Although communication is understood to be among the top interpersonal or “soft” leadership skills essential for fostering good employer/employee relationships and positively impacting business outcomes, two-thirds of employees say they have too little interaction with their boss, according to a recent Leadership IQ study. Specifically, praise and feedback are critical but often overlooked pieces of the communication puzzle, with 67 percent who say they get too little positive feedback from their boss, and 51 percent who say they get too little constructive feedback.

From the perspective of insurance and risk management, regular praise and feedback can translate into a host of positive outcomes, such as:

- The ability to gain buy-in for workplace health and safety programs.
- A reduction in the frequency of accidents and injuries.
- Improved employee relations.
- Shorter lost time duration when there are injuries.

The absence of praise and feedback can generate apathy, increase employee turnover, stifle productivity, erode customer loyalty, and sabotage competitiveness.
Praise and feedback are essential catalysts for all good things in the employer/employee relationship. They help day-to-day work remain aligned with company goals, inspire and motivate employees, build trust and accountability, encourage empathy, and create mutual respect. Conversely, their absence can generate apathy, increase employee turnover, stifle productivity, erode customer loyalty, and sabotage competitiveness.

In fact, how people feel about their company and their level of satisfaction with their work can impact just about every line item on a P & L statement. Keep in mind that your people may not care about your goals until you care about theirs. Is this important to the bottom line? You bet it is! A Harris Interactive survey found that 81 percent of employees say they’re motivated to work harder when their boss shows appreciation for their work—a statistic that sounds like increased productivity to me. What about turnover? The same study reported that 53 percent of employees say they would stay longer at their company if they felt more appreciation from their boss. Similarly, a 2012 survey by the American Psychological Association found that one-half of all employees intended to search for new jobs because they felt undervalued.

In a 2006 research study, Margaret Greenberg and Dana Arakawa of the University of Pennsylvania found that managers who provided frequent recognition and encouragement saw a 31 percent increase in productivity.

A 2011 Gallup survey found that employees who received regular praise were more productive, loyal, engaged, safe, and received higher customer satisfaction scores than those who did not. Gallup also found that managers who gave little or no feedback to their workers failed to engage 98 percent of them; 40 percent of those employees reported that they were very unhappy—a problem that Gallup estimates costs employers between $440 and $550 billion annually.
According to Gallup, the top 25 percent of teams (or the best-managed) reported nearly 50 percent fewer accidents, 41 percent fewer quality-defects, and significantly lower health care costs compared to the bottom 25 percent of teams (or the worst-managed).\(^7\)

Although praise and feedback are closely related, for the purposes of this paper, praise is defined as recognition of a meaningful contribution or a job well done, whereas feedback includes giving employees information concerning how they are doing and guidance in order to better perform their duties. Feedback also may include more general input about his/her role, a particular project, a related business issue, or the company’s performance overall.

Clearly there is an important point where praise and feedback intersect. Most employees don’t simply want to know how well they are doing at their jobs. They want to know how what they are doing fits into the overall goals of the department and company, what they can or should be doing differently, and the kinds of impact they are making. In fact, according to a Harvard Business Review survey, 70 percent of respondents ranked “having a clear understanding of how their job contributes to strategy” as the second-most important driver of engagement along with “senior leadership continually updating/communicating strategy.” About the same number ranked “business goals communicated company-wide and understood” as the third-most important driver.\(^9\)

Research from Wichita State University found the top five motivating factors in the workplace to be praise-related yet scarcely ever used by managers.\(^8\) From among those employees surveyed:

<table>
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<th>%</th>
<th>Factor</th>
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<tr>
<td>81%</td>
<td>seldom or never received public praise.</td>
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<tr>
<td>76%</td>
<td>seldom or never received written thanks from their manager.</td>
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<tr>
<td>58%</td>
<td>rarely or never received praise from their manager.</td>
</tr>
<tr>
<td>78%</td>
<td>rarely or never received a promotion due to exceptional performance.</td>
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<tr>
<td>92%</td>
<td>rarely or never participated in a meeting designed to build morale.</td>
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Still, according to Leadership IQ, 53 percent of employees say that when their boss does praise excellent performance, the feedback does not provide enough useful information to help them repeat it. Explains researcher and bestselling author Tom Rath, “. . . If you want people to understand that you value their contributions and that they are important, the recognition and praise you provide must have meaning that is specific to each individual.”

