

KUDOS. CULTURE GUIDE

The Leader's Guide to Employee Recognition

Why recognition is critical to your team's performance
and how values should shape the way we work.



kudos[®] 

As a leader, you play a critical role in your organization

You are responsible for guiding, directing, and motivating your team toward achieving important organizational goals. A leader’s responsibilities typically include the following:



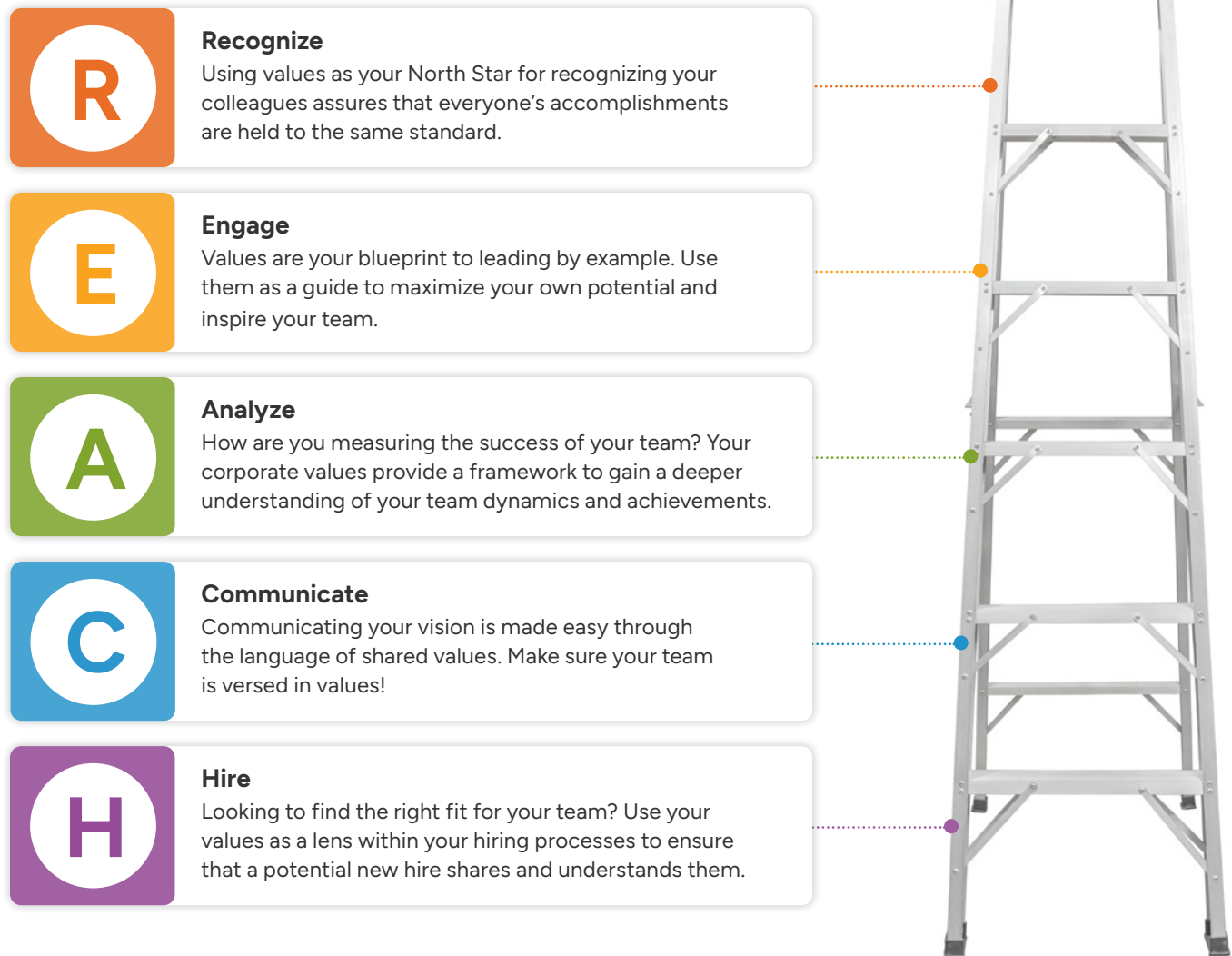
RESPONSIBILITY	DETAILS
Setting direction and guiding their team	Leaders have a clear vision for the organization and communicate it to others effectively.
Empowering people	Leaders effectively motivate and engage their team members to achieve high levels of performance.
Building relationships and drawing connections	Leaders build strong relationships across their organization, finding synergies and operational efficiencies.
Embodying the culture	Leaders set an example for their team by embodying the culture and using shared values to guide decision-making.

