

Sona.

Appreciation Matters

Why Social Care needs a new culture of
employee recognition



Contents

01 Appreciation Matters in Social Care	03
02 Methodology	04
03 Understanding the current state of recognition in care	05
Communications breakdown?	05
The expectation-perception gap	06
Lack of recognition leads to turnover	07
Platforms for recognition	07
04 Closing the gap: Three steps towards a new culture of recognition in Social Care	09
1. Make the business case for a comprehensive recognition and reward programme	09
2. Revisit your values	09
3. Prioritise effective communication	10
05 Making the case: Why employee recognition is so vital to care providers	11
1. Retention and recruitment	11
2. Performance and productivity	12
3. Financial impact	13
06 Recognition the Sona way	14



Appreciation Matters in Social Care

Employee recognition programs are no longer a 'nice-to-have'; they are a must. That's what 500 respondents made clear in our recognition survey:

More than 2 in 5 have left a job because they didn't feel valued, costing thousands of pounds each to replace

Over 20% say they rarely, or almost never, feel their work is appreciated

77% want to receive recognition from their employer, but just 21% say this happens regularly

Today - more than six months since the UK's final Covid measures were lifted - Social Care's staffing crisis is closer to becoming endemic than it is to being fixed. The vacancy rate has remained above 10% since September 2021, and the average staff turnover rate in England is five percentage points higher than 12 months ago at 34.8%.

As this report shows, lack of appreciation is a significant driver of preventable turnover that the sector simply can't afford. Our findings show a close correlation between how highly an individual values recognition and their willingness to leave if they don't get it.

Embedding appreciation as a regular practice across all levels of your organisation is one of the highest impact, lowest cost retention strategies of all. Three of the five means of recognition respondents value the most don't involve spending a penny!

What's more, retention is just one of the benefits. Happy, engaged and motivated employees are consistently shown to be more productive, make fewer mistakes, and cost you less!

A formal recognition program is just part of the solution. Providers also need to:

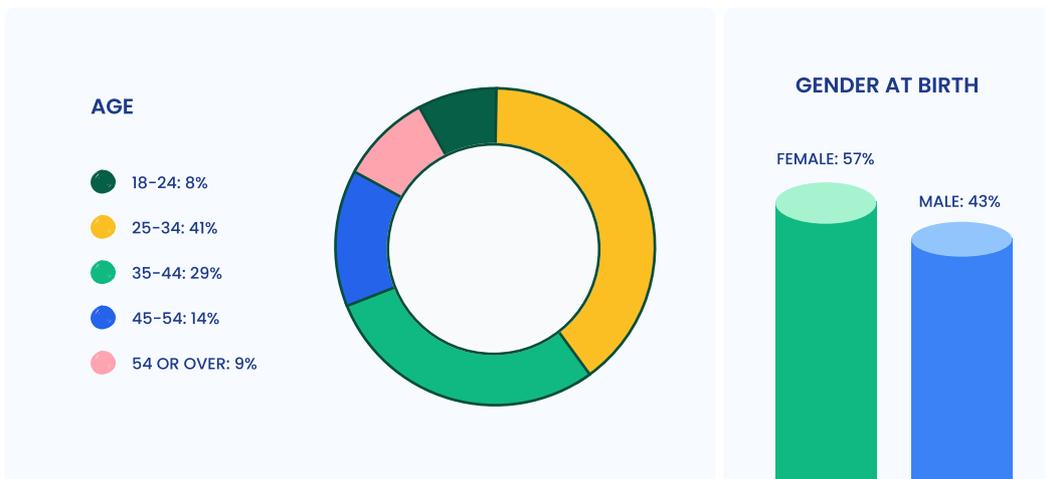
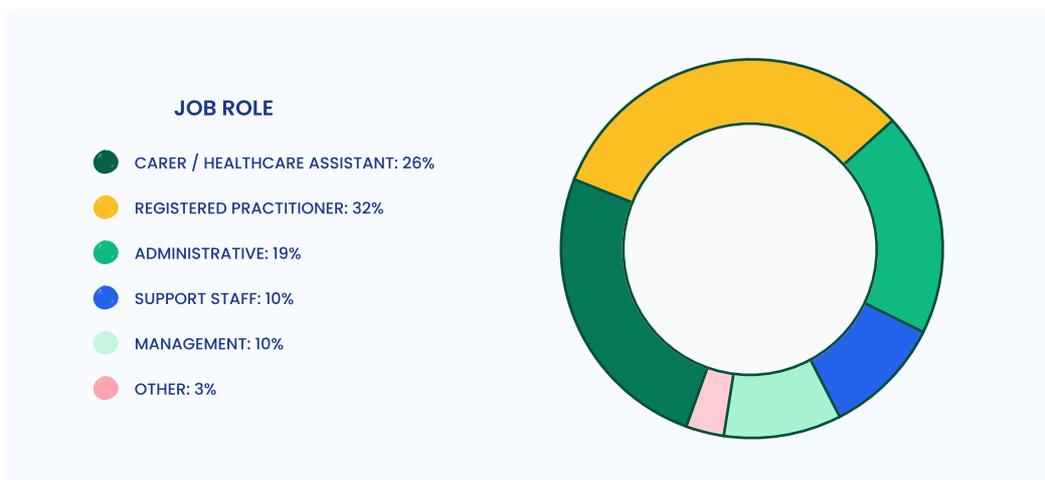
- ◆ Make meaningful recognition a part of their core values
- ◆ Prioritise long-term consistency over one-off initiatives
- ◆ Address the barriers that prevent regular appreciation and praise at all levels of their organisation. Almost 1 in 2 respondents say they see inconsistency in how and when different individuals and teams are recognised and rewarded for their work.

