



BRINGING MORE HUMANITY TO RECOGNITION, PERFORMANCE, AND LIFE AT WORK

workhuman[®] RESEARCH INSTITUTE

2017 Survey Report

globoforce^{*}
work human



EXECUTIVE SUMMARY

Since Globoforce launched the WorkHuman movement, the concept of working human – bringing more humanity and social connection to the employee experience – continues to gain momentum with forward-thinking HR and business leaders.

To add to the growing body of research on the impact of working human on individuals and business outcomes, Globoforce annually surveys fully employed workers in the United States on their attitudes and perspectives on recognition, performance, and life at work.

Our intent for this year's report was to gain an accurate snapshot of employee sentiment and motivation. Overall, we found:

- Employees are increasingly searching for meaning in their work, and that frequent, values-based recognition is one of the best ways to meet that need.
- When it comes to performance, employees are looking for more frequent check-ins, which ultimately can enhance the manager-employee relationship.
- As organizations become places of shared community, workers are craving a sense of belonging and celebration of life events in the workplace.

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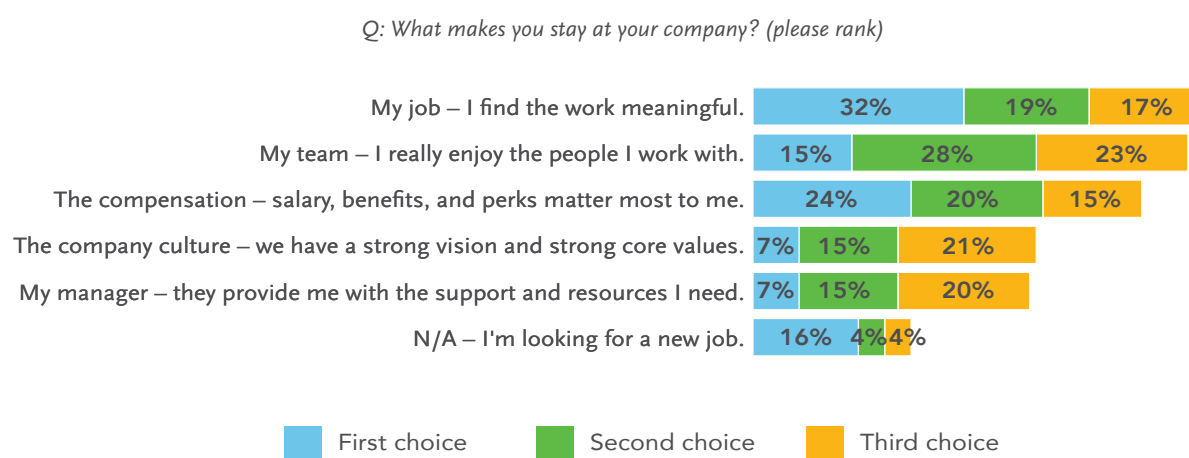
FINDING 1: RECOGNITION EXPERIENCE AND THE HUMAN WORKPLACE

What makes people stay at their companies? How do different recognition experiences impact how employees experience meaning at work?

The U.S. job market reached a new milestone in 2017, according to the Bureau of Labor Statistics (BLS). In the month of July, there were 6.2 million job opportunities, the most the U.S. has seen since the BLS began tracking this data point 17 years ago. Workers feeling stagnant in their careers or underappreciated for their efforts have more opportunities than ever to leave companies for a better fit.

With so many other opportunities out there, especially for high performers, what makes workers stay at their companies? We posed this question in our 2017 survey.

Employees stay for meaningful work



(Figure 1)

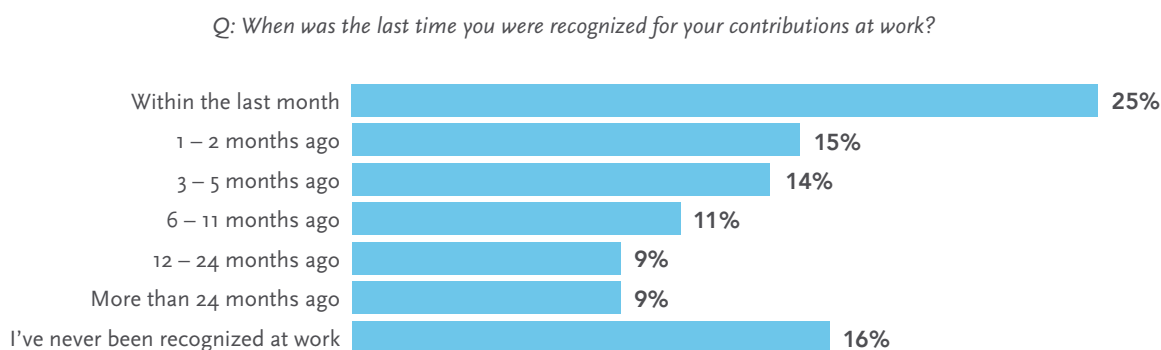
As shown in Figure 1, the top answer from nearly a third (32%) of respondents was, “My job – I find the work meaningful.” Having a personal sense of meaning in one’s work was even more important to respondents than compensation (salary, benefits, and other perks), which ranked as the third most important reason for staying. The second most common reason for staying at a company was, “My team – I really enjoy the people I work with,” which reinforces the notion that relationships can make or break an employee’s experience at work.

And perhaps given the job market, 16% of respondents answered this question with, “N/A – I’m looking for a new job.”

