Employee Recognition Survey

American Psychological Association

August 2014



- Only about half of the U.S. workforce (51 percent) say they feel valued by their employer, more than a third (36 percent) haven't received any form of recognition in the last year and just 47 percent say recognition is provided fairly.
- Although a majority of working Americans (81 percent) reported that their employer provides some type of recognition, less than half (46 percent) said their organization recognizes employees for individual job performance.
- Additionally, less than a third (29 percent) said that team or work-unit performance is recognized and even fewer reported that their employer provides recognition for company-wide results (21 percent), or engaging in specific behaviors, such as those consistent with the organization's values (18 percent).



- According to U.S. workers, the most common form of recognition their employer provides is salary increases based on merit (39 percent). Less than a third (31 percent) said that direct supervisors express verbal or written appreciation and only about one in four (24 percent) reported that their organization uses performance-based bonuses or promotions as a form of recognition.
- Survey results linked effective recognition practices to both employee and organizational outcomes.
 - Employees who said that recognition practices are fair, that direct supervisors provide recognition effectively and that they value the recognition they receive reported a variety of positive outcomes, including higher levels of job satisfaction, a greater likelihood to work harder because of the recognition they receive, stronger motivation to do their best and a greater sense of feeling valued.
 - Employees who received recognition more recently also reported higher levels of satisfaction, motivation and work effort.



- The survey also explored the relationship between recognition and employee retention.
 - Employees were most likely to plan to leave their employer in the next year when they felt less valued, had lower perceptions of fairness regarding the organization's recognition practices and experienced lower overall job satisfaction.
 - Working Americans who reported high levels of supervisor effectiveness in providing employee recognition and valuing the recognition they receive were more likely to say they plan to stay with their current employer three years or longer.
- More than a quarter of working adults (28 percent) said that written or verbal appreciation from their direct supervisor is important, but when it comes to the types of recognition that working Americans say are important to them, money tops the list.
 - Six out of ten employees (62 percent) cited merit-based salary increases as important, followed by fair monetary compensation (47 percent), performance-based bonuses (43 percent) and promotions or advancement (38 percent).



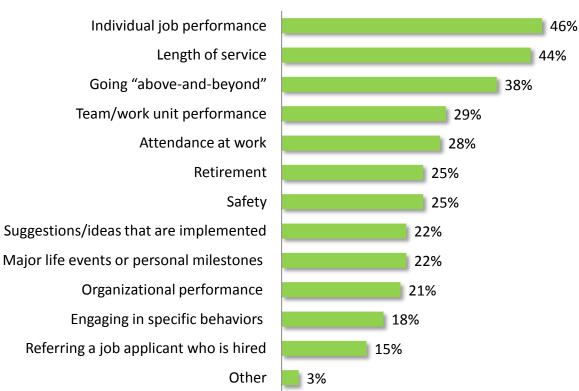
- Men and women reported that recognition in general is equally important to them (87 percent), but men were more likely than women to report being satisfied with their employer's recognition practices (54 percent vs. 46 percent), to believe that recognition is provided fairly in their organization (52 percent vs. 42 percent) and to say their supervisor provides recognition effectively (56 percent vs. 47 percent).
- Although 4 in 10 employees reported working remotely at least sometimes (30 percent sometimes, 5 percent often, 6 percent always), no significant relationships were found between employees working remotely and their satisfaction with recognition or how long they plan to stay with their current employer.

ABOUT THE SURVEY: This Employee Recognition Survey was conducted online within the United States by Harris Poll on behalf of the American Psychological Association from August 13-15, 2014 among 882 adults ages 18 and older who are employed either full time or part time. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.



What Do Employers Recognize?

Less than half of working Americans (46 percent) said their organization recognizes employees for individual job performance and less than a third (29 percent) said that team or work-unit performance is recognized. Even fewer reported that their employer provides recognition for organizational-level outcomes (21 percent), or engaging in specific behaviors, such as those consistent with company values (18 percent).



