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# Amplifying Wellbeing at Work and Beyond

THROUGH THE POWER OF RECOGNITION

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# Table of Contents

2	<b>Foreword</b>
4	<b>Executive Summary</b>
6	<b>Detailed Findings</b>
6	This Report: Global Trends and Opportunities
7	Amplifying Wellbeing Through Recognition
10	Recognition Propels Employees to Thrive
11	Recognition Lifts Employees’ Spirits
13	Recognition Shields Employees From Burnout
16	Recognition Magnifies Social Wellbeing
22	<b>Conclusions</b>
24	<b>Methodology</b>

# Foreword

Gallup has spent the last several decades developing the world's understanding of how happy, healthy and engaged employees fuel profitable organizations. Using the principles of behavioral economics, we have charted a clear path: Employees who feel their best, do their best – which is why great workplaces prioritize employee wellbeing and reap the benefits.

These organizations harness the full power of their employees, and those employees are more productive and perform better, take fewer sick days and have fewer safety incidents because of that. They are also more engaged and less likely to be burned out or to leave their jobs. 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.<sup>1</sup>

Neglecting employee wellbeing adds up in opportunity loss and replacement costs, but also as overall vulnerability and risk. Organizations can only be as resilient as their workforces, which means that when employees are thriving in their lives – when their wellbeing is strong and only getting stronger – they make their organizations stronger too.<sup>2</sup>

Employers are not simply at the mercy of their employees' wellbeing. They can and should actively and proactively contribute to it. Since the mid-1900s, Gallup has demonstrated that organizations play a critical role in shaping the lives of employees as whole people in ways that transcend the work itself.

The first step to building employee wellbeing is understanding what it is. Wellbeing is often conflated with "health," but wellbeing isn't just about the absence of illness or injury, or even the presence of physical fortitude. Wellbeing is about a life well lived; it is about being fulfilled in the aspects of life that matter most.

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1 Gallup. (2022). Wellbeing: Employee Wellbeing Is Key for Workplace Productivity. Retrieved from <https://www.gallup.com/workplace/215924/well-being.aspx>

2 Harter, J. (2020). Thriving Employees Create a Thriving Business. Gallup.com. Retrieved from <https://www.gallup.com/workplace/313067/employees-aren-thriving-business-struggling.aspx>



By systematically studying what allows people to thrive around the world, Gallup has uncovered the five essential elements of wellbeing.<sup>3</sup>

- **Career wellbeing** refers to how people spend their days and whether or not they generally like what they do with their time.
- **Social wellbeing** refers to people's relationships with others and whether or not they have meaningful connections and positive interactions with others.
- **Financial wellbeing** refers to people's economic stability and standard of living and whether or not they have the funds they need to provide for themselves and/or their family.
- **Physical wellbeing** refers to people's health and physical condition and whether or not they have the energy and endurance to be productive each day.
- **Community wellbeing** refers to people's daily environment and whether or not they feel satisfied, connected and engaged with the areas in which they live.

Neglecting wellbeing is one of the biggest mistakes organizations make — and a costly one at that.<sup>4</sup> Most employers don't do it maliciously or even apathetically. But ignorance is also not a good excuse. The truth is, employers can make a difference in every one of the essential elements of wellbeing. Yet many simply go through the mechanics of providing jobs and paychecks without ever realizing that work can be so much more.

At its best, work creates the conditions for people to thrive.<sup>5</sup> It supplies people with opportunities to learn and grow, to build their strengths and unlock their full potential. It offers an environment where employees are supported and support one another. It creates a sense of purpose and adds meaning to life. And when work is at its best, so are employees — and so are company bottom lines.

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3 Rath, T. & Harter, J. (2010). The Five Essential Elements of Well-Being. Gallup.com. Retrieved from <https://www.gallup.com/workplace/237020/five-essential-elements.aspx>

4 Clifton, J. (2022). The World's Workplace Is Broken — Here's How to Fix It. Gallup.com. Retrieved from <https://www.gallup.com/workplace/393395/world-workplace-broken-fix.aspx>

5 Pendell, R. (2022). Employee Wellbeing Starts at Work. Gallup.com. Retrieved from <https://www.gallup.com/workplace/394871/employee-wellbeing-starts-work.aspx>

## Executive Summary

Wellbeing is a universal need of employees. And for organizations, it is a high-stakes foundation to organizational outcomes. Wellbeing (or lack thereof) influences outcomes with serious price tags, including hindering employee productivity and engagement as well as leading to burnout and turnover. Yet few leaders realize the power they wield to amplify wellbeing at work and beyond.

In 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 fact, recognition can spark cultural transformation and help workplaces achieve exceptional performance while improving employees' lives overall. And it's one of the simplest tactics at leaders' fingertips.



## **A large-scale study of more than 12,000 employees across 12 countries demonstrates that fulfilling employee recognition is associated with better employee wellbeing across four key dimensions:**

- **Increased overall life evaluations:** Employees are as much as two times as likely to evaluate their lives and futures positively.
- **Reduced levels of burnout:** Employees are up to 90% less likely to report being burned out at work “always” or “very often.”
- **Improved daily emotions:** Employees are up to two times as likely to report having experienced a lot of gratitude the previous day and about 40% less likely to report having experienced a lot of stress, worry and sadness.
- **Better social wellbeing:** Employees are 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.

When organizations create an environment in which employees consistently receive high-quality recognition, these benefits — and more — translate into clear ROI. To do this, leaders must first see recognition as a *strategy* that needs to be invested in and then scale it thoughtfully to change the culture of their workplaces — and, ultimately, employees’ lives.

## **The costs of neglecting wellbeing are real and significant, for employees personally and for their employers:**

- **\$20 million** of opportunity loss for every 10,000 workers due to low wellbeing and its drain on performance
- **\$322 billion** cost globally in turnover and lost productivity when low wellbeing shows up as employee burnout<sup>6</sup>

Conversely, high wellbeing prepares employees to excel in everything they do. Employees with high wellbeing perform better and lead happier, more fulfilled lives at the office and otherwise. And when recognition is part of leaders’ wellbeing efforts, the outcomes and ROI are extraordinary.

