# Increasing Employee Engagement
## Through Strategic Recognition

**joshbersin**

# The Current State of Employee Engagement

Organizations are starting to move the needle on employee engagement. Last year Gallup reported that 34% of U.S. employees are actively engaged, the highest ever achieved,[1] and a significant increase from the 28% number during the 2008 recession.

Yet despite this positive trend and the fact that more than $2 billion a year is spent on engagement solutions, the problem is far from solved. Two-thirds of employees are disengaged and one in eight are so unhappy they might undermine your company. In looking at global engagement, we find U.S. employees are more than twice as engaged as the average employee around the world: Gallup states that 15% of employees worldwide are engaged.[2]

Many factors contribute to employee engagement including salary, benefits, opportunities for promotion, and culture. In this report we looked at the role of recognition, one of the most inexpensive yet valuable tools we have to make the work experience better.

## The Employee Experience and the New Context For Work

Strategic recognition that marries human needs with business goals and values is an increasingly important driver of employee engagement for today's workplace. We're undergoing a transformation of flattening organizational structures with an increasingly diverse and distributed workforce. In addition, workers have an increasing desire for feedback and a sense of meaning related to their work. Recognition has the ability to address these trends directly.

### Flattening organizational structures

In recent years companies have shifted away from the traditional, hierarchical organizational structure to a team or network-based model. And for good reason: 53% of companies using a team/network-based organizational structure report

**U.S. Employee Engagement**
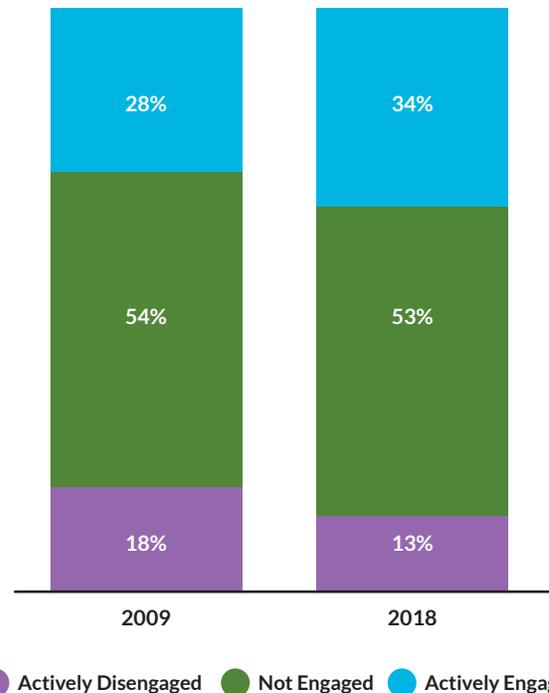


**Figure 1** Souce: Gallup

a significant improvement in performance, and another 21% report some improvement in performance.[3]

In the team-centric environment, workers are likely to spend little time with their managers, and more time with cross-functional teammates. Managers might not be the best equipped to provide feedback or recognition to their reports. There needs to be a simple way for people to feel recognized for good work by their colleagues across functions. A good recognition system breaks down these barriers.

### Increasingly diverse workforce

The population is becoming increasingly diverse. Pew data shows that the current "post-Millennial" generation (Gen Z) is already the most racially and ethnically diverse generation, as a bare majority of 6- to 21-year-olds (52%) are non-Hispanic whites.[4] By 2060, the U.S. Census Bureau projects that

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1  Gallup, Employee Engagement on the Rise in the U.S., 2018

2  Gallup, State of the Global Workplace

3  Deloitte, Organizational performance: It's a Team Sport, April 2019

4  Pew Research Center, Early Benchmarks Show 'Post-Millennials' on Track to Be Most Diverse, Best-Educated Generation Yet, November 2018

non-Hispanic whites will comprise only 44% of the U.S. population.[5]

The workplace is also becoming more diverse in age: because people are living longer, workers over the age of 55 are the fastest growing segment in the workforce.[6] According to Bloomberg of United Nations data, Gen Z will account for 32 per cent of the global population in 2019, outnumbering Millennials. Today's workplaces may have four to five generations working together: Gen Z, Millennials, Gen X, Baby Boomers, and the Silent Generation.

