David Wolfe and Jagdish Sheth provide empirical evidence that organizations that place social and environmental values ahead of the bottom line outperform companies that don’t – on the order of 8:1 over the last 10 years.

- Trust of leaders, managers and peers is spectacularly low
- Disengaged employees are staying longer
- Of top performers, 25% plan to leave when the economy improves
- Of engaged employees, 60% are not directing their efforts toward their firm’s top priorities
The evidence points to the constellation of benefits for organizations that cultivate a values-based culture characterized by an authentic sense of purpose. What actions, precisely, can organizations employ to connect values and purpose to the day-to-day behaviors of employees? One of the most effective levers that companies and managers have at their disposal is recognition.

Creating a recognition culture that improves trust, engagement and sense of purpose doesn’t have to be a guessing game. Recent scientific advances tell us much about effective recognition. From the sciences, clear and powerful tactics emerge.

**Recognition Leads to Significant Business Results**
Creating a culture in which employees are consistently recognized can lead to significant results at both the individual and organizational levels. Individual benefits are reflected in employee responses showing that those who indicate that they are consistently recognized in ways that are meaningful to them are 11 times more likely to spend their career with the company and 7 times more likely to feel completely satisfied with their job. Recognized employees are also more likely to say they understand their role in the organization — the response that has the strongest correlation to individual performance (Maritz Research, 2006).

Organizations benefit also. Organizations with formal recognition programs have six times greater operating margin and employees with the highest engagement (Incentive Magazine, 2005). A Maritz analysis of customer satisfaction for financial sector clients demonstrated significantly higher customer satisfaction scores and, for one multi-national financial organization, a 35 percent reduction in administration costs as a result of consolidating multiple employee recognition initiatives.

As a business tool, a well-considered recognition strategy can contribute to employees taking more pride in their work, bringing more attention and resourcefulness to their tasks, feeling more connected to corporate objectives, and collaborating more effectively.

A culture of recognition helps the organization to align to corporate strategy and be more responsive to market shifts. It can equip the organization to outperform the competition as the economy turns around, paving the way for competitive advantage in the long term. Now is the time to leverage a focused, meaningful approach to interpersonal recognition.

**The Maritz Recognition Model**
The Maritz recognition model is a simple tool that significantly improves effectiveness of recognition compared to the common practices of unaided, under-trained recognition givers. It is built on three foundational elements and three simple practices.
Three Foundational Elements

Emotion
The need for recognition, its delivery, and the receipt of recognition are all deeply grounded in emotional as well as rational thinking. Human beings are of two minds: the rational and the emotional —two fundamentally different ways of thinking that interact to construct our mental life (Goleman, 1996). Before the early 1980s, the majority of scientists equated the human brain to a computer — a rational and peerless processor of information — and disparaged emotions, blaming feelings, instincts and impulses for impairing effective decision-making, learning and reasoning (Lehrer, 2009).

Many people have been taught in school that intellectual ability, book learning, analytical prowess and technical know-how were the sole determinants of outstanding job performance. We now know that this belief is flawed. Based on data gleaned from nearly 500 companies worldwide, 85 to 90 percent of success at work depends on emotional intelligence more than any other factor (Goleman, 1998).

Fairness and Trust
Humans innately want the world around them to be fair. Fairness – the equitable allocation of goods or outcomes – leads to self-reported, behavioral and neural evidence of reward (Tabibnia & Lieberman, 2007). The perception of fairness activates dopamine cells and increases serotonin in the brain, generating an emotional state that makes people open to new ideas and more willing to connect with other people (Rock, 2009). Likewise, inequity aversion is so strong that people will sacrifice personal gain in order to prevent another person from receiving an inequitably better outcome (Tabibnia, Satpute & Lieberman, 2008). Research also shows that an organizational culture characterized by fair treatment and cooperation is more likely to increase intrinsic motivation (Tabibnia & Lieberman, 2007) – and increased intrinsic motivation predicts better job performance and satisfaction (Baard, Deci & Ryan, 2004, and Lepper, Greene & Nisbett, 1973).

A climate of trust and fairness is crucial to the brain’s perception of reward and recognition. Methods to create an enterprise climate of trust and fairness are numerous and include appropriate design of initiatives that ensure that participants feel engaged, encouraged, rewarded and enriched for their efforts.

Engage multiple senses — especially visual: Scientific research presents evidence that people learn new behaviors and skills more effectively when multiple senses are engaged (Kim, Seitz & Shams, 2006). The brain has an enormous capacity to produce and remember pictures and images. One study demonstrated that people can remember more than 2,000 pictures with at least 90 percent accuracy (Standing, Conezio & Haber, 1970). Recent neuroscience studies substantiate this with one theory being that pictures induce a more elaborate encoding than occurs with words (Grady, McIntosh, Rajah & Craik, 1998). Because visual processes evolved over millions of years, the brain is highly efficient, especially in comparison to the circuitry involved in language (Medina, 2008). The implication for recognition is that using words that invoke an image help the brain remember.

