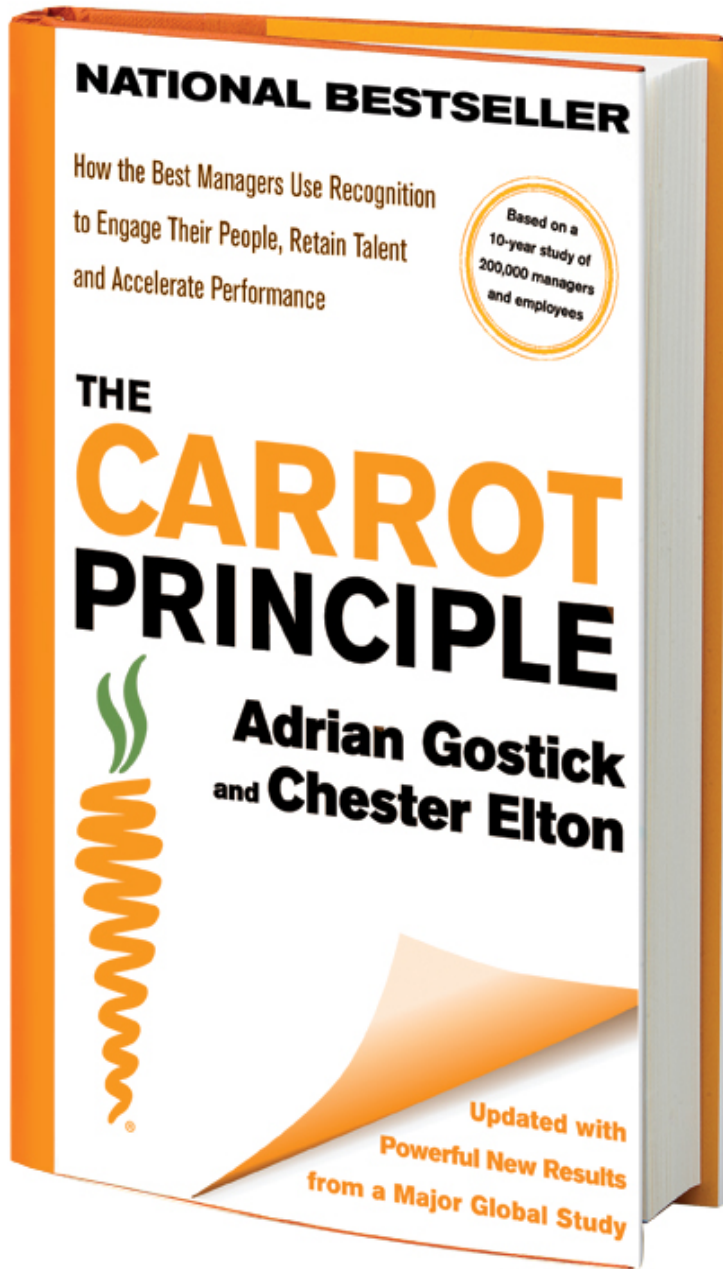




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# THE CARROT PRINCIPLE

How recognition *ACCELERATES*  
employee engagement, retention and  
performance

with Chris Kendrick





# What is recognition?

(carrots)

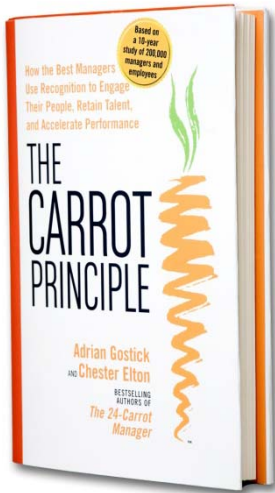





# The Power of Carrots

- Higher employee **retention**
- More **engaged** workforce
- Greater, sustained **productivity**
- Higher **profits**