Increased diversity calls for an all-inclusive way for employees to recognize one another's good work. Recognition systems based on innate human needs have the ability to cut across gender, ethnic, and generational lines while putting the company's values and business goals at the center.

## Distributed workforce

Not only is the workforce becoming more diverse, it's also become more distributed. Remote work and flextime are on the rise: 43% of all U.S. employees work off-site at least part of the time.[7] A global survey from ADP found that 95% of those surveyed believe they will be able to work from anywhere in the world in the future. Meanwhile, 82% believe that they will be able to define their own work schedules.[8] In some fields, flextime has almost become an expectation, and 51% of employees say they would change jobs to have one that offered them flextime.[9]

Building culture and keeping employees engaged presents a new set of challenges when employees are not all in the office at the same time, or in the same office at all. In addition, the business model of some companies has employees spread across branch locations or client sites.

In this kind of business environment, it's important for employees to have a way to share wins, connect to solve challenges, and recognize one another's work. The

organization's values are doubly important when one can work/reside in an environment that may or may not be congruent with those values. A strong recognition program will break down geographical barriers in a digital format accessible to all employees no matter where they work.

## Feedback and communications tools improve work

In the years since I wrote "Feedback is the Killer App,[10]" the ratings economy has blossomed into a healthy suite of tools for collecting data about various aspects of employee engagement. But where the rubber meets the road in feedback lies beyond the survey check box. Person-to-person, qualitative feedback—between peers as well as managers and employees—is a key component of a healthy workplace of engaged employees. And today's communication tools are essential. An Adobe survey found that the number one factor for an ideal workspace is technology that helps connect with colleagues more efficiently.[11]

After all, it's hard to do your job well without frequent communication and feedback. If feedback is a gift, then a tool that helps employees give and receive feedback in a constructive way on an ongoing basis is a gift that keeps on giving.

## Work and the search for meaning

With all of the worry about keeping up with heavier workloads and succeeding in increasingly complex roles, today's workers are more focused on meaning. Eighty-four percent of Millennials say that making a difference is more important than professional recognition.[12] But the higher purpose of the work must also connect to the actual job. Across all generations, the number one thing that inspires people to be happy and work harder is the nature of the work itself.[13]

Years of scientific research in psychology, human biology, and workplace effectiveness have armed us with practices that indicate what makes people happy—and engaged at work. Let's dive in.

5   U.S. Census Bureau, Projections of the Size and Composition of the U.S. Population: 2014 to 2060, March 2015

6   Bureau of Labor Statistics, Projections of the Labor Force, 2016-2026

7   Gallup, How to Manage Remote Employees, August 2019

8   ADP Research Institute, The Evolution of Work, 2016.

9   Gallup, How to Build Trust With Remote Employees, February 2018

10  Josh Bersin, Feedback is the Killer App, Forbes, August 2015

11  Adobe, Work in Progress, 2016

12  Bentley University, Millennials in the Workplace,

13  Josh Bersin and LinkedIn, New Research Shows "Heavy Learners" More Confident, Successful, and Happy at Work, November 2018

# Why is Strategic Recognition Important for Business?

Strategic recognition is a powerful driver of employee engagement that aligns human needs to business values and goals. Understanding the psychological and biological needs of human beings allows employers to structure engagement programs in a way that can create the conditions by which workers tap into their own motivations to contribute to the organization's goals.

## The Humans Working for You: Psychology, Biology, and Employee Engagement

In the last 80 years, social scientists have studied many of the factors contributing to motivation, which translates to engagement in the workplace. Reward systems that focus on extrinsic rewards such as money, grades, or even fear of punishment are less effective in motivating people to high levels of performance than intrinsic motivation. Intrinsic motivation stems from an internal desire to do something because it either brings pleasure, is felt to be important, or that the learning will be significant.