Yet, when organizations weigh costly Employee Assistance Programs (EAPs) and health insurance offerings, they often overlook the most accessible and affordable ways to promote wellbeing. Organizations can boost wellbeing by simply recognizing their employees for who they are and what they do.

The truth is, workplaces shape wellbeing every day — for better or worse — by the way they treat their employees. Leaders who strategically incorporate recognition into their culture can drastically improve employees’ perceptions that they’re valued, cared for and respected as people. This makes recognition a low-cost, high-impact way to move the needle on wellbeing.

Recently, Gallup collaborated with Workhuman to conduct a large-scale study of more than 12,000 employees in 12 countries. The findings underscore that recognizing employees is an ideal way for organizations to amplify employees’ wellbeing at work and beyond.

6 Gallup. (2022). Wellbeing: Employee Wellbeing Is Key for Workplace Productivity. Retrieved from <https://www.gallup.com/workplace/215924/well-being.aspx>

## Detailed Findings

### This Report: Global Trends and Opportunities

In this report, we summarize how employee recognition and wellbeing are connected in each of the 12 countries studied. We unpack *how* and *how much* recognition is expressed in workplaces globally — and highlight success strategies for leaders. We also describe the many links between wellbeing and critical business outcomes, including engagement, intent to stay, brand ambassadorship and more.

Relatedly, we dive into how recognition specifically promotes wellbeing and important employee outcomes — from lifting employees' spirits to deepening their sense of belonging. Notably, we find that recognition benefits wellbeing across the world — and organizations globally have much room for improvement in harnessing recognition as a wellbeing strategy.

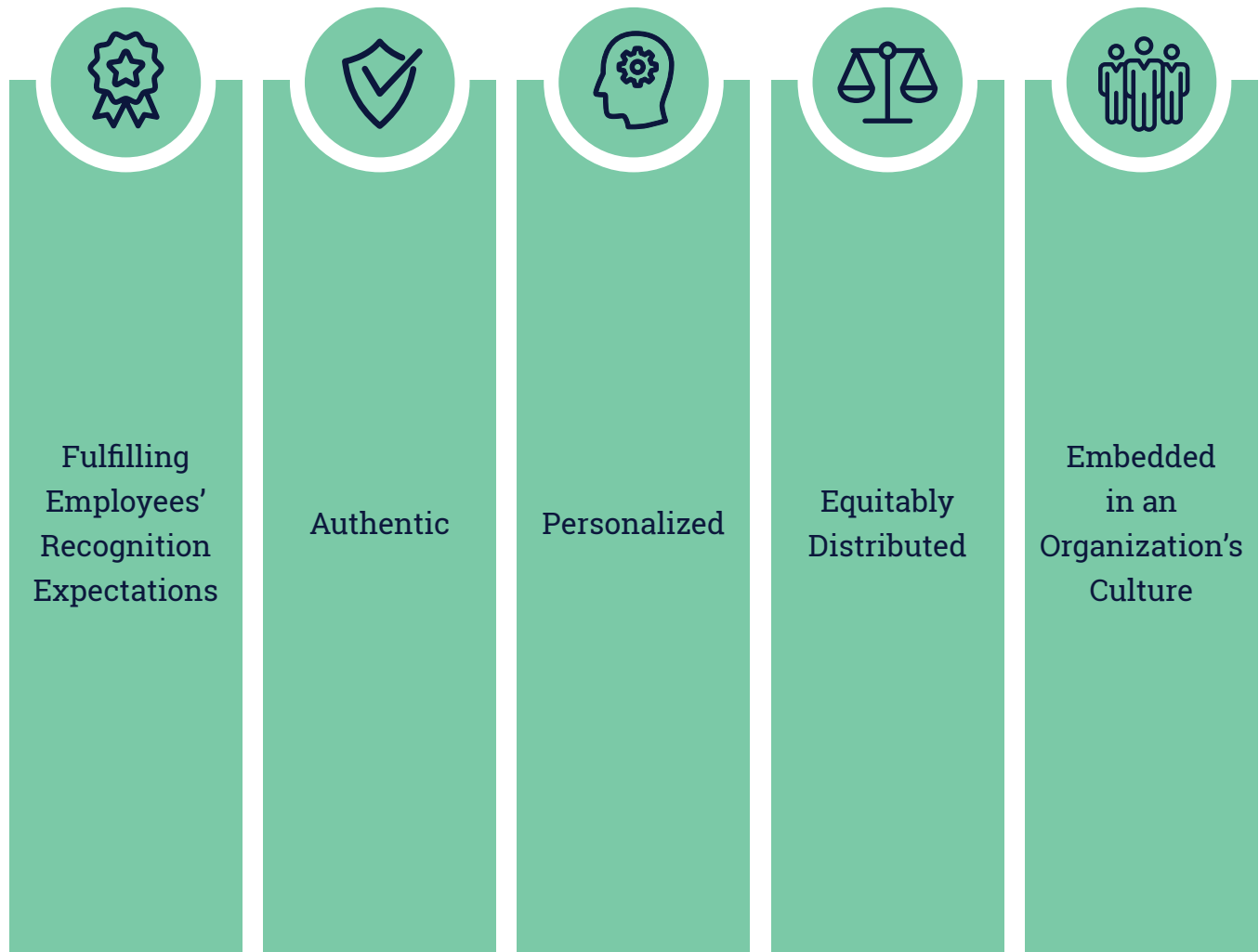
Wellbeing is not just about being healthy or happy. It encompasses everything people do and everything that is most important in their lives: their careers, communities and social connections; their physical and mental health; their standard of living and financial stability. Wellbeing is a barometer for a life well-lived. And ignoring it is a costly mistake.

