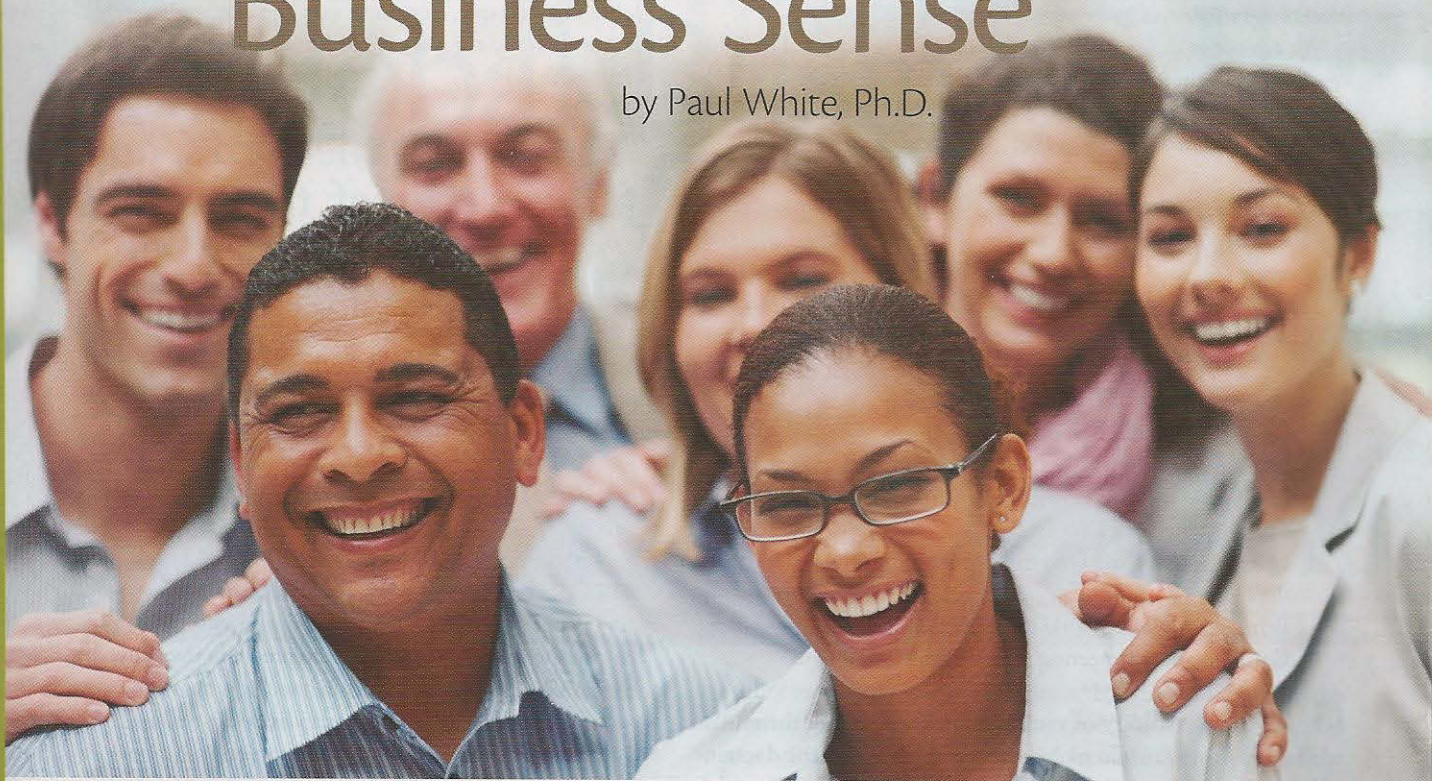


Appreciating Your Staff Makes Business Sense

by Paul White, Ph.D.



Everyone is aware that these are tough economic times for families, businesses and virtually every type of organization. Most organizations have reduced their staff significantly. Many employees have not seen raises, bonuses or even cost-of-living adjustments for three or more years, and families exist on less income because of lost jobs, reduced hours or being underemployed.

In every industry sector, employees are stressed. Completing the same amount of work, with fewer team members, for the equivalent pay (along with uncertainty about the future of their jobs) is the formula for stress, burnout and resentment. Some studies have shown that office staffs are doing 30 percent more work than they were doing in 2007, for the same pay.

Business owners and managers are acutely aware that they are in a highly competitive environment, with less discretionary spending and fewer customers to purchase their goods and services. Even nonprofit organizations are feeling the increased competition for donations and funding.

What to Do?

Many business owners (and directors of nonprofits) want to pay their staff more, but the money just isn't there. And these leaders know their team members are stressed, but they don't know what to do to encourage them.

