Engage2Excel™

The Role of Recognition in Recruiting, Onboarding & Retaining Employees

Introduction

Today, the topic of recognition and rewards mostly surfaces in the context of the employee experience. But does recognition have a place in the candidate experience? Just how important is early recognition? Engage2Excel is pleased to present part one of the 2017 Trendicators Report, which will examine the role of recognition in the recruiting and onboarding process, as well as provide insights to help Human Resources and managers retain their employees. This research report is the result of collaboration between Engage2Excel and Dr. Jack Wiley.

The results published in this report provide readers with an unbiased view of job seekers, both active and passive. In fact, out of the 1,500 job seekers surveyed, we asked 940 active job seekers, 507 passive job seekers and 53 non-job seekers what they think about various elements of the recruiting and onboarding process, as well as their motivation for either seeking a new job or being open to a better opportunity.
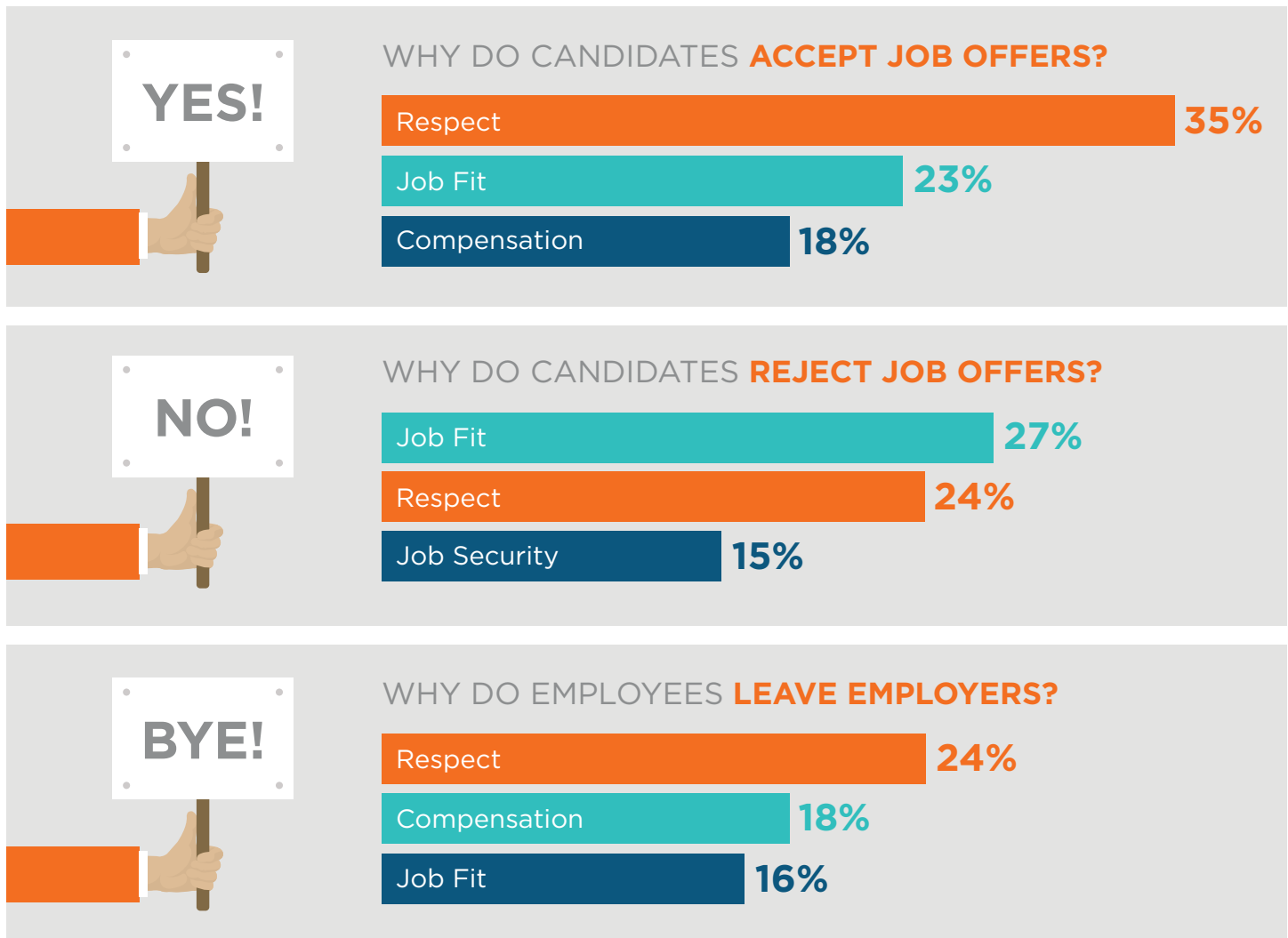
Dr. Jack Wiley is well known for his RESPECT framework, which focuses on what employees really want from their employer. The acronym RESPECT stands for Recognition, Exciting Work, Security, Pay, Education & Career Growth, Conditions, and Truth. More than 30 years of global research shows that fair pay is the #1 employee desire, accounting for 25% of what employees want most, followed by recognition, the next most critical item accounting for 20% of that pie. However, does that logic hold true for how today's candidates think? The results may surprise HR and non-HR executives alike. For example, 35% of respondents cited "being treated with dignity and respect throughout the hiring process," as the single most important factor in accepting a job offer. Not fair compensation. Not career growth. Not exciting work. This research suggests that it's more important than ever to get back to basics.