With this guide, you’ll learn:

- ✓ How using recognition will make you a more effective leader.
- ✓ Actionable tips to easily incorporate recognition in your everyday workflow.
- ✓ The importance of core values in achieving results as a leader.
- ✓ How core values and recognition can inspire better employee performance.

The Leader Ladder

Maximizing your REACH as a leader will deliver meaningful impact and performance results. Use your organization's core values to guide you.



Powerful Teams

When managers regularly provide recognition, every measure of morale, productivity, performance, customer satisfaction, and employee retention soars. (Deloitte)

Financial Performance

Financial performance and the degree to which employees believe their company's values are being practiced are strongly correlated. (MIT)

Values Alignment

56% of employees won't even consider a job that doesn't align with their values. (Qualtrics)

Using employee recognition to achieve results

Recognition's Impact

When leaders recognize their teams, organizations see:

81%	Greater Well-Being of Employees
10%	Higher Customer Engagement
81%	Less Absenteeism
23%	Greater Profitability
18%	Fewer Safety Incidents
18%	More Sales Productivity
41%	Less Attrition at Low Turnover Organizations
18%	Less Attrition at High Turnover Organizations

(Data from Gallup) ⁱ

Recognition is a strategic tool that leaders of all levels should use to support employees, themselves, and their organizational goals. When managers regularly provide recognition, every measure of morale, productivity, performance, customer satisfaction, and employee retention soars. ⁱⁱ

You have the power to take your leadership and your team's performance to the next level by adopting a regular practice of recognition.





Recognition's Impact

When recognition is meaningful and frequent, employees are:

4x More Engaged

5x More Loyal

5x More Connected

4x More Supportive

Direct Managers account for 70% of the variance in employee engagement – frequent, meaningful recognition is a proven tool to increase engagement and reap the benefits. ⁱⁱⁱ

(Data from Greatness Magnified) ^{vi}

Why your employees need recognition to perform

Recognition builds positive workplace culture

Recognition helps create a positive work environment where employees feel like they belong. When surrounded by strong culture, people feel more satisfied in their roles, and happier at work. ^v

Deloitte found that 94% of executives believe that culture is vital to business success. ^{vi}

Recognition improves employee wellbeing

Feeling unappreciated affects our emotions, and how we think and act. A lack of appreciation impacts employee mental health and can even lead to mental illness. When you don't show your team that you see their hard work, they are demoralized and unmotivated. On the other hand, when recognized regularly, employees feel motivated and happy, and happy employees are 13% more productive. ^{vii viii}

“When an employee’s work is recognized, the likelihood that they will experience stress is lowered by 22.1%, whereas if their work is not, it rises by 16.7%.” ^{ix}



Recognition helps set clear expectations

When employees receive regular recognition, they know what's expected of them. A lack of feedback regarding progress and an absence of recognition is concerning for employees.^x Remember – what gets recognized gets repeated.

Fostering inclusion & belonging through recognition

Employees who receive recognition feel included knowing their contributions are seen, heard and valued – this leads to a sense of belonging at work.

When you give recognition, you demonstrate a desire to celebrate your team and build community at work.

For your employees, feeling engaged is strongly linked to feeling included.^{xi} And when people feel included, they are more likely to feel motivated and committed to their work.

How recognition improves your performance as a leader

Better customer service

When employees feel appreciated, they are motivated to do more, and better-quality work. For customer-facing employees, that means providing an experience that clients appreciate and remember – at that keeps them as clients. ^{xii}

Better employee retention

Recognition is one of the most important drivers of employee retention. ^{xiii} When someone on your team leaves, it costs a lot. **Beyond the financial impact of recruitment, you also face significant opportunity costs related to your team's productivity.** What's more, when long-term employees leave, you lose valuable historical knowledge, which often helps in providing excellent customer service.