BUILDING MEANING

This year's survey results indicate that for people to find meaning in their work, they need frequent validation and recognition that what they do day-to-day matters in the context of the greater goals of the organization.

45% of workers have not been recognized in 6 months or more

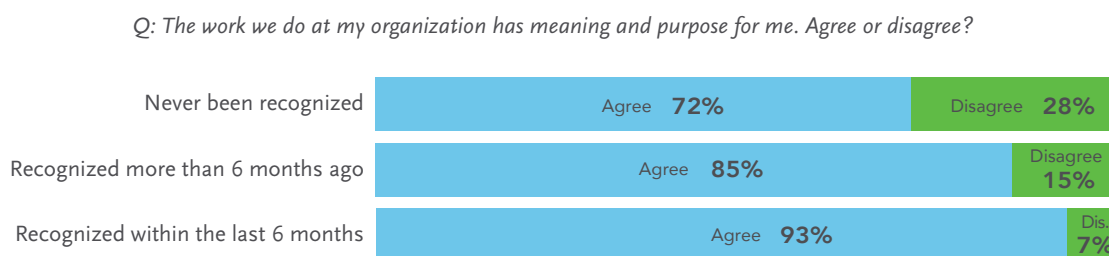


(Figure 2)

While it's encouraging to see in Figure 2 that one in four workers (25%) has been recognized in the past month, another 16% have never been recognized at work. And a surprising 45% of workers surveyed have not been recognized in six months or more.

Figure 3 shows the more recently someone has been recognized, the more likely they are to see the meaning and purpose in their work. Those recognized in the last month are 29% more likely to agree with the statement, "The work we do at my organization has meaning and purpose for me," compared to those who have never been recognized.

Frequent recognition associated with meaning at work



(Figure 3)

All differences between categories of frequency are statistically significant.

Many companies leverage social recognition programs – where everyone in the organization can give and receive recognition awards – to blanket their culture with frequent, yet personal and specific recognition. The best return on that investment comes from values-based recognition, in which each award is given based on an employee demonstrating a core value of the organization.

As shown in Figure 4, the mere presence of a values-based social recognition program makes it more likely that workers will find meaning and purpose in their day-to-day work. Ninety-three percent of those surveyed at companies with recognition programs tied to core values agree the work they do has meaning and purpose. At companies with no formal recognition program, only 81% of workers agree the work they do has meaning and purpose.

Values-based recognition linked to meaning at work

Q: The work we do at my organization has meaning and purpose for me. Agree or disagree?



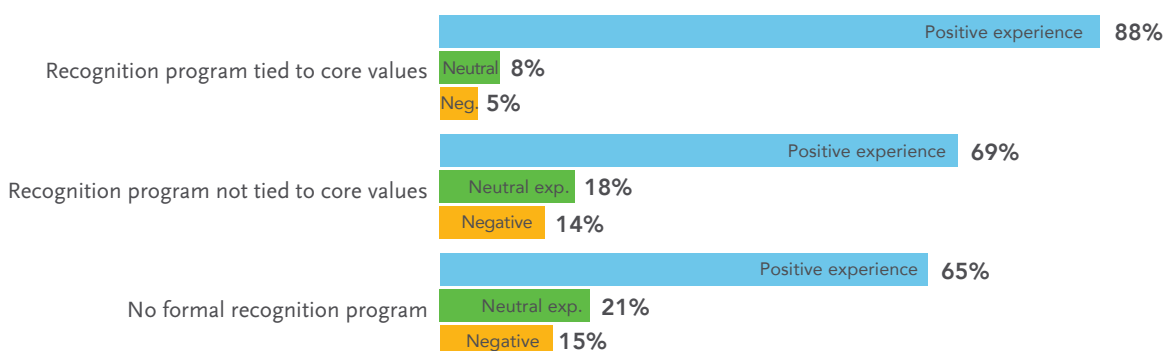
(Figure 4)

Differences between programs tied to core values and the other options are statistically significant. Differences between no program and programs not tied to values are not significant.

Interestingly, there is very little difference for employees having no recognition program and having one that is not tied to a company's core values. Some companies will implement a recognition program just to check a box – to say they recognize employees. But the survey results clearly show that an investment in a recognition program that is not strategic or aligned with greater company goals fails to deliver the same ROI when it comes to employee experience and engagement, whether employees love their jobs, and whether employees will recommend your company to their friends.

Values-based recognition linked to positive work experience

Q: How would you describe your overall experience at work?



(Figure 5)

Differences between programs tied to core values and the other options are statistically significant. Differences between no program and programs not tied to values are not significant.

Values-based recognition linked to loving job

Q: Do you love your job?

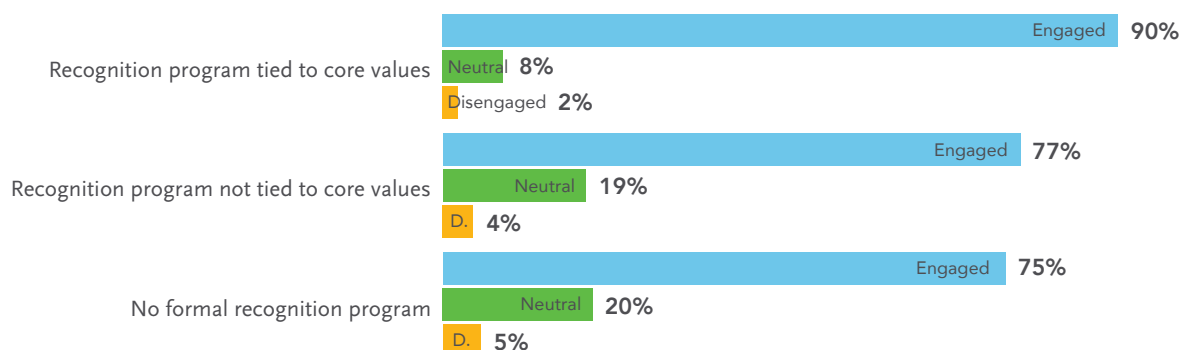


(Figure 6)

Differences between programs tied to core values and the other options are statistically significant. Differences between no program and programs not tied to values are not significant.