In this talent-driven economy, today's candidates have more choices than ever before. The key to winning the best talent is understanding what they really want. For example, understanding the persona of an active vs. passive job seeker is equally important, as their desires are different. The same holds true for a Millennial vs. a Baby Boomer. One-size-fits-all recruitment processes will fail. And if we start treating employees more like customers, we'll improve our ability to attract, hire, motivate and retain our people.

Jack Wiley is an author, consultant, researcher and instructor. For almost three decades, he has focused on two big research questions: what do employees most want and what organizational factors best promote employee engagement, performance confidence and business success.

SURVEY RESULTS AT A GLANCE

YES!

WHY DO CANDIDATES **ACCEPT JOB OFFERS?**

Respect	**35%**
Job Fit	**23%**
Compensation	**18%**

NO!

WHY DO CANDIDATES **REJECT JOB OFFERS?**

Job Fit	**27%**
Respect	**24%**
Job Security	**15%**

BYE!

WHY DO EMPLOYEES **LEAVE EMPLOYERS?**

Respect	**24%**
Compensation	**18%**
Job Fit	**16%**

DECEMBER 2016 SURVEY DEMOGRAPHICS

- Number of Respondents: 1,500 (940 active job seekers, 507 passive job seekers open to learning about a better job opportunity and 53 non-job seekers)

- Countries Represented: United States

- Industries Represented: All Major Industries

- Respondent Demographics: U.S. adult workers in all job types with equal representation of gender, age group and racial/ethnic origin

- Margin of Error: 95% confidence level +/- 1.5%

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The Role of Recognition in Recruiting Employees

Notable Trends in this Section

• More than three quarters (81%) of active job seekers believe that finding information about employee recognition and rewards on a company website is important

• More men (81%) than women (60%) believe recognition and rewards information is important

• Majority of all 25-44 year olds (over 78%) believe recognition and rewards information is important

• More than 75% of employees chose one of three factors as critical to accepting a job offer: respect, job fit and fair compensation; patterns are similar among active and passive subgroups

• More than a third (35%) believe that the most important influence on accepting a job offer is being treated with dignity and respect during the hiring process

• More than 75% of employees would reject a job offer based on one of four factors: issues with job fit, lack of respect, lack of job security or unfair compensation

Section 1.1

What percentage of people across demographic groups indicated that information about employee recognition and rewards programs on the company website was Important or Very Important?
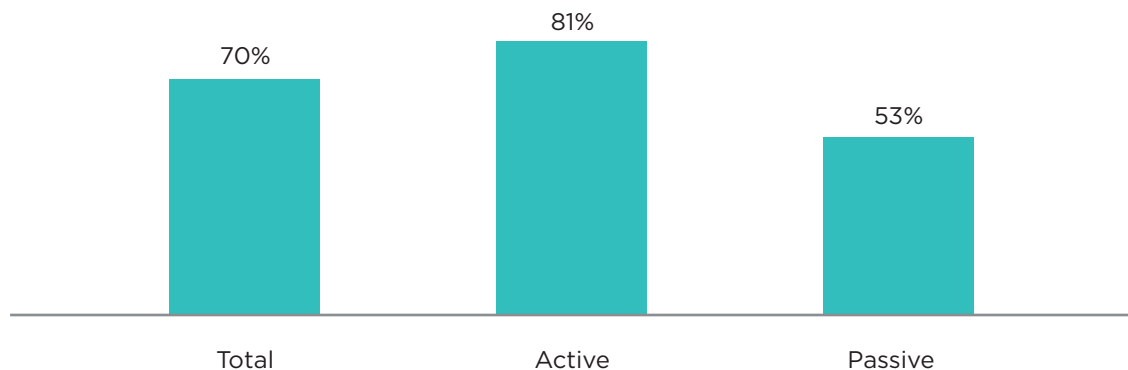
Across all respondents, 70% found information on the company website about recognition and rewards programs to be *Important* or *Very Important* when considering a job.

