



Gallup-Workhuman Study Finds Organizations Can Save More Than \$16M Annually by Having Culture of Recognition

Amid the Great Resignation, new research finds that more than half of employees who say the recognition they receive at work is not authentic or equitable are actively looking for a new job

WASHINGTON D.C. and FRAMINGHAM, Mass. – May 18, 2022 – In the midst of the Great Resignation, when employers are looking for ways to retain their employees, the importance of human capital has never been clearer. Recognizing employees is a simple way organizations can demonstrate their investment and commitment to their employees and inspire them to feel connected, confident and cared about — ensuring they leverage the full force of their human power at work. However, a new research report published today by [Gallup](#) and [Workhuman](#), [Unleashing the Human Element at Work: Transforming Workplaces Through Recognition](#), reveals that currently, only about one-third of employees say their employer has a formal recognition program.

Eight in 10 senior leaders (81%) say recognition is a not major strategic priority for their organization, meaning many organizations are missing out on achieving organizational benefits by not prioritizing recognition. Gallup's analysis of the study data show that an organization of 10,000 people with an already engaged workforce can save up to \$16.1M in turnover annually when they make recognition an important part of their culture.

But not all recognition is created equal. Gallup and Workhuman partnered to study employees across the United States, the United Kingdom and Ireland to understand what recognition means to them, whether they feel they are receiving it authentically, equitably and frequently enough, and what affect good recognition has on their attitudes toward work and life. The study found that more than half of employees who say the recognition they receive at work is not authentic (53%) or equitable (52%) are actively looking or watching for new employment opportunities. Two in five employees (40%) say they are not receiving enough recognition from leaders at their organization — only a few times a year at most — when the bare minimum for positive impact is at least a few times a month. Additionally, the findings show how recognition can drive real impact for a workforce, as those who receive the level of recognition that matches their needs and expectations are:

- 56% less likely to be looking or watching for job opportunities
- 4x as likely to be engaged
- 3x as likely to feel loyal to their organization
- 4x as likely to strongly agree they would recommend their organization as a great place to work
- 4x as likely to feel that they belong at their organization
- 5x as likely to see a path to grow at their organization

A culture of recognition, at its most basic level, is one in which gratitude, praise and appreciation are freely given and regularly received in an authentic and equitable way throughout the organization. “Since Gallup began tracking employee engagement in 2000, we have understood that recognizing

employees is a key component to creating an engaging culture at work,” said Ed O’Boyle, Gallup’s global practice leader. “The findings from Workhuman and Gallup dive deeper into quantifying not only the financial benefits of strong recognition programs, but also intangible benefits like improving worker wellbeing and developing brand ambassadors.”

Employee recognition doesn’t just have an impact on work performance, it affects a person’s viewpoint of life. Recognition has an insulating effect that can help shield employees from burnout and support their overall wellbeing. More than 70% of employees who have good recognition experiences at work rate their lives more positively overall and are more likely to be “thriving” in their everyday lives compared to those who are not being fully recognized.

However, recognition is not a one-way street. When organizations make a point of celebrating employees’ successes and contributions, those employees pay it forward and become brand ambassadors who help spread the word about their workplace. In today’s competitive talent marketplace, the power of employee referrals cannot be understated. Yet, only 28% of employees in this study strongly agree they would recommend their organization as a great place to work. Organizations that acknowledge employees through strong cultures of recognition can boost this figure to 68%.

“The Gallup data clearly show that when recognition is truly embedded in workplace culture, people feel its full impact — they feel seen and valued, motivated to put in a little extra, and supported to reach their full potential,” said Chris French, Workhuman EVP. “In today’s world of distributed and hybrid work, keeping employees connected and engaged is a major business priority. By implementing and nurturing a strong and strategic recognition program, many problems organizations face could be overcome. Recognition is no longer a nice-to-have program, but rather a business imperative.”

To read the full report, *Unleashing the Human Element at Work: Transforming Workplaces Through Recognition*, please visit: <https://www.gallup.com/analytics/392540/unleashing-recognition-at-work.aspx>. For information on Workhuman, visit www.workhuman.com, and on Gallup, visit <https://www.gallup.com/analytics/318665/public-sector-reports.aspx>.

Methodology:

Results from U.S. data are based on a survey conducted by from Feb. 14-28, 2022, with 7,636 adults who are employed full-time or part-time, aged 18 and older, living in all 50 U.S. states and the District of Columbia, as a part of the Gallup Panel™.

For results based on these samples of national employed adults, the margin of sampling error at the 95% confidence level is +1.8 percentage points for response percentages around 50% and is +1.1 percentage points for response percentages around 10% or 90%, design effect included. For reported subgroups such as workplace role, work arrangement, gender or race/ethnicity, the margin of error will be larger, typically ranging from ±2.1 to ±6.1 percentage points for percentages around 50% and ±1.3 to ± 3.7 for percentages around 10% or 90%.

About Workhuman:

Workhuman® is helping companies meet today’s biggest human capital challenges - including unprecedented turnover, employee engagement, hybrid work environments, and DE&I - through the

Workhuman Cloud®, a secure SaaS platform that provides the industry's best-in-class Social Recognition® solution. As the leading global provider of technology solutions, analytics, expertise, and services helping organizations of all sizes build and foster workplace cultures powered by employee recognition and crowdsourced feedback, Workhuman is revolutionizing the way employees celebrate, connect with, and appreciate each other in the workplace. Combined with unmatched data through Workhuman iQ®, we empower HR and business leaders with proactive insight to understand issues as they develop and tools to help them make the right decisions to align business objectives and culture to deliver immediate impact. And, with world-class award redemption from our proprietary global network, Workhuman is committed to building more connected human-centered workplaces that recognize the value and potential of each and every employee.

For more than 20 years, Workhuman has been pioneering the human workplace by disrupting legacy and obsolete HR approaches to improve the employee experience at work, with solutions that engage with approx. seven million customer employees in 30+ languages, in 180 countries, generating 100 million instances of human connection. With dual headquarters in Dublin, Ireland and Framingham, Massachusetts, Workhuman employs 1,000 people who deploy solutions and services at scale, committed to helping companies improve returns on their most important investment— their people. For more information, please visit www.workhuman.com.

About Gallup

Gallup delivers analytics and advice to help leaders and organizations solve their most pressing problems. Combining more than 80 years of experience with its global reach, Gallup knows more about the attitudes and behaviors of employees, customers, students and citizens than any other organization in the world.