Self-determination theory, as covered since the 1970s in the work of social psychologists Edward L. Deci and Richard Ryan, states that there are three innate human needs: **competence, autonomy, and relatedness.** The brain chemicals **dopamine, serotonin, and oxytocin** regulate emotions, and are naturally

triggered in the workplace following positive experiences. In the book "CRAVE: You Can Enhance Employee Motivation in 10 Minutes by Friday," Gregg Lederman translates this knowledge into a workplace context of **respect, purpose, and relationship**. (See figure 2.)

A healthy workplace has the ability to bring all these brain chemicals into balance through the acts that recognize competence, promote autonomy, and foster relationships. Dopamine is indeed powerful. A Workboard study found that 83% of employees find recognition more rewarding than cash.[14]

It's no surprise that the top reasons for employees feeling demotivated at work are: feeling invisible or undervalued (43%), having a bad manager (43%), and lack of recognition (40%).[15]

When 72% of employees say that their employers could do more to motivate them, it's time to learn from what has been proven to be successful in moving the needle on engagement. The research is robust; it's a mass failure of leadership to understand themselves and their employees when only a third of employees are engaged.

## Business Goals and Values Alignment

People can be intrinsically motivated at work to goals that are tangential or even worse, irrelevant, to the company's business goals. Low productivity due to the distraction of personal

14   Workboard, Be Fearless About Feedback

15   Reward Gateway, The Top Three Demotivators in the Workplace, October 2018

| The Science of Employee Engagement | | |
|---|---|---|
| **Psychology: Self-Determination Theory** | **Human Biology: Brain Chemistry** | **CRAVE workplace motivators** |
| Competence | Dopamine | Respect |
| The feeling that one is good at one's job and can achieve mastery. | Pleasurable feeling produced when one is recognized for good work (social reward). | Appreciation for the work people do. |
| Autonomy | Serotonin | Purpose |
| Understanding the context for work in relation to the organization as a whole, providing a self-motivation to complete tasks. | Neurotransmitter that regulates mood increases when one feels valued, appreciated, and understands the purpose of our work. | Reinforcement that the work has a purpose, makes a difference, and is relevant to the organization's mission, values and goals. |
| Relatedness | Oxytocin | Relationship |
| Interacting and connecting with colleagues and customers, showing caring. | Feelings of calm and closeness produced when trust and kindness are present. | Strong connections with people at work, especially managers and supervisors. |

**Figure 2**

projects, ill-conceived initiatives, and petty vendettas are all examples of intrinsically motivated efforts without business alignment.

Likewise, alignment with values is necessary for engagement. For example, an employee with a personal value of speed and thrift will be a mismatch for a company that focuses on luxury or excellence. Though they are both in the fashion business, H&M will likely attract a different set of employees than Chanel.

Values are mere abstractions when they exist mainly as posters on the wall. Effective values are written in terms that reflect the everyday language of employees and translated into behaviors that employees are recognized for. In addition, effective values can be measured in engagement and pulse surveys. With this information, companies can diagnose which areas of the workforce are most engaged, which factors contribute to or detract from engagement, and then take the steps to address them.

Aligning employees around the business mission and values creates better products and yields financial results: Deloitte research in 2015 revealed that companies with a clear sense of mission and purpose accomplish 30% more innovation and enjoy 40% higher rates of employee retention.[16]

## Strategic Engagement in Summary

A company of strategically engaged employees is one in which employees with a shared sense of values are motivated to contribute to organizational goals. They do this because they are recognized for their work, aware of its contribution to the organization as a whole, and empowered by their managers.

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16  Josh Bersin, Becoming Irresistible, January 2015

Companies committed to strategic engagement have a formal way of measuring engagement and employee alignment with the business' goals and values. They continually evaluate this feedback and make adjustments to engagement initiatives in a way that supports employees' human needs for respect, autonomy, and positive workplace relationships.

## Why Traditional Recognition Is Not Strategic

Traditional recognition programs are already in place at many companies but are unlikely to impact engagement because they are not tied to business goals or intrinsic motivators.