A notable trend that can be seen here and through the following analyses is that active job seekers on average were much more likely (81%) to find information on recognition to be important than passive job seekers (53%), a 28% difference.
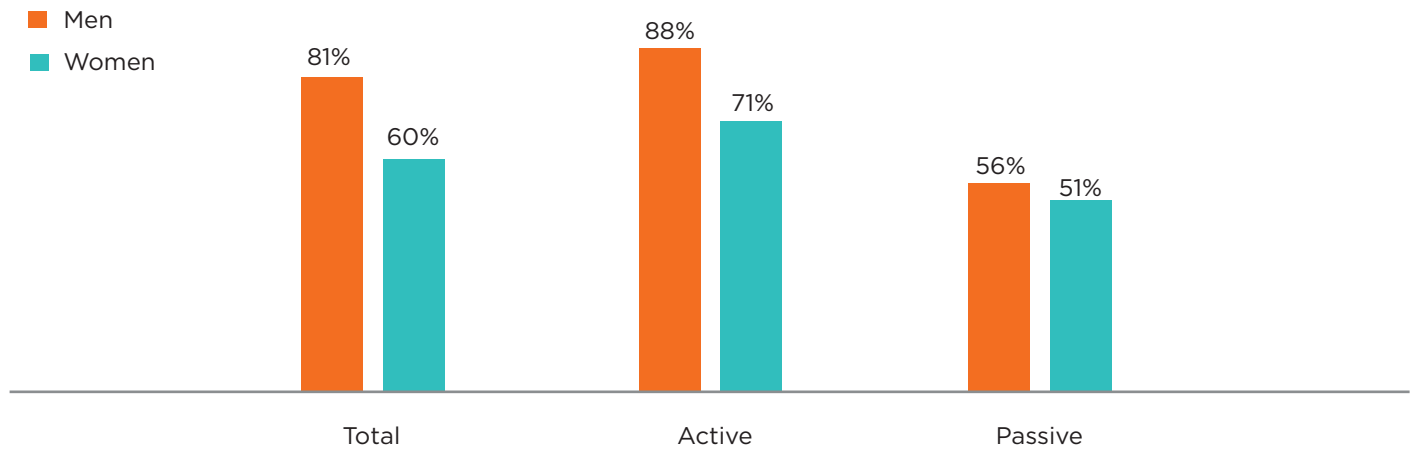
FIGURE 1

Figure 1. Gender

Among active job seekers, men were much more likely to view recognition and rewards information as important than women, a difference of 17%; among passive job seekers, this difference was negligible (5%).
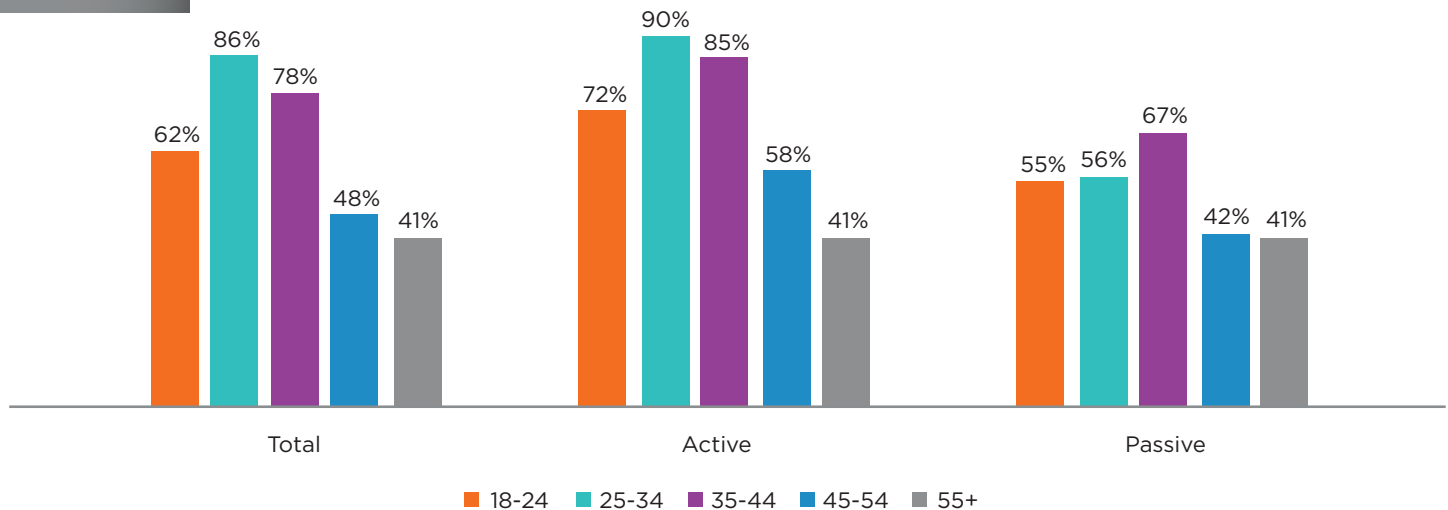
FIGURE 2