# Research-Based



- One of largest workplace surveys ever conducted
- Focus groups
- Interviews

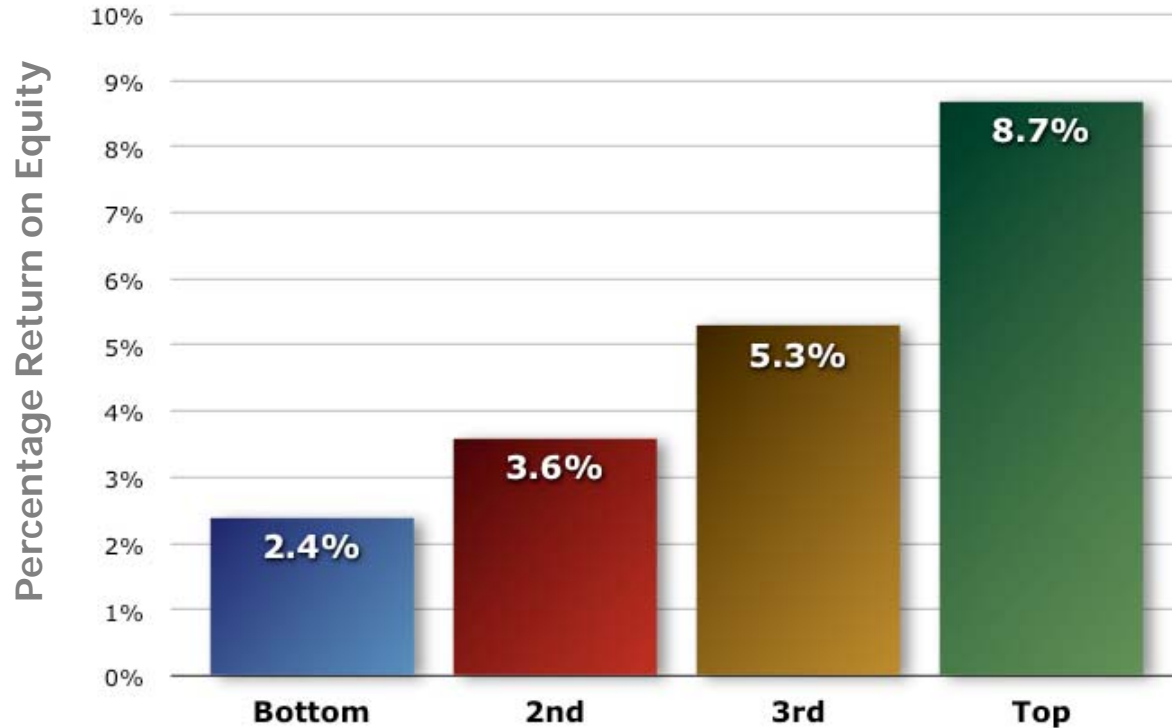


“The Ph.D. statisticians at the Jackson Organization have concluded that the correlation is so strong that it is **statistically impossible** to be considered a trusted, communicating, team-building, goal-setting manager unless you are **effectively using praise and recognition.**”

# ROE

## *Accelerated*

Survey data showed Return on Equity (ROE) is as much as three times higher in firms that effectively recognize their employees.