> " *Recognition has to be core to everything you're doing. When people feel valued and appreciated for their work, it makes them want to get out of bed in the morning, come in, and do their best work. You can't underestimate the power of that.*
>
> *Keri Mantegna, Corporate Vice President, Organizational Effectiveness, Excellus Blue Cross Blue Shield*

Non-strategic recognition is something that could occur regardless of the company, business model, or business strategy. While birthday celebrations and tenure awards are nice things to do, it's hard to connect them to the values of a company. Basic awards don't necessarily connect with the employer brand, aren't conducive to measurement, evaluation, or evolution. In addition, they may or may not occur frequently, which limits their ability to become culture drivers.

| Non-Strategic Recognition | |
|---|---|
| **Recognition Events** | **Why Not Strategic** *(may not apply to all events listed)* |
| • Celebration of birthdays, births, marriages, other life events | • Not connected to company values or business goals |
| • Basic gratitude: thanks for staying late, helping out, doing a good job, etc. | • Hard to measure |
| • Tenure awards | • Infrequent or irregular timing |
| • Gifts and branded swag | • Extrinsic motivators |
| • Bonuses based on objectives | • Not conducive to evolution and changing business |
| • Employee of the month/quarter/year | |

**Figure 3**

# Key Components of Strategic Recognition

Companies that practice strategic recognition have usually done a careful study of their values and clarified them into approachable language that connects the values to desired behaviors on the job. This approach enables employees to easily connect behaviors they witness in others to the company values. When employees know and understand business goals, they can then recognize their colleagues strategically.

**Recognition stories** are a key driver of strategic engagement. A well-written recognition story connects employees to the business with three components:

- **Action** – describe what they did
- **Focus** – relate this event to a company value
- **Impact** – describe the result, potential savings or other impact

## Sample Recognition

**Focus**
e-Card based on the company value "Work hard"

**Action**
Ryann includes Alana in meetings, answers questions afterwards, and spent time after hours with Alana to go over reports

**Impact**
Better relationships with clients

**Visibility**
Others can see and comment on recognition, socializing values-aligned behavior



boom!
For RG People

2 weeks ago
**Ryann Redmond**
received "Work Hard" eCard from **Alana Kiner**

Work hard

Despite having an extremely busy week and being pulled in many different directions, Ryann has included me in on meetings so I can better learn and takes the time afterward to teach me and let me ask questions.
Yesterday we were both a little tired after traveling early to a client site to present survey results. At the very end of the day, she initiated time to sit with me to go over how and where she pulled specific reports and helped me break down the data. This all results in better relationships with the clients- She works hard to keep them happy and also keeps a positive attitude to all of us in the office.
Thank you Ryann!!

5 👍 👏 ❤️

- **Continually reinforced.** In order to become part of the culture, recognition needs to be reinforced by all levels of leadership. Sharing recognition stories in meetings large and small helps cement values as well as inspire workers toward more recognition-worthy actions.

- **Social and visible.** Today's workers are conditioned to the dopamine hits from social media, whether that's "likes" on funny cat videos or significant life events. Socialized workplace recognition delivered in a consistently strategic manner provides a dopamine hit for business purpose.

- **Measurable.** There's no way to tell if a strategy is working without measurement. Employers should be able to measure engagement with the recognition platform itself as well as its effectiveness in moving the needle on employee engagement.

- **Manager engagement.** While recognition stories can be given from peer to peer, managers should have visibility into when their reports receive recognition, and the ability to make comments. Managers can also be held accountable for giving recognition and their own engagement with the recognition platform.

## Strategic Recognition Maturity Model

Based on these criteria, organizations typically fall into one of five levels of recognition maturity.



**Level 5**
Fully implemented strategic recognition program integrated and reinforced in the workplace culture. Recognitions and rewards are based on values and behaviors; successes are shared across the organization; recognition practices are integrated into managers' job descriptions.

**Level 4**
Employee service milestones are recognized; in addition, the company has several formalized awards endorsed by senior leadership. The awards are well defined, but typically managed manually; successes are typically shared at one-time events or communicated via email or newsletter.

**Level 3**
Employee milestones (i.e., birthdays, years of service) recognized; managers have the ability to recognize and/or reward employees at their discretion but such awards can be sporadic and based on inconsistent metrics.

**Level 2**
Employee milestones (i.e.,birthdays, years of service) are recognized; awards independent of employee performance or in support of company values; often owned by HR.