Similes, metaphors and analogies can help “paint a mental picture.” It’s the difference between saying, “Your idea is great” and “Your idea went off like a light bulb that lit up the room and helped us see how we could help our client.”
Giving Recognition through the B.E.T. Model:
To reinforce positive, productive behavior change, most people intuitively agree that connecting gratitude to both the behavior and the effect is a winning approach. Yet what most often happens is that one or both are communicated in isolation. And they do not stand as tall alone as they stand together. There are important scientific reasons why these three phases – Behavior, Effect, and Thank You – are more effective.

Three Critical Practices
The Maritz Recognition Model – Behavior, Effect, Thank You, or B.E.T. — positions recognition as an interpersonal, meaning-making communication between two people. The recipe for effective recognition consists of three ingredients:

• **B**: State the specific behavior or performance
• **E**: State the Effect, i.e., the impact and importance of the behavior
• **T**: Say “Thank You” in earnest

The Maritz Recognition Model provides a powerful blueprint for creating high-impact recognition experiences.

B: State the Behavior
Recognition too often stands alone, never connected to specific actions. Explicitly stating the behavior transforms a general appreciation of “who you are and what you do” into a reinforcement of specific behaviors, attitudes or results.

Best Practices
**Be specific:** Acknowledging the behavior in specific terms is important because it provides the brain with what it needs to more easily repeat the behavior. A recent study conducted at MIT provides evidence that when rewarded, the brain remembers what it did right and changes neural pathways, making brain activity more efficient the next time the activity or decision is undertaken (Berinato, 2010). In short, recognizing success changes the brain and facilitates the brain’s ability to repeat the successful activity again.
**Be immediate:** Because memory distortion and plain old forgetting are unfortunate facts of life (Schacter, 2001), recognition should follow the behavior as immediately as possible. Give praise before you—and the employee forget. Doing so creates a stronger link between the act of recognition and the specific behavior.

**Be concise:** To maximize the impact of recognition, be brief and concise. “Working memory” is the capacity that enables a person to process the information necessary to complete a given task (LeDoux, 1996). For example, to understand the meaning of this sentence as you read it, your working memory needs to hold the beginning of the sentence as the rest of it unfolds. Although it is one of the brain’s most sophisticated capabilities, working memory generally has very limited capacity (LeDoux, 1996). Working memory can only hold a few isolated items simultaneously, and it doesn’t hold tightly to anything (Zull, 2002). Furthermore, the more things that are held in working memory, the harder it is to focus on what is most important (de Fockert, Rees, Frith & Lavie, 2001). So, when it comes to giving recognition, in any given setting, less is more. While brevity is especially important when identifying the behavior, it is a best practice that should be applied through the entire recognition interaction.

**E: State the Effect**
Behaviors are reinforced positively through recognition, and that positive reinforcement is further extended by also connecting behaviors to the effect – business or culture building results. The recognition is the recipient’s connector to these results, with the recognition having the potential to be more meaningful and longer lasting to the recipient than the results themselves.

**Best Practices**

**Connect to people:** People are hungry for a sense of connection and belonging, and it feels good when they get it. In fact, the brain registers social connections in the same way that it registers basic needs, such as food and water (Lieberman & Eisenberger, 2009). When giving recognition, take care to note the impact of the employee’s behavior or performance on other people. For example, stating that “your process innovation means less re-work, confusion, and less hassle for everyone downstream” helps the recipient see the effect of their work in human terms.

**Tie the effect to what they already know and consider personally relevant to build memories:** Neuroscience findings indicate that it is easier for the brain to assimilate new pieces of information (in this case, praise for the effect of the recipient’s performance) when it is able to associate that information with previous experiences that are considered personally relevant – like organizational goals that employees believe are linked to their personal success. Why? Associations between new and existing information that render the information personally relevant have the ability to strengthen the brain’s ability to remember it (Maguire & Mummery, 1999).

**Tie the effect to company goals:** People work best when focused on tangible goals or results that can be seen (Berkman & Lieberman, 2009). By connecting individual recognition to specific metrics, goals and outcomes, companies can use recognition to drive very specific behavior toward those goals during defined time periods. Beyond recognizing behavior aligned to company values, we believe recognition targeted at innovation, process redesign, cultural transformation, cost management, ERP implementation or any other business priority can advance those priorities and deliver measurable feedback on results achieved.

---

By connecting individual recognition to specific metrics, goals and outcomes, companies can use recognition to drive very specific behavior toward those goals during defined time periods.
T: Thank You
Recognition without the expression of gratitude is not recognition…it may be a sterile recap of activity, but not recognition. Yet there is an art to conveying “thank you” in a way that is grounded in the contextual understanding of knowing oneself, the recipient, and the situational environment.

