

# The Case for **Day-to-Day Recognition**



## The Research

Recognition Professionals International (RPI) states that there are five key components to a successful recognition strategy in their recognition fundamentals curriculum:

	1.	The recognition strategy and programs are linked to supporting the organization's vision, mission, and values.
•••	2.	The recognition strategy incorporates a three- dimensional approach: day-to-day, informal, and formal recognition practices.
•	3.	There are documented procedures for the programs.
•	4.	There are documented objectives and intended business outcomes.
	5.	The recognition strategy adopts continuous improvement and is regularly reviewed and refined to elevate intended results.
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Let's take a closer look at the three dimensions of recognition.

#### **The Three Dimensions of Recognition**

#### **Formal Recognition**

Highly structured with defined criteria, and is typically presented at an annual banquet or monthly meeting. Only reaches a small percentage of your employees. (Ex: service awards, nomination-based awards)

#### **Informal Recognition**

Low cost and less structured. Often celebrating the completion of a project or an achieved goal. Reaches more employees than formal recognition (Ex: bringing donuts for the team, pizza party celebration)

#### **Day-to-Day Recognition**

Frequent, ongoing recognition of behaviors, activities, and accomplishments. Has the potential to reach all employees since everyone can both give and receive it. (Ex: shout-outs, high fives, thank you notes, eCards)

In an ideal world, it is important to develop and offer a recognition strategy that maintains balance across all three dimensions. With that being said, we rarely find ourselves and our customers in an 'ideal' world, with 'ideal' budgets and 'ideal' resources readily available to manage all of these programs. There are situations in which one must choose a starting point, prioritize one program over another, and work towards a more 'ideal' reality.

If you resonate with this, you may be wondering where to start. That answer most likely varies depending on your organization's needs and objectives. However, we've created this case study to shed light on why starting with a focus on day-to-day recognition can deliver the greatest impact for your investment.



## **The Backstory**

We have maintained and supported a customer relationship with our client since 2014. The global organization has over 35,000 team members in 100 different countries.

From 2014 to 2021, the program consisted of formal nominations aimed at reinforcing the organization's core values. There were 6 different nominations levels, ranging from \$50 - \$2,500. Depending on the level, these nominations traversed a hierarchy of approvals that ultimately awarded a recipient with a certificate and points (monetary value) for living out one of the organization's core values.



This was a successful program that was reaching 30% - 40% of their team members annually with an average of 13,500 approved nominations over the course of each calendar year.

Each Year:

30%-40%

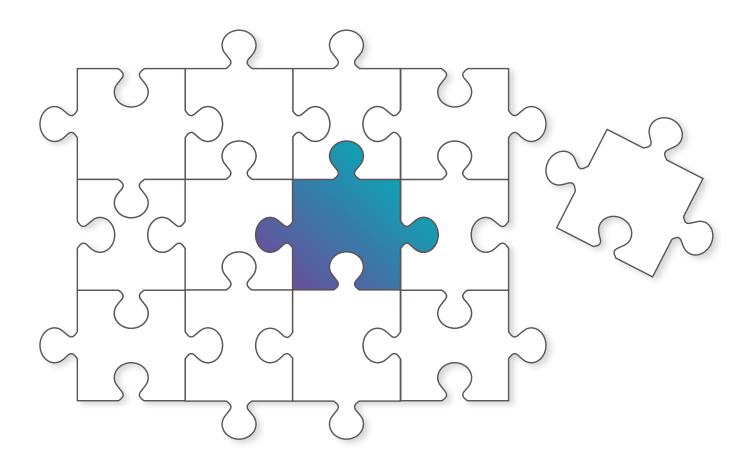
Team Members Reached Average of **13,500** Nominations

## The Challenge

In the fall of 2021, we conducted a program health check-in with our client. They informed us that they had just received their Gallup Q12 survey results back. Unfortunately, the category that received some of the lowest scores was in the area of recognition. More specifically, the low scores were associated with Question #04:

*In the last seven days, I have received recognition or praise for doing good work.* 

For an organization with an annual recognition budget of \$2M, this was a harsh reality to accept.



## **The Missing Pieces**

Through ongoing conversations, the collective team landed on the following hypothesis: While the current program was successfully acknowledging top performers that were living out the organization's core values, the current program lacked in three major areas.

#### 1. Reach:

Only **30%-40%** of the organization's team members were being acknowledged.

#### 2. Frequency:

While the program was delivering high-value and high-impact recognition, it was *not frequent enough* to have a lasting impact on team member engagement.

#### 3. Empowerment and Autonomy:

The current program only allowed for managers and above to **submit a nomination.** Front-line team members were not given a voice nor a vehicle to drive frequent, peer-to-peer recognition.

### The Goal

The collective team set out to redesign a program that would maintain or reduce the current budget while increasing the recognition and engagement scores for their next annual Q12 survey.

## The Redesign

#### Step One

Shift the program design, budget, and focus from a formal nominations program to a day-to-day recognition program.

#### Step Two

Assign a monthly budget of \$10 to every single team member to start, which was later reduced to \$5 per team member (regardless of role/hierarchy) to drive peer-topeer recognition.

- Each team member has to use their allotted budget within the month, or they lose it.
- Points can be attached to custom eCards that align with the organization's desired behaviors and core values.
- Individuals are given complete autonomy and discretion for how recognition is given.

#### **Step Three**

Launch internal communications, training, and awareness campaigns.

#### **Step Four**

Phase out the existing program and launch the new-andimproved program February 1<sup>st</sup> of 2022.

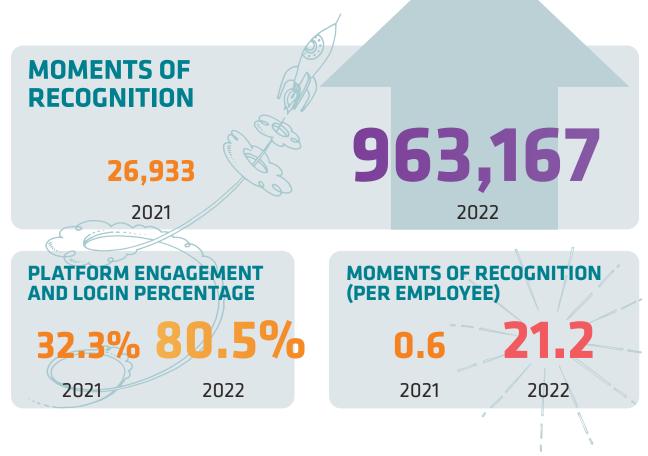


## The Results

In eight months, the Gallup Q12 annual survey produced the following results:

- A 10% increase in the average score for Gallup Q12 Question #04 from **3.62** to **3.97**.
- This increase elevated our customer's score from the 42nd percentile of like companies to the 58th percentile of like companies.
- Recognition was cited as the most improved category YOY.

In addition to the Gallup survey results, the program generated the following program improvements YOY:



## **The Learnings**

When you are unable to operate from an 'ideal' budget or balanced program design, prioritize day-to-day recognition (frequent, peer-to-peer, behavior based, etc.) to maximize reach within your organization.

Employees want to have a voice and feel empowered to make a positive impact on others. It takes the combined efforts of every single team member to establish a culture of gratitude where great work, behaviors, and decisions are highlighted and reinforced daily.

Beyond that, research has revealed that employees are craving feedback. One of the best ways to provide frequent and positive reinforcement is through day-to-day recognition.

There is still a great need for formal and informal recognition programs to deliver elevated moments of acknowledgement. However, these programs can consume budgets and hold organizations back from impacting more team members when used in isolation.



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