By creating a new culture of recognition in care, we can make 'thankless tasks' a thing of the past. We can all start today, so once you've read this report, tell someone they're doing a great job 🙌!

Methodology

We surveyed 500 in November 2022:

- All respondents were pre-screened to confirm they are currently employed in UK health and social care.
- All respondents completed all 11 questions via an online survey conducted by an independent third-party research company.



Understanding the current state of recognition in care

Employee recognition



The act of showing appreciation for an employee's contributions that links to the organisation's purpose, mission and values.

Appreciation truly matters in care. Our survey findings show a worrying gap between employees' expected and perceived levels of recognition.

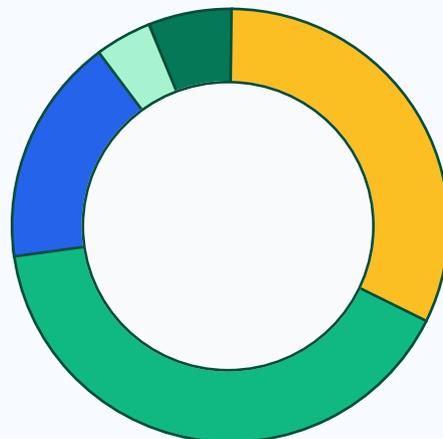
The headline? Lack of recognition is causing too many employees to quit.

2 in 5 staff have decided to leave a previous job in Social Care because they didn't feel appreciated.

Here's what we learned about the current state of recognition in Social Care from our survey.

+ Communications breakdown?

To what extent do you feel your contributions are appreciated at your current workplace?





More than one in five care employees say they rarely, if ever, feel valued. Just 38% of respondents regularly feel appreciated.

The survey results suggest that this might be due to individuals' lack of communication rather than being unappreciative. The vast majority of respondents (69%) said that the people they work with trust and support each other.

There was further evidence in their answers when asked what they think the main barrier is that stops them from praising others. "I feel awkward" was the top reason, ahead of lack of visibility second, ineffective communication channels and lack of time.

Manager-level respondents were more likely to say they feel awkward than the overall average, possibly highlighting a need for more training in this area.