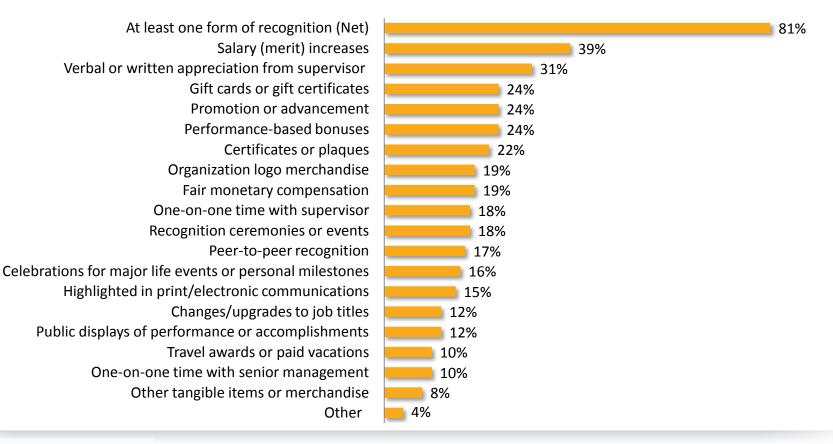
Employees Who Said Their Organization Recognizes the Following



How Are Organizations Recognizing Employees?

According to working Americans, the most common form of recognition their employer provides is salary increases based on merit (39 percent). Less than a third (31 percent) said that direct supervisors express verbal or written appreciation and only about one in four (24 percent) reported that their organization uses performance-based bonuses or promotions as a form of recognition.

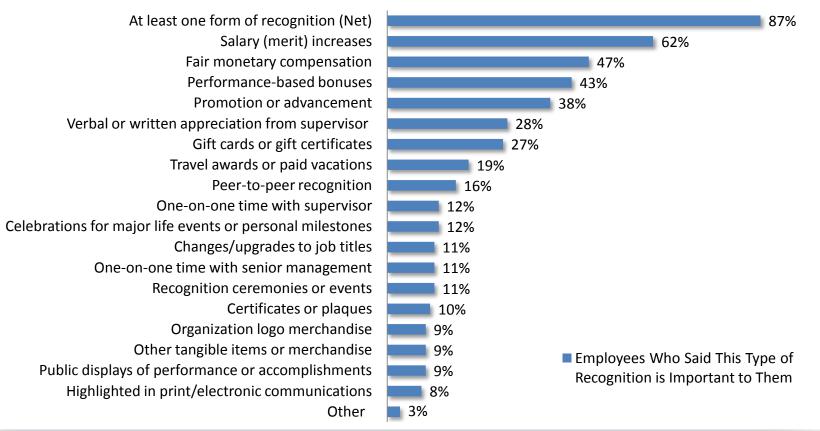
Employees Who Said Their Organization Provides the Following Types of Recognition





What Forms of Recognition Do Employees Actually Care About?

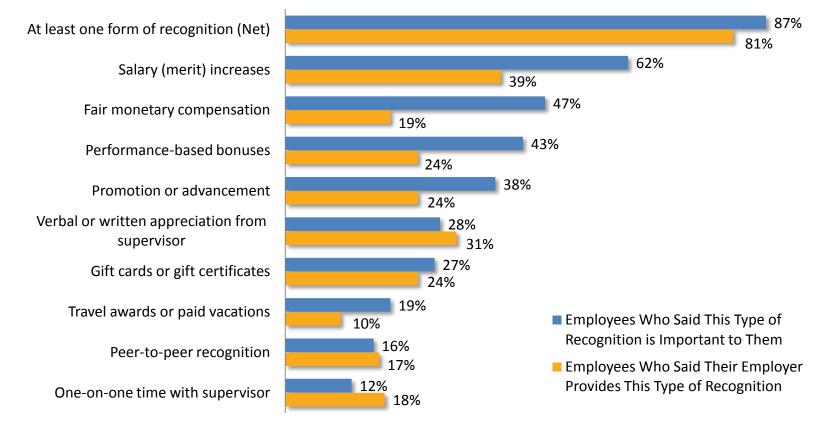
Money tops the list, when it comes to the types of recognition that working Americans say are important to them. Six out of ten employees (62 percent) cited merit-based salary increases as important, followed by fair monetary compensation (47 percent), performance-based bonuses (43 percent) and promotions or advancement (38 percent). More than a quarter of working adults (28 percent) said that written or verbal appreciation from their direct supervisor is important.





Are Employee Recognition Practices Aligned With Employee Preferences?

Although the percentage of working Americans who said their employer provides at least one type of recognition (81 percent) is just short of the percentage of those who said that recognition is important to them (87 percent), the provision of salary increases, fair monetary compensation, performance-based bonuses and promotions fall far below the percentage of employees who say those forms of recognition are important to them.





Are Employee Recognition Practices Aligned With Employee Preferences?

Despite relatively few employees reporting that nonmonetary forms of recognition such as celebrations, recognition events, certificates or plaques, public displays of performance and use of communication channels to express appreciation are important to them, these appear to be underutilized forms of recognition, with less than one in four working Americans reporting that their employer provides them.