Figure 2. Age

Differences across age groups can be seen across job-seeking status, although general trends remain the same. Younger employees are more likely to find recognition and rewards information important than older employees.

Among active job seekers, 25-34 year olds were much more likely to find company website information on recognition programs important than ages 45-54 and 55 and older (differences of 32% and 49%, respectively).

Passive job seekers, in general, appear to find website information on recognition programs to be less important.

Section 1.2

Which characteristics most influence ACCEPTANCE of a job offer?

ALL	
Being treated with dignity and respect during the recruitment and hiring process	35%
Believing that the job will make good use of my skills and abilities	23%
Receiving a fair job offer in terms of total compensation (salary, bonuses, benefits)	18%
Knowing the employees who perform well at the company have secure jobs	9%
Perceiving limited or no opportunities for growth and development	7%
Experiencing transparent, honest two-way communication during the recruitment and hiring process	6%
Believing that the interpersonal chemistry with teammates or co-workers will be positive and supportive	2%

Among those surveyed, more than half reported that being treated with dignity and respect (35%) or believing that the job will make good use of their skills (23%) were the most important factors in choosing to accept a job offer. Furthermore, more than 75% of employees chose one of three factors as critical to accepting a job offer: *respect, job fit* and *fair compensation.*

ACTIVE			PASSIVE
Being treated with dignity and respect during the recruitment and hiring process	40%	26%	Receiving a fair job offer in terms of total compensation (salary, bonuses, benefits)
Believing that the job will make good use of my skills and abilities	25%	25%	Being treated with dignity and respect during the recruitment and hiring process
Receiving a fair job offer in terms of total compensation (salary, bonuses, benefits)	12%	19%	Believing that the job will make good use of my skills and abilities
Knowing the employees who perform well at the company have secure jobs	12%	11%	Perceiving that there will be significant opportunities for growth and development
Perceiving that there will be significant opportunities for growth and development	5%	9%	Experiencing transparent, honest two-way communication during the recruitment and hiring process
Experiencing transparent, honest two-way communication during the recruitment and hiring process	5%	6%	Knowing the employees who perform well at the company have secure jobs
Believing that the interpersonal chemistry with teammates or co-workers will be positive and supportive	1%	5%	Believing that the interpersonal chemistry with teammates or co-workers will be positive and supportive

Active and passive job seekers found the same three characteristics most important in influencing the acceptance of a job offer, albeit in different orders: *being treated with dignity and respect, believing the job will make good use of my skills* and *abilities* and *receiving a fair job offer in terms of total compensation*. Notably, believing that interpersonal chemistry with teammates or co-workers will be positive and supportive was infrequently selected in both groups.

Section 1.3

Which characteristics most influence REJECTION of a job offer?