+ The expectation-perception gap

	● "IT'S IMPORTANT TO ME THAT MY WORK IS RECOGNISED BY..."	● "I REGULARLY RECEIVE PRAISE/ RECOGNITION FROM..."
MY LINE MANAGER	81%	31%
MY EMPLOYER	77%	21%
MY COLLEAGUES	69%	42%
AVERAGE	76%	31%

There was a vast disparity between the proportion of respondents who greatly value being appreciated and the proportion who feel their work is recognised regularly. For example, 77% say receiving recognition from their employer is important, but just 21% say that it happens regularly.

When it comes to recognition, perception is reality. And our findings show that those who value praise the most are more sensitive to its presence (or absence).

A prime example of this expectation-perception gap can be found in answers to a question on the distribution of praise. 47% of respondents agreed that 'there are big differences between how different individuals, sites or teams are praised or rewarded for their work'. If we look at just those who say recognition is important to them, that rises to 52%.

+ Lack of recognition leads to turnover

Have you ever left a job because of a lack of appreciation?

		PROPORTION WHO STATED THAT "APPRECIATION IS IMPORTANT TO ME"
<p>● YES - IT WAS ONE OF THE MAIN REASONS I LEFT</p>	41%	81%
<p>● NO, BUT I SERIOUSLY CONSIDERED IT</p>	31%	78%
<p>● NO - I'VE ALWAYS CHANGED JOBS FOR OTHER REASONS</p>	28%	68%

Lack of recognition has a clear and significant impact on turnover rates. Just over a quarter of respondents say that recognition has never been a factor in their decision. This group was both less likely to value recognition and less likely to feel underappreciated.

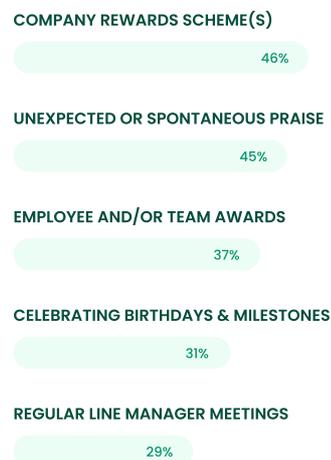
For more than two in every five staff, lack of recognition played a pivotal role in their decision to quit. Yet another strong correlation exists between their expectation level and, in this case, their willingness to leave. This underlines the need for recognition to be embedded into the culture at all levels.

+ Platforms for recognition

● Most common channels and methods of workplace recognition



● Most valued methods of recognition amongst employees



It might be cliché, but it really is the thought that counts. Three of the five most valuable ways of showing, and channels for communicating, appreciation are relatively small gestures that can cost nothing.

Tangible rewards and simple words of acknowledgement were given almost equal standing at the top. This demonstrates the importance of ensuring your approach to employee recognition combines formal and informal programs and initiatives.

Don't miss opportunities to celebrate your teams' achievements, either. **When asked how they celebrate successes at work, 7% of respondents said: "we don't".**



Closing The Gap: Three Steps Towards A New Culture Of Recognition In Social Care

01 Make the business case for a comprehensive recognition and reward programme

Recognition and rewards programmes are often thought of as a 'nice-to-have'. They should be seen as a 'must.' The business case for recognition has to be as robust as it would be for any other fundamental change project.

- Conduct internal and external research to get a clear understanding of the areas for improvement in your organisation, as well as the potential benefits
- Speak to your peers, find out what has worked for them and create a benchmark
- Generate projections for every metric that matters to leadership and paint a picture of the possible with numbers

In the next section we identify three key areas where recognition can have a transformational impact on performance that you might want to consider for your plan.

02 Revisit your values

Our behaviour at work is heavily influenced by what we think our employer values most. If recognition isn't one of your organisation's most prized values, it will be more challenging to convince anyone to change how they work or adopt new products, policies and practices.

Make sure to explain the 'why', too. Explain how a culture of appreciation affects the things your employees care most about, like providing the best quality care possible and working with kind, compassionate colleagues who go above and beyond.

Once established, organisations must reinforce that value in powerful ways. For example, an annual employee awards evening doesn't just impact the winners. It's also a highly visible demonstration that the organisation is committed to recognising the valuable contributions of its staff.