Celebrations for major life events or personal milestones

Changes/upgrades to job titles

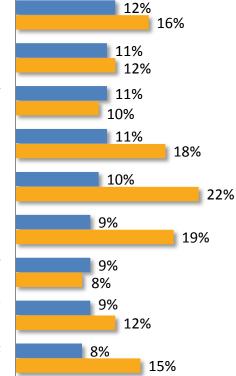
One-on-one time with senior management

Recognition ceremonies or events

Certificates or plaques

Organization logo merchandise

Other tangible items or merchandise Public displays of performance or accomplishments Highlighted in print/electronic communications

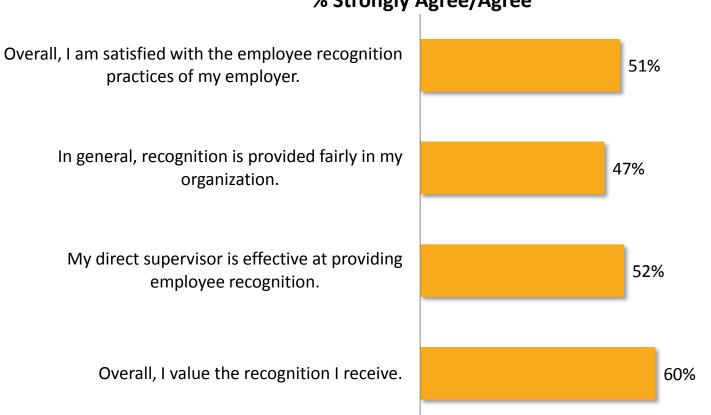


- Employees Who Said This Type of Recognition is Important to Them
- Employees Who Said Their Employer Provides This Type of Recognition



Employee Attitudes About Recognition

Only about half of employed adults said they are satisfied with their employer's recognition practices (51 percent), that recognition is provided fairly (47 percent) and that their supervisor recognizes employees effectively (52 percent). Additionally, just six in ten said they value the recognition they receive.







Employee Outcomes

Although nearly two-thirds of employed adults said they are satisfied with their job (63 percent) and motivated to do their best (64 percent), only about half (51 percent) reported feeling valued by their employer and just 38 percent said they work harder because of the recognition they receive.







Predicting Outcomes

- Employees who said that recognition practices are fair, that direct supervisors provide ٠ recognition effectively and that they value the recognition they receive reported a variety of positive outcomes. They reported higher levels of job satisfaction, a greater likelihood to work harder because of the recognition they receive, stronger motivation to do their best and a greater sense of feeling valued.
 - Supervisor effectiveness in providing recognition (.224), valuing the recognition received (.153) and perceived fairness of the organization's recognition practices (.548) accounted for 70 percent of the variance in employee satisfaction with their employer's recognition practices.
 - Supervisor effectiveness in providing recognition (.180), valuing the recognition received (.235) and perceived fairness of the organization's recognition practices (.478) accounted for 63 percent of the variance in employees feeling valued by their employer.
 - Supervisor effectiveness in providing recognition (.113), valuing the recognition received (.283) and perceived fairness of the organization's recognition practices (.393) accounted for almost half (49 percent) of the variance in whether employees say they work harder because of the recognition they receive.
 - Supervisor effectiveness in providing recognition (.167), valuing the recognition received (.303) and perceived fairness of the organization's recognition practices (.280) accounted for 44 percent of the variance in employee motivation to do their best for the organization.
 - Supervisor effectiveness in providing recognition (.156), valuing the recognition received (.324) and perceived fairness of the organization's recognition practices (.265) accounted for 43 percent of the variance in overall job satisfaction.



How Recently Employees Were Recognized Linked to Satisfaction, Motivation and Work Effort