**Level 1**
No formal reward/recognition program in place.

**Figure 5: Reward Maturity Model**

## Results of Strategic Recognition

The business impact of any investment in the employee experience needs to be considered before taking the leap. Analysis of strategic recognition reveals many business benefits to becoming a recognition-rich workplace. More benefits of strategic recognition appear in the case studies shown in this report.

> *Our Lifetime Way values and behaviors are not just nice-to-haves. They actually enable greater commmunication and collaboration that are driving our business results.*
>
> *Keri Mantegna, Corporate Vice President, Organizational Effectiveness, Excellus Blue Cross Blue Shield*

1. **Improved business results.** Employees who feel appreciated are more aligned with business goals and more likely to take actions and produce innovations that lead to profits. Our research in 2012 found that companies that excel at employee recognition on average are 12 times more likely to generate strong business results than their peers.[17] Another study from SHRM found that peer-to-peer recognition is 35.7% more likely to have a positive impact on financial results than manager-only recognition.[18]

2. **Higher engagement scores.** Recognition tied to company mission and values is a powerful driver of engagement. In organizations with strategic recognition initiatives, employee engagement, productivity, and customer service are roughly 14% higher than in those without recognition.[19]

3. **Differentiation through workplace culture**. A culture of recognition is undeniably positive. Companies that have identified their values and tied them to recognizable behaviors stand out not only for workers, but also to those outside looking in, whether that's candidates, investors, or shareholders.

4. **Easier hiring.** In the age of employer reviews and ratings, candidates have the ability to form opinions about what it's like to work at a company before they even apply. And they want to go to companies with a great culture: Glassdoor research found that when workers change jobs, it's usually for a company with a better culture.[20] Other research found that 79% of employees who quit their jobs cite lack of appreciation as a key reason for leaving.[21]

5. **Higher retention rates.** Workers who feel appreciated for their work, are inspired with a sense of purpose, and are connected to their colleagues, are less likely to leave—and more likely to stay longer.  Companies that scored in the top 20% for building a "recognition-rich culture" had 31% lower voluntary turnover rates.[22] An Imperative study found that fulfilled employees are two times more likely to stay five or more years, and three times more likely to stay 10 or more years.[23]

6. **Better customer service**. Frequently recognizing workers for how they handle customer relationships encourages good service and can lead to an increase in customer service ratings and NPS.

7. **Fewer workplace safety incidents**. Many organizations have hazardous jobs and therefore need to make safety a value. Recognition for preventive measures has been found to be a key component in reducing injuries or other dangerous incidents.[24]

> *If the tone isn't set at the top by people like me, it's not going to happen.*
>
> *Marty Birmingham, CEO & President, Five Star Bank*

17  Bersin Associates, Press Release, June 2012

18  SHRM/Globoforce, Employee Recognition Report

19  Bersin Associates, Press Release, June 2012

20  Glassdoor Economic Research, Why Do Workers Quit? The Factors That Predict Employee Turnover February 2017

21  Forbes, 10 Shocking Workplace Stats You Need To Know, March 2018

22  Bersin Associates, Press Release, June 2012

23  Imperative, 2019 Workforce Purpose Index

24  OSHA, Worker Participation, Recognize Workers or Teams for Contributions to Workplace Safety, 2018

# Best Practices for Implementing Strategic Recognition

Our review of the companies using a recognition platform in this report uncovered many consistencies. Any company developing a program should include these best practices.

1. **CEO/leadership buy-in and participation.** Because people look to company leaders for examples of behavior, recognition has to be both used and supported by them. In each case we examined, executives empowered their teams and held them accountable to using it, as well as using it themselves. Leadership participation creates a ripple effect that spreads the behavior throughout the company.

2. **Values that match to concrete, observable behaviors**. Companies using strategic recognition spent several months developing their values with input from employees. This ensures the values are relatable to the employees' actual work and they connect to realistic, desirable behaviors.

3. **Train managers on why recognition matters.** The first point of manager pushback is typically, "why should I recognize people for doing their jobs?" Manager education on the science and business benefits of recognition will help shift their thinking and allow them to adopt new behaviors of their own.

