

# How to Create a Culture of Praise and Recognition

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Praise can fuel motivation, productivity, and career ambition. Although it is intangible, praise runs deep to the core. It has the power to fine-tune a person's commitment, impact, and influence. Receiving constructive praise rocks the insides and motivates like no other! Praise serves as a powerful, enduring form of recognition. It also can be used to foster a culture of gratitude—a way of communicating with others to convey thankfulness for their contributions to the team and the organization.

**KEY WORDS:** Praise; recognition; public recognition; written recognition; indirect praise; monetary compensation; verbal recognition; management tools.

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Our research has enabled us to develop eight qualities of praise. These eight tactics, when applied together, can help leaders develop a culture of gratitude and recognition in their teams and organizations:

1. View praise as an ongoing and essential ingredient of people management.
2. Know that praise can help to make everyone in an organization feel valued.
3. Personalize praise—match the right kind and amount of praise to each recipient.
4. Recognize the power of indirect praise.
5. Use written and other tangible forms of recognition, not just verbal praise, and give one's time too.
6. Praise on the scene and behind the scenes.
7. Praise both the effort and the outcome.
8. Create a system for giving praise, and be creative and consistent.

## STRATEGIES FOR INCORPORATING PRAISE

Taken together, these eight initiatives have the power to motivate personal discovery and contribute to the success of the team.

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powerful, enduring form of recognition. It also can be used to foster a culture of gratitude—a way of communicating with others to convey thankfulness for their contributions to the team and the organization.

The eight initiatives we suggest are discussed in detail in the following sections.

### View praise as an ongoing and essential ingredient of people management.

Praise is an extraordinary gift, but giving praise is not an easy task. Barbara Slater stresses: "You don't want praise to be mediocre—you want praise to have value. The value of praise comes from how it is given. There has to be sincerity and thoughtfulness behind the praise. It has to have a quality of its own." She continues, "One can only give praise if the person giving it is comfortable with herself and can acknowledge others without being in competition with them. Giving praise is a form of love."

### *Acts of kindness, service, and giving praise always reward the giver as well as the receiver.*

An old Native American proverb says: "Everything that is not given is forever lost." When we help team members find ways to grow and be of service to our colleagues, we help them see the value of reaching out with praise. Let's show team members how to make a significant difference in the lives of others. Acts of kindness, service, and giving

praise always reward the giver as well as the receiver. This giving mindset says, “let me give authentic praise to my team members and nurture an interest in praising and reaching out to others.” Acts of praise free us from our self-imposed, me-focused lives by widening our circles of compassion. Encourage others to practice and reach out with praise. The *spirit* of giving praise transforms both the receiver and the giver. It sets up a culture that is open-hearted and generous.

### **Praise can help make everyone in an organization feel valued.**

Nonprofit organizations often rely heavily on praise. Because they usually offer less financial recognition, one has to find ways to recognize or praise employees for all the good things they’re doing. Margaret Heater, aside from her lengthy career in human resources, has been a non-profit volunteer for 30 years, most recently at the High Desert Museum in Bend, Oregon. “We go down to the very basic level of the organization to someone that might be feeding birds, taking care of the fish tanks or shoveling manure in the horse corral, and we ask for their opinions. We ask for them to get involved with our thought process on what the whole organization needs. We go to the most basic employee and we say ‘your information counts,’” she said. Heater makes them feel valued. That in and of itself is a form of praise, because it conveys to employees that they are important contributors to the overall success of the organization. Similarly, at the DuPage Children’s Museum, another nonprofit, development officer Elaine Drikakis believes that praise encourages a more creative and innovative environment for both children and adults, making each feel valued. When all participants in an organization are praised and feel heard, the culture flourishes.