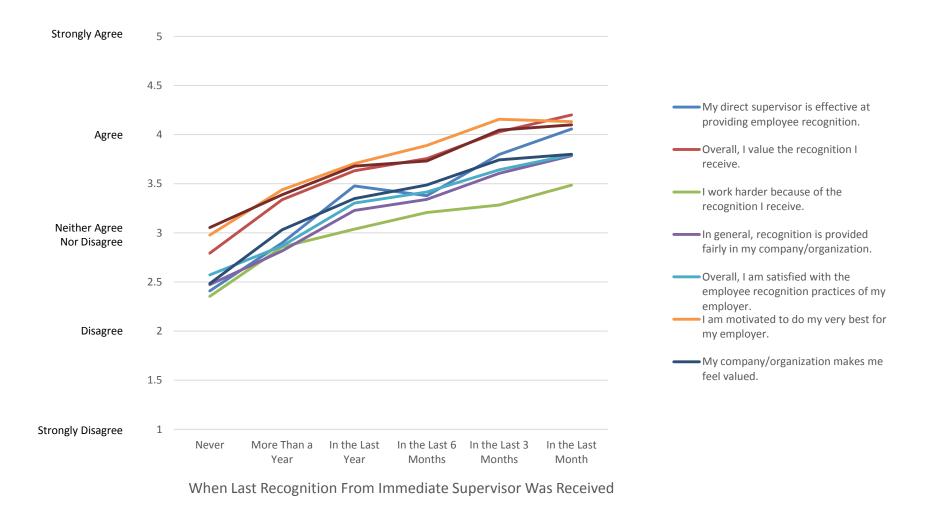


Recognition for Good Job Performance

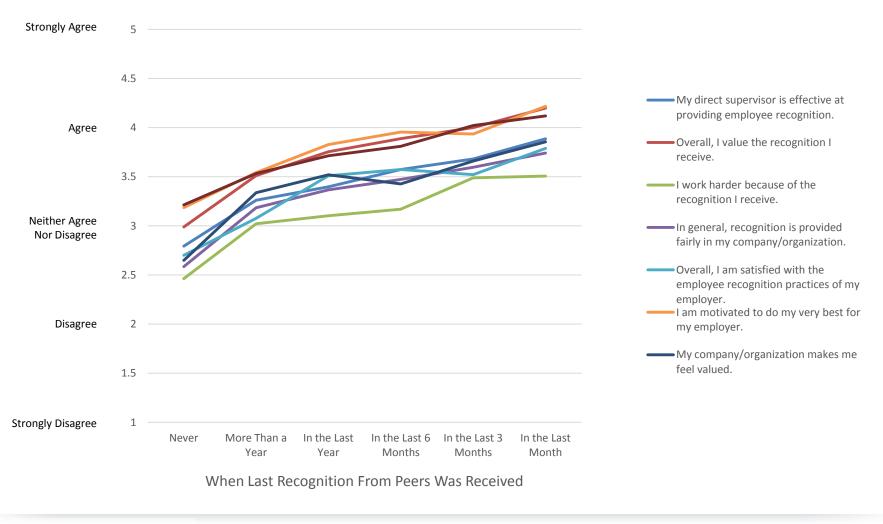




Recognition From Immediate Supervisor

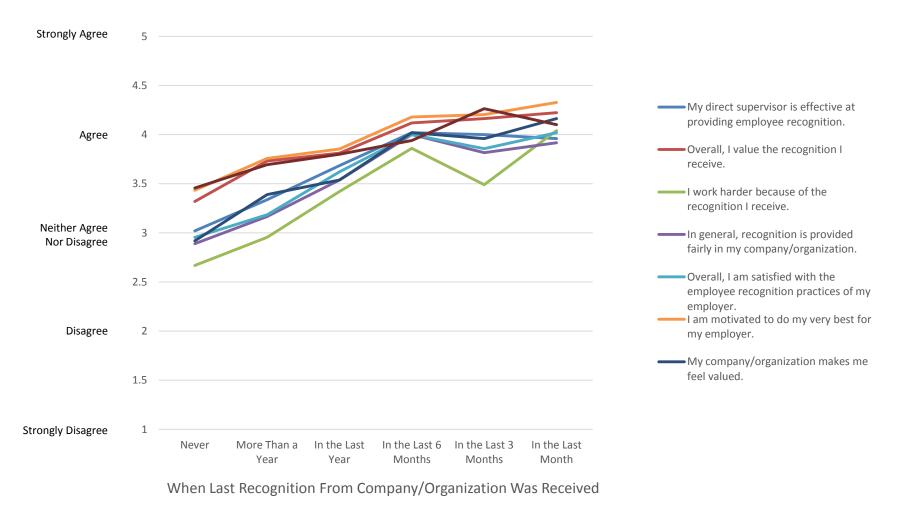


Recognition From Peers





Recognition From Company/Organization



Recognition That Was Valuable



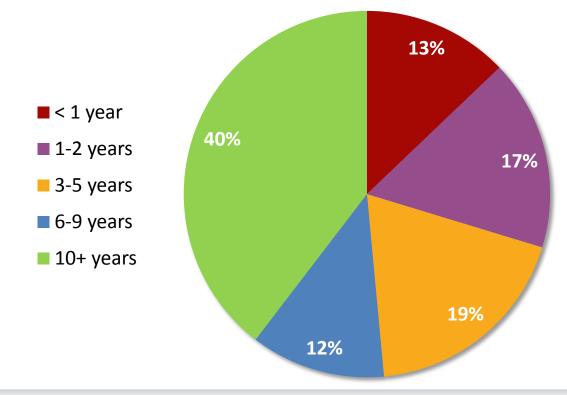


Recognition and Employee Retention

The largest group of American workers (40 percent) said they intend to stay with their current employer 10 years or longer, 12 percent reported planning to stay 6-9 years, 19 percent said they plan to stay 3-5 years, 17 percent reported intending to stay 1-2 years and 13 percent said they plan to stay less than a year.

Employees were most likely to plan to leave their employer in the next year when they felt less valued, had lower perceptions of fairness regarding the organization's recognition practices and experienced lower overall job satisfaction.

Working Americans who reported high levels of supervisor effectiveness in providing employee recognition and valuing the recognition they receive were more likely to say they plan to stay with their current employer three years or longer.

