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New Workhuman and Gallup Research Finds Recognition in the Workplace Could Prevent 45% of Voluntary Turnover

Data also illustrates the significant impact high-quality recognition and feedback have on encouraging professional development and upskilling, increasing engagement, and boosting positive emotions

FRAMINGHAM, Mass. and WASHINGTON, D.C. — September 18, 2024 — According to new research released today by Workhuman@ and Gallup, which tracked the career paths of more than 3,400 employees from 2022 to 2024, employees who received high-quality recognition in 2022 were 45% less likely to have left their job by 2024. The report, Thrive, also found that 42% of senior executives strongly agree that employee recognition must be a key pillar in their employee engagement and retention strategy, up from a mere 28% from two years ago.

"Our research with Gallup is so important, as it digs into three crucial elements of supporting and uplifting people at work – strategic recognition, feedback and wellbeing," said Meisha-Ann Martin, Ph.D, Workhuman senior director, people analytics and research. "The findings illustrate that recognition of both personal and workplace accomplishments has a significant impact on reducing turnover, increasing engagement and boosting positive emotions. When people feel their best, when they're part of a community. When they have social support, when they feel seen, heard, appreciated, and valued, they thrive — and the businesses they work for thrive as well."

Prior Gallup and Workhuman <u>research</u> established that creating high-impact workplace recognition involves meeting five key pillars: It should be fulfilling, authentic, personalized, equitable, and deeply embedded in company culture. The new report explores how frequently people are experiencing these strategic pillars as part of their recognition experience:

- More than half (55%) of all U.S. employees do not receive recognition at all or receive recognition that does not satisfy any of these pillars.
- Employees who receive recognition fulfilling even just one pillar are 2.9 times as likely to be engaged as those who receive recognition that does not fulfill any of the five pillars.
- Those who receive recognition that fulfills four or more pillars are 66% less likely to experience loneliness daily, and 4.4 times more likely to strongly agree their job gives them a purpose in life.

This 2024 research found that, in addition to quality recognition, employees benefit from all meaningful feedback regarding their work performance. Only one in four (25%) employees strongly agree they receive valuable feedback from the people they work with, but those who do are five times as likely to be engaged. Nearly half (46%) of employees report that they do not get feedback from their manager at the rate they want.

In addition to having impacts on wellbeing, engagement and turnover, the data proves that high-quality recognition and feedback also help encourage professional development and upskilling. Employees who strongly agree their organization encourages them to learn new skills are 8.4 times as likely to strongly agree that there is a path for them to grow in their organization, 47% less likely to be searching or watching for

another job, and 4.2 times as likely to be engaged. However, many employers are not leveraging recognition to drive skill development, with only 14% of employees saying that learning a new skill is one of the most common reasons they are recognized.

"The world is changing rapidly, and organizations need to change with it," said Ed O'Boyle, Gallup global practice leader. "Recognizing and encouraging upskilling not only helps employees feel valued for the time and effort they put in to learn something new; it fosters a culture where curiosity and growth are celebrated and seen as essential."

To read *The Human-Centered Workplace: Building Organizational Cultures That Thrive* and additional Workhuman and Gallup research, please visit: www.workhuman.com/resources/gallup.

About Workhuman

Workhuman® is helping companies meet today's biggest human capital challenges — including unprecedented turnover, employee engagement, hybrid work environments and DEI — 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 deploys solutions and services at scale and is 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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