CELEBRATE CAREERS
An effective strategy for driving employee engagement and retention

BEST PRACTICES FOR RECOGNIZING EMPLOYEES’ CAREER ACHIEVEMENT
A great myth of our time: People are not interested in building a career with one organization. Gone are the days of commitment and loyalty between an organization and an individual.

High cost of turnover has led to a keen focus on employee retention and engagement.

\[ 30\text{-}50\% \] annual salary of entry-level employees

\[ 150\% \] middle-level employees

\[ 400\% \] specialized, high-level employees

The reality is quite different. For organizations, the high cost of turnover has led to a keen focus on employee retention and engagement. What constitutes high cost? Some sources put that estimate at 30\%-50\% of the annual salary of entry-level employees, 150\% of middle-level employees, and up to 400\% for specialized, high-level employees.\(^1\) Add in the non-quantifiable, but equally critical, loss of industry and client knowledge and experience—and the motivation is there to keep valued employees.

At the individual level, research from the U.S. Bureau of Labor Statistics actually depicts a trend of people staying longer with a company than they did 25 years ago. In 1983, the average tenure was around 3.5 years. Fifteen years later, in 1998, people stayed on the job an average of 3.6 years before quitting. In 2012, it’s now at 4.6 years.\(^2\)
People want to invest in careers, not just jobs

Building a career with an organization is something many employees aspire to today; a place they feel they fit in, belong, and can make a commitment to. When employees feel they work for an organization that cares about their well-being, three important things happen:

- **THEY EMBRACE THE GOALS AND VISION OF THE ORGANIZATION**
- **THEY FEEL THEIR CONTRIBUTIONS MAKE A DIFFERENCE**
- **THEY BECOME INSPIRED TO DO GREAT WORK**

If people are interested in building their careers with the same organization, how do organizations best support that? Recent research points to celebrating an employee’s career achievement over time as an effective strategy on multiple levels.

“Appreciation takes a job and turns it into a career.”

— FOCUS GROUP PARTICIPANT

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### JOBS VS. CAREERS

Research has shown that employees view a job as a career when:

1. They feel they’re doing what they chose to do.

2. A certain skill level has been acquired through years of service or specialized education/training.

3. They feel and express a sense of ownership or concern for company success.
Celebrating loyalty drives tenure

A recent global quantitative and qualitative study by The Cicero Group\(^3\) looked at the impact of years of service or career achievement programs. The findings: Celebrating career achievement is strongly correlated to increased tenure. In fact, organizations that offer a career achievement program keep employees an average of two years longer than organizations that don’t. If the program is perceived to be effective, employees plan to stay at their current employer for an additional two years on top of that.

### Average Number of Years an Employee Plans to Stay with Their Current Company.

<table>
<thead>
<tr>
<th></th>
<th>0 = poor quality program</th>
<th>10 = high quality program</th>
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<tbody>
<tr>
<td>No program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service program rated (0-7)*</td>
<td>8.6 years</td>
<td></td>
</tr>
<tr>
<td>Service program rated (8-10)*</td>
<td>10.5 years</td>
<td>12.7 years</td>
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</tbody>
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\(*0 = \text{poor quality program; } 10 = \text{high quality program}\)
The research also shows celebrating career achievement actively improves key employee engagement metrics. Specifically, communicating that a company cares about its employees and helping employees feel they fit in and belong. It's interesting to note that all of these results are true globally and cross-generationally.

*Percentage of employees who strongly feel the company cares about employees (top 3 box score of 0-10 scale)

*Percentage of employees who strongly feel they fit in and belong (top 3 box score of 0-10 scale)
Career celebrations uniquely help employees feel they “fit and belong” with co-workers (horizontal engagement) and also show the “company cares about them” (vertical engagement).

What this illustrates: With career achievement programs, employees have a greater sense of how they “fit in and belong” with co-workers (horizontal engagement) and how their work and role fits into the overall organizational strategy. It also shows how the “company cares about them” (vertical engagement) and values employees for their individual contributions. The key: Career achievement programs touch every employee, at every level.
Reinforce your culture, deepen commitment

Celebrating career achievement provides unique opportunities to teach and reinforce what matters most to the organization. During the presentation, a clear connection is made between individual employees and your brand values.

Training managers to connect employees’ actions to organizational goals can help create meaning in your employees’ work. It gives your employees a purpose; making them part of the bigger picture. Such communication assures employees they have an active role in the organization’s success. Managers’ roles are also enhanced, because they take the time to consider the service and contribution of their employees—when they ordinarily might not have done so.