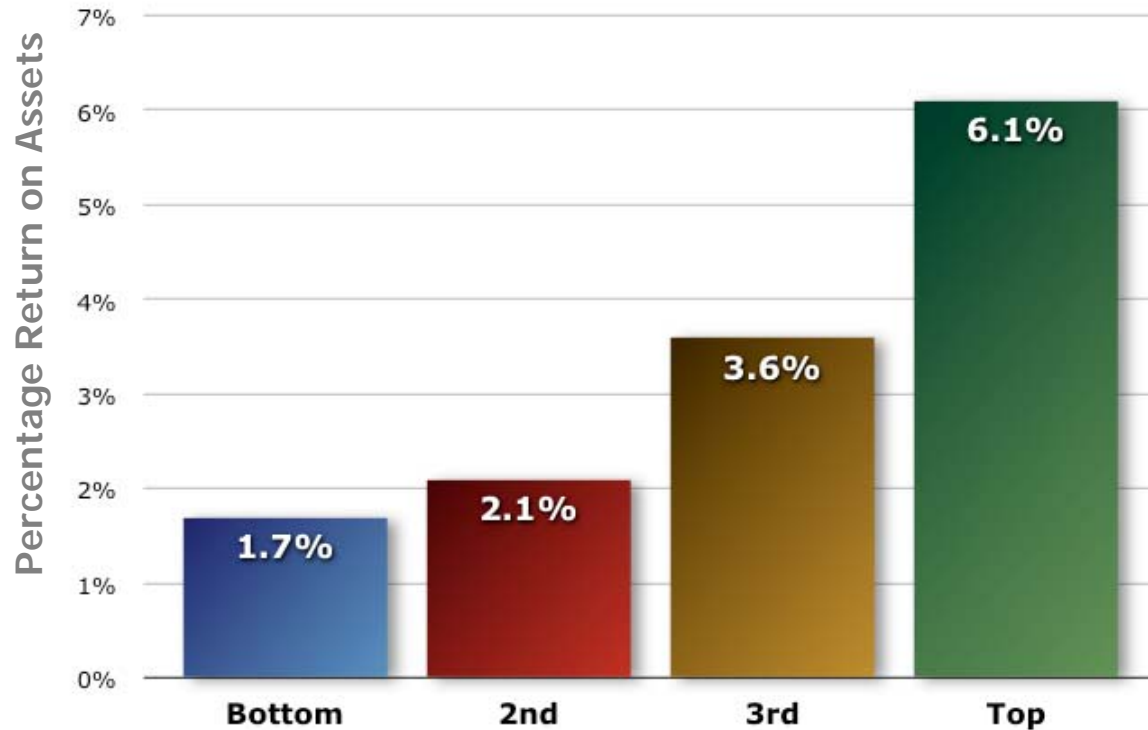


Performance by Quartile on  
"My organization recognizes excellence."

# ROA

## *Accelerated*

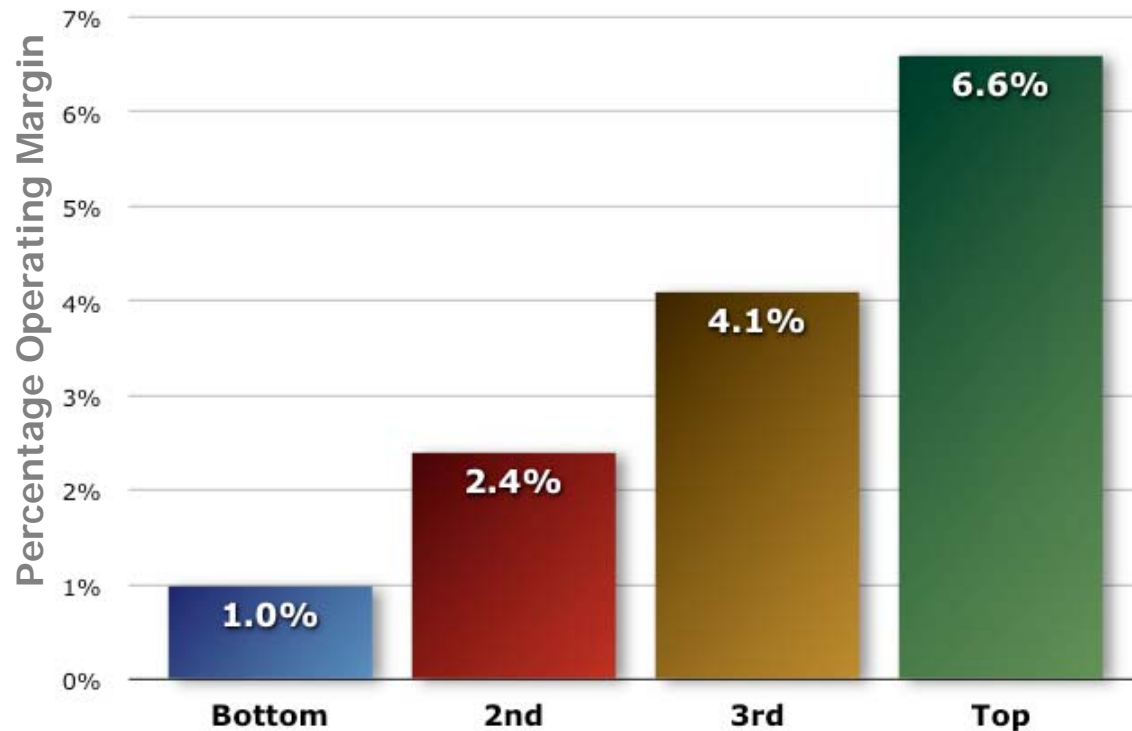
An equivalent connection was made between Return on Assets (ROA) and employee recognition