Know who you are recognizing

**Best Practices**

**Know and give what they want:** Award preferences are unique, and a reward that is acknowledging for one recipient can elicit an opposite, negative reaction from another. A Maritz poll conducted across a diversity of full-time employees representing a wide variety of industries identified different and distinct recognition profiles (Garlick, 2007). The study illustrates the important differences that exist between employees with regard to receiving recognition.

- It is not all about generations. Segmentation along demographic lines existed but did not occur with exclusivity.
- Employees who received the type of recognition they wanted felt more valued, were significantly more satisfied with their jobs, more likely to remain with the company and more likely to recommend their workplace to others.
- In many cases, providing the wrong type of recognition actually achieves the opposite of what is intended. Inappropriate incentive practices can engender resentment and serve to de-motivate employees.
- Almost three out of four employees prefer to have a choice of rewards rather than a pre-selected item. While too much choice can be overwhelming to participants, offering the right mix of rewards (i.e., a “purposeful choice”) is viewed very favorably.

Conversation is the most effective and direct way to understand what a person values and what motivates him or her. Each manager should spend time with his or her employees to determine how each employee is best acknowledged. For example, does the person prefer public or private praise? From whom would the employee like to receive recognition? What type of recognition does the employee value? These questions help move beyond a one-size-fits-all program and greatly increase the meaning and impact of recognition.

**Align the recognition to the effort:** All major contracts, including the work contract, are based on the principle of reciprocity: a fair balance between the costs invested in cooperative activities and the gains received represents the prerequisite of a trustful social exchange and individual well being (Siegrist, 2002). It is important to understand that recognition given be considered commensurate with the effort needed to achieve it. For example, if an employee steps out of her traditional role and saves a business relationship with an important customer, make a big deal of it.

**Know Yourself**

**Best Practices**

**Manage your emotional state of mind:** People are not isolated emotional islands. Moods are contagious, with the transmission of moods seeming to occur instantaneously and unconsciously—so quickly that people can’t control it, and so subtly that people are sometimes not aware that it’s going on (Barsade & Gibson, 2007). This phenomenon may
be attributable to mirror neurons, a special class of brain cells that fire not only when an individual performs an action, but also when the individual observes someone else make the same movement (Society for Neuroscience, 2008). People understand others not by thinking, but by feeling. Mirror neurons appear to let a person “simulate” not just other people’s actions, but the intentions and emotions behind those actions. When a person sees someone smile, for example, his or her mirror neurons for smiling may be recruited too, creating a sensation in the mind’s eye of the feeling associated with smiling. There is no need to think about what the other person intends by smiling – the meaning is experienced immediately and effortlessly. Hence, employees can pick up on the subtle emotions that their bosses or peers are feeling even if the emotion is not associated with the recognition.

It is not just what you say – body language and tone of voice: For decades, psychological research has shown the predominant role of nonverbal cues in communication: when communicating face-to-face, over 90 percent of the message conveyed is nonverbal (Mehrabian, 1972). Essentially, body language is richer in content than spoken words. Using vocal expressions, gestures, posture and movements, people amplify, restrict or deny what their words say, and convey emotions with greater facility and efficiency than with words alone (Mehrabian, 1981). We are often able to immediately, instinctively and intuitively sense just from a single “hello” over the phone if the speaker is happy, upset, welcoming or angry. By observing the pattern of activity in the brain, scientists have discovered they can “read” whether a person just heard words spoken in anger, joy, relief or sadness (Cell Press, 2009). Not only is our interpretation of recognition, or any other conversation, shaped by more than words, our resulting behaviors are influenced as well.

Email has a “voice”: Written communications can be perceived as more negative, more neutral, or sometimes more positive than intended (Thompsen & Foulger, 1996; Walther & D’Addario, 2001). The failure to accurately communicate emotion, particularly positive emotions, may inhibit relationships between coworkers (Barsade, 2002). Research on other electronic media has shown that training helps to establish organizational norms for its use (Orlikowski et al., 1995). Our experience is that the most effective recognition programs provide recognizers with tools and guidelines to help them communicate in writing – whether online or offline.

Understand the Situation or Circumstance

Best Practices

Consider your approach: Timing is important. First, seek to understand if the recipient is in a mental state to best receive recognition. Emotion is crucial to effective thought, and it also has the power to disrupt thinking itself (Damasio, 1994). Signals of strong emotion such as anxiety or anger can create neural static, sabotaging the ability of working memory (Goleman, 1996).

A manager can also inadvertently create the wrong mood. When a boss approaches an employee with the statement, “Can I talk to you for a second?” the employee reflexively generates a threat response. Instead, a manager would do well to immediately kick off the conversation by saying, “I’d like to give you some positive feedback. Don’t worry, it’s all good news. Do you have a minute?”

