Don’t Just Appreciate Your Employees, Engage Them

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It’s that time of year: Employee Appreciation Day, a day when companies are supposed to recognize and celebrate their employees. Common practices include providing free lunches, giving out gift cards, and even offering part of the day off with pay. While these approaches may demonstrate a company’s thankfulness for its workforce, they fall far short of what today’s employees really want. And they do little to accomplish what today’s employers need from their workforces — commitment, alignment, and a focus on delivering great customer experiences.

The shortcoming of Employee Appreciation Day stems in part from the notion that a special day is needed for employers to show their appreciation. Even Dr. Bob Nelson, who cofounded Employee Appreciation Day with the publisher of his book, “1001 Ways to Reward Employees,” in 1994, says ongoing employee recognition is important and it cannot, and should not, be less of a priority the remaining 364 days of the year. “A lot of employees today — and particularly the younger generation,” he observes, “expect to be recognized on a daily basis.”

But Employee Appreciation Day also misses the point because it focuses on appreciation instead of engagement. Employees may like being appreciated — they certainly don’t want to feel like they’re taken for granted. And recognizing contributions might have been enough to satisfy employees in the past. But what today’s employees really want is to be engaged.
According to recruiting firm Hays, employees want to be given a sense of purpose at work and know how their contribution makes a difference. In fact, competitive salaries and perks have become less important to employees who now look at what the company is working towards and known for. A study by Net Impact shows that almost half of today’s workforce would take a 15% pay cut to work for an organization with an inspiring purpose.

Engaging employees also benefits employers. The Energy Project, an engagement and performance firm, reports that employees who derive meaning from their work are more than three times as likely to stay with their organization, which had more impact on retention than any other survey variable they tested. And those employees are 1.7 times more satisfied with their jobs.

So if companies want to do something truly meaningful for employees, they shouldn’t simply appreciate them — they should strive to engage them. Consider how accounting firm KPMG advanced employee engagement by emotionally connecting employees to the company’s purpose, “Inspire Confidence. Empower Change.”

KPMG’s efforts started by equipping leaders with storytelling skills, so they could effectively talk with employees about purposeful work. Then the company produced a video called “We Shape History!” which highlighted important, if unknown or forgotten, moments when KPMG played a significant role in history such as the certification of Nelson Mandela’s election in South Africa. The firm also displayed posters in its office hallways that encouraged employees to see how they were helping millions of Americans make better decisions about their life savings and investments.

The firm’s engagement efforts culminated in the “10,000 Stories Challenge,” a campaign that invited employees to develop digital posters to convey their own interpretations of the meaning behind their work. Many employees rushed to participate, contributing posters with headlines such as “I combat terrorism” and “I help farms grow.” And even though the initiative promised employees extra paid days off if the 10,000 stories goal was achieved, people continued to contribute posters after the deadline. In fact the campaign’s goal was quickly exceeded and eventually over 40,000 posters were submitted.

As a result of all these efforts, KPMG saw its employee engagement scores rise to record levels and employees reported greater pride in the organization and its work. A year after the campaign, the percent of employees agreeing that KPMG is a great place to work continued to increase.

Results like these are far more sustainable and meaningful than what a single day of appreciation celebrated annually can produce. Engaged employees produce better customer experiences and better results. According to the Temkin Group, companies with stronger financial performances and better customer experience have employees who are considerably more engaged than their peers.

Of course, it’s easier for a leader to bring in a box of donuts and let employees take the afternoon off than to cultivate a culture around the purpose of the organization and to help
employees see how they contribute to its success. But engagement is what employees want and what employers need.

So companies should go ahead and do something to thank employees on Employee Appreciation Day. And also do something that makes every day employee engagement day.

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