In short, wellbeing is the foundation for leading fulfilling lives at work and outside of it.



## Amplifying Wellbeing Through Recognition

In previous studies,<sup>7</sup> Gallup and Workhuman<sup>8</sup> found that recognition acts as a buffer against job stress and enhances multiple aspects of wellbeing. The most potent recognition is “strategic recognition” — that is, recognition that abides by the five key pillars of recognition:



The five pillars of recognition represent the critical elements of strategic recognition. Recognition has the most positive impact when it satisfies each of these core criteria.

7 Workhuman. (2019). The Future of Work is Human. Retrieved from [https://www.workhuman.com/press-releases/White\\_Paper\\_The\\_Future\\_of\\_Work\\_is\\_Human.pdf](https://www.workhuman.com/press-releases/White_Paper_The_Future_of_Work_is_Human.pdf)

8 Gallup and Workhuman. (2022). Unleashing the Human Element at Work: Transforming Workplaces Through Recognition. Retrieved from <https://www.gallup.com/analytics/392540/unleashing-recognition-at-work.aspx>

Strategic recognition is related to lower levels of burnout at work, improved perceptions that the organization cares about wellbeing and more positive life evaluations overall.

The current study demonstrates that recognition has these and other wellbeing-boosting effects throughout many diverse countries. Put simply, people want to be valued for their contributions regardless of where they work. Recognition is a force for good in workplaces globally — a “win-win” strategy that supports business outcomes and people’s overall happiness and success in everything from their job to their levels of energy to their social health and integration.

Our research uncovered multiple ways recognition accelerates employee wellbeing across the globe, which include:

- 1. Recognition propels employees to thrive.**
- 2. Recognition lifts employees’ spirits.**
- 3. Recognition shields employees from burnout.**
- 4. Recognition magnifies social wellbeing.**



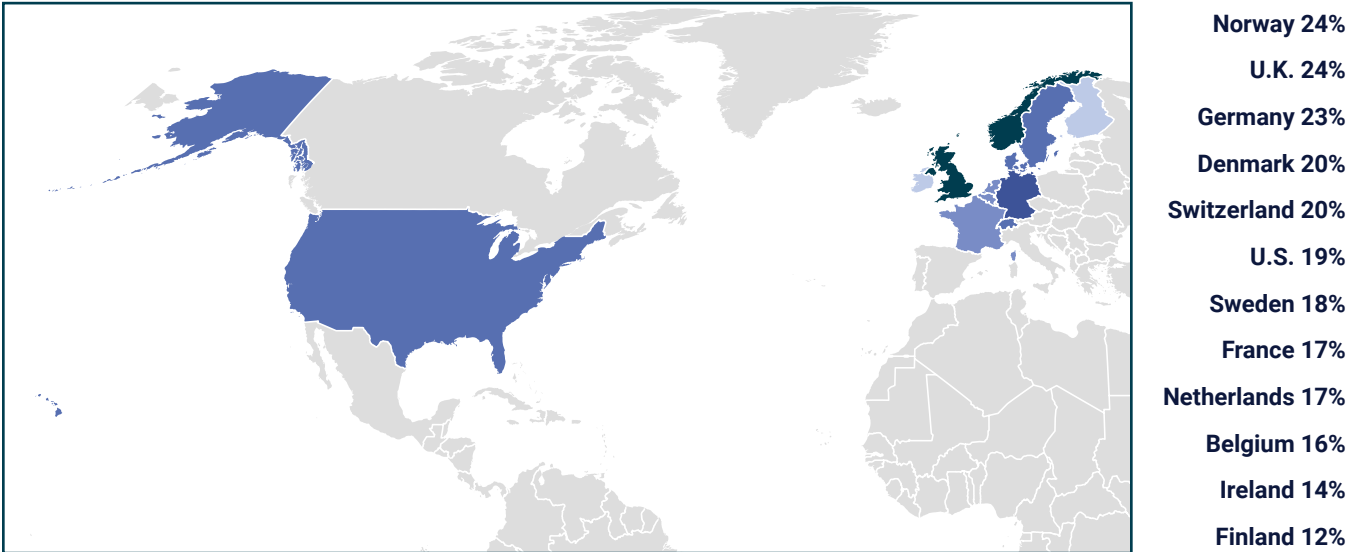
## The World of Recognition

Although recognition is important and beneficial everywhere, there are key differences across countries in *how* and *how much* recognition is expressed at work. These recognition practices (or lack thereof) have implications for employee wellbeing, affecting the way employees do their jobs and go about their lives.

### The Five Pillars of Recognition

Percentage of respondents rating at least three of the five elements as fully fulfilled

14% or less 15%-17% 18%-20% 21%-23% 24% or more



### An International (Missed) Opportunity

In every country studied, there is considerable room to improve strategic recognition practices. Most employees are not getting the benefits of strategic recognition at work, which means that countless organizations are missing out on the gains in engagement, commitment and culture that high-quality recognition can catalyze. Organizations often think their homegrown recognition programs tick these boxes, but it is all too easy for recognition programs to become outdated or mismatched to employees' changing needs and expectations. Even programs that started out strong can be rendered ineffective as managers become complacent or other priorities overshadow recognition. Organizations across the map need to ask whether the way they recognize their employees is really creating value or needs some reworking to realize its strategic benefits.



## Recognition Propels Employees to Thrive

People's general, or *holistic*, wellbeing is reflected in how they evaluate their lives overall. When people have a generally positive perspective about their lives and a positive outlook for their future, they are considered to be *thriving*.<sup>9</sup> Life is good and getting better.

How people are treated at work is an important piece of that equation. When reflecting on their lives, employees who are recognized at work evaluate their lives more positively. It's no wonder why: They feel valued, appreciated and confident that what they do matters.

### Promote a culture where recognition is freely given and received.

A culture of recognition enriches employee wellbeing holistically — from employees' social connections to their career aspirations. In fact, employees who strongly agree that recognition is **an important part of their culture** are up to 91% more likely to be thriving.