Support people’s need to elevate their status: Status provides the context for our connections to others. Status is a major driver of social behavior – people will go to great
lengths to protect or increase their own status. It is so powerful that a sense of increasing status can be more rewarding than money to the brain (Izuma, Saito & Sadato, 2008). Many people won’t admit to the importance of status because of the negative connotation attached to the word, and many believe that increasing one person’s status means that someone else’s status has to go down. But status doesn’t have to be a zero sum game. Filling people’s need for increased status through recognition has virtually no downside. When status is reinforced or elevated, dopamine and serotonin levels go up, linked to feeling happier, and cortisol levels go down, a marker of lower stress (Rock, 2009). Stating the effect (discussed earlier) of someone’s performance can increase their sense of status, and enabling people to share their recognition with family and friends extends the benefit.

**Monetary Rewards and Recognition Are Both Rewarding**

For every manager who believes strongly in recognition as a managerial tool, there seems to be a manager equally as steeped in the belief that “money talks.” Interestingly, neuroscience tells us that, to some degree, both camps are correct. A recent experiment found that making money and gaining social approval activated the same reward centers of the brain. As noted previously, the brain responds to a social reward (a high evaluation by others, for example) in a similar manner to monetary rewards (Izuma, Saito & Sadato, 2008).

As the human brain sees it, recognition can be as rewarding as money. Similarly, while the need for social regard may seem less immediate than other needs, it is still a basic need (Baumeister & Leary, 1995). Simply being treated with respect and as a valued member of the organization may activate reward systems in the brain that promote stronger learning of behaviors that predict more social rewards in the future (Lieberman & Eisenberger, 2009).

Our perspective on interpersonal recognition is that while it can involve monetary rewards, it certainly doesn’t have to. And it should never be considered limited to monetary rewards alone.

It is important to find balance. Many organizations employ a total rewards strategy to attract, motivate and retain the talent needed to be successful. Total rewards strategy is the art of combining five elements – compensation, benefits, worklife balance, performance and recognition, and development and career opportunities – into tailored packages designed to achieve optimal motivation (World at Work, 2010). As employees evaluate the employment relationship, monetary and non-monetary rewards can both be powerful incentives that serve distinct purposes. Balance is achieved when all five elements align to help create a recognition culture. And such a culture can provide a powerful platform from which to retain, engage and motivate top-performing employees, maximizing business performance and productivity.

**Conclusion**

In today’s knowledge economy, the wealth of most companies is people-based wealth. For companies to achieve sustainable competitive advantage, attracting, retaining and motivating talented people are mission-critical.
Many companies focus on compensation and benefits to create satisfied, engaged and productive employees. Yet, compensation and benefits – while foundational and representing the lion’s share of human-capital costs – are not fully effective unless they are part of an integrated strategy of recognition, work-life balance, personal development and career opportunities to attract, motivate and retain top talent.

There is an art and a science to effective employee recognition. Truly effective recognition gets at the heart of what it means to be human. Maya Angelou famously said, “People will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

Three core principles of effective recognition emerge:

• Make recognition meaningful:
  Talk to employees on an individual basis to discover what motivates them, and design recognition experiences that connect to each employee’s wants and needs. Meet with employees periodically to assess how it’s working and to ascertain shifts in needs and preferences.

• Connect emotionally:
  Recognition is an interpersonal, authentic communication that can connect people to one another and to the organization as a social institution. Recognition, when delivered with sincerity and empathy, generates an emotional response and activates engagement.

• Connect employee efforts to specific corporate goals and achievements:
  Tying expressions of recognition to already familiar company goals, values and achievements is a win-win for employees and the organization. Because of the way the brain is wired, people immediately try to associate new information with what they already know. It helps to create those connections and build new meaning by tying recognition to company vision, values and achievements.

We believe creating a culture of recognition can foster a positive emotional state for the organization and positive emotions among individual employees, leading to increased cooperation, resourcefulness and productivity. The Maritz B.E.T. Recognition Model provides a clearly-defined and powerful framework for recognizing employees in ways that they find personally meaningful and that can lead to increases in employee retention, satisfaction, engagement and continuous organizational performance improvement.

The Maritz Institute

Simply stated, the role of The Maritz Institute is to help create: “Better Business. Better Lives.” The Institute serves as a bridge between the human sciences and Maritz business solutions, which are designed to help companies achieve strategic goals by engaging employees, business partners and customers. We bring insight – anchored in science – that provides a foundation for understanding, enabling and motivating people in ways that are most meaningful to them. For more information, visit: www.maritz.com/institute.
References


Incentive magazine, August 2005, pg. 10 Question wording: “My company recognizes excellence?”