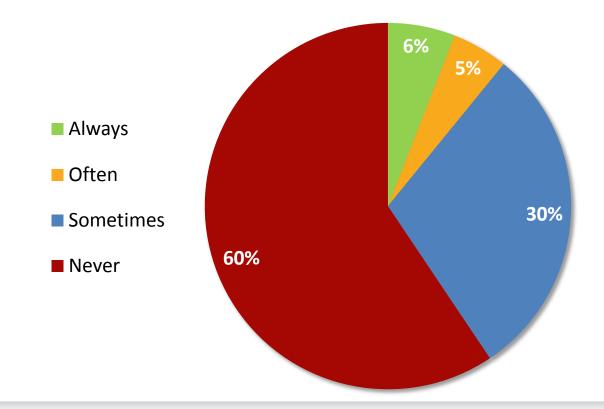




Recognition and Remote Workers

40 percent of the U.S. workforce reported working remotely at least sometimes (30 percent sometimes, 5 percent often, 6 percent always).

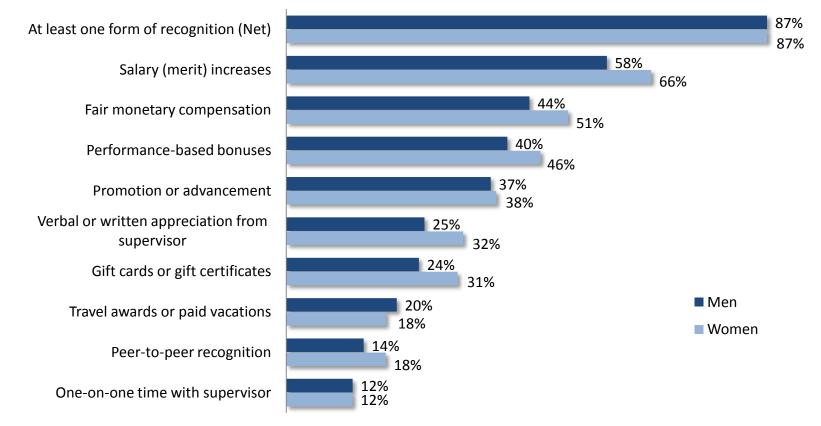
No significant relationships were found between employees working remotely and their satisfaction with recognition or how long they plan to stay with their current employer.





Gender Comparison: What Forms of Recognition Do Employees Actually Care About?

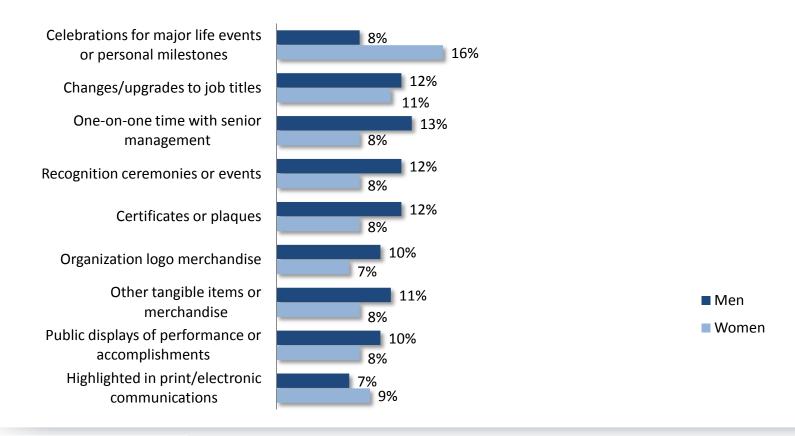
Men and women reported that recognition in general is equally important to them and monetary forms of recognition topped the list for both, followed by promotions and verbal or written appreciation. Women were more likely than men to say that salary increases (66 percent vs. 58 percent), verbal or written appreciation from a supervisor (32 percent vs. 25 percent) and gift cards or gift certificates (31 percent vs. 24 percent) were important to them.