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. 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.

Employees who strongly agree  
that recognition is an important  
part of their culture are up to

**91%**

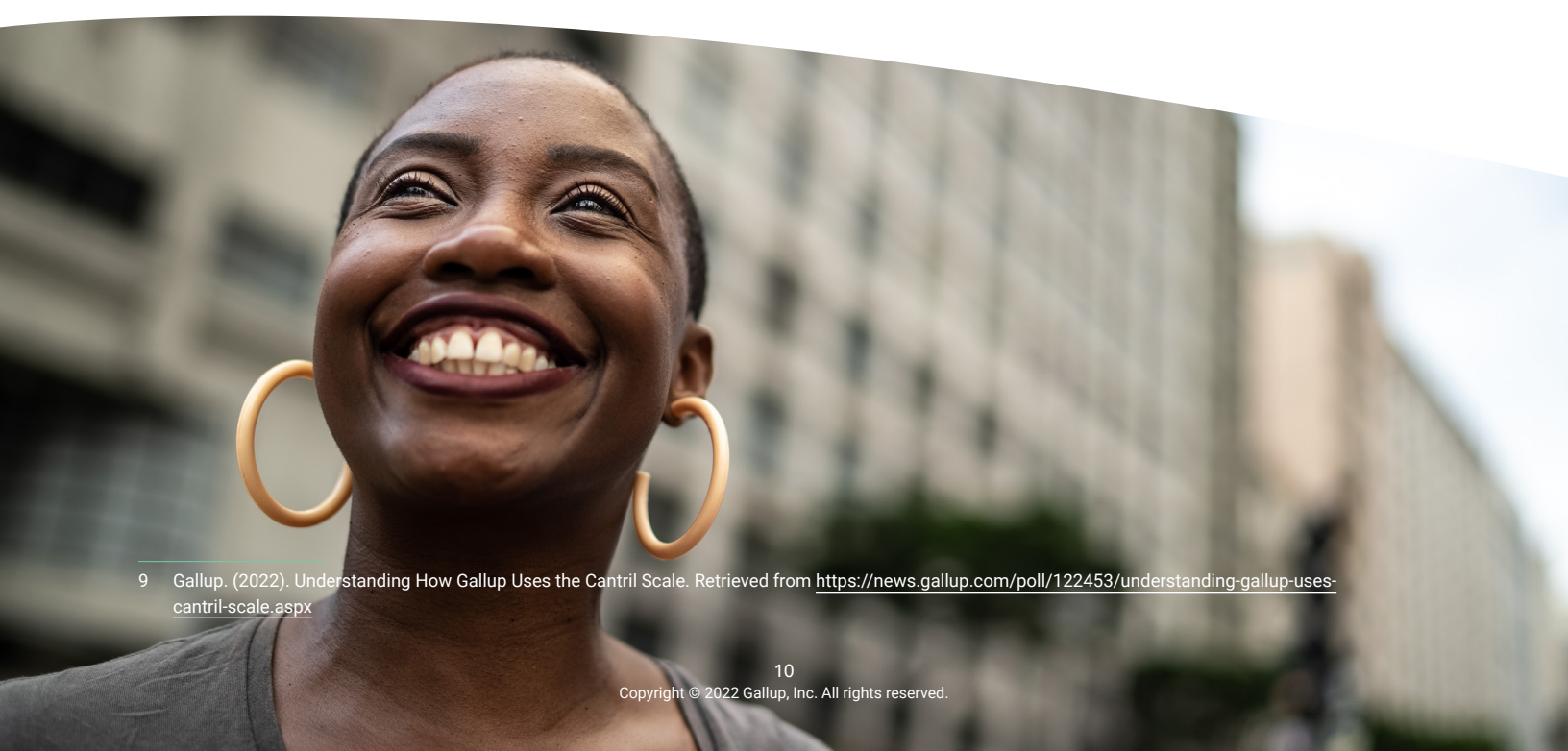
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9 Gallup. (2022). Understanding How Gallup Uses the Cantril Scale. Retrieved from <https://news.gallup.com/poll/122453/understanding-gallup-uses-cantril-scale.aspx>



## Hold team leaders responsible for wellbeing at work.

Employees who report receiving recognition from managers and leaders at least a few times a month are up to twice as likely to be thriving.

For better or worse, managers and leaders can profoundly influence employee wellbeing — and should take that responsibility seriously. Through their words and actions, managers and leaders shape the local culture and work environment, which impacts employees' overall lives and wellbeing every day.

It matters what leaders say and do: how they show thanks and credit employees' contributions, whether they remember and acknowledge events in employees' lives, the outlets they create to publicly celebrate their team members and much more.

Recognition is a simple and effective way for managers and leaders to demonstrate that they genuinely care about employees and see their hard work. In turn, this improves how employees feel about their jobs, their workplaces and their lives overall.

## Recognition Lifts Employees' Spirits

Wellbeing is reflected in how people feel every day — their overall outlook, emotions, energy levels, etc. Everyone has good days and bad days, but a hallmark of high wellbeing is experiencing more positive emotions and less negative emotions on a day-to-day basis.

Recognition buoys positive emotions because it draws attention to what employees do well, making them feel good about themselves, their one-of-a-kind strengths and what they uniquely bring to the table. This encouragement, whether it's a public award for a team project or a private message from a manager, puts wind in employees' sails that makes them more resilient day in and day out.

### Real employees share how recognition makes them feel:

"It can be the difference between a good day or bad day, a good week and a bad week at work. And you know, when people are happy and feel healthy and part of a team, the product is always better."

"When people ... see your hard work, it makes you feel good."

"... it puts me in a good mood for the rest of the day."