Values-based recognition linked to engagement

Q: Which statement below best describes you?

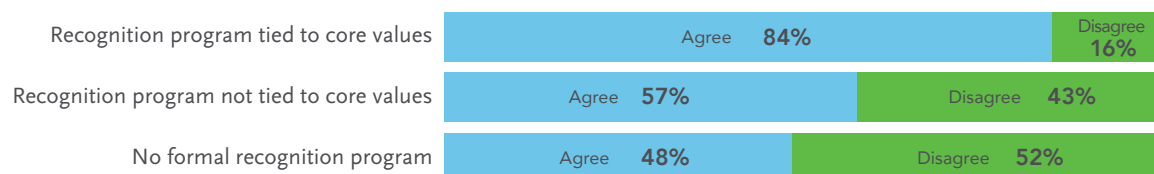


(Figure 7)

Differences between programs tied to core values and the other options are statistically significant. Differences between no program and programs not tied to values are not significant.

Values-based recognition linked to job referrals

Q: Would you recommend working at your organization to a friend or colleague?



(Figure 8)

Differences between programs tied to core values and the other options are statistically significant. Differences between no program and programs not tied to values are not significant.

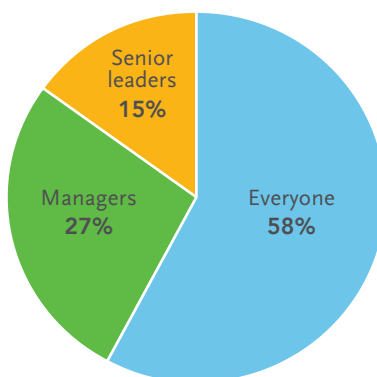
GIVERS MATTER, TOO

Values-based social recognition programs are not just about ensuring more people across an organization feel appreciated for the work they do – although the data clearly shows that is important. The recognition experience is also about empowering more people to give recognition in the moment, as soon as quality work is noticed.

We asked survey respondents, “Who is empowered to recognize at your organization?” More than half (58%) said everyone, followed by managers (27%), and senior leaders (15%).

Empowered to give recognition

Q: Who is empowered to recognize at your organization?



(Figure 9)

This is encouraging to see, especially considering the positive outcomes of giving recognition and showing appreciation to others. We also asked, “When was the last time you recognized someone else for their contributions at work?” Compared to someone who has never given recognition, someone who has given recognition in the last two months is more likely to love their job (75% v. 48%), recommend your company (83% v. 63%), identify as highly engaged (89% v. 64%), and have a positive work experience (82% v. 58%).

Recent recognition linked to positive employee outcomes

Outcomes by frequency of recognition given



(Figure 10)

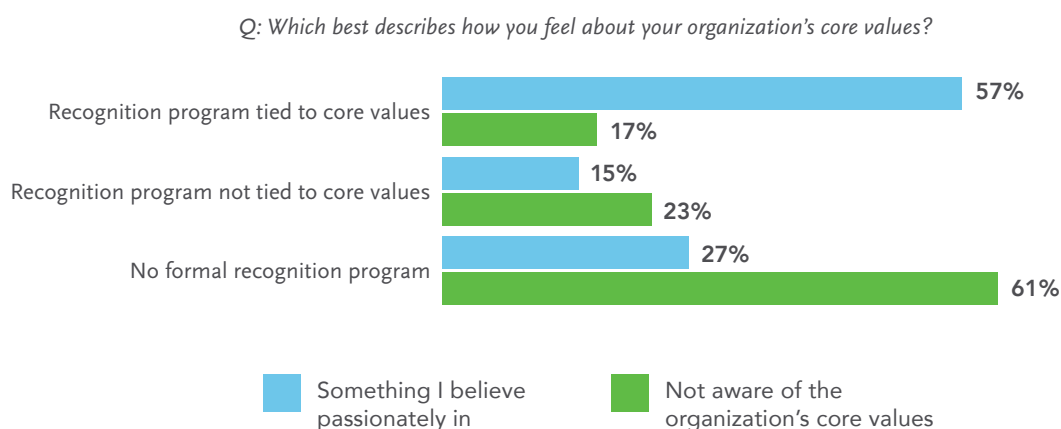
All differences within outcome measures are statistically significant.

BRINGING CORE VALUES TO LIFE

Another indicator of employees' understanding of the meaning and purpose underpinning their work is how they feel about a company's core values. We asked survey respondents, "Which best describes how you feel about your organization's core values?"

In organizations with values-based recognition programs, employees are nearly twice as likely to believe passionately in their company's core values. Because the values are reinforced and broadcast in real time through recognition, organizations with values-based recognition are much less likely to have employees who are unaware of core values or find them meaningless or unrealistic.