The cost of turnover can range from 20% for a mid-level manager to 200% for a C-Suite Executive. ^{xiv}





Tips for incorporating recognition into your workflow

1. Schedule time to recognize

If you want to recognize your team more but often forget, schedule weekly reminders in your calendar to make time to recognize your team for their contributions.

2. Set goals

Setting recognition goals can help you build a consistent habit of recognition. A good benchmark is two recognition messages per employee, per month.

3. Use Kudos dashboards

As a manager, you can use the Kudos Dashboards to maximize the impact of your recognition. At a glance, you can see if you're hitting your two-recognition messages per month benchmark, who your highest performers are, and if anyone on your team is being left out.

4. Recognize both the effort and the outcome

To reap the full benefits of recognition, make a habit of regularly recognizing when core values are exhibited by your team – even if the results are not yet available or the outcome wasn't what you hoped. With Kudos' levels of recognition, you can send **Thank You's** and **Good Jobs**, saving **Impressives** and **Exceptionals** for the true moments of high-performance warranting big recognition.

5. Recognize what matters

Reflective recognition is an inquiry-based approach to recognition where you empower your team members to share what they are proud of and why.^{xv} With that, you can recognize them for what they are proud of versus just what you see. Ask your team members prompting questions like, what have you been working on recently that you're proud of? Or what has been the hardest part of your job lately?

6. Make it meaningful

If you find yourself lost for words when sending recognition on Kudos, remember that the goal is to empower your team members and show them appreciation. Remember, "feeling gratitude and not expressing it is like wrapping a present and not giving it." – William Arthur Ward

Using core values to achieve results

To unite a workforce and inspire everyone to row in the same direction, you need clear and strategic core values that employees know and care about.

It can be helpful to lean into your values when explaining projects or tasks, articulating a decision you have made. Values bring everyone back to the basics and allow decisions and projects to move forward with more ease and confidence.

When you repeatedly show your commitment to your values this inspires the passion within your employees to lean in and go above and beyond. Not to mention, when you show your own connection and commitment to the values by bringing them up in conversations, and using them to make decisions, you are modelling to your team how they can be autonomous and grow in their career – two key elements of an engaged and committed employee.

These are the sentiments that led to MIT finding a strong correlation between financial performance and the degree to which employees believed their company's values were being practiced. ^{xv}

Lean into your core values

Your core values should be at the center of your actions and decisions, from hiring to strategy. The next time you kick off a new project or are communicating the 'why' behind a decision, look at your core values and connect the dots. Core values should be expressed, lived, and shared widely and often to inspire, align, and attract employees and clients.

Core Values in Practice

Every new project should begin with alignment on which values are required to drive success.

Values serve as strategic filters for decisions, processes, and prioritization.

Step 1: Outline the project's goals and key performance indicators (KPIs)

Step 2: Align those goals with corporate values

Step 3: Define the behaviors and qualities that embody those values

Step 4: Recognize when those behaviors and qualities are exhibited throughout the projects using Kudos

What gets recognized gets repeated.

Bonus Tip: Use Kudos Analytics to highlight employees recognized for the values or behaviors that align with your project KPIs to build your dream team.

Lead by example through values

Leaders are always being watched closely by the rest of the organization. Employees look to you for cues on how to act and react; especially in challenging situations. Leaders need to embody the core values they want their employees to live by.

Clear values give every member of your team a sense of direction. They outline the definition of success in every task and interaction. Bring it full circle by tying performance measurement and recognition to those fundamental values enables you to build a workforce laser-focused on what matters most to your organization.

With Kudos, recognition is always directly connected to corporate values. The Kudos recognition platform ties specific values-aligned behaviors to every recognition message. When your team sees the values you recognize in their actions, they have a sense of contributing to your broader organizational goals in a meaningful way. Leaders can demonstrate their commitment to those values and shared goals by recognizing when they see them in practice.