ALL	
Believing that the job is not a good match for my current skills and abilities	27%
Not being treated with dignity and respect during the recruitment and hiring process	24%
Serious concerns about the extent to which the employer provides good job security for its employees	15%
Evaluating the job offer as unfair in terms of total compensation (salary, bonuses, benefits)	14%
Believing that the interpersonal chemistry with teammates or co-workers will be negative and unsupportive	7%
Perceiving no or only limited opportunities for growth and development	7%
Not experiencing transparent, honest two-way communication during the recruitment and hiring process	6%

Among those surveyed, the belief that the job was not a good match for one's skills or abilities was the most frequently selected factor to influence the rejection of a job offer (27%). Relatively speaking, far fewer employees viewed communication issues (6%), limited growth opportunities (7%) or lack of interpersonal chemistry with teammates (7%) to be important factors in rejecting an offer.

ACTIVE			PASSIVE
Believing that the job is not a good match for my current skills and abilities	32%	30%	Not being treated with dignity and respect during the recruitment and hiring process
Not being treated with dignity and respect during the recruitment and hiring process	21%	17%	Believing that the job is not a good match for my current skills and abilities
Serious concerns about the extent to which the employer provides good job security for its employees	16%	14%	Evaluating the job offer as unfair in terms of total compensation (salary, bonuses, benefits)
Evaluating the job offer as unfair in terms of total compensation (salary, bonuses, benefits)	15%	12%	Serious concerns about the extent to which the employer provides good job security for its employees
Perceiving no or only limited opportunities for growth and development	7%	11%	Not experiencing transparent, honest two-way communication during the recruitment and hiring process
Believing that the interpersonal chemistry with teammates or co-workers will be negative and unsupportive	6%	10%	Believing that the interpersonal chemistry with teammates or co-workers will be negative and unsupportive
Not experiencing transparent, honest two-way communication during the recruitment and hiring process	4%	7%	Perceiving no or only limited opportunities for growth and development

Both active and passive job seekers share the top two reasons for rejecting a job offer: *not being treated with dignity and respect* and *believing that the job is not a good match for my current skills and abilities.* These two options reflect about half of each group. Roughly 30% of each sample indicated one of the following factors: *serious concerns about the extent to which the employer provides good job security for its employees* and *evaluating the job offer as unfair in terms of total compensation (salary, bonuses, benefits).*

In contrast to passive job seekers' reasons for accepting a job offer, active job seekers' reasons for rejecting a job offer are less heavily concentrated within a few options.

All told, issues with *job fit, respect, job security* and *fair compensation* represent more than 70% of the reasons for rejecting a job offer.

SECTION 2

The Role of Recognition in Onboarding and Retaining Employees

Notable Trends in this Section

- More than half of all respondents find recognition important at all times, but **before the offer** and **after onboarding** were identified as most important

- Nearly half of employees would consider *lack of recognition* and *unfair compensation* to be important enough to leave their current job

- After accepting a job offer, a majority (58%) of employees would consider other opportunities if they did not hear from the hiring organization before their first day of employment

- A significant majority (71%) of employees stated that onboarding experiences were either Likely or Highly Likely to influence their decision to stay with a company

Section 2.1

During the hiring process, how important is being praised/recognized for positive behaviors during the pre-offer and post-offer, and during onboarding and after onboarding?
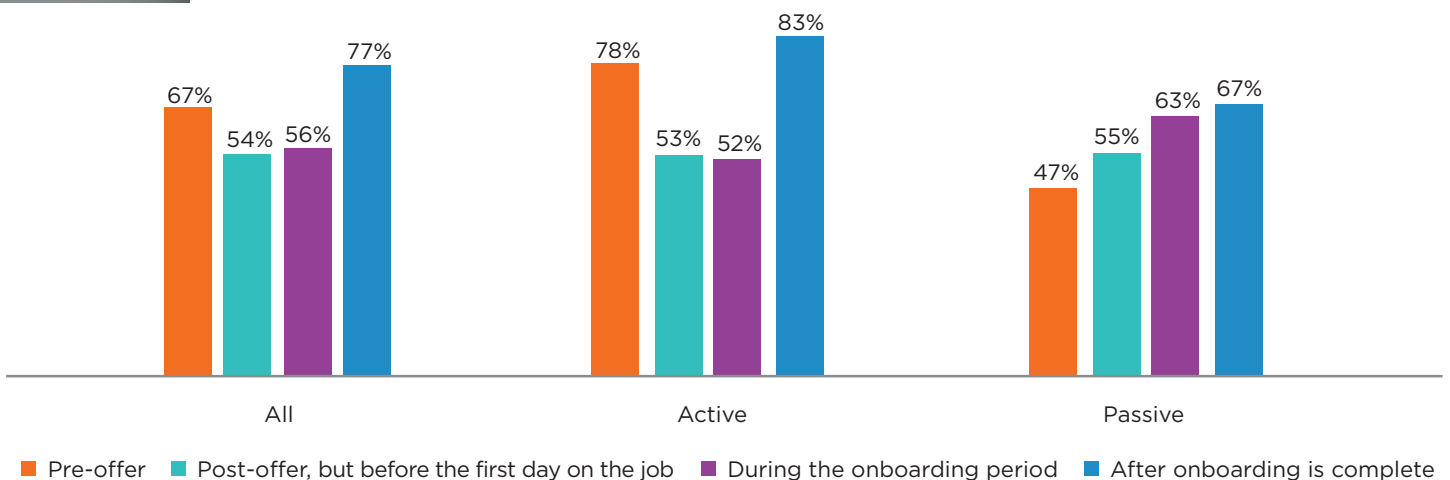
FIGURE 3