Core values embraced when highlighted with recognition



(Figure 11)

In absence of formal recognition, unawareness of core values is significantly different than all other options. For programs not tied to core values, believing in core values is significantly lower than all other options. For programs tied to core values, believing in core values is significantly greater than all other options.



FINDING 2: A NEW PARADIGM FOR EMPLOYEE PERFORMANCE

How is the role of the manager changing as work becomes more team-based and collaborative? Which kinds of feedback – and from who – is most likely to improve performance?

Many large, multinational companies have made headlines over the past few years by announcing that they are getting rid of traditional, annual performance reviews and ratings – a process that can hinder, as opposed to motivate and enhance, employee performance. HR and business leaders are left wondering what should replace reviews and ratings, if anything. What actually drives higher performance, from an employee’s perspective? How does a more collaborative, team-based work environment change the way coaching and feedback should be delivered?

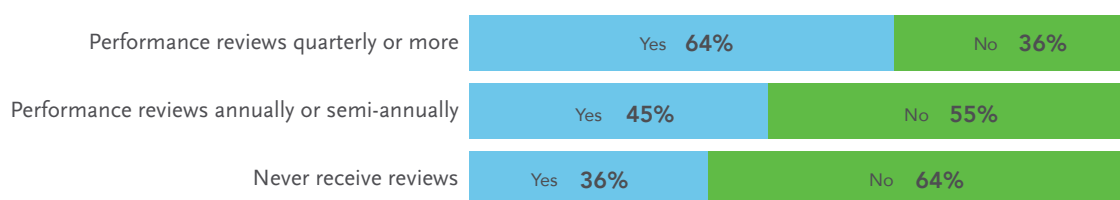
RELATIONSHIP BETWEEN FEEDBACK, PERFORMANCE, AND MOTIVATION

It’s clear that continuous performance feedback can improve the manager-employee relationship. According to the data, what is the best way to deliver feedback?

We asked respondents, “Is the feedback you receive at work valuable?” Figure 12 shows workers are 42% more likely to agree the feedback they receive is valuable when it is delivered in a quarterly or ongoing process (64%), as opposed to just in an annual or semi-annual review (45%).

Review process impacts quality of feedback

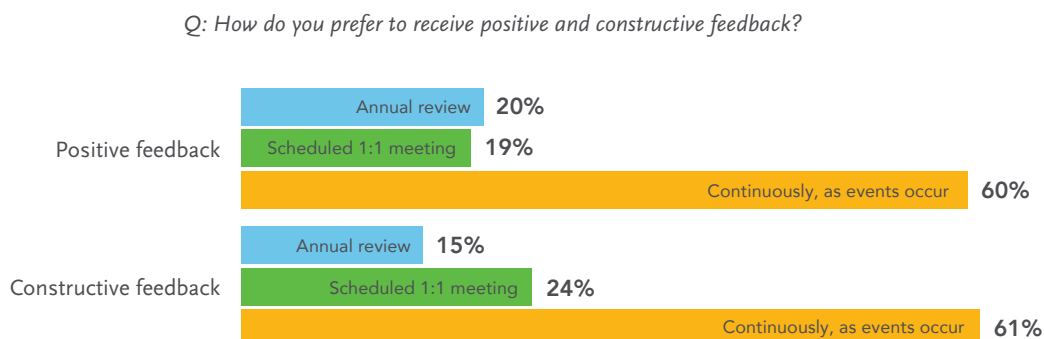
Q: Is the feedback you receive at work valuable?



(Figure 12)

A preference for continuous, in-the-moment feedback applies to both positive and constructive feedback, as shown in Figure 13.

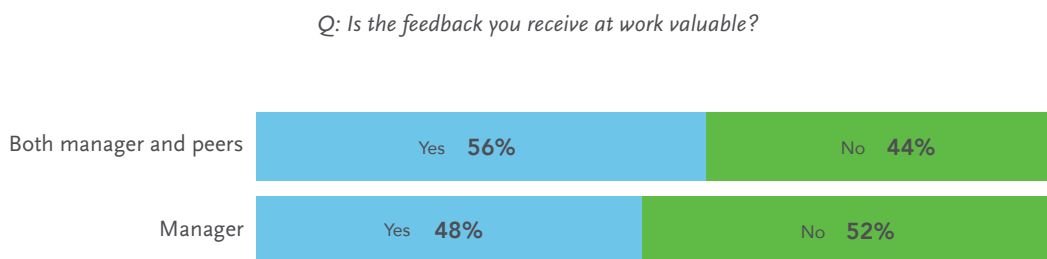
Positive and constructive feedback preferred continuously



(Figure 13)

Survey results also indicate that feedback crowdsourced from different people in the organization (managers and peers) is more likely to improve work performance than feedback that is just delivered by managers (56% v. 48%).

Feedback more valuable when crowdsourced

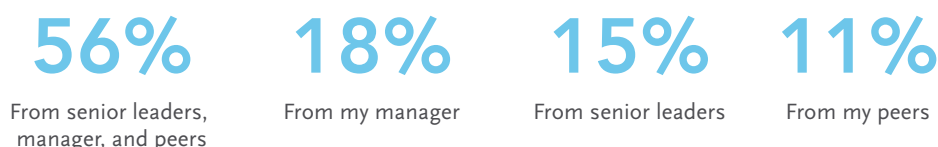


(Figure 14)

Does the same hold true for recognition? The survey results strongly indicate it does. Seventy-four percent of people said they would work harder if their efforts were better recognized or appreciated. And that recognition is most meaningful when it is crowdsourced. As shown in Figure 15, 56% of respondents said recognition from senior leaders, managers, and peers is the most motivational, followed by recognition from managers (18%), senior leaders (15%), and peers (11%).

