

THANKED YOUR EMPLOYEES TODAY?

No organization can afford to ignore a recognition system.

By H. James Harrington

Today's competitive society wouldn't exist without people seeking recognition—something everyone needs, values and strives to obtain. This often means simply having someone acknowledge your work.

Rewards are just one part of an effective recognition system, which is the most important tool we have to maximize the effectiveness and efficiency of our human resources. Unfortunately, it's often neglected. We train our managers to handle unsatisfactory employees but neglect to demonstrate the value of recognizing outstanding performance. In fact, few organizations have well-documented recognition procedures, and fewer still have an item on their managers' appraisal form indicating how well they're used.

Using a recognition system will effectively improve quality and productivity by at least 10 percent. It will also significantly improve morale and customer satisfaction, and reduce absenteeism and turnover rates.

We all agree that individuals are different and have varying interests and needs. Accordingly, an organization must develop a multifaceted recognition system that provides managers with a meaningful way to say "thank you" to every employee. This can be complicated because each employee hears "thank you" in a different way. Some like their thanks in cash because they're saving for a car; others would appreciate a trip to the annual American Society for Quality's Annual Quality Congress. Still others would be pleased by a promotion, whereas some simply want an office with a window.

A company must have almost as many ways to express thanks as it has people in its employ. Moreover, the type of thanks must vary based upon the activity's importance to the organization. A lapel pin might be appropriate to recognize an employee's 10 years of service, although a \$10,000 check and a plaque are more appropriate to give someone for developing a patent that's important to the organization's future growth.

Throughout our lives we're rewarded for acting out desired behaviors that are defined by someone else. Our mothers rewarded us by saying, "Eat your spinach, and you'll get dessert." Yes, recognition makes us eat spinach, study harder, be more productive and produce better quality work. Lack of recognition causes us to become lazier, give up easier, do sloppier work or search elsewhere for a job that recognizes us for our individual contributions.

Consider a recognition system as subdivided into the following categories:

- *Compensation*—to be financially reimbursed for services provided
- *Rewards*—to receive a gift for above-average performance or quality
- *Recognition*—to show appreciation for behaving in a desired way

The Public Agenda Foundation conducted a study on recognition and discovered that more than 70 percent of the employees feel that recent work efforts have deteriorated because there's no correlation between pay and performance.

Use the following questions to evaluate your present recognition system:

- Does it recognize individuals who make unusual contributions and encourage their continuing effort?
- Does it reinforce the organization's continuous commitment to superior performance and organizational excellence?
- Does it make maximum use of the rewards given to highlight outstanding performance?
- Does it provide numerous ways to say "thank you" to every employee?
- Has it been documented and adequately explained to managers?
- Are rewarded individuals recognized by employees as people who perform at exceptionally high levels?
- Does it reinforce the desired behavioral changes that the organization must bring about to continuously excel?
- Does it boost morale?
- Does it allow a manager to recognize an employee soon after he or she has demonstrated the desired behavioral pattern?

I recommend the following procedure for implementing a recognition system:

1. Establish a recognition task team.
2. Analyze the present recognition system.
3. Define desired behaviors.
4. Present the results of the recognition system and desired behavior analyses to management.
5. Prepare the recognition system's operating procedures.
6. Obtain management approval of the system.
7. Establish recognition funding.
8. Train management to use the recognition system.
9. Measure the system's effectiveness and update it as needed.

I'm looking for outstanding examples of recognition systems. If you have one that you're proud of and would like to share with other *Quality Digest* readers, please send me a description of it.

About the author

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