Gender Comparison: What Forms of Recognition Do Employees Actually Care About?

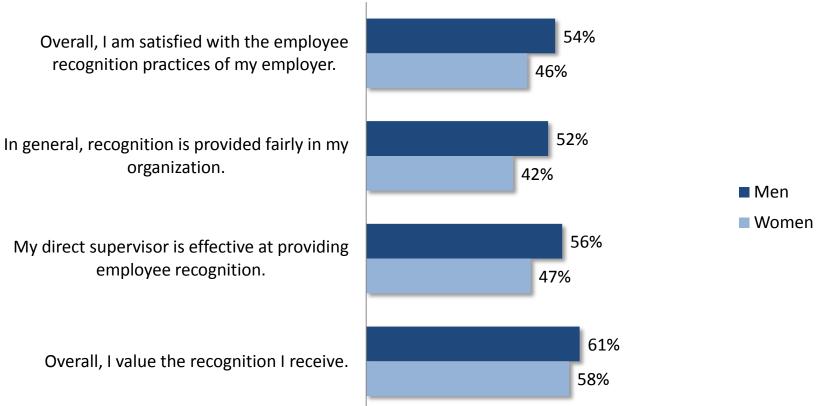
Women were more likely than men to say that celebrations of major life events or personal milestones are important to them (16 percent vs. 8 percent), while men were more likely than women to cite one-on-one time with senior management as important (13 percent vs. 8 percent).





Gender Comparison: Employee Attitudes About Recognition

Men were more likely than women to report being satisfied with their employer's recognition practices (54 percent vs. 46 percent), to believe that recognition is provided fairly in their organization (52 percent vs. 42 percent) and to say their supervisor provides recognition effectively (56 percent vs. 47 percent).

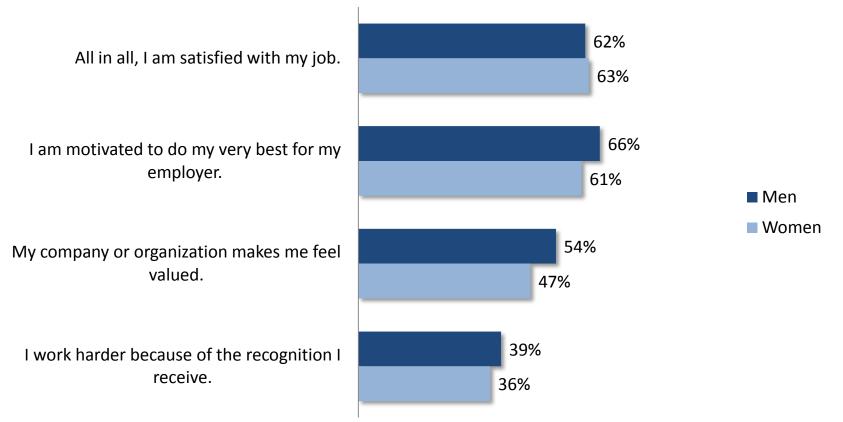


% Strongly Agree/Agree



Gender Comparison: Employee Outcomes

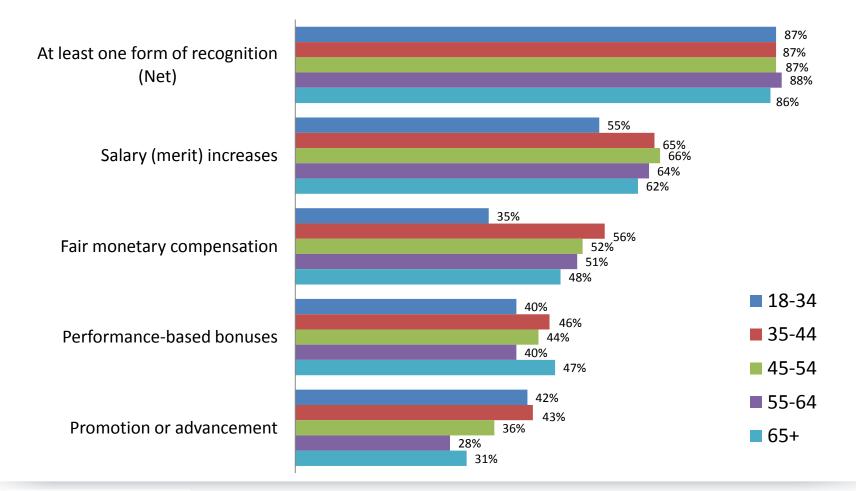
Men and women reported similar levels of overall job satisfaction and although men cited slightly higher levels of motivation, feeling valued by their employer and working harder because of the recognition they receive, these differences were not statistically significant.