Crowdsourced recognition most motivational

Q: Which recognition motivates you most?

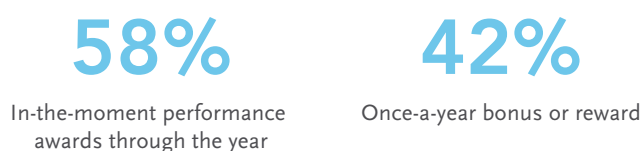


(Figure 15)

Organizations and Total Rewards professionals should also note that a majority of respondents (58%) find the monetary reward tied with recognition to be more motivating when it is given in the moment, rather than in the form of an annual bonus.

Rewards given in the moment are most motivating

Q: Which reward is more motivating?



(Figure 16)

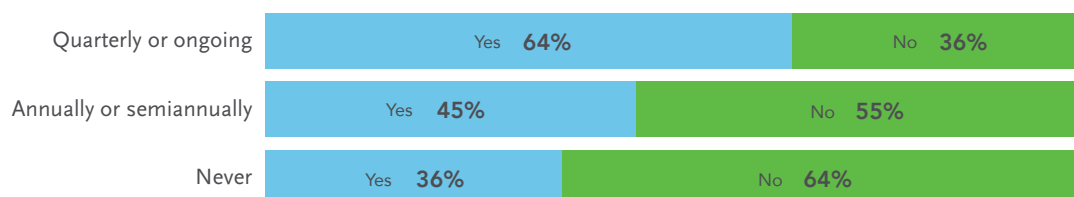
FAILURE OF TRADITIONAL REVIEWS

We asked employees, “Do you think performance reviews improve your performance?” More than half (51%) said “No,” and 49% said “Yes.” When asked if performance reviews are indicative of the work they do, only 49% said “Yes.”

We then filtered this question by the frequency of performance reviews employees receive – quarterly or ongoing, annually or semi-annually, and never. Employees who receive more frequent reviews are much more likely to believe those reviews are improving their performance and capturing all the work they do.

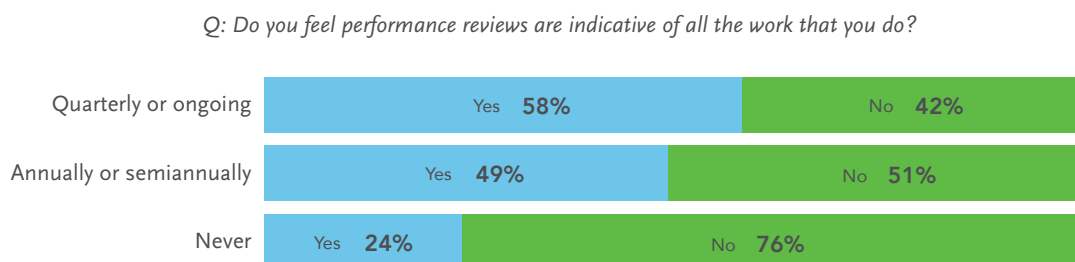
Ongoing reviews associated with improved performance

Q: Do you think performance reviews improve your performance?



(Figure 17)

Ongoing reviews more indicative of employee work

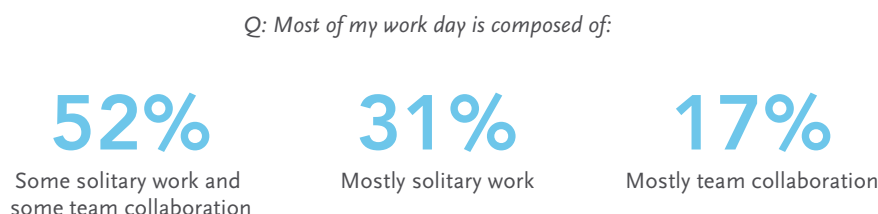


(Figure 18)

The lack of confidence in traditional performance reviews stems from the fact that they rely on the memory, perspective, and opinion of one person – the manager. When organizations were siloed and hierarchical, this made sense. But the way work is done today, in fluid, project-based teams, is fundamentally different.

We found that 69% of respondents said their work day is either mostly comprised of team collaboration or a mix of solitary work and collaboration. Only 31% said their work day is mostly comprised of solitary work.

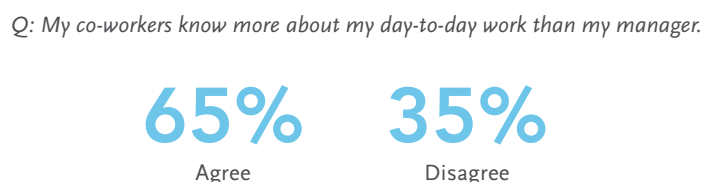
How work gets done today



(Figure 19)

Because work is more team- and collaboration-based, we found a majority of workers (65%) believe their co-workers know more about their day-to-day work than their immediate manager.

