

Exclusive interview: How employee appreciation translates to better business outcomes

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Increased employee engagement is directly linked to better business performance, a report by Reward Gateway Edenred showed last week (16 May).

For its *Employee Engagement: An Economic Value Study* report, representatives of the employee [engagement](#) platform consulted more than 300 organisations that collectively represent more than one million employees. The resulting data showed that companies with high levels of employee engagement had the best business outcomes.

Employees' approach to work has evolved, explained Crowhurst, which means that there is greater demand on HR for organisations to show their employees appreciation for the work that they do.

"In recent years, businesses have witnessed a societal shift. Both the workplace and employee expectations have evolved. Today, people want more than a nine-to-five," Crowhurst said.

"Employees want to be seen and valued as human beings. We want more conversations around [mental health](#). We want to feel supported as individuals. Most of all, we expect to be looked after by our employer."

Showing appreciation could help solve some of the problems HR face today, she added.

Read more: [Commitment to sustainability boosts employee engagement](#)

"In today's challenging business landscape, thoughtful appreciation has never been more important in retaining talent and creating an engaged and productive workforce," Crowhurst stated.

"For organisations that foster a culture of appreciation, there is a greater chance of attracting, [retaining](#) and engaging people; all of which are some of the biggest challenges HR faces when it comes to talent."

Over a third (37%) of employers reported that they had hard-to-fill vacancies in the CIPD *Spring Labour Market* report. More than half (55%) of employers looked to maintain their current staff level, the highest since 2016/2017.

To engage and retain employees, HR should create a culture where ongoing

appreciation can thrive, Crowhurst suggested.

She continued: "Appreciation for your employees needs to be embedded into your company culture. Organisations that have an appreciation culture typically see an increase in business performance of between 5% and 7%.

"Ongoing appreciation helps create the environment for more engagement because people are getting what they crave and are more likely to recognise the good work of others."

HR should offer leaders training on how to show appreciation, she recommended.

Alongside her role as chief people officer, Crowhurst was named chief appreciation officer (believed to be the UK's first). Part of this role involves working with leaders to boost their emotional intelligence, which in turn improves how employees are shown appreciation.

She commented: "[Emotional intelligence](#) is one of the most impactful elements in truly bringing employee experience to life.

"If you have a leadership team that isn't particularly emotionally intelligent, there's some work to be done.

"Developing those skills, appreciation or otherwise, is a really powerful skill; so I'm supporting, coaching and highlighting how people can be more emotionally intelligent."

Alongside daily displays of appreciation, HR should use data to inform its long-term strategy for addressing employee engagement, according to Crowhurst.

Read more: [Employee benefits stunted by HR budget constraints](#)

More than eight in 10 (81%) employers cited difficulty gaining budget approval as the biggest barrier to implementing changes to employee benefits, a survey by Howden Employee Benefits and Wellbeing and the Reward and Employee Benefits Association found on 8 May.

"HR needs to take an evidence-based practice approach to how they prioritise which initiatives and [benefits](#) to include in their people strategy, to have the most valuable impact on the organisation," advised Crowhurst.

"HR teams need to tap into employee data and make the link between appreciation and business productivity, to speak to the commercial language of CEOs and CFOs."

At Reward Gateway, she noted, this data is collected through surveys and employee insights. A larger annual survey that looks at workplace trends is used to identify areas for improvement.

These pain points then inform smaller surveys and can be taken to employee experience communities for further insights.

She expanded: "Alongside that we have experience communities, so anything we think that could impact you, we go to the experience communities and we get feedback to work with them, building up insights."

These insights can then be used to inform more specific approaches to rewards and benefits, and build up a long-term strategy to improve employee engagement alongside business outcomes.

"Once HR strategies start to become commercial, HR and people teams will hold the power to start to drive real change in the way employees are

[appreciated](#) and valued in the workforce," Crowhurst stated.