In fact, there is a growing chasm between employees and

business owners and managers. Research consistently shows that the vast majority of employees don't feel valued or appreciated at work. In one study, 55 percent of the workers reported they had received no recognition for doing good work in the past 12 months.

When asked how much she felt her bosses cared about her and her contribution to the company, Kim (a highly successful customer relations manager) scoffed and replied, "Are you kidding me? They don't care about me at all. As long as I perform well and make them money, it's fine. But once that stops, I'm history."

Bad Things Happen When People Don't Feel Appreciated

A key issue to understand is that when employees don't feel appreciated, bad things happen within the organization, such as:

- Higher rates of tardiness
- More absenteeism (people just don't show up, or they call in "sick" more often)
- Increased internal theft by employees (and managers)
- Higher turnover rate
- More internal conflict and stress among team members
- Decrease in productivity and quality of work
- Lower customer satisfaction ratings

All of these factors contribute to higher costs for companies and organizations. From a business perspective, appreciation isn't just

about making people “feel good.” The level of appreciation experienced by staff affects a company’s bottom line.

The Trouble with ERPs

Over the past decade, leaders have looked to one “magic bullet” they hope will resolve the issue and help employees feel better about their jobs: employee recognition programs (ERPs). ERPs have proliferated in the private sector—80 percent of the largest corporations have them in place.

The problem is that most ERPs don’t work. Statistics (and personal stories) show that employee engagement (the degree to which employees are emotionally committed to their jobs) and job satisfaction are declining, while cynicism, lack of trust and resentment are growing in organizations.

This is highly frustrating to business owners, managers and supervisors. When speaking with leaders, I often hear: “I don’t know what they want. I tell them they are doing a good job. I try to compliment and support them. And we give out awards and some gifts—but nothing seems to help.” In arenas where financial rewards, bonuses and perks have been used in the past, managers don’t know what to do because the money is no longer available.

Recognition Isn’t Appreciation

It is vital for leaders to understand that recognition isn’t the same as appreciation. Recognition, as practiced in most organizations, focuses primarily on external behavior, specifically employee performance. Team members often report, “They don’t care about me personally; they just want to get more out of us.” Over time, resentment and anger increase while trust declines.

Conversely, appreciation communicates value about the person, not simply focusing on performance and what is good for the company. Appreciation for workers and colleagues requires a genuine heart attitude and can’t be faked.

Key Components for Employees to Truly Feel Appreciated

Fortunately, we’ve been able to identify four key components that enable supervisors and colleagues to convey true appreciation for team members (employees and volunteers both).

Appreciation must be:

- 1. Communicated regularly.** Once or twice a year at an employee’s performance review or monthly awards at the “team member of the month” ceremony doesn’t get it done. People need consistent feedback that they are valued (the frequency will differ according to the individual and the setting).
- 2. Individualized and personal.** A blast email to the team saying, “Good job, team. Way to get the project done,” doesn’t say anything to the shipping clerk who worked late to get the order out. Or having a group ice cream social to show appreciation to the church’s youth group leaders often feels like a cheap, convenient way to say “thanks” to a big group all at once. What does the *individual* bring to the workplace that you value?

- 3. In the language and specific actions meaningful to the recipient.** Do you realize that 20 to 25 percent of people *don’t* want to go up front to receive a reward? Or that going to an unstructured, social gathering is more like torture for many introverts? We have found that even if you get the language of appreciation correct for a person, there are still many different actions within the language that can “hit” or “miss” the target for an individual.

- 4. Perceived as authentic.** The biggest complaint about employee recognition programs is that they feel contrived and “they don’t really mean it—they are just doing it because they are supposed to.” If the message sent isn’t perceived as genuine, it’s a waste of time.

Not Everyone Feels Appreciated in the Same Way

Just as individuals feel loved through different actions, so team members have different languages of appreciation (and unique actions within each language that are more meaningful to them).

However, it is difficult to determine the preferred language of appreciation, or the specific actions that team members desire. The topic doesn’t come up in daily conversation. As a result, we created an online instrument that identifies team members’ primary and secondary languages of appreciation, and allows them to specify the unique acts important to them. (Learn more at appreciationatwork.com/learn-your-language/.)

Good Things Happen When Employees Feel Appreciated

Leaders can make their companies and organizations more likely to survive these difficult times by paying attention and investing in ways to value their team members. Over time, the return on investment will be significant:

- Reduced absenteeism
- Lower staff replacement costs
- Improved customer satisfaction
- More positive work environment and less conflict
- Increased productivity
- Employees and managers enjoy their work more

The key is to communicate authentic appreciation in the ways that are meaningful to your team members. Clearly, effectively communicating appreciation to your staff makes good business sense. DW

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