Listening is another way to demonstrate to someone that he or she is valued. Drawing from her wealth of work experience in both for-profit and nonprofit arenas, Heater shared, “Active listening is the greatest gift of praise you can give to any employee at any time. I used to love to take the most difficult employee who was having huge problems with the organization and just sit them down and say, ‘What’s valuable to you? What do you see in this organization that we might be missing? Help us find a way to make your position much more valuable to this company, because it means a lot to us.’” In this example, Heater describes a way to turn a negative employee around using a very specific kind of praise—one that says you are important, we care about you and we value your thoughts. Praise can make *everyone* feel valued in an organization.

### **Personalize praise.**

Match the right kind and amount of praise to the recipient. The way in which people are recognized for their efforts should vary. What might work for one person is not

necessarily going to work with the person in the office across the corridor. Both respond to different types of incentives. Orla Branigan, Marketing Director for Tec de Monterrey, shares, “One person might prefer financial or tangible incentives, while another might respond more based on praise for [his or her] work—and somebody else may really need a deeper kind of recognition about what went on intrinsically in terms of receiving that result.” Here’s the crucial point: the person doing the praising must know their employees or teammates on a deep, intrinsic level to understand which forms of praise work best for *them*. The “giver” has to apply the praise that best suits the “receiver” to get the most out of each gesture of recognition.

### ***Managers have to get to know their employees on a deeper level to understand which forms of praise work best for each one.***

Predictably, some people need praise more than others. Sam Yagan, CEO of ShopRunner and former CEO of the Match Group, was asked: “How do you know when you need to give praise?” His answer: “It is either because someone has done something that warrants it, or that someone is in a state of mind where they need it.” He clarified, “I’ve got some people who work for me who don’t seem to thrive on praise, who don’t seem to need it. Maybe they’re pretty secure where they are.” Yagan continued, “And then there are some people who need it all the time, and I think that part of being a good leader or manager is assessing when and whom and for what.”

Managers have to get to know their employees on a deeper level to understand which forms of praise work best for each one. For some, praise is best communicated financially, whereas for others it is best to use public recognition or assign new responsibilities as an acknowledgment of their growth.

Delegating high-profile and important tasks can be a welcome form of praise for some team members. Yagan said, “For some people, the praise comes through actions. I just gave one of my senior executives a very high profile project to work on, and I think he was excited to work on it because it’s an important problem. I said ‘Look, this is something that everyone will know you’re working on,’ and that resonated with him. He is receiving this huge responsibility from the CEO to do this project that everyone knows is really important.” In contrast, Yagan said, “There are some other people with whom I’ve been trying to get more specific in real-time. I’ve been saying, ‘Hey you did a great job in managing that meeting,’ or ‘Hey, thanks for correcting me.’ And especially when someone does something that was risky, I try to specifically call that person out

and say, ‘Hey, keep doing that! Thanks for saving me in that meeting.’”

For Yagan, humility plays an important role in his personalization of praise—another crucial leadership quality that we believe establishes stronger bonds with one’s employees. This strengthened bond, in turn, allows a leader to better understand their employees and further improve their personalization of praise.

### Recognize the power of indirect praise.

Not all praise gets communicated directly from manager to employee—sometimes it arrives in a more indirect fashion. This “through the grapevine” praise can have a powerful impact on the recipient. One interviewee, a senior executive at a consumer products company, shares several examples of being on the receiving end of this behind-your-back praise. “If I tell one of my wife’s girlfriends, ‘you know I just love this about my wife,’ it gets back to her.” In this situation, the recipient, his wife, hears the praise from others, not directly from the original giver. Nevertheless, the praise bounces forward to the person who has done something noteworthy. In a sense, praising from behind actually amplifies the praise through each of the multiple points of contact it passes.

In another example, this same executive says: “I have a daughter who goes to college in New York City. I was visiting her and we went out to dinner with some friends in her small little group. They were all saying, ‘Sally loves you guys; she loves you and her family.’ So obviously Sally had said good things about us to them. That was more important than anything they could have posted on Facebook.” This kind of behind-the-scenes praise was “caught” by the parents, and it made them feel good inside. When it reaches the recipient, indirect praise can provide recognition and a feeling of reward just as well as direct praise. It, too, can lift people up.