4. **Hold managers accountable.** Usage of a recognition platform can be tracked, and be added to performance reviews as a point for discussion. A realistic goal is to request that managers write one recognition per month.

5. **Implement a measurement strategy.** Develop employee survey questions that track engagement against each value. In the early stages of a new recognition program, surveys can be conducted twice a year in addition to pulse surveys. Results should be analyzed and the programs adjusted accordingly. Eventually, the full engagement survey can be reduced to once a year. Recognition platform usage should also be measured (for instance, by tracking numbers of employees giving and receiving recognition). Data and analysis can be shared all the way up to the board.

6. **Refresh the program**. Like all employee initiatives, recognition can get stale if it doesn't change along with the company. Recognition programs need to be refreshed as the company and business goals change. The surveys should also mirror any updates.

7. **Create a time-based recognition focus tied to an organizational goal.** When a company wants to create change or grow the business in a new direction, recognition can be a powerful driver of behavior. For example, a goal of "breaking down silos" can be translated into encouraging recognition for cross-functional communication and collaboration. Similarly, department goals such as "first call resolution" for a call center can be tied to a recognition focus.

8. **Integrate recognition stories into business practices**. Recognition needs to live in more than just a digital platform. Some companies implement a "1-minute reminder" to open meetings by sharing a recognition story. When a company leader does this in an all-hands, it's a powerful amplification of recognition for those being recognized.

9. **Fold values and recognition training into onboarding.** Understanding how recognition works and learning desired behaviors from others' recognition stories sets up new hires for success.

10. **Gamification with points/rewards.** Earning points that can be applied to purchases at popular retailers or exchanged for vacation days makes perks strategic instead of being just perks. For complete transparency, be sure the value of rewards isn't eroded with provider fees.

11. **Centralize branded engagement tools**. Employees don't need to remember which system they need to log into to get something done. A recognition platform with a consistent, branded look and feel can serve as a gateway to other systems within the company while reinforcing the company brand and values.

## Strategic Recognition and the Road Ahead

The pace of business certainly isn't slowing. In the increasingly networked, automated, dispersed and diverse workplace environments of today, employers need to do more to improve employee engagement. The first step is to work with senior leadership teams to clearly define goals for the business, overarching business values, and the associated behaviors that exemplify those values in day-to-day work. The next step is to assess the role technology can play in helping you promote and reinforce these values throughout your enterprise. Well-conceived and business-relevant recognition programs will satisfy human needs for competence, autonomy, and relatedness. Not only will engagement numbers go up, but the business will benefit from increased retention, a strengthened employer brand, and improved performance by employees who feel recognized and valued.

# Strategic Recognition Cements New Values around Company Rebranding

In 2017, Five Star Bank, a $4 billion community bank with 700 employees, initiated a rebranding process. At the same time, it also moved to a new service model emphasizing the role of the certified personal banker. The company wanted to ensure the new brand was reflected in the services provided by these employees, while building on its 200-year history.

Before launching the rebrand externally, Five Star Bank needed to be sure its employees could deliver on the brand promises as demonstrated through attitudes, behaviors and performance. With a mission to put customers' financial wellbeing at the heart of everything it does, the Five Star team partnered with Reward Gateway to update Five Star's values to be more approachable and connected to workplace behaviors. The company refined and focused on five values and their associated behaviors. These tied into the recognition criteria and a measurement strategy within the Reward Gateway platform.

The consistency in values was doubly important in fostering collaboration for a company with banking, investments and insurance services in a geographic footprint spread across 10,000 square miles and 53 locations. Recognition helps create awareness of dependencies, creating greater operational efficiency. "When you recognize people across functions, you also create an understanding of what happens to your product downstream," said Marty Birmingham, CEO at Five Star Bank.

Birmingham opens company calls with an employee recognition story. "It's enormously impactful to hear your CEO saying your name, and everyone you work with hearing it," said Valerie Benjamin, CHRO. Recognition is also part of the company's leadership development framework. Managers are encouraged to write at least one recognition per month and start their regular team meetings by sharing a recognition story. Data from the Reward Gateway platform also informs senior leadership discussions about where the values are being reinforced and where they need more focus. This in turn drives subsequent conversations with managers throughout the organization.