Performance by Quartile on  
"My organization recognizes excellence."

# Operating Margin

Organizations where employees felt recognized for excellence realized an Operating Margin that was up to six times higher than peers



Performance by Quartile on  
"My organization recognizes excellence."



Formal:

performance/behavior  
service anniversaries  
company milestones  
safety awards  
retirement  
welcome

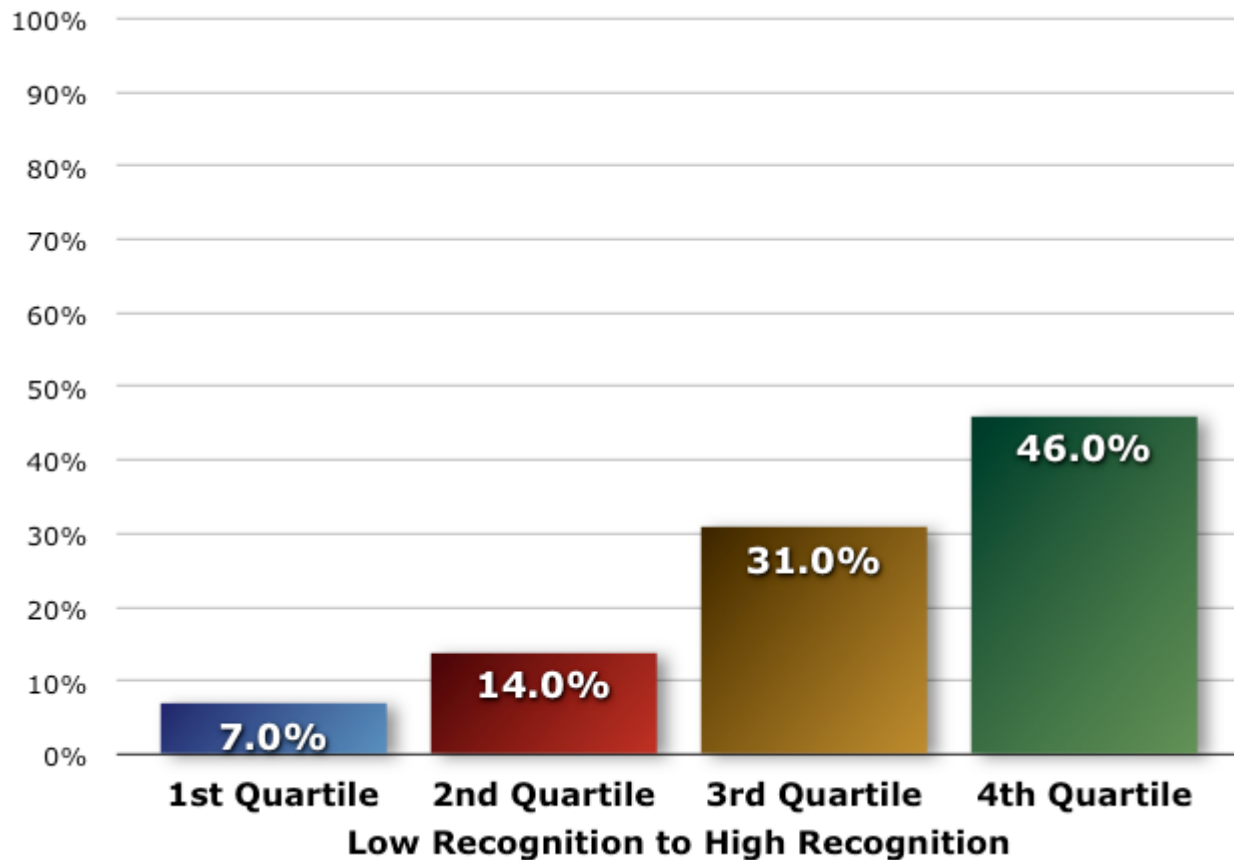
Day-to-day:

performance/behavior  
atta-boys  
thank-yous  
pats-on-back  
acknowledgement

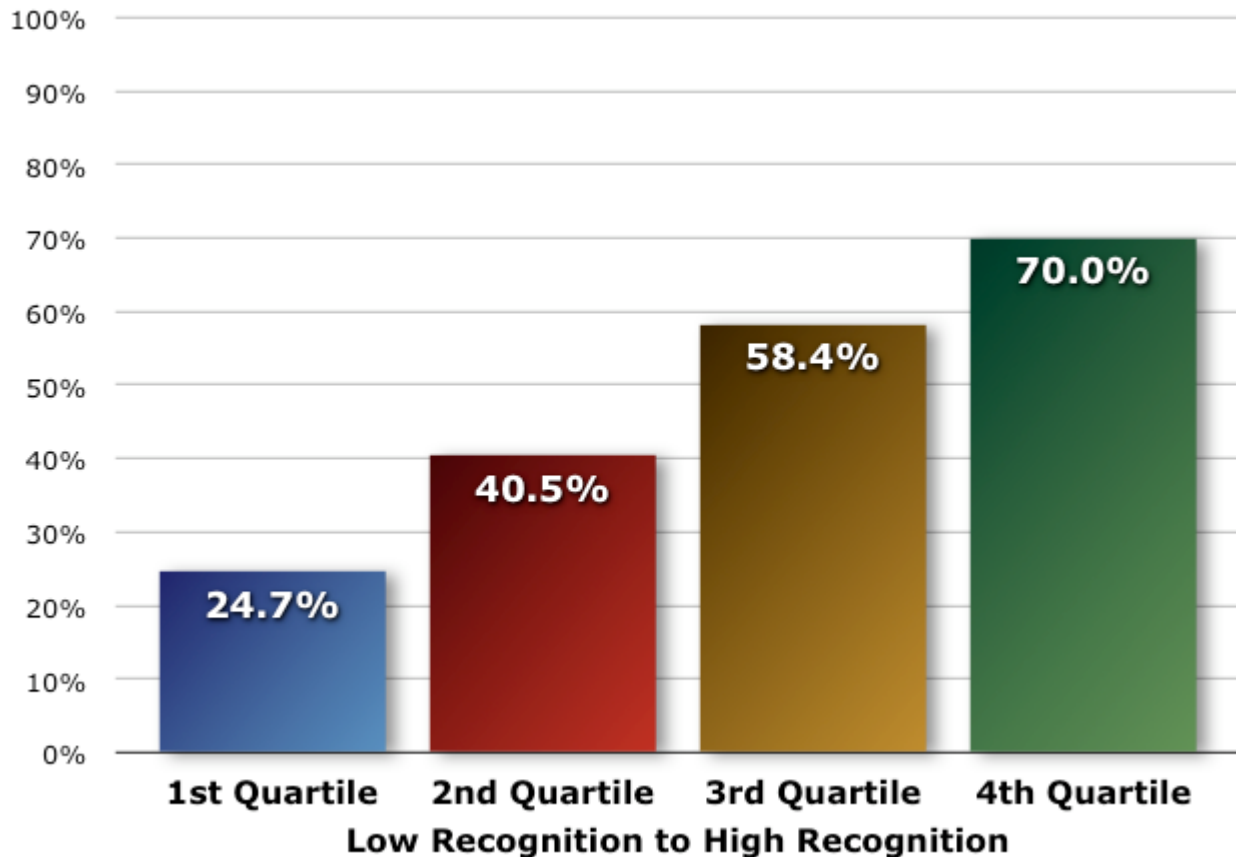


**The  
Recognition  