81% of employees feel career celebrations help them feel appreciated for their work.
Opportunities for connection and inspiration

Working with thousands of clients, we’ve seen how celebrating careers at key milestone years is a unique, one-of-a-kind opportunity to focus on an individual. It’s about someone’s entire history of contributions, not just one single event. It provides opportunities for leaders to connect with their people, enabling them to see new talent. And, it creates moments that inspire peers to grow their own contributions to an organization. But as the research proves, it’s important not just to celebrate careers, but to celebrate them effectively.

SIGNIFICANTLY, MORE EMPLOYEES WOULD FEEL THEIR COMPANY CARES ABOUT ITS EMPLOYEES, IF THEY OBSERVED AN EFFECTIVE PRESENTATION FOR CO-WORKERS A FEW TIMES A YEAR.

Employees at companies that currently have a years of service program report:

58% WOULD FEEL THEIR COMPANY CARES ABOUT ITS EMPLOYEES

76% WOULD FEEL THEIR COMPANY CARES ABOUT ITS EMPLOYEES

EMPLOYEES WHO OBSERVED EFFECTIVE CAREER PRESENTATIONS
6 best practices for recognizing employee’s career achievement

Integrating research with best practice insights, here are six tips to help ensure a career celebration meets your business objectives and supports your culture.

1. Equip managers with the right tools and training.

Appreciating employees at every stage in their career inspires loyalty, while providing important touch points for managers. But as busy as managers are, they need to be set up for success. Start by setting clear expectations of your management team to recognize their employees on or near their anniversary date. Put a system in place that automatically reminds managers of upcoming service anniversaries. This gives them enough time to plan the presentation, invite the right people, and prepare their remarks. Finally, provide training that teaches recognition best practices. Companies that have implemented recognition training for managers have seen an increase in satisfaction with the recognition experience.

“Your company wants you to be invested, but it’s hard to feel invested in a company if it doesn’t invest in you.”

—FOCUS GROUP PARTICIPANT
Give awards with a personalized presentation.

In the white paper, “Optimizing Employee Recognition Programs”, The Cicero Group published their findings from a 2010 rewards study. The research revealed employees felt more appreciated and had greater loyalty toward their organizations when they received tangible awards. On a scale of one through seven (with seven equaling ‘I feel very appreciated by my company’) recipients rated the actual award at 4.21, while a presentation of recognition ranked 3.48. Yet, giving an award—along with a personalized presentation—took the rating up to 6.08. The same research also reported recipients desired awards that satisfied their wants (luxury items they might not buy with their own money) versus needs (cash or certificates used to pay bills or some other unmemorable, impersonal purchase). If your goal is to celebrate the career milestone and make the recipient feel appreciated, you want to reward them in a way that is memorable and effective.

In the end, you want to make the entire experience—from selecting the award to the actual presentation—as personalized as possible.

“A physical gift is something that I look at, and I know, through the highs and lows my company values me, and they recognize me.”

—REWARDS RESEARCH PARTICIPANT
Plan a celebration appropriate for the number of years being honored.

Celebrating one or five years should feel very different than celebrating 25 years. In fact, research shows each distinct career milestone triggers specific emotions. Understanding the emotions and psychology of someone at their one, three, five, 10-year (or more) anniversary will help in creating a more personalized and effective celebration. At 10 or more, consider inviting family members. Valuing these relationships recognizes all those who have sacrificed for and benefited from an individual’s career. By 20 and 25, you should make a big deal of the career achievement moment. Employees agree that 25 years is the most significant milestone and culmination of all previous milestones. It is a reflective time where employees want to celebrate the career they’ve had to-date.

“I’m filled with memories and stories; the folklore; company challenges; emergencies; the fun times; the changes. I have witnessed and been a part of so much.”

—FOCUS GROUP PARTICIPANT ON 25 YEARS

Invite other people to speak.

Consult with the recipient on what they would like. Who should be invited? Who should speak? Invite peers to participate, especially those who know the recipient well and are familiar with his or her contributions. The audience for a career celebration is not just the recipient—it also includes the manager, leaders, peers, and sometimes family. A typical employee will probably observe numerous career achievement presentations before experiencing their own. Through these presentations, each individual employee can embrace the organization’s goals and vision, feel their contributions matter, and be inspired to do great work. Because everyone gets a career achievement award at one time or another, the audience is greatly receptive to the messages being shared. It is a time of reflection and even inspiration for everyone: Managers reflect on the contributions of the recipient; the recipient reflects on his own achievements; and co-workers reflect on their contributions. Stories of success inspire everyone toward what they can do themselves to make a difference.
It’s also very important to invite leaders to participate. When senior leaders attend career achievement celebrations, it shows they value their people and are committed to recognizing them. Research shows an increase in engagement levels when, senior leaders show interest in the well-being of employees.\(^6\) For leaders themselves, it offers an opportunity to connect directly to employees. They’ll listen to the stories told by the employee’s peers and discover exactly how that individual has contributed to the organization’s success.

