

# Real Results

A new sales manager is given the second-lowest-performing region. He believes that people who feel valued will outperform others and so he decides to make recognition a priority. His first quarter as manager, his team beats its quota. The second quarter they do it again, and at the end of the third quarter . . . well, at the end of the third quarter they are the second-highest-performing region!

*They went from second-lowest-performing  
to second-highest in nine months.*

It is a simple fact: people who feel valued perform at a much higher level. Think about a great manager you've had, one who made you feel valued. What would you have done to make him or her look good? I know the answer. A lot!

An executive leaves one company for another. With him, he takes his "good, solid performers." The new company is built on

a culture of recognition. Once he adapts to their style, he says, “My good, solid performers became stars.”

*His good, solid performers became stars.*

Wouldn't you like to have a few more stars on your team? With a little time and effort to offer meaningful recognition, you will see significant results.

Results that you can see—that is what this book is about. *Make Their Day!* will introduce you to *recognition that works*—recognition that is meaningful, memorable, and boosts morale, productivity, and profits. As you read this book, you will learn simple, effective techniques that you can begin to implement today.

## **Making Recognition a Priority**

I know you're busy. You have to make sure the work gets done. You may even be dealing with hiring freezes, layoffs, mergers and acquisitions, strikes, budget cuts, rising expenses, product defects, missed deadlines, or high turnover among in-demand workers. There's a good chance that, in addition to your managerial duties, you are also an individual contributor. In terms of priorities, if you're like many managers, supervisors, and team leaders, recognition has come dead last. While this may be understandable, it is a big mistake. Managing is easier, not harder, when you make recognition a priority.

## **Don't Put Recognition on Your To-Do List**

After reading the heading for this section, you're probably thinking, “What do you mean, don't put recognition on your to-do

list? If it's not on my to-do list, how can recognition be a priority? Isn't that a contradiction?" No, it isn't. I've seen many managers and supervisors who decided to make recognition a priority. They had the best intentions when they put "recognize employees" on to their to-do lists, and then, as the weeks progressed and pressing matters demanded their attention, they slowly moved recognition farther and farther down the list. Even though their intentions were good, recognition never happened.

You have enough to do already! If you add recognition to your oversized to-do list, there is a good chance that you won't get to it. When you do manage to get to it, you're likely to do it once, check it off, and then forget about it. This isn't the kind of recognition that works.

## **Make Recognition the Header on Your To-Do List**

Recognition isn't something you can do and then check off your list. You need to think of recognition a little differently. Instead of adding recognition to your to-do list, make it *the header*. Find ways to make recognition part of every employee interaction. When you delegate, add a little praise of past accomplishments. When you receive project updates, thank employees for their promptness, thoroughness, or accuracy. When you hold a team meeting to talk about a new challenge, express confidence in the group's ability to meet that challenge. As you complete each item on your to-do list, think about how you can incorporate recognition into it.

### ***Make Your Job Easier!***

Make recognition the header on your list, and you will find your job gets easier. There are hundreds of small things you can do to

provide the recognition your employees crave without putting a greater strain on your time, things that positively affect the work environment because they provide the right kind of recognition. With the right recognition, you will find employees more willing to tackle problems on their own instead of bringing them to you to solve. With the right recognition, employees will show more concern about quality and reputation. With the right recognition, employees will be more willing to pitch in when things get difficult. Morale will go up. Absenteeism will go down. And your job will get easier.

Recognition that works does this: it energizes and revitalizes the workplace. It creates a loyal, motivated, and productive workforce. And a loyal, motivated, and productive workforce makes your job as a manager easier.

### **Recognition That Works, *Works!***

Recognition that works, *works*—even in the most challenging situations. Nothing demonstrates this quite as well as the story of Remedy Support Services that was featured in the first edition of this book.

In August 2001, Peregrine Systems purchased competitor Remedy Corporation. While managers at Remedy were hopeful that the purchase would help them expand their operations and increase market share, they still faced typical merger issues: concerns about possible layoffs, culture changes, product direction, and the priorities of the parent company—challenges that many managers are very familiar with. During the next eight months, Peregrine Systems endured the same financial setbacks as most of the technology industry and suffered through the seemingly inevitable layoffs.

This was only the beginning of the challenges that Remedy faced as part of Peregrine Systems. Peregrine announced it had misstated revenue during the past two years, and the CEO and CFO resigned.<sup>1</sup> Remedy was restructured, and 5 percent of the workforce was laid off. Peregrine stock continued a steady decline; class action stockholder lawsuits accumulated; and by the time Remedy had been part of Peregrine Systems for ten months, Peregrine stock had been delisted from NASDAQ.<sup>2</sup> Just over twelve months after it was acquired by Peregrine Systems, Remedy was sold to BMC Software.