% Strongly Agree/Agree

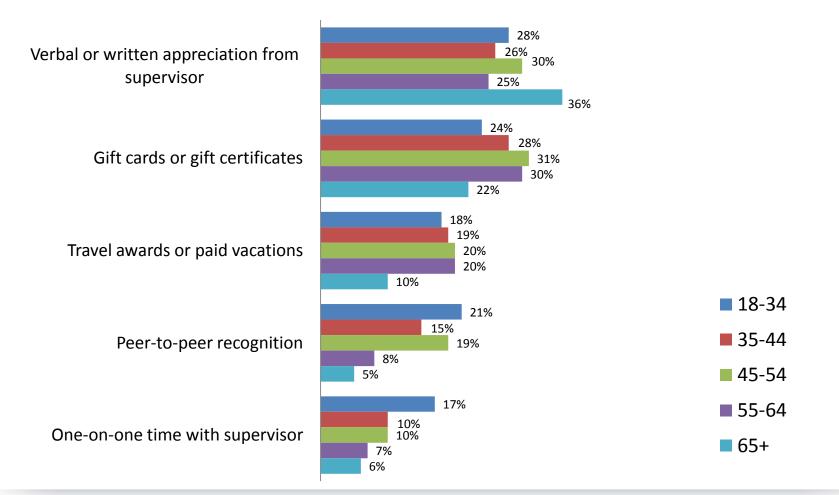


Age Group Comparison: What Forms of Recognition Do Employees Actually Care About?



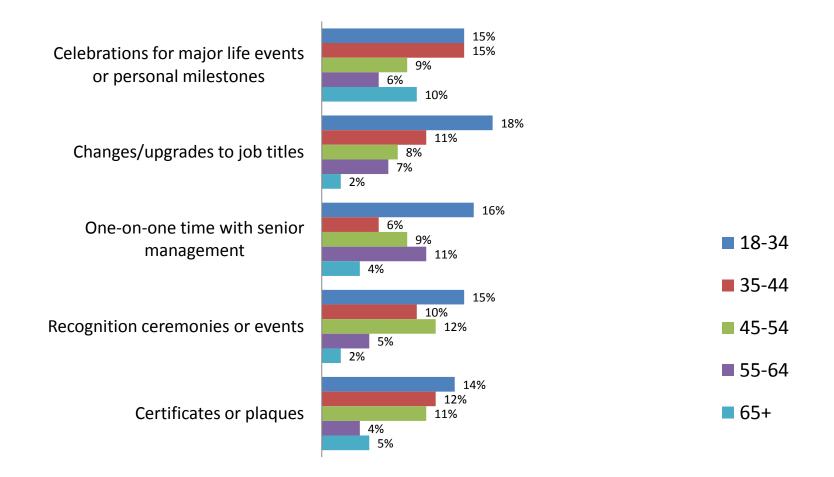


Age Group Comparison: What Forms of Recognition Do Employees Actually Care About?



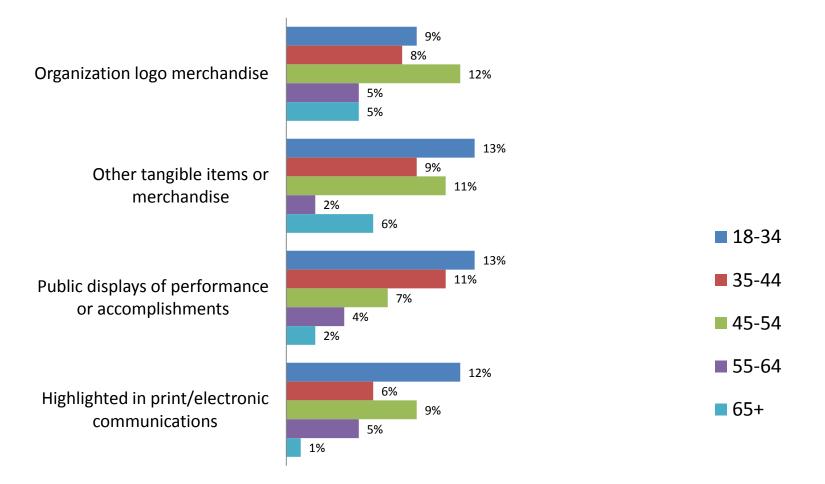


Age Group Comparison: What Forms of Recognition Do Employees Actually Care About?