66% feel career celebrations strengthen relationships with co-workers.

During your presentation, share memorable stories that highlight the recipient’s unique qualities and illustrate his or her contributions to the rest of the organization. Talk about what they’ve accomplished, linking these contributions to your brand values and overall vision of the organization.

When employees better understand the connection between what they do and achieving top company goals, they are more likely to trust their employer. This trust leads to a high level of engagement, enhanced contributions, and commitment. In fact, researchers found employees who were committed to both their immediate work group and the organization had the highest level of collaboration and overall job satisfaction, and were least likely to leave.\(^7\)

“The presentation] should be personal, specific, heart-felt, and public.”

—SURVEY PARTICIPANT
The best career achievement presentations combine the same key elements

<table>
<thead>
<tr>
<th>KEY FEATURES OF RECOGNITION PRESENTATION</th>
<th>% ENGAGED IF NOT INCLUDED</th>
<th>% ENGAGED IF INCLUDED</th>
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</thead>
<tbody>
<tr>
<td>Make you feel appreciated</td>
<td>41%</td>
<td>74%</td>
</tr>
<tr>
<td>Feel sincere and personal</td>
<td>47%</td>
<td>76%</td>
</tr>
<tr>
<td>Connect accomplishment to company values</td>
<td>54%</td>
<td>77%</td>
</tr>
<tr>
<td>Detail specific accomplishments involved</td>
<td>58%</td>
<td>75%</td>
</tr>
<tr>
<td>Allow time for you to respond</td>
<td>61%</td>
<td>76%</td>
</tr>
<tr>
<td>Include an invitation for co-workers to comment</td>
<td>66%</td>
<td>77%</td>
</tr>
</tbody>
</table>

*Data based on 10,000 surveys conducted by Towers Watson and O.C. Tanner*
Extend the appreciation experience.

Once the celebration is over, you want the impact of the experience to live on. Record the event to give the employee a keepsake to save and share with family and friends. During the presentation itself, present a keepsake certificate with the award to serve as a valuable reminder of the day. Symbolic awards and pins also offer reminders of the culture, values, and meaning of the organization and specific career achievement. Finally, look for capabilities that connect with social appreciation tools. Integration with social platforms, such as Twitter and Facebook, let the employee’s entire community—personal and professional—offer congratulations. This will spotlight your organization as one that values and celebrates its people.

Decrease turnover and deepen the commitment of your employees with these effective career achievement strategies. Through regular award presentations, employees will feel your organization cares about their well-being. They’ll see better how they fit in and belong. They’ll see how their contributions matter. In the end, you’ll build and reinforce a culture of inspiration, appreciation, and great work.
ABOUT O.C. TANNER

O. C. Tanner helps the world appreciate great work. More than 8,000 organizations in 20 languages rely on our solution design, custom software, award fulfillment, bestselling books, leadership training, and measurement to build cultures where people, teams, and profits thrive. We build strategic employee recognition solutions that align with corporate goals and strategies. For more information on impact on effectively celebrating careers, contact your local O.C. Tanner representative or visit us online at octanner.com.

METHODOLOGY AND SOURCES

Service Awards: Quantifying the Return-on-Investment

Qualitative and quantitative research was conducted by The Cicero Group across an expansive breadth of demographic groups. Qualitative research included interviews and focus groups involving over 110 participants across varying geographies, cultures, and ages. Six domestic focus groups of full-time employees in Phoenix, AZ; Minneapolis, MN; and New York City, NY; followed by six additional international focus groups with full-time employees in Munich, Germany; London, UK; and Tokyo, Japan. In-depth interviews were conducted with human resource executives and business managers in order to incorporate the employer’s perspective throughout the research. Following the qualitative portion of the study, a quantitative survey was administered to a random sample of over 2,400 employees in 10 countries and seven languages. The survey consisted of an initial “blind” portion where respondents were unaware of the subject matter.

Outcomes are everything
We’d love to share what we’ve helped thousands of our global clients achieve.
Contact us today at octanner.com

5 The Cicero Group focus research January 2012.