### Use written and other tangible forms of recognition.

Written praise is extremely powerful. Seeing written words of praise can make the recognition “pop”—and the recipient can go back and reread it again. It has the potential to *really* sink in. Handwritten notes or emails when someone has accomplished something can have this lasting and significant impact. Leaving a voicemail for a person who has done something well is another way to share gratitude and detail that person’s contribution to the group. When they listen to it, or play it back, they feel appreciated. Another way to express gratitude for a job well done is to give some kind of a gift. Extraordinary over-the-top performances might warrant some kind of monetary compensation or a dinner to express appreciation.

Giving one’s personal time also can be a form of recognition. For example, Yagan takes five different employees

out to lunch once a month. They are the rank-and-file customer service reps and marketing managers who work on the line, whom he usually would not see in his normal day. He doesn’t know them, but nonetheless he spends two hours with them, and they recognize his time investment. They go back to their cubicle offices and they say, “I just had lunch with the CEO! He cares, he recognized me.” Seek opportunities to spend a little one-on-one time with the people you lead; it will really mean a lot to them.

### *Effective leaders nurture a giving mindset.*

Once when Yagan took the entire Match.com accounting team out for lunch, they were shocked. He says, “I think the functional teams—accounting, HR, legal, IT, those kind of groups—they probably don’t get praised or recognized enough. I think their output is hard to quantify; they tend to *not* generate revenue or touch customers, but they provide the backbone for the organization.” This gesture didn’t cost all that much in the grand scheme of things, but it brought an incredible amount of value to the employees—and that’s the key! The decision of how leaders spend their time, what they talk about, the things they choose to highlight, and what values they choose to emphasize are all different forms of recognition.

Effective leaders nurture a giving mindset. One such leader, Gerry Kern, former editor of the *Chicago Tribune*, used many kinds of recognition. He walked around and verbally recognized people, sent notes, and gave them new work opportunities and responsibilities. On the social front, he brought in food, held receptions, bought departments drinks, and took colleagues to Cubs games. While he acknowledges that one-on-one contact has more meaning, his impressive “mix” of intangible tools of recognition “lifted up” those who worked with him.

### Praise on the scene and behind the scenes.

Large, “mega” endeavors and events need grandiose expressions of gratitude. They require that timely praise be given to *all* team members involved. Large events are great ways to share the limelight by giving generous credit to all who contributed to the success of the team and the organization.

For example, the EGADE Business School in Monterrey, Mexico, holds an annual summit. One event was particularly well executed and delivered, as Orla Branigan detailed to us. Many people were involved in the planning of the summit, which began the *day after* the previous year’s summit. To say that “lots” of people were involved is understating the extensive coordination required. Team members dutifully focused on everything from logistics, marketing, communications, and managing speakers and agendas, to

handling AV and video, pre- and post-communications, and social media. Branigan emphasized how important it was that recognition happen immediately after the event concluded. Some team members worked four days without leaving the site, and some stayed through the night to make sure everything was perfect when people arrived at 7 o'clock that morning. That evening, the dean gathered the complete, exhausted team together for a "great work" speech and a round of applause for jobs well done.

The next day, a formal communication went out to the entire community that recognized the achievements of the EGADE Summit, saying it had successfully met its goals, sharing details on the number of leaders that attended, as well as their discussion and debate topics. At the end of the letter, the dean recognized the entire team across the EGADE Business School who contributed in many different ways to making the event a great success. She thanked the team formally for their efforts, commitment, and long hours, adding that their efforts really made a huge difference in enhancing the school's agenda locally within the business community, as well as developing and strengthening their business school throughout Mexico. What did this letter accomplish? The person who just worked 36 hours straight now knows that her efforts were appreciated and valued! Praise was executed both on the scenes and behind the scenes with everyone involved in the creation and execution of the event.