### How to Put Recognition to Work

Set aside the first five minutes of a recurring team meeting to give kudos to employees for good work, applaud important work milestones, or share updates about life events and employees' lives beyond work (with permission). Practices like this convey that recognition is a top priority for the team and set a positive tone for the rest of the meeting.

Recognition does more than promote a happier outlook: It helps insulate employees from negative emotions, too. Recognition combats negative feelings with positive moments that boost morale and lift employees' spirits. Ultimately, these positive moments support a more hopeful and enthusiastic work atmosphere.

Our research shows that employees globally who indicate that they experience frequent and high-quality recognition at work are considerably less likely to report they feel a lot of stress, worry or sadness.

In most countries we studied, employees who strongly agree that they receive the right amount of recognition are 20% to 40% less likely to say they had experienced a lot of these negative emotions. In some countries, recognition has an even greater impact on daily emotion.

### Give authentic recognition.

When it comes to recognition, there is a big difference between perfunctory and genuine, and employees can tell the difference. They know whether you mean it — and they want to feel valued for their *authentic* selves. Only authentic recognition has a meaningful, lasting impact on people's emotions and wellbeing.

In many cases, employees who strongly agree that the recognition they receive is authentic are as much as 30% to 40% less likely to report having experienced negative emotions the day before.

This is why organizations should be deliberate in how they institute and scale recognition. Mandating recognition programs or quotas can lead to box-ticking behaviors that won't improve wellbeing. The best leaders embrace easy-to-use outlets that make sense for their people and encourage *everyone* to express recognition freely and frequently — such as weekly team “shoutouts” via their recognition platform or a team meeting. Ongoing efforts like this work because they support a culture of genuine, real recognition — which can make all the difference in how employees feel each day.



Recognition is often a bright spot in employees' daily emotions — a highlight they remember. One way these memorable experiences show up is in moments of gratitude, whether that “thanks” is given or received.

It turns out that saying “thank you” is not just about manners or professional conduct; gratitude makes a real difference in how employees experience their work and lives. 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 and up to two times as likely to be thriving in their overall life evaluation.

## Make gratitude a shared expectation.

At its best, gratitude is as much about *expressing* thanks as it is receiving it. In most countries we studied, the impact of giving recognition at least a few times a month is nearly as great as the impact of receiving recognition at the same frequency — possibly even higher. That is, genuine “thanks” are a win-win.

In fact, in some countries we studied, employees who report giving recognition a few times a month or more are nearly two times as likely to report having experienced gratitude the previous day.

## Be intentional about public praise: Recognition is contagious.

Making recognition visible by offering it (tastefully) in public settings is an easy way to spread the joy it brings. Employees who received mostly public recognition were considerably more likely to say they experienced a lot of gratitude the prior day compared to those who received mostly private recognition.

In some countries, public recognition boosted the likelihood of experiencing gratitude by one-quarter or even one-third beyond private recognition.

## Recognition Shields Employees From Burnout

At work, low wellbeing can manifest in burnout. Burnout has become so ubiquitous in today's fast-paced, high-pressure work environments that the World Health Organization has defined it as an official syndrome, characterized by exhaustion, negativism or cynicism, and detachment.<sup>10</sup>

“I have to force myself to go on ... so I kind of force myself into this autopilot mode to plow through.”

### How to Battle Burnout With Recognition

When you see someone at work who looks like they are stressed, upset or burned out, recognize them! Find an excuse to tell them about good work they've been doing or a way they've helped you recently. Don't be afraid to show you care and give someone a much-needed boost.

Employees who are burned out much or all of the time don't bring their best to work — they are 63% more likely to not show up at all and more than twice as likely to look elsewhere for a job.

There are a lot of factors that put employees at risk for burnout; often the pace of modern industry means there is just too much to do in too little time. But when employees feel like their hard work is seen, appreciated and valued, they are more resilient and less susceptible to burnout at work. They feel motivated to give a little extra — and ideally going the extra mile is *rewarding*, not a burden.

<sup>10</sup> World Health Organization. (2019). Burn-out an “occupational phenomenon”: International classification of diseases. Retrieved from [https://www.who.int/mental\\_health/evidence/burn-out/en/](https://www.who.int/mental_health/evidence/burn-out/en/)



**Real employees discuss how being recognized helps them be resilient in the face of job stress:**

"It keeps the morale of the team up which makes the work a little bit easier."

"[Recognition] lightens the field at work and just makes it easier for you to come in and do your job. It's not a slog."

"It makes me proud of what I'm doing and makes me continue and try to do even better ... Just to be praised and recognized for the hard work that we do, especially being remote now ... We're actually working harder from home."

"It just gives me a little encouragement on some of those times when it gets really, really stressful."



Our research shows that — across many countries — high-quality recognition is strongly associated with lower rates of burnout. Employees who receive the right recognition at work are often 50% — or more — less likely to report being burned out always or very often.

**Employees are less likely to report being burned out “always” or “very often” when they strongly agree that ...**

	Top Three Countries (% Less likely)		
<b>They get the right amount of recognition for the work they do.</b>	U.S. <b>73%</b>	Ireland <b>69%</b>	Sweden <b>49%</b>
<b>The recognition they receive is authentic.</b>	Ireland <b>71%</b>	U.S. <b>68%</b>	Finland <b>55%</b>
<b>They receive the same amount of recognition as others with comparable performance.</b>	Ireland <b>75%</b>	U.S. <b>65%</b>	Germany <b>48%</b>
<b>Recognition is an important part of workplace culture.</b>	U.S. <b>56%</b>	Ireland <b>44%</b>	Sweden <b>37%</b>
<b>Their organization has a system in place for recognizing life events.</b>	U.S. <b>55%</b>	Ireland <b>38%</b>	Norway <b>37%</b>
<b>Their organization has a system in place for recognizing work milestones.</b>	U.S. <b>55%</b>	Ireland <b>52%</b>	Sweden <b>47%</b>

## Is it fair?

Equitable recognition is key to fighting burnout. Seeing others get credit for your achievements or acknowledged for their work in ways you are not — even when you meet or exceed their performance — is a common workplace experience that drains employees. This kind of unfair treatment at work is one of the leading “root causes” of burnout.<sup>11</sup>

Not surprisingly, when employees report that recognition is not given equitably in their workplace, they are up to 2.5 times as likely to say they are always or very often burned out at work.

