

## **Why Employee Recognition is Important and How to do it?**

People, in general, like to be appreciated. Employees not only work to get paid but to also do work that they can be proud of and be appreciated for. With your job focused on human resource management, you know it is important to come up with Employee Recognition programs when it comes to HR Planning.

### **Employee Recognition: What Does it Mean?**

When an employee goes above and beyond in their job, employee recognition is the company's way of acknowledging them for a job well done. It's also a way of showing the employee all the growth they've had since the day of their hiring and how thankful the company is for their recruitment. There are various kinds of employee recognition and it can vary depending on the culture of the company. The most common forms include an awarding ceremony, a brief meeting during a busy day, sending a personalized email, or even quick gifting of a reward to the employee.

### **The Importance and Benefits of Employee Recognition**

Now that you know what employee recognition is all about, the time comes for you to learn about what you, your company, and your employees get out of it. To put things simply, recognition is often followed by a myriad of good things that you'll wish you had done sooner. Without further ado, take a look at the following list:

#### **It Increases Employee Productivity**

What does it mean for an employee to be productive? This is when a person or a team produces a certain amount of output within a specific time frame. Consistent productivity is among the most common expectations in all modern-day companies. Organizing employee recognition programs for those who exceed expectations will often result in the desired consistency. Knowing that their work is valued and productivity will be rewarded inspires your employees and gives them the motivation to do their best in terms of work output.

#### **It Encourages Employee Retention**

Employee recognition is one aspect of employee retention, which is the ability to keep employees from resigning or jumping ship to another company. A lot of people work not

only to be paid but to also feel valued for the work they contribute to their company. So it is vital to show appreciation towards your employees as it will inspire a sense of loyalty towards your company and make them want to stick with you a lot more.

### **It Leads to High Employee Satisfaction**

Employee satisfaction is when a person feels content with their job, regardless of reason. Some of those may include rewards for their performance, as well as the company benefits being up to their standard of living. Another way to go about this is to acknowledge all that the employee has done during their tenure. Remember that satisfied employees bring the company up and often turn into some of the best workers any business can acquire.

### **High-Performance Improvement**

Numerous studies and surveys have concluded that employee recognition leads to performance and output improvements. Among the reasons for this includes the added motivation to do better, especially since the employee now knows how much the company recognizes excellence. Performance improvement will, in itself, lead to a plethora of beneficial scenarios, such as pay raises, promotions, and more opportunities for growth. Think of how delightful evaluation meetings with employees will be after they've improved a great deal.

### **A Lower Turnover Rate**

You won't be making a lot of reports when it comes to employee resignation! When employees see that their work is recognized by the company, it gives them a sense of fulfillment and content. And with that in mind, they will most likely not want to leave the company and therefore lead to a very low turnover rate. At this point, the only cause for an employee's turnover would be due to unforeseen problems or because they've found a better opportunity elsewhere.

### **It Increases Employee Engagement**

Employee engagement refers to how much employees are passionate about the work they do. While they may sound similar it is different from employee satisfaction, the key difference being that while a satisfied employee is content and stay consistent, engaged employees are more motivated to go above and beyond their job as they genuinely enjoy doing it and want to be better. The more employees become engaged in the work they do, then the more output can be done in high quality which can score major points in the company's productivity and revenue.

## **It Increases Employee Commitment**

Through employee recognition, you are giving your fellow employees the opportunity to bond together through achievements and positive reinforcement. This, in turn, can increase employee commitment, which is a person's personal and professional attachment to the company they are working in. Employee commitment ensures that you keep loyal employees at your side to keep the workplace going, which is why it contributes to the reasons why employee recognition is an important thing to do.

## **Retain Top Talent**

Employee recognition programs are for those who did their best at their job. Recognizing their work is a form of positive reinforcement, meaning when you continue to commend on this desired behavior it will encourage your employees to keep doing their best. This ensures that you get to keep the best of the best within your organization since you're giving them a reason to stay and keep going.

## **Build a Positive Environment**

Open communication, honesty, hard work, and efficiency tick the checklist of a positive work environment. Creating and maintaining such a place is a form of employee engagement. And one way to accomplish this is to create a workspace where hard work and effort is recognized and rewarded. Implementing employee recognition programs also gives the employees a chance to see that they also have an opportunity to do better and be rewarded for it. Recognizing an employee's achievement can also lead to a sense of camaraderie within the workplace which again reinforces a positive environment.

While making plans for employee recognition activities is a part of performance management and part of the job, at the end of the day, practicing employee appreciation will definitely go a long way. This will develop a bond between the company and its employees that exists outside the workplace. It won't just have a great outcome inside the workplace but it will give you a good reputation outside the office as well.