



Why Appreciating Your Team Is Good for Business

WORDS: Dr. Paul White

Good employees are not easy to find, develop or keep. Anyone who has lost a key team member (especially unexpectedly) and tried to find a replacement knows this. It's difficult to find a person with the training and experience needed to do the job and someone who has the character qualities you desire.

As a business leader, you are at risk for misunderstanding how to keep your team members. Many owners and managers believe their employees are motivated primarily by financial gain; that employees will stay if they are given more money. Research studies for decades have debunked this belief. The vast majority of employees, when they voluntarily leave a company, report they don't leave for more money. In fact, 79% report that a primary reason they leave is because they don't feel appreciated.

Many business leaders don't believe this, so let me offer you some compelling data. In a global study of 200,000 employees, the Boston Consulting Group found the #1 factor employees related to enjoying their job was that they felt appreciated (financial compensation didn't show up until #8).

You may think you are doing okay in this area – that your employees know you appreciate them. Sorry, probably not. A national Globoforce employee recognition survey found that 51% of managers think they do a good job of recognising employees for work well done. But the problem is: only 17% of the employees felt their manager did an adequate job of recognising them for doing a good job. Obviously, there is a disconnect somewhere.

What we have found is that:

1. Employees want to feel valued and appreciated at work.
2. Most employees don't feel appreciated.
3. A majority of leaders either:
 - a) Don't care how their employees feel
 - b) Think they are doing an adequate job of communicating appreciation, or
 - c) Don't know what else to do (beyond what they've been doing).

How Appreciation Impacts the Financial Status of a Business

Ultimately, running a business is about serving your clients well and making a profit doing so. As a result, many leaders think, "Yes, I want people to enjoy their work, but I'm not a cheerleader, and we've got work to get done." True.

But consider this. We know that when team members truly feel valued and appreciated, good things happen. Conversely, when staff doesn't feel valued:

- tardiness increases
- people call in "sick" more often
- productivity decreases
- policies and procedures are not regularly followed
- more conflict occurs over petty issues
- people become more irritable
- customer complaints increase
- persevering to solve a problem situation declines
- internal theft rises
- turnover increases (which is the #1 non-productive cost to companies)

Now, do you see the financial impact of your staff feeling appreciated?

Employee Recognition vs. Authentic Appreciation

While 85-90% of all companies have some form of employee recognition programme, employee engagement has actually decreased. Why? Because employee recognition is effective at rewarding performance, but it does a lousy job of helping employees feel valued as individuals. Most employee recognition programmes are designed in a way that they are generic (everyone gets the same certificate and gift card), group-based (a lot of introverts hate going up in front of a group), focus solely on high performers (leaving out the majority of employees), and are viewed as inauthentic ("It's accounting's turn to get the award this month").

A key concept to understand is that not everyone feels appreciated in the same way. That is, not everyone values a verbal compliment. From our work with over 165,000 employees who have taken our Motivating By Appreciation Inventory, less than 50% choose words of affirmation as their primary appreciation language. Some people feel valued when you spend individual time with them. Others appreciate working together on tasks or getting some practical help. In fact, we've identified five languages of appreciation important in the workplace (outlined in the book of the same name).

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Keys for Communicating Authentic Appreciation

In working with employees from thousands of companies across the world, we've found four key factors necessary for employees to truly feel valued.

Employees feel valued when appreciation is:

1. Communicated regularly (not just once a year at a performance review)
2. Shared in the language most important to the recipient (not what makes you feel appreciated)
3. Delivered individually and personally (not as a group "blast email")
4. Perceived as authentic (not just "going through the motions")

Your employees are your organisation's most valuable asset (try accomplishing the tasks at hand without them!) Increasingly, finding quality team members has become a limiting factor to growing businesses. To be a successful leader, you need to make sure you know how to communicate appreciation in the ways that are meaningful to each of them. If you don't, they won't perform as well, and you will eventually lose key team members. That is a business challenge you don't need, and that you can avoid.

Paul White, PhD, is a psychologist, speaker and co-author of the best-selling *The 5 Languages of Appreciation in the Workplace*, along with Dr. Gary Chapman. He also published *The Vibrant Workplace: Overcoming the Obstacles to Building a Culture of Appreciation* in 2017.

More info: www.appreciationatwork.com