Interestingly, Gallup reports that employees respond better to negative feedback than to no feedback at all—those receiving predominantly negative feedback from their manager are 20 times more likely to be engaged than those receiving little or no feedback. The legendary Tennessee Lady Vols basketball coach Pat Summitt probably put it best: “In the absence of feedback, people will fill in the blanks with a negative. They will assume you don’t care about them or don’t like them.” This is great counsel coming from a leader and coach who won 1,098 college basketball games and eight national championships spanning four decades.

In the absence of praise and feedback, employees start to wonder (and often aloud): “Am I valued here? Does my employer respect me and my work? Should I continue to work this hard if my efforts go unnoticed because no one cares anyway?” If managers don’t communicate effectively, employees will surely craft their own narrative.
So what can leaders do about closing the praise and feedback gap so that employees don’t automatically fill in the blanks with negatives?

Don’t wait until the next performance review. Especially in today’s challenging post-recession environment where job security seems tenuous for many, employees crave even more frequent and greater amounts of feedback. Continuous, everyday communication is essential for telling employees what you are thinking, letting them know how they are doing, and providing suggestions for improvement.

The cost is negligible, and the action is as simple as having a conversation. This type of communication must become part of a company’s everyday business practice in addition to more formalized mechanisms for praise and feedback. In other words, it must become a part of the company culture. Especially when it comes to people, companies may need to focus less on larger programs that can unintentionally make simple, highly effective actions overly complicated, and instead reinforce the basics of good, honest communication.

“In the absence of feedback, people will fill in the blanks with a negative. They will assume you don’t care about them or don’t like them.”

-Pat Summit
HOW TO GET STARTED

Having trouble finding the right words? Some leaders have difficulty expressing praise or knowing how to provide constructive feedback. A 2014 Leadership IQ study finds that 81 percent of leaders avoid giving tough feedback because they’re afraid the recipient will respond badly.\(^\text{11}\) There are ways to overcome this. The following is a list of best practices that you can begin implementing today.

**Be thoughtful.** However, don’t agonize over saying exactly the right thing. You will be pleased with the response you receive from being consistently genuine, sincere, and speaking from the heart.

**Share the praise.** Make it a point to acknowledge an individual’s effort or progress in front of peers or other leaders to shine a spotlight on the employee’s accomplishments. Newsletters, social media, and intranet sites are excellent vehicles for sharing.

**Be specific.** Give constructive, fact-based feedback that employees can use. The reason for providing feedback is to help improve poor performance or reinforce what employees are doing well so that they can replicate it.

**Shoot them a text.** A properly timed and worded text message has the power to move mountains!

**Make it two-way.** Ask open-ended questions about the employee’s thinking, perspective, and progress on current projects, etc. Then provide input. The key here is to let them do most of the talking.

**Send a personal note.** Handwritten notes of thanks when someone completes a project, makes a client presentation, wins new business, or represents the company publicly in some capacity are a great way to acknowledge a job well done!

**Schedule time.** Make it a part of your regular daily or weekly plan. Schedule time to check in, provide feedback, or acknowledge the work of one or two people on your team. By making this a habit, your people will know it is coming. They will begin to look forward to it and will be prepared with useful information for you as well.

Finally, reflect on all of this, consider your actions, and then forget about trying to follow the advice—simply let its message be reflected in your ongoing interactions with employees. Over time, without much forethought or planning, you’ll find that praise and feedback become a natural part of your leadership style, as well as a boon to a more productive, profitable, and positive work environment.
References

1 Leadership IQ, Washington, DC (2009).

2 Harris Interactive, Rochester, NY (2013).


8 Wichita State University.


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