Experience**

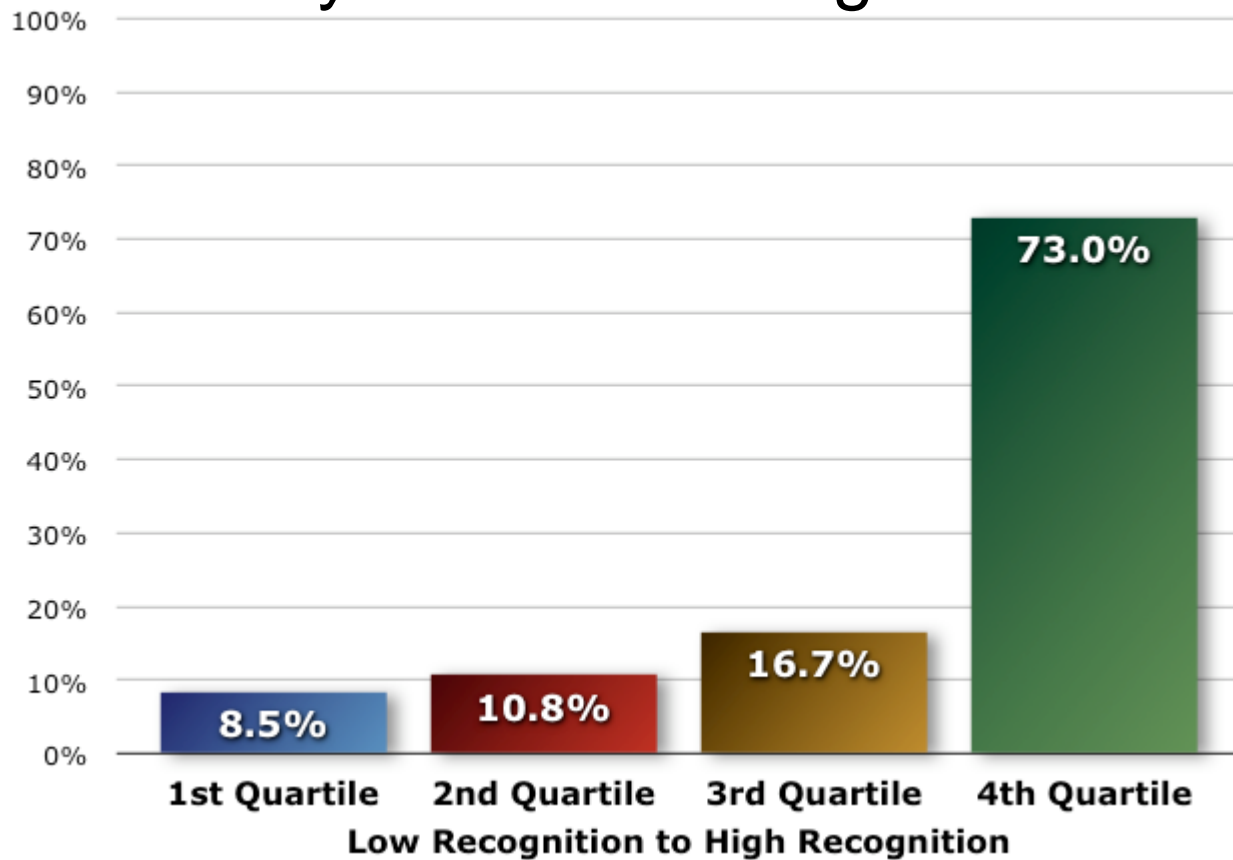
# Percent of Employees “Completely Satisfied” With Their Jobs By Level of Recognition