In contrast, when employees perceive that recognition is dispersed equitably, they see that everyone’s efforts, including their own output, have meaning and merit. As a result, they are more resilient and much less likely to report feeling burned out.

<sup>11</sup> Gallup. (2020). Gallup’s Perspective on Employee Burnout: Causes and Cures. Retrieved from <https://www.gallup.com/workplace/313160/preventing-and-dealing-with-employee-burnout.aspx>

## Recognition Magnifies Social Wellbeing

Most people are “social animals.” Put simply, people need people. Having social connections and a sense of belonging are both fundamental human needs that are central to people’s health and wellbeing.<sup>12</sup>

Strong relationships are also critical for employee engagement<sup>13</sup> and inclusion.<sup>14</sup> Neglecting social wellbeing is harmful to performance and wellbeing. Research shows that employees who lack meaningful connections at work are up to nine times more likely to be disengaged and as much as three times as likely to be looking for a new job.

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.

Employees who lack social connections don’t just struggle at work; they are far more likely to evaluate their overall lives negatively and have a negative outlook on the future. They are *suffering*. In fact, they are as much as 13 times more likely to be suffering than their colleagues with higher social wellbeing.

Impact of ...	I have meaningful connections with my coworkers. (% Strongly disagree)		I feel like I belong at my organization. (% Strongly disagree)	
	U.S.	Europe	U.S.	Europe
% Disengaged	5x	5x	8x	7.5x
% Looking for job	2.5x	2x	5x	3x
% Suffering	4.5x	4x	5x	5.5x

Clearly, strong social ties at work aren’t a superfluous perk or a “nice to have” — nor are they a distraction or a waste of time. Social bonds are imperative to employee productivity, performance and wellbeing. Organizations that know how to inspire employees to be their best selves and put in their best work take social wellbeing seriously.

Improving social wellbeing isn’t all about happy hours and luncheons, although those may help. A more sustainable, effective route to foster connection at work is to embed practices that build rapport into “how we do things around here” — the work culture. Leaders who find strategic ways to make positive interactions commonplace can naturally promote great relationships.

Employee recognition may just be the best place to start.

12 Baumeister, R. F., & Leary, M. R. (1995). The need to belong: Desire for interpersonal attachments as a fundamental human motivation. *Psychological Bulletin*, 117(3), 497-529. <https://doi.org/10.1037/0033-2909.117.3.497>

13 Gallup. (2020). The Relationship Between Engagement at Work and Organizational Outcomes: 2020 Q12 Meta-Analysis: 10<sup>th</sup> Edition. Retrieved from <https://www.gallup.com/workplace/321725/gallup-q12-meta-analysis-report.aspx>

14 Gallup. (2022). Advancing DEI Initiatives: A Guide for Organizational Leaders. Retrieved from <https://www.gallup.com/workplace/215939/diversity-equity-inclusion.aspx>



Recognition is a powerful antidote for low social wellbeing, particularly when it's given freely among all employees. Recognition brings people closer together, cements bonds and sparks new relationships. It facilitates human connection by making sure people feel seen. Recognition tells employees, "You're appreciated, and you belong here."

"It brings our team closer."

"I think it's really positive; I think it fosters a sense of community."

"It just makes everybody comfortable and they're able to talk and there's no tension."

"It improves just the camaraderie of the whole organization."

"They have a sense of ownership and a sense of belonging."

"It just brings us closer."

When it's done correctly, recognition can have this effect regardless of job type, role and work arrangement — including when people work in the office every day, remotely from home and everywhere in between.<sup>15</sup>

Employees feel more connected to each other when they can strongly agree that recognition is an important part of their organization's culture, regardless of where, when or how they work. These employees are up to seven times as likely to strongly agree that they have meaningful connections at work.



15 Gallup and Workhuman. (2022). Unleashing the Human Element at Work: Transforming Workplaces Through Recognition. Retrieved from <https://www.gallup.com/analytics/392540/unleashing-recognition-at-work.aspx>

## Encourage collective ownership for social wellbeing.

Social wellbeing isn't built top-down: It's built bottom-up and side-to-side, with everyone naturally and authentically supporting one another. Every employee needs to own their part — and each can make a difference to their own social wellbeing and that of their coworkers. When it comes to solidifying social connections, recognition that comes from peers is even more impactful than recognition from managers or leaders.

Our study shows that employees who receive recognition even just a few times a month (or more) from their peers are as much as four times as likely to feel confident that they have meaningful relationships at work.

## Get personal.

Coworkers can naturally bond about work topics, such as common experiences at work, shared memories and team achievements. But these bonds take on new meaning when they transcend the office and become personal — acknowledging that people have goals and needs outside the office, too.

People want to be seen as people (not just employees) even when they are at work. They want their colleagues to care about what's happening in their lives — birthdays, weddings, their child's track meet, their mother's physical therapy — the real-life things that make them unique and human.

In today's modern workplaces, talking about people's lives beyond work isn't unprofessional — as long as people take the time to build up some rapport. Workplaces that embrace this kind of humanization can be more appealing to job candidates and have better business outcomes.<sup>16</sup> Freely celebrating life events makes employees feel seen as people and builds the social connections that allow them to truly flourish.

Sadly, depending on the country, only 11% to 24% of employees strongly agree that their organization has a system in place to recognize people's life events. Companies that do have employees who are as much as seven times as likely to strongly agree that they have meaningful connections with their coworkers. Plus, these employees are also far more likely to be engaged and committed to stay with their organization.