"Culture changes at a glacial pace," said Birmingham. "It takes patience and tenacity." That patience appears to be paying off, with usage of the recognition platform snowballing year-over-year. In the first seven months of 2019, more employees have received public recognition than in all of 2018. In the last twelve months, two-thirds of managers and nearly half of non-managers have recognized others publicly for doing good or great work.

Five Star Bank lists "engaged and motivated associates" as one of the five pillars of its strategy map to serve shareholders, and engagement results are shared and discussed with the board. This level of accountability has engagement increasing in tandem with financial results.

- The percentage of highly engaged employees has grown by six percentage points in joint two years.

- In 2018, Five Star Bank achieved its highest full-year net interest income in its history of $123 million, an increase of 9.1% from 2017. Total loans grew by 12.9%.

- Net income for 2018 was $39.5 million, $6 million higher than 2017.

# Strategic Recognition Leads to 39% Increase in Engagement

Chris Booth became the CEO of Excellus Blue Cross Blue Shield, a regional insurer based in Rochester, NY, in 2013. Early on, he set out on a personal mission to improve the workplace culture of the 5,000-employee company. His first attempt was to enlist the services of a firm that issues workplace rankings. However, employee reaction quickly showed that focusing on an external award was the wrong approach. Booth and the Excellus leadership team recognized that the company's issues had to be addressed from the inside. At that time, the company's values were vague concepts, making it difficult to engage employees around anything tangible.

After months of internal research with employees and guidance from Reward Gateway consultants, the Excellus team developed "The Lifetime Way," a set of seven values and associated behaviors. The Reward Gateway platform would be used to reinforce the Lifetime Way values and recognize the ways employees exemplified them every day.

The biggest challenge in implementing recognition as part of an employee engagement strategy was resistance to change among management. To counter, the team conducted manager trainings on the importance of recognition, and Booth personally committed to using the recognition platform himself. He also established a leaderboard with his executive team to encourage healthy competition among managers.

Reward Gateway's platform also helps facilitate peer coaching groups, where managers meet on a regular basis to share best practices of how they're reinforcing the values and how they're dealing with culture challenges in their group.

Today recognition at Excellus is a key driver of engagement. The percentage of highly engaged employees increased nearly 20 percentage points from 51% in 2014 to 71% in 2019, while business results have soared: overall enrollment at Excellus Blue Cross Blue Shield increased by nearly 40,000 subscribers from 2017 to 2018. Finances have improved as has the quality of operations.

In order to ensure employee engagement remains a key component of the corporate strategy, the team shares survey results in management meetings. And to keep the program fresh, they develop new recognition campaigns on a regular basis that tie new business initiatives to the Lifetime Way.

Recognition has become a popular activity at Excellus, with 148% increase in recognition recipients from 2014 to 2018. In the last year alone, over 15,000 recognition stories were written and shared across the company, and nearly two-thirds of all employees have recognized others publicly for doing good or great work. In the first eight months of 2019, the number of recognition recipients at Excellus surpassed the number of recipients for all of 2018. It is indeed their secret sauce for moving one in five employees from moderately engaged to highly engaged.

## Excellus Employee Engagement

| | AUG 2014 | AUG 2019 |
|---|---|---|
| Highly Engaged | 51% | 71% |
| Moderately Engaged | 43% | 25% |
| Disengaged | 6% | 4% |

Disengaged • Moderately Engaged • Highly Engaged
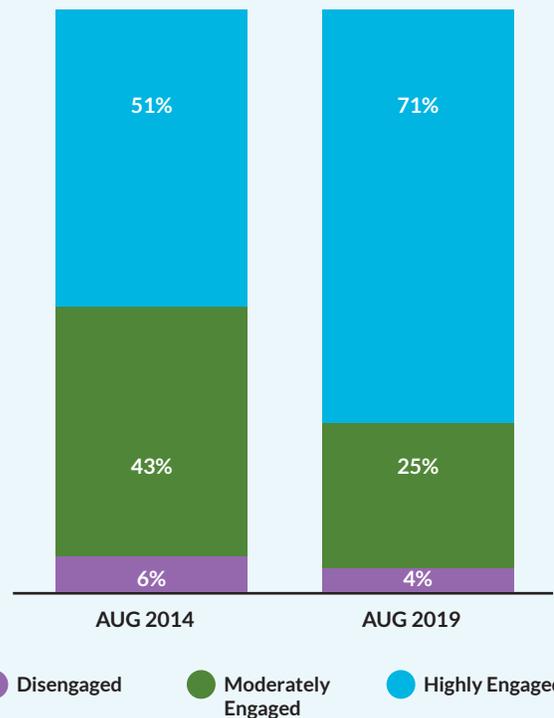
# Making Recognition Central to Employee Experience