Pre-offer ■ Post-offer, but before the first day on the job ■ During the onboarding period ■ After onboarding is complete

Figure 3. When to Praise/Recognize

Across all survey participants, receiving praise/recognition is most important *after onboarding is complete.* Active job seekers, however, are much more likely to believe praise/recognition is important in the *pre-offer stage* (78%), as compared to passive job seekers (47%), a 31-point difference. About half of all active and passive job seekers believe praise/recognition is important after the offer, but before the first day on the job, and during the onboarding period.

Section 2.2

What do employees view as the most important reason they would be willing to leave their current employer?

ALL	
Lack of recognition, appreciation or respect	24%
Inadequate or unfair pay, benefits or total compensation	18%
Work itself that is not interesting, challenging or fulfilling	16%
High stress, inflexible hours and/or poor interpersonal relations with co-workers	13%
Anxiety or concern about my job security	11%
Lack of training, advancement or career development opportunities	8%
Poor physical working conditions and/or lack of resources to get the job done	5%
Feeling uninformed about the direction of the organization or about your own job performance, or just in general	3%

Nearly a quarter (24%) of all employees surveyed responded that a lack of recognition, appreciation or respect was the most important reason that they would be willing to leave their organization. This number creeps even higher (32%) among active job seekers, as shown on the next page.

| ACTIVE			PASSIVE
Lack of recognition, appreciation or respect.	29%	22%	Inadequate or unfair pay, benefits or total compensation.
Work itself that is not interesting, challenging or fulfilling.	18%	19%	High stress, inflexible hours and/or poor interpersonal relations with co-workers.
Inadequate or unfair pay, benefits or total compensation.	15%	14%	Lack of recognition, appreciation or respect.
Anxiety or concern about my job security.	12%	11%	Work itself that is not interesting, challenging or fulfilling.
High stress, inflexible hours and/or poor interpersonal relations with co-workers.	10%	10%	Anxiety or concern about my job security.
Lack of training, advancement or career development opportunities.	8%	8%	Lack of training, advancement or career development opportunities.
Poor physical working conditions and/or lack of resources to get the job done.	4%	7%	Poor physical working conditions and/or lack of resources to get the job done.
Feeling uninformed about the direction of the organization or about your own job performance, or just in general.	2%	5%	Feeling uninformed about the direction of the organization or about your own job performance, or just in general.

Active and passive job seekers are fairly different in their reasons for leaving their current employer. 29% of active seekers are willing to leave if they are not receiving recognition, appreciation or respect—only 14% of passive job seekers would leave for this reason (a 15% difference).

For passive job seekers, the most popular reason to leave is inadequate or unfair pay, benefits or total compensation (22%)—for active job seekers, this number is slightly lower, 15%.

The three least selected reasons are the same for both groups *lack of training, advancement or career development opportunities*; *poor physical working conditions* and/or *lack of resources to get the job done*; *feeling uninformed about the direction of the organization in general or your own job performance, or just in general.*

Section 2.3

After accepting a job offer, would employees consider other opportunities if they do not hear from someone at the hiring organization between the time of offer acceptance and the first day of employment?