# Percent With “Very High” Desire To Work For Their Employer “One Year” From Now By Level of Recognition



# Percent of Employees Who Are “Highly Engaged” By Level of Recognition



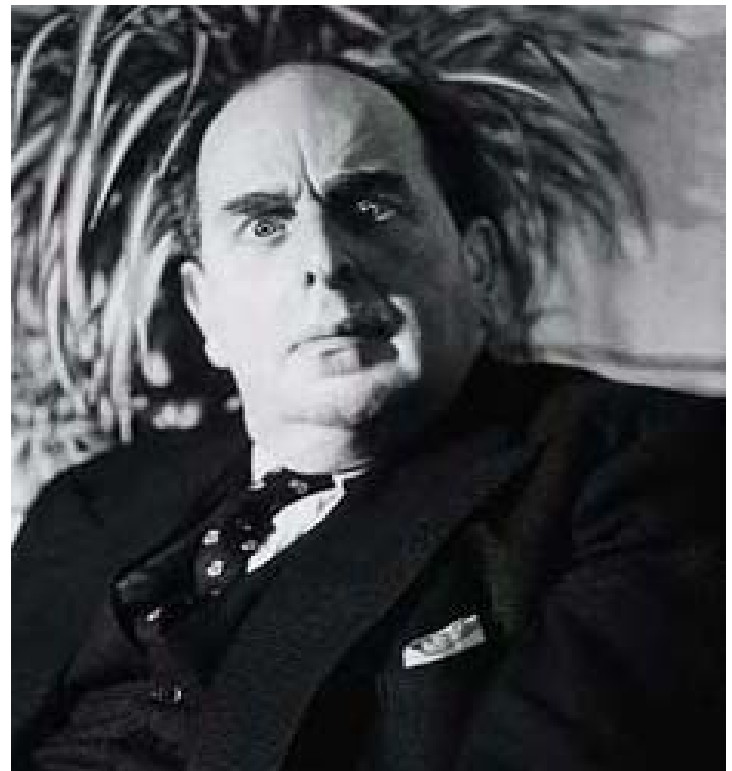


# Why recognition?

(carrots)


According to research, what percent of workers cite “lack of acknowledgement” as their top work issue?

88%





# Informal/Seeds

- Letter of praise to family
  - Do least favorite task
  - Remember special days
  - Wash car
  - Parking space for a week
  - Traveling award
  - Cup of coffee
  - Box of chocolate bars
  - Half day off to spend w/ kids
  - Scrapbook of memories
  - Tickets to movie, play, game
  - Friday inspirational movie
  - “Pat on back”
- 



**OUCH!**



- Most workers don't leave their **organizations**—they leave their **supervisors**