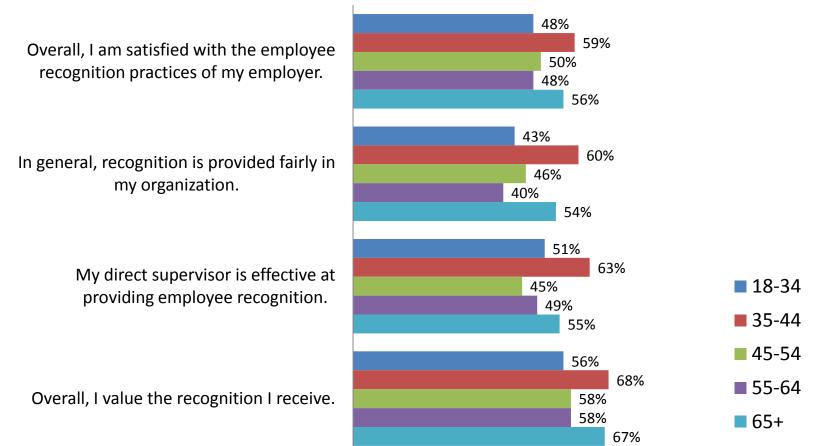
Age Group Comparison: What Forms of Recognition Do Employees Actually Care About?





Age Group Comparison: Employee Attitudes About Recognition

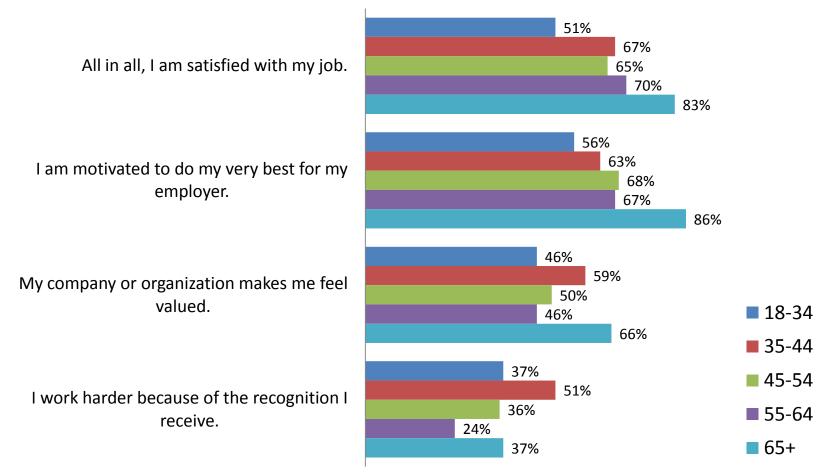
% Strongly Agree/Agree





Age Group Comparison: Employee Outcomes

% Strongly Agree/Agree





Methodology

APA's Employee Recognition Survey was conducted online within the United States August 13-15, 2014 among 882 adults ages 18 and older who work either full time or part time, by Harris Poll on behalf of the American Psychological Association via its Quick Query omnibus product. Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was used to adjust for respondents' propensity to be online.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Poll avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Poll surveys. The data have been weighted to reflect the composition of the adult population. Because the sample is based on those who agreed to participate in the Harris Poll panel, no estimates of theoretical sampling error can be calculated.



About the American Psychological Association and APA's Center for Organizational Excellence

The <u>American Psychological Association</u>, in Washington, D.C., is the largest scientific and professional organization representing psychology in the United States. APA's membership includes nearly 130,000 researchers, educators, clinicians, consultants and students. Through its divisions in 54 subfields of psychology and affiliations with 60 state, territorial and Canadian provincial associations, APA works to advance the creation, communication and application of psychological knowledge to benefit society and improve people's lives.

The American Psychological Association's <u>Center for Organizational Excellence</u> works to enhance the functioning of individuals, groups, organizations and communities through the application of psychology to a broad range of workplace issues. The center houses the Psychologically Healthy Workplace Program, a public education initiative designed to engage the employer community, raise public awareness about the value psychology brings to the workplace and promote programs and policies that enhance employee well-being and organizational performance.





APA Center for Organizational Excellence

apaexcellence.org