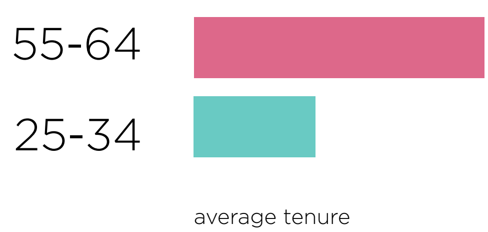
EMPLOYEE RECOGNITION THEN & NOW

Cyrus the Great was the first to motivate employees using employee recognition. He held ceremonies rewarding construction workers for their hard work in building the Jerusalem Temple in 538 B.C. Since then, we've learned the tried and true lesson that attitudes drive behavior.

Traditionally, organizations used tenure as a productivity metric: the longer one stays with an employer, the more loyal, productive, and committed to the company they are. Companies used to incentivize employees with formal, schedules recognition ceremonies (a lot like Cyrus) which rewarded behavior and achievements. Many companies also relied heavily on the traditional service anniversary award for tenure.

Yet as technology continually disrupts organizational management and business in general, things like tenure and structured incentive strategies prove less effective in motivating employees. The median tenure of workers age 55-64 is 10.4 years, yet workers age 25-34 realize a median tenure of just three years.

AVERAGE TENURE BY AGE



Millennials have recently surpassed Baby Boomers as the largest share of the workforce, bringing new talent practices, new skill sets, and new demands. Workers of this generation expect employers to supply feedback, value their opinions, and encourage personal growth. Gallup found that 87% of Millennials say that professional development is very important to them in a job. This group tends to job-hop in search of fulfilling, exciting, lucrative, and meaningful careers. As such, businesses have begun to adapt organizational strategy to attract and retain young talent, with employee engagement being a key focus.

$100 BILLION ANNUALLY

Today, organizations in the US spend over $100 billion annually on incentive programs, and in 2011, 86% of companies had recognition programs.

When it comes to improving employee behaviors, nonmonetary recognition (delivered in person or via social media-style apps) can be even a more durable currency than monetary recognition. Cash is not always king. Employee recognition software with built-in rewards allows businesses to give the gift of recognition while shifting focus from monetary to authentic gratitude.

Cash may be king. But think chess, where a king can only move one space at a time, while a queen can win from any direction or distance. In the chess game of the workplace, recognition is queen.

Given the compartmentalized nature of business in the past (and some still today), recognition used to be a formal, infrequent nod and gift to an employee from the lead of a department which has little interaction with employees on a daily basis. This rigid practice of acknowledgement can often come across as forced or mechanical. The difference today is that the spontaneous, genuine nature of frequent thanks or praise is what encourages employees to continue to perform their best.