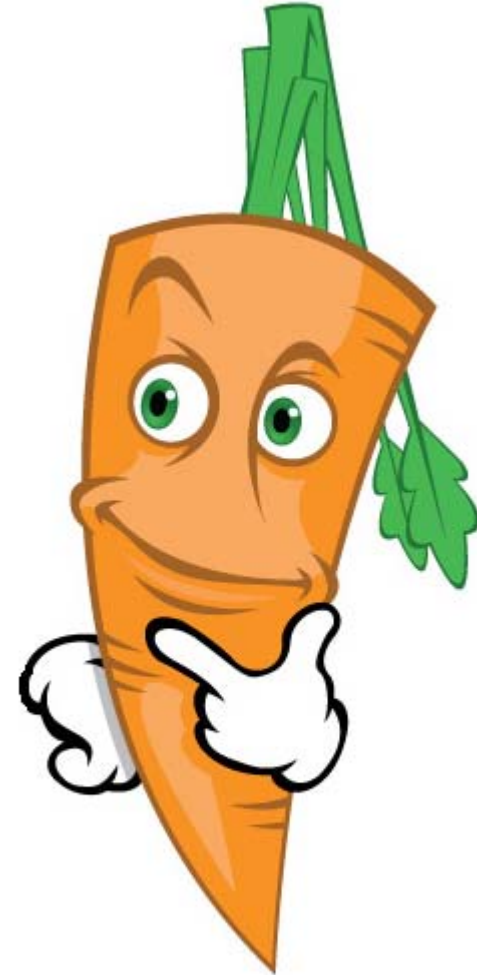




**What will you say?**

# Ah, the Power of a *Carrot*

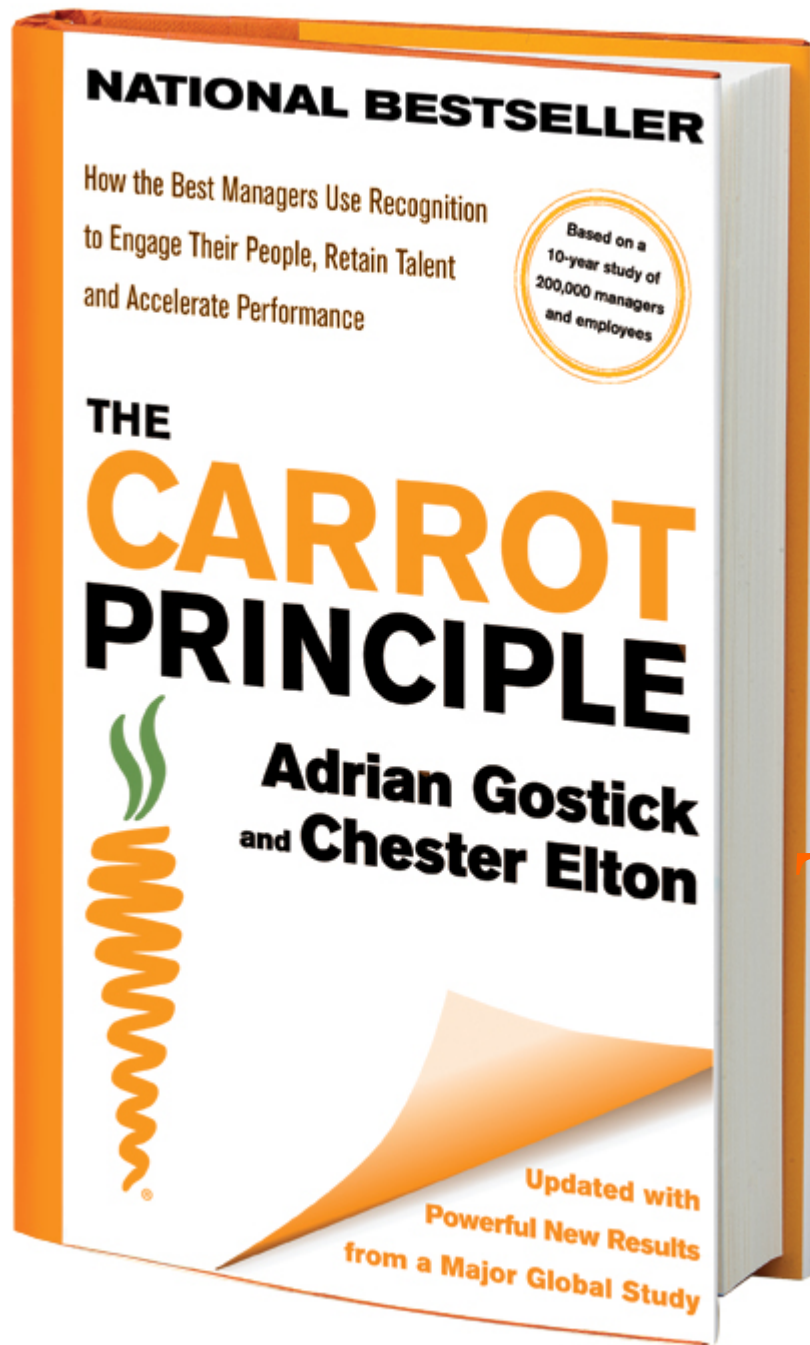
- **Higher retention, good people come and stay**
- **Engaged people equals results**
- **Stronger, more directed commitment**
- **Allows managers to communicate values in a powerful, lasting way**



# GO and DO!

- **know your people and deliver your carrot**
- **[www.thanks.com](http://www.thanks.com)**
- **[www.carrots.com](http://www.carrots.com)**
- **leave me a card (no solicitations, I promise!!)**





# THE CARROT PRINCIPLE

Thanks, and *GOOD  
LUCK!*