NOT SURE 18%

YES 58%

NO 24%
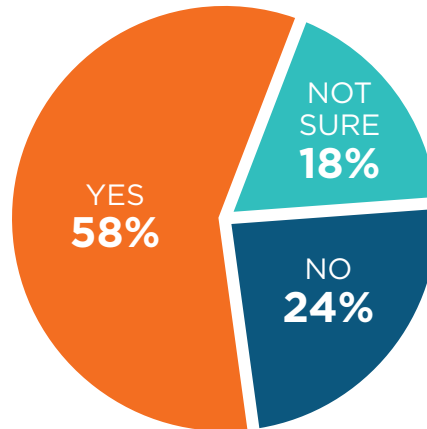
Onboarding should begin with the extension and acceptance of the job offer. Across all respondents, 58% would consider other opportunities if they didn't hear from the hiring organization between offer acceptance and first day of employment.

Section 2.4

How likely is it that the onboarding experience will influence an employee's decision to stay with a company?

Likelihood that first day on the job experience will impact decision to **stay more than a month**

LIKELY OR HIGHLY LIKELY	**69%**
SOMEWHAT LIKELY **17%**	
UNLIKELY **14%**	
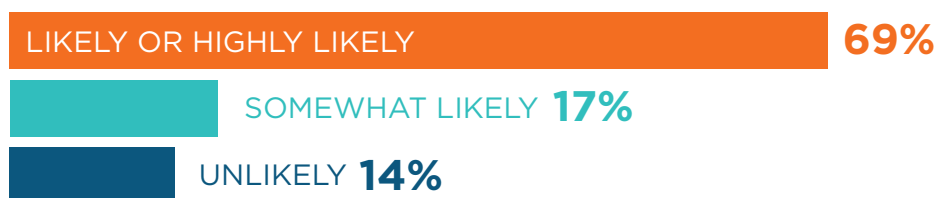
Likelihood that total onboarding experience will impact decision to **stay more than a year**

LIKELY OR HIGHLY LIKELY	**71%**
SOMEWHAT LIKELY **24%**	
UNLIKELY **11%**	
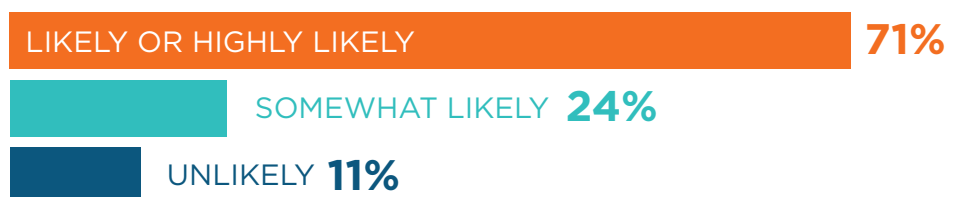
Onboarding experiences have significant influence on retention. Among all respondents, 69% indicated that first day job experiences would have a *Likely* or *Highly Likely* impact on their decision to stay more than a month. Similarly, 71% indicated that their total onboarding experience would have a *Likely* or *Highly Likely* impact on their decision to stay with the organization for more than a year.

ABOUT Engage2Excel™

Engage2Excel provides HR solutions to help organizations increase engagement and performance throughout the talent lifecycle:

Employee Recognition: Improve engagement enterprise-wide with performance, social and service recognition programs.

Talent Acquisition: Infuse highly engaged employees into your workforce and improve productivity from day one.

Employee Surveys: Discover what employees really want with industry-leading engagement surveys.

For more information, visit Engage2Excel.com

MAKING RECOGNITION MEANINGFUL

Learning how to express appreciation and recognize employees is an important part of every manager's job. Engage2Excel provides clients with a wide range of training tools and resources to help HR departments and managers get the most out of their investment in employee recognition programs.

Making Recognition Meaningful is a three-part video series that helps managers learn how to make employee recognition experiences more personal, more relevant and more meaningful.

**View the video series at Engage2Excel.com/videos**

Survey Demographics

The survey sample included 1,500 respondents: 940 active job seekers, 507 passive job seekers and 53 non-job seekers. In the following sections, information regarding sample composition in terms of gender, age, education, tenure, time from last recruitment, organization size, employment arrangement, job type, and industry are displayed within each category of job seeker.

ALL	%
Banking/financial services	11%
Construction	11%
Professional/business services	10%
Education	10%
Health care and social services	10%
Retail	9%
Manufacturing	5%
Transportation	5%
All other industries	28%

The largest sectors represented are banking/financial services, construction, professional/business services and education.