Values are the guiding principles that shape your culture and inform the behavior and performance of your employees. If you want more efficiency, publicly recognize efficiency. If you want more innovation, publicly recognize innovation. **This is how you shape a team that performs in a strategic and focused way.**



More Tips for incorporating recognition into your workflow

1. Use values to guide your behaviors.

As a leader in the organization, people are always observing your behaviors and practices to learn how to interact with each other



2. Include values in your agendas.

When building a meeting agenda, connect the meeting, and maybe even the items, to a core value. You may feel that practicing your values in meetings is organic, and that's great! Reminding people and showing them how they are practicing the value connects them to one another and strengthens your team and culture to achieve bottom line success.

3. Connect your initiatives to your values.

If you're looking for volunteers for a committee or project, emphasize that participating would demonstrate a commitment to this value.

4. Use values to guide decision-making.

Values can serve as a strategic filter when making decisions. When choosing priorities and approaches, consider your options with how they align with your values and behaviors. As a leader, you may find this particularly helpful when you are explaining your decisions to your team.

5. Use your creativity.

These are just some examples of how you can quickly bring your core values into more of your everyday activities. It takes practice. Start here, and then evolve with and alongside your team.

Looking Ahead

Leadership is a journey, not a destination, and with tools like recognition and core values, leaders can navigate this journey with success

Harnessing the power of recognition to bolster team morale, engagement, and performance, coupled with the grounding force of core values, leaders can create workplaces that thrive. But remember, it's not about quick fixes or one-off gestures but instead about consistency and authenticity. The Kudos platform can help make recognition a regular part of your workflow and bring your core values to life in everyday activities.

The onus lies on leaders to champion a culture of appreciation and inclusivity, shaping organizations where employees feel valued, seen, and motivated to contribute their best. It's a never-ending process, but one that carries significant rewards for both leaders and their teams. So, keep learning, keep recognizing, and keep leading with values at the forefront. The positive impact on your organization is not far off.



About Kudos

Kudos is an employee engagement, culture, and analytics platform, that harnesses the power of peer-to-peer recognition, values reinforcement, and open communication to help organizations boost employee engagement, reduce turnover, improve culture, and drive productivity and performance.

Kudos uses unique proprietary methodologies to deliver essential people analytics on culture, performance, equity, and inclusion, providing organizations with deep insights and a clear understanding of their workforce.

Visit kudos.com today to learn more.

Learn more about how Kudos can help build your culture.

Get in touch →



- ⁱ <https://www.gallup.com/workplace/321725/gallup-q12-meta-analysis-report.aspx>
- ⁱⁱ <https://hbr.org/2022/09/do-you-tell-your-employees-you-appreciate-them>
- ⁱⁱⁱ <https://news.gallup.com/businessjournal/182792/managers-account-variance-employee-engagement.aspx>
- ^{iv} <https://greatnessmagnified.com/cool-stuff/>
- ^v <https://www.greatplacetowork.ca/en/articles/how-does-company-culture-impact-employees>
- ^{vi} <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/gx-core-beliefs-and-culture.pdf>
- ^{vii} <https://www.ox.ac.uk/news/2019-10-24-happy-workers-are-13-more-productive>
- ^{viii} <https://www.peoplemanagement.co.uk/article/1755785/two-five-employees-quit-bad-manager-study-finds>
- ^{ix} <https://www.hindawi.com/journals/bmri/2017/4673047/>
- ^x <https://academicjournals.org/journal/AJBM/article-full-text-pdf/F91661014374>
- ^{xi} <https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-diversity-equity-and-inclusion>
- ^{xii} <https://experiencematters.wordpress.com/2016/02/16/report-employee-engagement-benchmark-study-2016/>
- ^{xiii} <https://www.shrm.org/hr-today/news/hr-magazine/0217/pages/boost-retention-through-employee-recognition.aspx>
- ^{xiv} <https://www.nbrii.com/employee-survey-white-papers/survey-research-yields-data-on-employee-turnover/>
- ^{xv} <https://hbr.org/2022/10/a-better-way-to-recognize-your-employees>
- ^{xvi} <https://hbr.org/2017/05/how-corporate-values-get-hijacked-and-misused>



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