EXECUTIVE SUMMARY

Improving Retention
Through a Culture of Recognition

The Objective…

The Recognition Capstone Team seeks to determine the role that non-financial rewards and recognition has in improving job satisfaction and retaining colleagues in state government.

- o **Rewards** are things the organization or colleagues give as a result of work conducted.
- o **Recognition** is the act of praising or honoring colleagues for a certain level or quality of work.
- o **Respect** is admiration based on ability, quality or achievement.
- o **Non-financial** is not related to pay.

The Background…

The Recognition Capstone Team reviewed the State of Missouri Quarterly Pulse Survey[1] results for colleagues with a salary less than $40,000 to determine their perception of the use of rewards and recognitions in the workplace. The team also analyzed retention data[2] and identified 5 positions in 3 state departments with high turnover, when compared to the average of 15.2%.

- o Department of Mental Health – Developmental Assistant 1, Security Aide 1, and Psychiatric Technician 1
- o Department of Corrections – Corrections Officer 1
- o Department of Public Safety (Veterans Commission) – Nursing Assistant 1

All 5 positions require a high school diploma or equivalency and provide direct care to Missouri citizens in state operated facilities.

The Focus Groups…

The Recognition Capstone Team organized focus groups in 6 locations (i.e., Cameron, Chillicothe, Fulton, St. James, St. Joseph and St. Louis). There were 21 focus groups completed in May and June 2019. Focus group sizes ranged from 1 person (administrator) to 16 persons (direct supervisors) and years of experience in the position ranged from a few months to over 20 years (frontline staff). Administrators, direct supervisors and frontline staff were interviewed separately to allow them to speak freely and honestly. In total, the team interviewed 129 individuals: 9 administrators, 56 direct supervisors and 64 frontline staff.

The Focus Group Results…

Administrators, frontline staff and their direct supervisors were asked similar questions about:

- o **Question 1 -** In what ways are you motivated to perform your best? [For administrators and direct supervisors: How do you motivate your team to do their best?]
- o **Question 2 -** What are some examples of non-financial rewards and recognitions that you received or observed during your time in this facility?
- o **Questions 3 -** Are there other non-financial rewards and recognitions that we haven't discussed that are important to you?

When asked how recognition is used in the facility, the Recognition Capstone Team received the following responses in every focus group:

- o **Administrators** said there are numerous (formal) programs successfully rewarding and recognizing colleagues, such as Employee of the Month, appreciation week, awards, thank you cards and luncheons. Administrators use newsletters, bulletin boards and social media to communicate rewards and recognitions.

- o **Direct supervisors** said they try to praise frontline workers and involve them, but it's hard to find time for rewards and recognitions when they are responsible for paperwork, schedules, reports, etc. There is a mix of new and experienced colleagues which makes it hard to meet everyone's needs. Most supervisors buy food for staff, such as candy, snacks or an occasional lunch; and staff enjoy this but supervisors are paying for the food on their own. Direct supervisors feel overwhelmed most days.

- o **Frontline staff** said (formal) rewards and recognitions are not working, they are not distributed equally as the same people get them and usually it's not frontline staff. The night shift/3rd shift is often left out completely. If there is a fundraiser for an event, the staff are purchasing things like 50/50 tickets or snacks, which makes them feel like they are paying for their own event. The main reason frontline staff stay in the job – the citizens that they care for and serve. They want to help others. Generally, the frontline staff support one another but they do not feel supported by supervisors or administrators. They rarely get a "good job" or "thank you." The morale with frontline staff is low, they feel beat down, underappreciated and unvalued most days.

The Recognition Capstone Team used the **Iceberg Approach**[3] (*see Appendix*) to determine the root cause for why direct supervisors are not using rewards and recognition with frontline staff, and the mindset shift from the expectation of frontline staff to do work without rewards and recognition to consistently recognizing staff for exceptional work.

The Role Models…

The Cicero Group[4] conducted a recent study to identify what drives employees to do great work, and concluded out of 9 categories ranging from pay to inspiration, recognition was the strongest driver of great work.

Several authors[5] have shared their experiences on rewarding and recognizing team members as the foundation for how to treat others and build a culture of respect and recognition in the organization. Private companies[6] have been using recognition for many years to improve retention rates and job satisfaction in entry-level positions.

More recently, 4 state departments (listed below) have improved retention through recognition programs, and in the case of the Department of Mental Health, improvement in retention through recognition programs:

- **Department of Conservation – IT** uses supportive management and flexible work schedules/telecommuting to improve morale.
- **Department of Agriculture – Business Development** uses individual recognition by management and team member engagement in strategic planning to improve job satisfaction.
- **Department of Economic Development** uses a hands-on approach with management that puts the team first to recognize good work.
- **Department of Mental Health** uses policies to encourage, recognize and reinforce the expectation that all staff will have respectful attitudes and behaviors in the workplace.

The Key Recommendation…

Be Present. To see good work and recognize it, administrators and direct supervisors have to be present; leave the office and go see what frontline staff do. Recognize how tough their job is. Administrators and direct supervisors, you must prioritize time in your schedule for frontline visits every day to show you care about staff, and care about the citizens too. Lead by example by saying "good job" or "thank you" in a timely and meaningful way. When administrators model recognition of direct supervisors, direct supervisors will do the same and frontline staff will want to come to work in an environment where they feel appreciated.