Importance of co-workers in day-to-day work

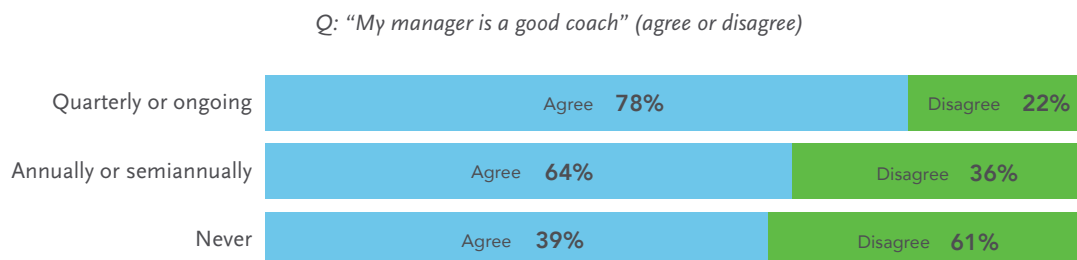


(Figure 20)

What does this mean for managers? How can managers better support employees? Moving away from the traditional performance management process is a good first step. In organizations where

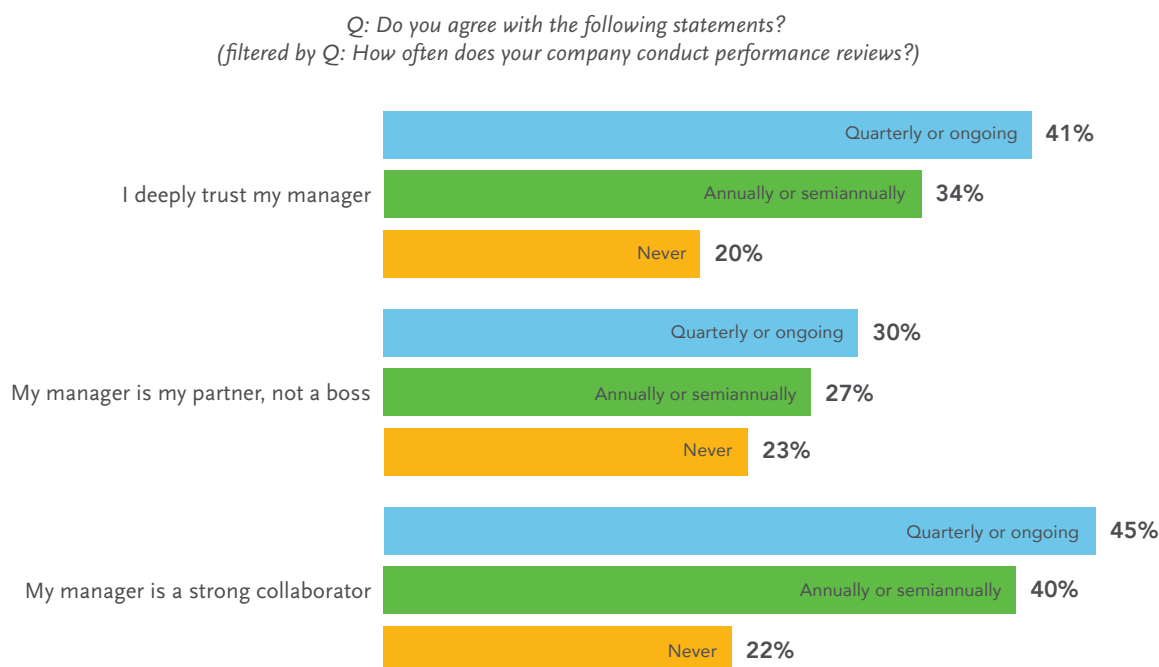
performance management is a continuous process, employees are more trusting of their managers (41% v. 34%) and perceive them to be better coaches and partners (78% v. 64%), compared to employees in organizations with annual reviews.

Ongoing reviews linked to better coaches



(Figure 21)

Frequent reviews linked to better manager-employee relationships



(Figure 22)



FINDING 3: BRINGING LIFE TO WORK

Which workplace practices are most effective in allowing employees to bring their whole, authentic selves to work? How can HR and business leaders make diversity and inclusion initiatives more meaningful for employees?

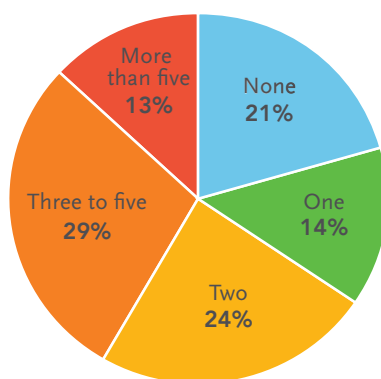
One of the foundational elements of the WorkHuman movement is the idea of bringing your whole, authentic self to work. Organizations that work human go beyond ensuring diversity of backgrounds, race, and gender identity by also honoring diversity of thought and personality. It's about inspiring a sense of connection, inclusion, and belonging that solidifies a person's emotional connection with their work and the greater mission of the organization.

To gauge how workers feel about bringing their whole selves to work, we asked whether respondents agreed or disagreed with the following: "I am the same person at work as I am at home with my family and friends." A majority – 66% of people – reported they are the same person, while 34% disagreed.

Genuine, positive relationships are also core to a person's emotional connection at work. We asked survey participants, "How many close friends do you have at work?"

Most workers have two or more close work friends

Q: How many close friends do you have at work?