### Celebrate Wellbeing!

Recognize employees who participate in activities that promote their health and wellbeing. For instance, if someone runs a 5K, volunteers in their community or pursues a special hobby to bond with their kids, celebrate it! The best way to share these celebrations with the broader workplace is to publicly post on your recognition platform; if you don't have one, you might start an email chain or simply commend them in person. Regardless, showing enthusiasm about their life communicates that their holistic success and wellbeing matter to you — that you care about them as people.

Employees who have positive recognition experiences at work are also much more likely to develop close friendships at work and to behave like team players, even if that means making personal sacrifices. Put simply, they genuinely care about their peers, and they don't want to let them down. High-performing teams are built on friendships — and friendships are continually fortified through recognition.

In the current study, we find that employees who receive high-quality recognition at work are as much as seven times as likely to strongly agree that they have a best friend at work.

<sup>16</sup> Guest, D., Knox, A., & Warhurst, C. (2022). Humanizing work in the digital age: Lessons from socio-technical systems and quality of working life initiatives. *Human Relations*, 75(8), 1461-1482. <https://doi.org/10.1177/00187267221092674>

### **Make friends by being a friend.**

It's true that receiving recognition from peers, managers or leaders boosts best friendship at work — but giving recognition may be even *more* powerful. Employees who give recognition at least a few times a month are up to four times as likely to strongly agree that they have a best friend at work. And in most countries studied, employees who report giving recognition at work at least a few times a month are just as likely or even *more* likely to report having a best friend compared to those who report getting recognition at the same frequency.

### **Use recognition programs to spark friendships.**

Employees who report that their organization has a recognition program — such as periodic excellence awards to innovative or excelling teams — are three to five times as likely to strongly agree that they have a best friend at work.

It's easy to see why. Many recognition programs are predicated on collective activities or events — which makes them a great outlet for sparking new ties and reconnecting with distant partners. Programs can also give more reserved employees an “ice breaker” to reach out: For instance, a dedicated digital space for recognizing peers can make it easy and natural to kick off a friendship.

### **Take advantage of technology to promote friendships.**

A great deal of social interaction now takes place online, so it is perhaps an obvious extension that digitizing recognition can help solidify and reinforce friendships. And it works: Employees who report that they have a digital recognition program are as much as four times as likely to strongly agree that they have a best friend at work.

Digital recognition programs offer a low-pressure, high-reward outlet for employees to get to know each other, express gratitude, share successes and cheer each other on — all of which inspire close friendships and fortify social wellbeing.



There's another deep human need that recognition satisfies: employees' desire to belong. Everyone needs to feel that they are part of something bigger. Hunger for a sense of belonging is a foundational characteristic – and driving force – of our evolution as people.<sup>17</sup>

When employees are recognized at work, they're up to 10 times as likely to strongly agree that they belong at their organization.

Recognition meets the universal need for belonging because it's all about celebrating one another's personal strengths and successes – the special qualities and abilities that make people essential and appreciated. It communicates to employees, "We wouldn't be the same without you, and here's why."

To best promote employees' sense of belonging, recognition should satisfy the five pillars of strategic recognition. Recognition that's fulfilling, personalized, authentic, fair and ongoing reinforces that employees are an important part of their organization. When recognition is done right, it is a self-sustaining solution to inclusion at work that brings lasting impact that organizations just don't see from typical initiatives like seminars and workshops.

**Employees are far more likely to strongly agree that they belong at their organization when they strongly agree that ...**

Top Three Countries (Times as likely)			
<b>They get the right amount of recognition for the work they do.</b>	Belgium <b>8x</b>	Ireland <b>5x</b>	Netherlands <b>5x</b>
<b>The recognition they receive is authentic.</b>	Belgium <b>10x</b>	Ireland <b>6x</b>	U.K. <b>5x</b>
<b>They receive the same amount of recognition as others with comparable performance.</b>	Belgium <b>8.5x</b>	Ireland <b>4.5x</b>	U.S., Germany, Netherlands, Finland <b>4x</b>
<b>Recognition is an important part of workplace culture.</b>	Belgium <b>8x</b>	U.K. <b>4.5x</b>	Ireland, Netherlands <b>4x</b>
<b>Their organization has a system in place for recognizing life events.</b>	Belgium <b>6.5x</b>	Ireland <b>4x</b>	Germany, Netherlands <b>3.5x</b>
<b>Their organization has a system in place for recognizing work milestones.</b>	Belgium <b>5.5x</b>	Ireland, Netherlands <b>4x</b>	U.K., Germany <b>3.5x</b>

<sup>17</sup> Baumeister, R. F., & Leary, M. R. (1995). The need to belong: Desire for interpersonal attachments as a fundamental human motivation. *Psychological Bulletin*, 117(3), 497-529. <https://doi.org/10.1037/0033-2909.117.3.497>



## Make recognition about “us.”

Managers and leaders can foster a sense of belonging with team recognition for collective successes — the kind of recognition that communicates, *“We need each other and we’re better together.”* This shared recognition brings attention to people’s unique contributions and connects those successes to the greater good — spotlighting the difference each person makes.

When employees strongly agree that their organization recognizes groups and teams, they are three to eight times as likely to strongly agree they belong at their organization.

## Model recognition from the C-suite to the frontlines.

When everyone — leaders, managers and employees of all types and tenures — actively participates in a culture of recognition, it sends a powerful message that leaders value employees’ efforts and are *actually* committed to their wellbeing. Plus, it unifies employees and rallies them together toward shared goals — which, again, instills a sense of belonging.

Leaders set the tone for recognition when they exemplify it themselves. Modeling recognition gives employees permission to do the same — which supports the end goal: a culture of recognition where managers, leaders and peers all serve as important sources of recognition.

Employees who receive recognition at least a few times a month from one or more of these sources are up to four times as likely to strongly agree that they belong at their organization.

A natural avenue for modeling recognition from the top down is with public forums — either in person or virtual. Public recognition opportunities give more people the opportunity to participate, whether that means joining in and recognizing someone else or simply witnessing it. Ultimately, this encourages everyone to dole out praise more often.