■ Men
■ Women
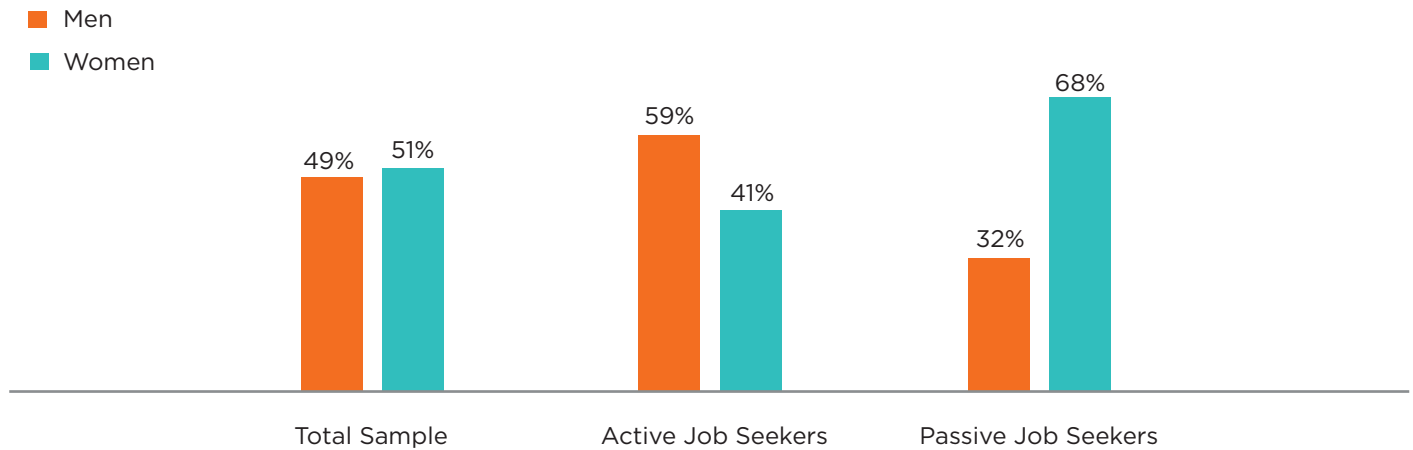
Gender

The total sample is nearly balanced among men and women; however, significantly more men than women report they are active job seekers (18-point difference), and passive job seekers are predominantly women (36-point difference).

■ 18-24   ■ 25-34   ■ 35-44   ■ 45-54   ■ 55+
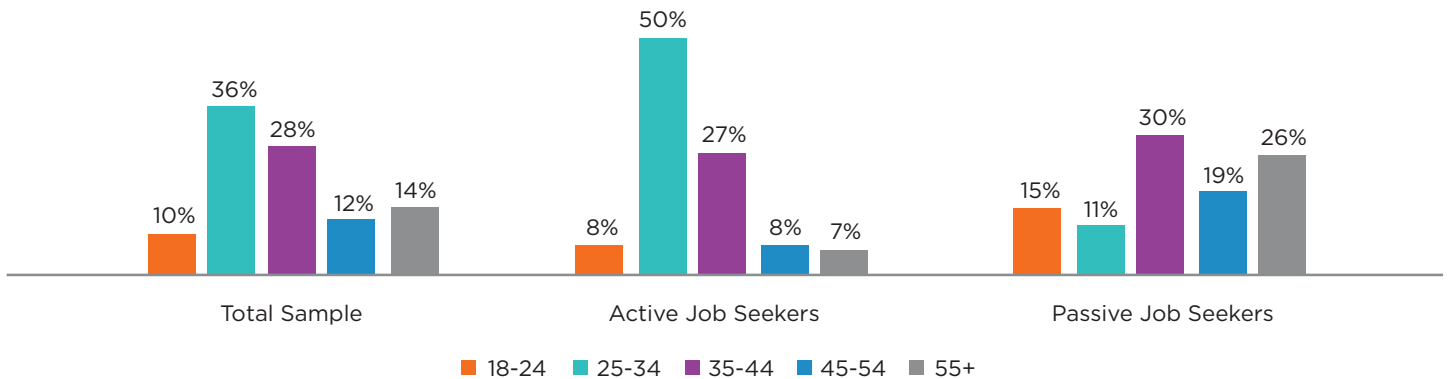
Age

In the total sample, the largest group of job seekers falls between the ages of 25-34 (36%), and the second largest group falls between the ages of 35-44 (28%). Differences emerge between active and passive job seekers. Among active seekers, the largest group is aged 25-34 and accounts for 50% of the sample; conversely, this group represents the smallest proportion of passive job seekers (11%).