Atos is a global IT services firm with 8,500 employees in the United Kingdom and Ireland. Creating a strong employer brand is important for Atos, especially considering that much of its growth is achieved by mergers and acquisitions, and a proportion of its workforce is based at client sites. In 2014, the company partnered with Reward Gateway to bring recognition and voluntary benefits into one engagement platform.

The Atos-branded "Prosper" platform serves as a portal that connects employees with benefits and perks, with recognition as the social driver for participation. The company creates recognition campaigns around its strategic initiatives that support company goals.

One successful initiative is "Future Fit," which encourages employees to upskill/reskill and connects them with learning and development opportunities. Employees can recognize their peers for joining one of five Digital Growth Networks centered around the business' five main growth areas (e.g., cybersecurity, customer experience, digital services). Recognition for completing additional training reinforces a culture of learning, a strategic imperative in the fast-moving world of IT.

The values-based focus of recognition within the Prosper platform gives employees a sense of shared identity under the "We Are Atos" employee experience program. This

also supports those based at client sites. Employees can be recognized (by both Atos employees and the client themselves) either by demonstrating Atos core values or demonstrating clients' values. This approach reinforces the importance of not only aligning with corporate values but also ensures Atos employees place the client at the heart of their actions.

Knowing that leadership buy-in is key to driving recognition behavior, Atos included sessions on recognition and employee engagement in its annual manager conference, "Being Connected." "It helps get the managers fired up," said Christine Warner, Head of Reward at Atos. "It gives them ideas, shares our priorities so they can engage their teams, communicate key messages, and practice what they've learned."

As a central hub for employee engagement, Prosper plays a critical role in retention by socializing company values, networking employees through peer-to-peer social recognition, and providing discount and shopping benefits that contribute to financial wellbeing.

Atos aims to fill positions internally, and this year the company filled over 70% of open roles with internal hires. With a 90% participation rate on Prosper, Atos hasn't stopped evolving its rewards and recognition program. "We're always looking at how we can improve," said Warner.

## About Josh Bersin

*Josh Bersin is an internationally recognized analyst, educator, and thought leader focusing on the global talent market and the challenges impacting business workforces around the world. He studies the world of work, HR and leadership practices, and the broad talent technology market.*

*He founded Bersin & Associates in 2001 to provide research and advisory services focused on corporate learning. Over the next ten years, he expanded the company's coverage to encompass HR, talent management, talent acquisition, and leadership.  He sold the company to Deloitte in 2012, when it became known as Bersin™ by Deloitte.   Bersin left Deloitte in June 2018, but he continues to serve as a senior advisor and contributes to major research initiatives. He also sits on the board of UC Berkeley Executive Education.*

*In 2019, Bersin founded the Josh Bersin Academy, the world's first global development academy for HR and talent professionals and a transformation agent for HR organizations. The Academy offers content-rich online programs, a carefully curated library of tools and resources, and a global community that helps HR and talent professionals stay current on the trends and practices needed to drive organizational success in the modern world of work.*

*Bersin is frequently featured in talent and business publications such as Forbes, Harvard Business Review, HR Executive, FastCompany, The Wall Street Journal, and CLO Magazine.  He is a regular keynote speaker at industry events around the world and a popular blogger with more than 700,000 followers on LinkedIn.*

*His education includes a BS in engineering from Cornell University, an MS in engineering from Stanford University, and an MBA from the Haas School of Business at the University of California, Berkeley.*