And, by design, public recognition increases employees’ sense of belonging: Employees who receive mostly public recognition are as much as three times as likely to be confident that they belong at work.



# Conclusions

In the face of life’s many challenges, wellbeing is a universal need that requires constant maintenance and attention. Employees are — and always have been — deeply concerned about their wellbeing at work. It continues to be one of the most important factors in shaping decisions about where to take a job *and* when to leave one.<sup>18</sup>

It’s not a surprise or a secret. Many organizations realize that they have a compelling financial motivation — as well as a moral and human responsibility — to do their part to support the wellbeing of their employees.

Yet, there seems to be a disconnect. A recent survey of members of the Gallup CHRO Roundtable shows that 65% of CHROs strongly agree that their organization cares about the overall wellbeing of their employees, but only 24% of their employees say the same.<sup>19</sup>

The consequences of appearing apathetic about wellbeing are overwhelming: particularly burnout and attrition.<sup>20</sup> The onus is on leaders and managers to show employees, with real and meaningful actions, that they care.

Recognition is universally shown to amplify wellbeing. So, when leaders prioritize strategic recognition, employees are more likely to perceive that they actually care about wellbeing.

Better yet, recognition is a cost-effective, easy investment that doesn't lose its impact and never goes out of style.

Recognition improves wellbeing in ways that make a noticeable impact for employees at work and permeate other aspects of their employee experience, making them feel that their organization really cares.<sup>21</sup>

**Impact of “right amount of recognition for the work I do” (% strongly agree) on “My organization cares about my wellbeing” (% strongly agree)**



18 Wigert, B. (2022). The Top 6 Things Employees Want in Their Next Job. Gallup.com. Retrieved from <https://www.gallup.com/workplace/389807/top-things-employees-next-job.aspx>

19 Witters, D. (2022). Showing That You Care About Employee Wellbeing. Gallup.com. Retrieved from: <https://www.gallup.com/workplace/391739/showing-care-employee-wellbeing.aspx>

20 Ibid.

21 Gallup and Workhuman. (2022). Unleashing the Human Element at Work: Transforming Workplaces Through Recognition. Retrieved from <https://www.gallup.com/analytics/392540/unleashing-recognition-at-work.aspx>

## Start today.

Leaders should take these steps to amplify the wellbeing of their employees with recognition.

### 1. Be strategic about recognition.

Organizations get the most of their investment when they provide employee recognition *strategically*, according to the five pillars of recognition: recognition that is (1) fulfilling, (2) authentic, (3) equitable, (4) personalized and (5) embedded in organizational culture.<sup>22</sup>

### 2. Make smarter investments in wellbeing.

Examine how you allocate resources for wellbeing and consider shifting funds to recognition. Investing in recognition will likely make your money go further — and it comes with a compelling ROI. Recognition promotes not only employee wellbeing, but also retention, engagement, performance and culture.

### 3. Integrate recognition and wellbeing practices.

Leaders should intentionally and explicitly design initiatives to conjoin recognition and wellbeing. For example, acknowledge employees' wellbeing-related achievements and use companywide recognition events as an excuse to boost social wellbeing by being together.

### 4. Upskill managers.

Managers play a vital role when it comes to recognizing their teams and encouraging their direct reports to join in. Educate managers so they can see the connection between recognition and wellbeing and the importance of both. Guide them with specific actions and a toolkit to bring recognition to life for those they lead.

### 5. Lead by example.

While everyone must do their part to create a recognition-rich work environment, the effort starts with dedicated leaders. Set the tone for recognition, but also wellbeing activities — such as participation in volunteer events. Encourage others to join the charge: saying thank you and good job, giving shoutouts for shared milestones, attending team award programs and informal celebrations, posting to platforms, replying to email chains. Every action counts — and, in time, a culture of recognition will take hold.

<sup>22</sup> Gallup and Workhuman. (2022). Unleashing the Human Element at Work: Transforming Workplaces Through Recognition. Retrieved from <https://www.gallup.com/analytics/392540/unleashing-recognition-at-work.aspx>



# Methodology

**Survey 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, and 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  $\pm 1.8$  percentage points for response percentages around 50% and is  $\pm 1.1$  percentage points for response percentages around 10% or 90%, design effect included. For reported subgroups such as managers or senior leaders, gender or race/ethnicity, the margin of error will be larger, typically ranging from  $\pm 2.1$  to  $\pm 6.1$  percentage points for percentages around 50% and  $\pm 1.3$  to  $\pm 3.7$  for percentages around 10% or 90%.

Results from Western Europe are based on self-administered web surveys from an opt-in sample provided by Dynata of 5,551 adults, aged 18 and older, living in one of the following countries or regions: United Kingdom, France, Germany, Netherlands, Ireland, Switzerland, Belgium, Denmark, Finland, Norway and Sweden. The survey was conducted from Feb. 18-28, 2022. Results from this sample are unweighted, and respondents are not demographically representative of the countries surveyed.

**In-Depth Interviews.** Qualitative insights and quotes in this report are derived from 30 in-depth interviews conducted with members of the Gallup Panel. All respondents were adults working in the United States. Random samples were selected for recruitment of 10 individual contributors, 10 managers and 10 leaders from a variety of professions and industries. Respondents' ages ranged from 24 to 66 years of age (average age = 41 years), and 50% were female. The respondents came from a mix of racial and ethnic backgrounds, with 43% identifying as White, 37% identifying as Black and 17% identifying as Hispanic or Latino.

Interviews were conducted by trained Gallup research consultants in a semi-structured format. Interviews were recorded with the consent of respondents and transcribed using Zoom transcription. Qualitative analysis was conducted by an experienced Gallup research associate who identified key themes and patterns across the interviews. Analyses were also focused on identifying unique experiences by role, demographic characteristics and working arrangements.



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