



Social Recognition by the Numbers

By David Layman, RPI



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Hard statistics have shown that social recognition is a difference maker. These studies and real business practices should be convincing reasons why your organization needs to learn more and take action on the use of social recognition.

So, what is the impact of social recognition? And more importantly, what is the impact of failing to enact, support and participate in social recognition in your workplace?

Even if you said the impact is big – well, it's bigger than that. But when you boil it down, the premise is fairly simple. People like to be appreciated and they like to be told so.

According to Lynn Learning Labs, **88 percent of employees surveyed cited lack of acknowledgement as their No. 1 issue at work.** The

survey doesn't mention the other 12 percent, but it's probably pretty high on their list as well.

This makes the case for the emotional side of why recognition works, but studies also back this up with numbers that affect your company's bottom line. It is estimated that **replacement of an employee leaving the company generally costs around six to nine months of that employee's salary.** You do the math from there – it can add up quickly. Many companies go to great lengths to save a dollar in expenses or add new business but fail to see the return they can realize on their investment in employee retention through an engagement program.

Organizations with the most sophisticated recognition practices are 12 times more likely to have strong business outcomes. (Bersin by Deloitte, The State of Employee Recognition, 2012)





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There's nothing as powerful or that works as well to engage employees, and thereby decrease turnover rates, as social recognition.

The type of social recognition you use can vary from points-based incentives, peer-to-peer recognition, notes from managers or formal recognition at organization events. The key is to make it easy and make it frequent.

A 2012 study from SHRM and Globoforce showed that **peer-to-peer recognition is over 35 percent more likely to have a positive impact on financial results than manager-only recognition**, while another study from McKinsey found that **praise from managers was the top motivator, rating higher than noncash or financial incentives by roughly two-thirds of workers.**

But not only does recognition lead to engaged employees, it is a great tool to use in recruiting the best candidates to work for your company.

A 2004 survey by Towers Perrin Recognition found that **recognition was one of the top five drivers for attraction of candidates in the UK and was tied as the top attraction in the EU.** According to SHRM, "Social recognition capitalizes on employees' behavioral habits and new social technologies to give more people a voice in saying 'thanks,' adding an important tool to an organization's rewards strategy."

RPI offers a great forum for learning more about the effectiveness of social recognition and what types of platforms you can use or steps you can take to get started. As a member you have access to the best and brightest in the world of employee recognition and engagement, as well as the opportunity to become an expert yourself through the Certified Recognition Professional (CRP)[®] certification.

