

Praise: The Employee Incentive That Works Like No Other

When employers brainstorm ways to reward employees, it's logical to put compensation, incentives, and bonuses at the top of the list. After all, few people are able to work for free.

But is there a **“best” reward**—a reward that every employee craves but few receive? Many management teams are in search of just such a reward. My firm is frequently asked to provide managers and HR professionals with low cost, or no cost, ways to reward employees.

The one reward that most employees crave—but few get—and that is almost guaranteed to motivate employees to do good work is quite simply ... **praise**. Praise is a very powerful idea that managers often forget about. Bosses usually are good about recognizing and pointing out bad behavior, but they often forget to recognize good behavior.

As it turns out, receiving praise actually stimulates a chemical neurotransmitter in the brain called dopamine, something we all need. Shortages of dopamine can lead to feelings of frustration, anxiety, and difficulty in learning. But receiving more of the chemical boosts feelings of pleasure and pride, according to a report from Gallup Business Journal. Once you get that rush, the brain wants more of it, needs it regularly, and instinctively figures out what behaviors result in more praise and thus more dopamine.

So we have a relatively simple concept that produces quick increases in employee motivation that doesn't cost anything. The workplace must be awash with employee praise, right? In fact, research conducted several years ago by Gallup found that **less than one-third of American workers strongly agreed that they had received any praise from a supervisor in the last week**. That's a sad statement about the quality of supervision that many employees receive each day. Employees who think that nobody cares about their work will be less motivated. Some leave the company. Others remain on the payroll but essentially quit working.

There are many reasons for this lack of praise. Some managers don't regularly praise because they are too busy and just forget about it. Others don't praise because they don't receive any praise from their boss either. Some managers worry that recognizing one employee and not another will make it look as if the manager is playing favorites.

How can employers do a better job? First, it's important to **differentiate between appreciation and recognition**. Appreciation is the act of **expressing gratitude** to employees for their positive actions. It is best accomplished through simple expressions or statements: a simple thank you, a card, a pat on the back. **Recognition** means acknowledging workers in front of their peers for specific accomplishments, actions, or behaviors. It's important to tailor both of these strategies to each employee's personality. Some people just don't like to be called out.

Where managers really miss the mark is with **frequency**. To be most effective, employees need the dopamine rush at least once a week. Noted leadership author Mark Murphy found in a study of more than 500,000 employees that 72% said they were not giving 100% at work. No doubt many were suffering from a lack of dopamine. So make it a goal to show appreciation for each of your employees at least twice each week.

If you just don't have time to recognize or appreciate your employees on a regular basis, you should take stock of your daily activities to make the time. Remember, **genuine praise** produces quick increases in employee motivation, and it doesn't cost you anything. Before you start handing out gift cards, make appreciation and recognition a priority—then watch how morale, motivation, and productivity improve.

By Doug Blizzard, February 3, 2014