### **Praise both the effort and the outcome.**

Each instance of giving praise is accompanied with a particular *intent*. Some praise carries the intent to create conditions where people feel safe. For example, one might respond to a failed new product test with, "You tried that prototype and we learned that it wasn't addressing their needs." In this case, a person is talking about the *effort*, not the achieved outcome, prototype, behavior, or generated idea. Put differently, one could have said: "That was gritty of you. You took a shot, and I want to recognize and praise you for your effort." Here, praise is for the effort—not the execution.

***If efforts are praised even when execution fails, people won't be afraid to take a risk the next time around.***

Those who give the praise must clarify what it is that they are recognizing. Are they rewarding efforts or achievements? Or both? It is beneficial to recognize *effort* because at a certain point, a person or a team has spent a lot of time completing a task to the best of their ability, regardless of whether or not their endeavor was a success. This

can be a very effective tool for mitigating risk aversion in a workplace culture. If efforts are praised even when execution fails, people won't be afraid to take a risk the next time around. Other times, it's important to also link praise to the *achievement* of specific goals. We think recognition and praise have enormous value in both situations—when they are directly connected to efforts and to tangible achievements.

### **Create a system for giving praise, and be creative and consistent.**

Praise and acknowledgement are unquestionably important for any culture or organization, and when there is a "system" in place, the two flow more easily and organically. Brian Bannon, Commissioner of the Chicago Public Libraries, shares: "Praise and acknowledgement are key, but in our organization we haven't yet created a system. While independently our managers and leaders value praise and acknowledgement as part of the culture, I don't think we have established systems that let us know it's happening." Putting such a system in place to guarantee that praise is executed is a great idea, but it can be very difficult to institute such a stark shift in the status quo.

## **ESTABLISHED RECOGNITION SYSTEMS**

We have discovered four established systems in our interviews that help team leaders and members both give and receive recognition publicly and showcase their appreciation.

### **The Grow Awards**

Jennifer Bentz, CIO of Tyson Foods, says: "Our employees are incentivized to engage in innovation through a performance goal built into their performance metrics. Individuals are recognized for coming up with ideas. Called the Grow Awards, it is a system where anyone can recognize anyone else publicly and showcase that appreciation. People are recognized by their peers for their ideas or for advancing the culture of the company. Employees accumulate points, and they can buy items through a catalog. There are different award levels, and each 'winner' is published on an Internet page for all to see."

### **Mad Props**

Employees at Pete Kadens' former firm, Socore Energy, created a platform called "Mad Props" as a way to drive a culture of recognition. Throughout the month, people submit compliments that must be about what an employee did well in the workplace. These compliments are submitted to and administered by a central repository. Management is not allowed to participate in Mad Props. At year-end, all compliments are quantified, and the employee with the

most “Mad Props” wins a cash prize. The largest gifts were for \$15,000 cash, then \$7,500 and \$2,500. Finally, the name of each Mad Props winner goes on a wall of fame.

### Annual Awards Dinner

Given their patent-focused culture, employees at Clever-safe created a unique system of recognition. Anyone who received a patent during the year is given an award. When employees receive their 10th patent award, winners are recognized and receive plaques at an annual awards dinner, shared Chris Gladwell, founder and CEO.

### Academy Awards

Employees at SMS Assist put in place their own unique “Academy Awards” to provide peer recognition. Chairman and CEO Michael Rothman and CFO Marc Shiffman

stressed that these awards were for *everyone* at all levels. They are “creative” Academy Awards, made from their training videos. All of the “actors” are SMS Assist employees who play different roles in the videos. The company ceremoniously gives out unique Academy Awards to all the “actors.” Imagine the fun—and recognition—that occurs at this event!

## CONCLUSION

In short, praise needs to become an ongoing management tool that is tracked and measured. It needs to occur often enough that it can be infused in the company culture and reach everyone at an organization, and it also needs to be tailored and specified to the person (or people) it is targeted to so it is right for them. ■■