Additional recommendations to create a culture of respect and recognition include:

- Onboarding – communicate department-level Mission and Vision statements
- Expectations – develop and implement expectations for respect and recognition in the workplace
- Coaching – identify current champions, "re-board" all existing team members
- Accountability – establish and enforce a Zero Tolerance for disrespectful behaviors

The Next Step…

The Recognition Capstone Team created a **Recognition Field Book** with guidelines and best practices for rewarding and recognizing colleagues. The capstone team will use steps outlined in the **Pilot Implementation Plan** (*see Appendix*) to pilot the use of this field book in 2 focus

group sites (DOC and DPS). The capstone team will use Quarterly Pulse Surveys and other surveys, as needed, to track colleagues' satisfaction with their jobs and retention rates.

The Sources…

[1] State of Missouri *Quarterly Pulse Survey 2*, Mid-March 2019. Responses to questions12, 13, 16, 17 based on 41% or 23,104 respondents from the state workforce with 8,958 respondents for < $39,999 and 14,146 respondents for > $40,000.

[2] State of Missouri HR SAM II Turnover Reports, *10/01/17 – 9/30/18 Turnover Rate Report of All Executive Branch Classes,* available at: https://samii.mo.gov/hr/mobius/turnover-reports

[3] Iceberg Approach in *Beyond Performance: How Great Organizations Build Ultimate Competitive Advantage.* Scott Keller and Colin Price (2011).

[4] National Research by the Cicero Group (2015) *Employee Performance: What Causes Great Work?* (Figure 2) available at: https://www.octanner.com/content/dam/oc-tanner/documents/white-papers/2015_Cicero_WhitePaper_Drivers_of_Great_Work.pdf

[5] *Everybody Matters*, Bob Chapman & Raj Sisodia (2015); *Five Languages of Appreciation in the Workplace,* Gary Chapman & Paul White (2019); *Taking People with You,* David Novak (2012); *O Great One!* David Novak (2016); *Drive,* Daniel Pink (2011); *Leaders Eat Last*, Simon Sinek (2017).

[6] *YUM! Brands,* available at*:* https://www.yum.com; *Southwest Airlines,* available at: https://www.southwest.com

APPENDIX
The Iceberg Approach

FROM:
I expect my staff to do their job. They should not be rewarded for doing what is expected of them.

TO:
I will consistently reward and recognize my team for exceptional work and behavior.

FROM:
I think I do a good job of saying "thank you" but it costs too much out of my own pocket to buy rewards.

TO:
I will make time to casually visit with my team and help them with their daily tasks so I can tell them "thank you" and genuinely recognize their efforts.

FROM:
Oftentimes, I do not leave my office enough to observe exceptional behavior or work that goes above expectations. Instead, I rely on others to tell me or for peers to vote on employee of the month.

TO:
I know that rewarding and recognizing my team would increase job productivity, satisfaction, and retention.

Within the focus groups for direct supervisors, the Recognition Capstone Team navigated through the **Iceberg Approach** with questioning to determine the root cause for why direct supervisors do not reward or recognize staff, as reflected in the pulse survey results.

We found that supervisors have several perceived roadblocks that make it challenging for them to reward and recognize team members, such as having a perspective that employees should do what is expected without reward, that rewarding involves purchasing something for their team members and the money for that must come out of their pocket, that observations and nominations of high performers must come from peers in the form of Employee of the Month or other formal recognition programs.

It became clear to the capstone team that the mindset of supervisors had to change to realize the value of meaningful and genuine recognition, and how it can improve job satisfaction, the quality of work, and above all, help to retain team members.

APPENDIX

Rewards and Recognition (R & R) Pilot Implementation Plan (Gannt Chart)

R&R Pilot Implementation Plan

Period: 1 | ▨ Plan Duration | ▨ Actual Start | ■ % Complete | ▨ Actual (beyond plan) | ▨ % Complete (beyond plan)

#	ACTIVITY	PLAN START	PLAN DURATION	PERCENT COMPLETE
1	**Planning**	1	5	
1.1	Develop Mission and Vision statements, behavior expectations and communicate with team	1	4	
1.2	Develop PD's to include respectful culture. Review PD's with all staff	1	4	
1.3	Review High Turnover data to ID Pilot Location	1	1	
1.4	Set measurable objectives for R&R program	2	3	
1.5	ID person or persons accountable for meeting objectives	5	1	
2	**Design**	5	2	
2.1	Design pre-implementation survey keeping in mind metrics needed to measure success	5	1	
2.2	Design post-implementation survey keeping in mind program objectives	6	1	
2.3	Design training modules on respect and culture change	5	2	
3	**Site Implementation**	6	27	
3.1	Survey Pilot Location	6	1	
3.2	Analyze Pilot Location survey results	7	1	
3.3	Meet with Pilot Location leadership team	8	0.14	
3.3.1	Discuss turnover data and pre-implementation survey results	8	0.14	
3.3.2	Clearly discuss R&R Program goals, expectations of staff, assessment strategy	8	0.14	
3.3.3	Discuss "Fieldbook" and R&R strategy	8	25	
3.3.4	Provide coaching, resources and support to leadership team	8	25	
3.4	Provide Pilot Location all-team R&R overview - "Launch"	8	0.14	
4	**Verification**	9	24	
4.1	Collect continuous feedback from all teammates (focus groups, conversations, etc.)	9	21	
4.2	Send post-implementation survey to Pilot Location	30	1	
4.2.1	Analyze Pilot Location turnover data and post-implementation survey results	31	2	
5	**Validation**	33	1	
5.1	Review analysis with Pilot Location team	33	0.14	
5.1.1	Discuss progress and set new goals	33	0.14	
5.2	Celebrate success with **entire** Pilot team	33	0.14	