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New Gallup Wellbeing and Workplace Study Finds Employee Recognition Can Help Mitigate \$322 Billion Cost of Global Turnover and Lost Productivity

Gallup and Workhuman also found that only 1 out of 4 employees in the U.S. strongly agree that they receive the right amount of recognition.

WASHINGTON, D.C., and FRAMINGHAM, Mass. — October 6, 2022 — Today, Workhuman and Gallup released their latest report, [Amplifying Wellbeing at Work and Beyond Through the Power of Recognition](#), which highlights strong connections between employee wellbeing and overall company growth and success. In a large-scale study of more than 12,000 employees across 12 countries, [Gallup](#) and [Workhuman](#) found that when employees are recognized at work, they are up to **10 times** as likely to strongly agree that they belong at their organization. Similarly, employees who lack a strong sense of belonging are up to **12 times** as likely to be disengaged and five times as likely to be looking for another job. Additionally, the research shows that — across many countries — high-quality recognition is strongly associated with lower rates of burnout.

“For a long time, employee wellbeing was oftentimes considered a ‘bonus’ or ‘nice to have’ for organizations looking toward significant growth and financial success,” says Scott Dussault, Chief Financial Officer at Workhuman. “Times have changed — with [quiet quitting](#) and disengagement running rampant, leaders should be turning to employee recognition to increase engagement, productivity, inclusivity, and overall loyalty to their companies. Considering that the cost of voluntary turnover due to burnout alone is 15% to 20% of the payroll budget each year, protecting and promoting employee wellbeing amounts to hundreds of millions of dollars toward organizations’ bottom lines annually. Neglecting wellbeing is one of the biggest mistakes organizations make — and a costly one at that.”

Poor wellbeing influences outcomes with serious price tags, including hindering employee productivity and engagement and precipitating burnout and turnover. The analysis found that organizations can experience an opportunity loss of \$20 million for every 10,000 workers due to low wellbeing and its drain on performance. Yet few leaders realize the power they wield to amplify wellbeing at work and beyond.

In a prior [study](#), Gallup and Workhuman found that recognition acts as a buffer against job stress and enhances multiple aspects of wellbeing. The new report expands on these findings, providing actionable strategies for managers and leaders to enact at their places of work to tackle the “wellbeing pandemic.” For workplaces globally, one of the most effective and affordable wellbeing strategies is woefully untapped: [employee recognition](#). Recognition does more than fuel employee wellbeing: It promotes a more positive outlook and mitigates burnout. In every country studied, there is considerable room to improve strategic recognition practices. Some of the key findings of the study are:

- Employees who strongly agree that recognition is an important part of their culture are up to 91% more likely to be thriving in their lives.
- Employees who have high-quality recognition experiences are up to seven times as likely to strongly agree that they have meaningful connections or a best friend at work, and as much as 10 times as likely to strongly agree that they belong.

- Employees who say they experienced a lot of gratitude the previous day are up to four times as likely to strongly agree that their organization cares about their wellbeing.

“Gallup’s previous research has gone a long way to show, convincingly, that wellbeing matters at work — it impacts engagement and performance in ways that cost organizations dearly,” said Gallup Senior Researcher, Ellyn Maese. “It is evident that recognizing employees boosts their wellbeing in many facets of their lives, and corporations need to make it a priority. When incorporated strategically, recognition provides a foundation for employees to flourish.”

The report identifies that building a culture of recognition is a key strategy. A culture of recognition enriches employee wellbeing holistically — from employees’ social connections to their career aspirations. One of the hallmarks of a culture of recognition is when employees freely give and receive recognition. When recognition resounds at all levels of the company, it amplifies the benefit to everyone’s wellbeing. In fact, employees who strongly agree that they get the right amount of recognition for the work they do are up to 84% more likely to be thriving. And when employees give recognition at work at least a few times a month, they are as much as two times as likely to be thriving.

To read the full report, *Amplifying Wellbeing at Work and Beyond Through the Power of 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 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 point for response percentages around 50% and is +1.1 percentage point 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 (Human Resources) 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.

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