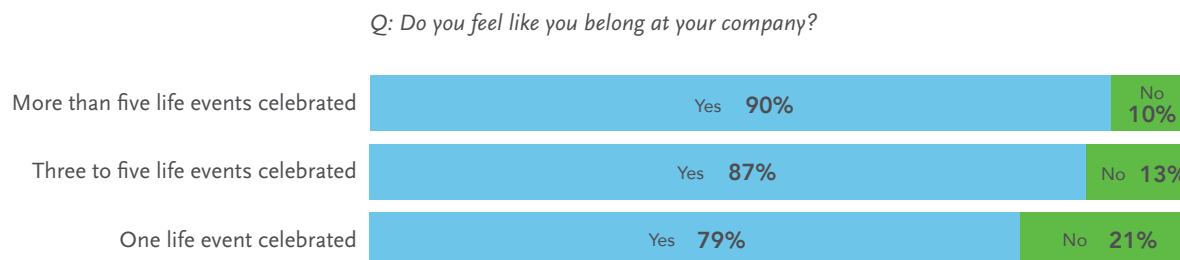
(Figure 26)

Nearly half (42%) have three to more than five close friends, 24% have two friends, 14% have one friend, and 21% reported no close friends at work.

Perhaps because the majority of workers have close relationships and recognize that they are the same person at work as they are at home, 54% of respondents said they would like more opportunities to celebrate life events (such as having a baby, getting married, buying a house, etc.) at work with co-workers. Celebrating and embracing milestones further strengthens emotional connections at work and builds trust.

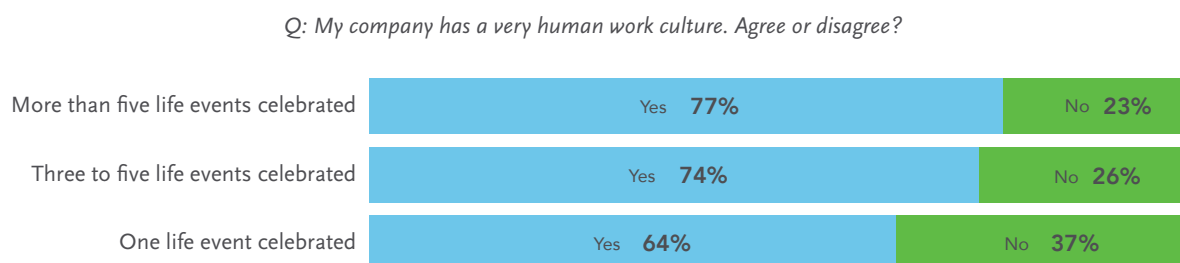
What's more, organizations that prioritize shared, community celebrations see a major return on investment when it comes to creating a human work culture and increasing employees' sense of belonging.

Number of life events celebrated increases sense of belonging



(Figure 27)

Number of life events celebrated increases feeling of human work culture



(Figure 28)

Due to rounding, some totals may not correspond with the sum of the separate figures.

The survey results show that when workers agree, “My company has a very human work culture – fostering recognition and appreciation while empowering individuals, strengthening relationships, and providing a clear purpose aligned with achievable goals,” they are much more likely to exhibit a positive connection and feeling toward their career and their relationships. In particular, they are:

30%

more likely to feel
like they fit in with
co-workers

36%

more likely to feel
like they belong

2X

as likely to feel like
they can grow in
the organization

78%

more likely to trust
their manager

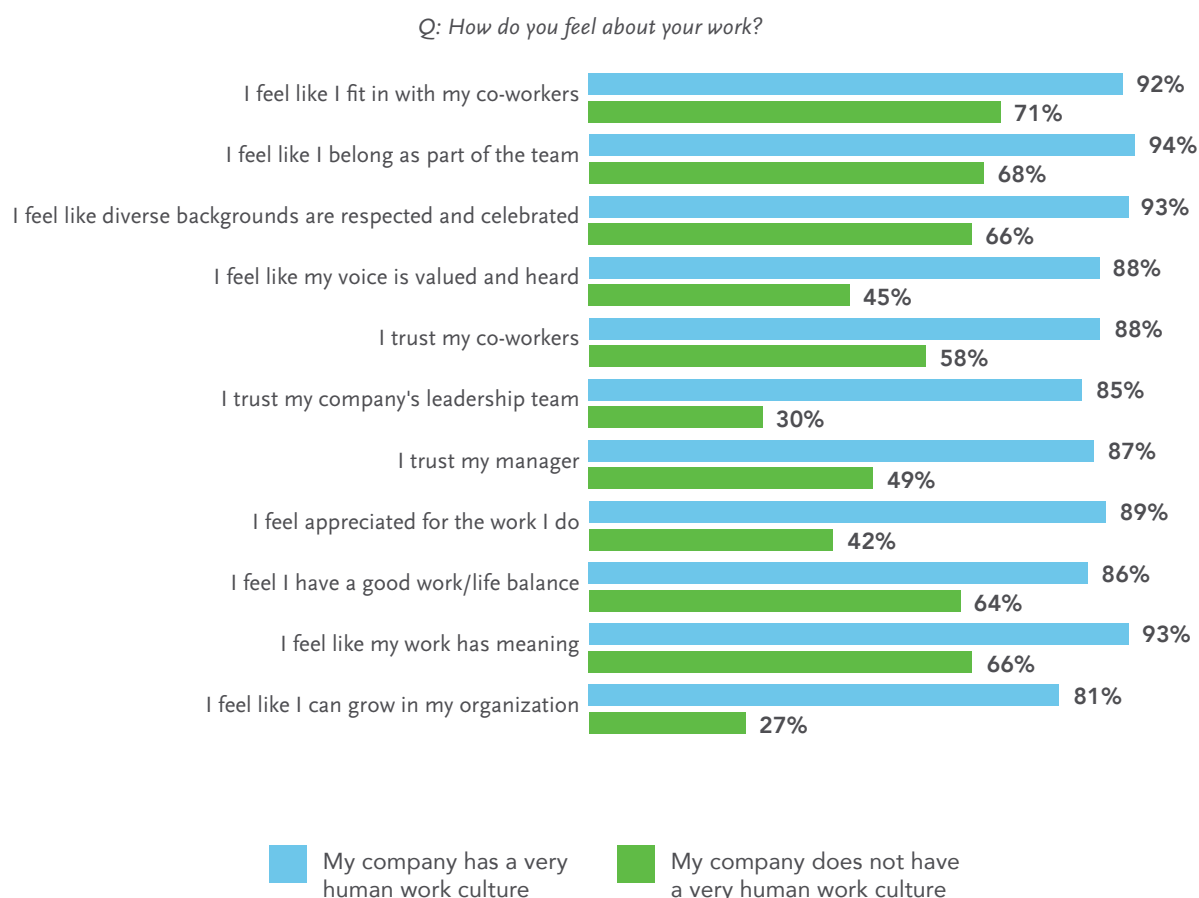
41%

more likely to feel like
their work has meaning

112%

more likely to feel appreciated
for the work they do

Human work culture linked to positive employee feelings



(Figure 29)

MAKING DIVERSITY & INCLUSION INITIATIVES REAL

HR departments are often tasked with leading organization-wide diversity and inclusion (D&I) initiatives. And yet, despite decades of research and work supporting the business case for D&I, many companies still struggle with implementing true culture change. The measure of success for these programs shouldn't be their mere existence, but whether or not employees are personally impacted by these programs and believe in them.

To illustrate this trend, we asked employees whether their company has a diversity and inclusion program or initiative. A majority of respondents (61%) said "Yes."

Diversity and inclusion programs are prevalent

Q: Does your company have a diversity and inclusion program or initiative?



(Figure 30)

While it's encouraging to see more companies taking D&I seriously, we wondered which programs and initiatives are most likely to make employees feel included and inspire a sense of belonging in the organization. To examine this question more closely, we looked at responses to the following two questions:

- Do you feel like you belong at your company?
- Diverse ideas, personalities, work styles, and perspectives are expected and valued at my company. Agree or disagree?

We then filtered by whether companies have a D&I initiative, as well as whether employees agree that their company has a human work culture – fostering recognition and appreciation while empowering individuals, strengthening relationships, and providing a clear purpose aligned with achievable goals.

Human work cultures enhance diversity and inclusion initiatives



(Figure 31)

Differences between quadrants are all statistically significant.

The results are fascinating. The optimal scenario is if a company has both a D&I initiative and a human work culture. In this situation, employees are most likely to feel like they belong (95%) and that diversity is truly valued (96%). The worst scenario is at companies with no D&I initiative and no human work culture – where employees are least likely to feel they belong (53%).

What's most striking about Figure 31 is the data shows a human work culture alone is more powerful in driving belonging and diversity than if a company has only a D&I initiative. This strongly suggests that a human work culture fueled by recognition and appreciation should be higher on an organization's list of priorities if D&I is one of its business goals.



CONCLUSION

In this year's employee survey, we see a fundamental shift in employee attitudes and sentiments toward traditional workplace trends – like top-down, infrequent recognition, traditional performance reviews, lack of ongoing feedback, and boundaries between work life and home/personal life.

As we see in the data, these traditional ways of approaching work fail to deliver the same return as human workplace practices. Workers are much more likely to be engaged, to love their jobs, to recommend your company to a friend, and to work harder when their work culture is grounded in appreciation – and when recognition, performance conversations, and life events become crowdsourced moments of social connection across the organization.

The findings also make it clear that for organizations to make real strides with their D&I initiatives, a key component moving forward will be a focus on outcomes linked to belonging and respect, as opposed to D&I programs designed to simply mitigate risk. Moving forward, this will be the only way to build trust and unleash the full potential of your workforce.



ABOUT THE WORKHUMAN RESEARCH INSTITUTE

The WorkHuman Research Institute at Globoforce is dedicated to the understanding and application of global workplace practices that create more engaged, productive, and ultimately more human work cultures. In collaboration with leaders in the human resource industry and global research papers, the WorkHuman Research Institute publishes original research and papers on current trends that affect and influence the employee experience, culture management, and leadership.

ABOUT THE SURVEY

This survey was directed by the WorkHuman Research Institute at Globoforce from May 5–9, 2017. This is the ninth deployment of this U.S. employee survey since its launch in Spring 2011.

The respondent sampling of this survey was conducted by independent market research firm SSI. The final sample of the survey was composed of 2,703 randomly selected fully employed persons in the U.S. (age 18 or older). The survey has a margin of error of +/- 1.9 percentage points at a 95% level of confidence.

ABOUT GLOBOFORCE

Pioneer of the WorkHuman® movement, Globoforce helps make work more human for millions of people and organizations worldwide. Its cloud-based social recognition software helps build award-winning cultures where employees feel more appreciated and socially connected at work – driving a sense of belonging and inspiring the entire organization to reach its full potential and achieve business success. Founded in 1999, the company is headquartered in Framingham, Mass., and Dublin, Ireland.

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