Talk about a whirlwind of turmoil and change! Given the circumstances, it's easy to imagine employee morale would be at an all-time low. How could managers possibly keep employees productive under these conditions? Yet during the tumultuous ten-month period from purchase to delisting, Remedy Support Service maintained employee morale and improved customer satisfaction ratings while continuing to grow its revenue stream!<sup>3</sup>

Mike Little, then VP of Worldwide Professional Services and Support, said the company survived and even thrived because the managerial staff set big goals, listened to employees, and showed their appreciation. As you will discover as you read this book, these three things are keys to offering meaningful and memorable recognition.

### *Visible Signs of Recognition*

To bring employees through this crisis, Remedy Support Services used many forms of recognition. Pirate ships constructed by each of Remedy's support groups offered a reminder of a friendly competition to be the best support team. Some managers gave out stickers for perfect customer surveys, and employees displayed the stickers outside their cubicles. One employee was proud of a toy SUV his manager had presented him in recognition of his good

work. Managers worked hard to find fun and creative ways to improve performance and show employees they were valued.

Managers also held Employee Appreciation Days where they washed employees' cars, prepared them food, played games, and dressed up in costumes. According to employees, Employee Appreciation Days isn't an event the organization simply puts on; it's something the managers do for them. When I met with employees, they were getting ready to celebrate Employee Appreciation Days. Because of budget cutbacks, little discretionary money was available. Many employees told me that instead of eliminating the celebration, managers chose to pay for it out of their own pockets. The gesture wasn't lost on the employees. It meant a lot to them.

### *Invisible Recognition*

Many companies try friendly competitions, prizes, and events with little or no success. These things only worked for Remedy because managers offered another kind of recognition as well—recognition that you might not even notice at first glance.

When I toured Remedy with Mike Little, he introduced me to many of the hundred-plus employees in support services. During those introductions, I discovered he knew everyone's name, how long each had been with the company, and where they had worked before. There was an easy camaraderie between Little and the unit's employees. It was apparent that one way he recognized employee value was by staying in touch with and caring about every individual.

Here is another example of this more subtle form of recognition. One of Remedy's tenets is "Hire the best and then trust them." There is a lot of recognition in that statement *if managers really believe it*. Remedy managers proved they meant it when Peregrine Systems required a

second round of layoffs. These managers refused to follow outlined procedures. During the first round, they had followed protocol: personnel followed laid-off employees to their desks, waited while they packed up their belongings, and then escorted them out of the building. Following this first round of layoffs, managers asked themselves, “Where is the trust in doing it this way?” They hated the message their actions sent.

During the second round, they handled it differently. They allowed employees to spend as much time as they liked packing up their things and saying their good-byes. No one followed them around, and no one restricted their access. Some employees finished quickly, and others spent the entire day. Several thanked their managers for allowing them to leave in this manner. The way the managers handled the layoff was a small gesture, but it meant a lot to employees—both those who stayed and those who left.

Managers at Remedy built recognition into every action and reaction. It was the header on their to-do list, and it made all the difference to employees. It is the reason why, in the face of unbelievable turmoil, Remedy Support Services consistently improved customer satisfaction and increased revenue. As you read the chapters that follow, you will learn why the people in your workplace consider the kinds of recognition that Remedy offered to be so important.

### *Proven Techniques*

Throughout this book, you will learn about organizations that have demonstrated their ability to offer effective recognition. These organizations, as a whole, experience lower turnover and higher productivity and profitability than their industry averages. This point bears repeating: When employees give high ratings to the

recognition they receive, their organizations typically have lower turnover and higher productivity and profitability than other organizations in the same industry! During economic downturns, these organizations lay off fewer employees; and, when they do have to reduce their workforce, employee morale is far more resilient.

The firms that make *Fortune* magazine's annual list of the "100 Best Companies to Work For" provide great examples of organizations that offer many forms of effective recognition. According to Robert Levering, who along with Milton Moskowitz oversees *Fortune*'s Best Companies project, "No company can have a great place to work without having good ways to show appreciation to employees." Not only do the companies on the list do a good job of offering the kind of recognition employees value, but these companies also receive tremendous payback for their efforts. Levering and Moskowitz's research reveals the following:

- Industry by industry, the companies on the list have 50 percent less turnover than their counterparts.
- Publicly traded companies on the list average a 15 to 25 percent greater return for investors than the S&P 500 over three-, five-, and ten-year periods.

The *Make Their Day!* philosophy is based on proven techniques. Each organization, department, manager, or supervisor highlighted in this book will help you understand what it takes to create meaningful recognition.

In the chapters that follow, you will learn how to create meaningful and memorable recognition that improves employee commitment to your organization. You will learn how to offer recognition that works and begin to look at recognition differently. You will train yourself to see what the recipient sees, looking past superficial symbols and focusing on what really matters. In the process, you will reduce your workload, improve productivity, and create a workplace where people love to work.