03 Prioritise effective communication

In theory, there is no actual barrier to saying “thank you” or “well done” more often in the workplace. But it’s more complicated in practice. Our findings show that a lack of recognition often reflects a lack of effective communication.

Improving communication is one of the quickest ways to make appreciation a more regular and widespread practice in any organisation. When we get complimented, our brain activity looks similar to when we receive a tangible reward. And since we also get almost as much happiness out of giving a compliment, it really is a win-win.

Digital tools are available that massively speed up and simplify team communications. Communications platforms (like the one we have built at Sona – see page 14) remove the ‘awkwardness’ that might come from trying to praise colleagues face to face and makes it incredibly easy to share and celebrate individual and team achievements across your organisation.

But sure to address skills as well as channels. New technology doesn’t guarantee better communication on its own. Ensure managers can access the resources they need to communicate effectively and consider whether any additional training should be available.

Making The Case: Why Employee Recognition Is Vital To Care Providers

01 Retention and recruitment

If staff don't feel loved, they will leave you. The evidence is overwhelming:

- 41% of our survey respondents said they left a previous job because they didn't feel valued
- On average, disengaged employees are four times more likely to churn
- Once pay is excluded, lack of appreciation is the top answer workers give when asked why they left the care sector

Recognition should be a priority for every provider – at every level of the organisation. With perhaps the exception of pay rates, thanking and praising staff more regularly is the quickest and most cost-efficient way to improve retention:

- 92% of care employees would feel better about their current work situation if they received more recognition for their work
- On average, labour turnover is 31% lower at companies with a 'recognition culture'
- 3 in 4 employees who receive recognition (even if informal) every month are satisfied with their job.

When it comes to recruitment, staff who feel valued are more likely to be advocates for your organisation. Studies show that employees who feel underappreciated struggle to articulate what makes their employer a great place to work.

Feeling appreciated is one of the top five most influential factors for care employees when choosing a new role. Your people, culture and benefits can demonstrate to candidates that you want them to feel valued when they work for you – a powerful differentiator in a competitive labour market.

02 Performance and productivity

Recognition fulfils some of our most basic psychological needs, helping to give us a sense of belonging and feelings of accomplishment.

Failing to meet these needs negatively affects many aspects of work performance. Feeling demotivated has a staggering impact on employee behaviour:



None of the above is good news for quality of care. Lower moods and poor mental health both contribute to more absences from work, too.

Conversely, staff who are consistently recognised for their work can lift their organisation's culture and performance. Compared to colleagues who don't feel recognised, they are:

- More than twice as likely to say innovative thinking is embraced
- Twice as likely to say people here are willing to go above and beyond
- More than two and a half times more likely to think that promotions are fair

As a result, upping the appreciation levels in your workplace can create a productivity flywheel, turning a negative influence on performance into a positive one. This is particularly true of newer starters, who are more likely to thrive when given early confidence and encouragement.

03 Financial impact

Lack of recognition shows up on the balance sheet, too. It is one of the hidden people costs that often don't get the attention they should from finance departments. So, where is it likely to show up in the PnL?

✦ Turning productivity into profit

As well as higher productivity, engaged employees make better decisions, make fewer mistakes, and waste fewer resources.

On average, disengaged staff take twice as many sick days as engaged employees do. Perkbox found that this number soars to more than five times the average amongst care workers, or 35.42 sick days per worker.

In short, happier, more motivated staff lower your operating costs. Gallup found that, in the U.S., the total cost of disengaged employees is somewhere between \$450 and \$550 billion a year. Companies that rank highly for employee experience generate up to 25% more profit than their competitors.

✦ Total cost of replacement

Every organisation should have a tangible per-employee cost attached to its preventable staff turnover.

Typically the total cost of replacement factors such as recruitment, vetting and training costs, the cost of covering the vacant position, the productivity ramp-up of the new starter, and hiring manager time.

In Social Care, this cost will vary depending on delivery models, the number of skilled roles, and other variables. Reported figures from providers also range from £2,000 to replace a carer providing home-based care to as much as £10,000 in other care environments.

However, as a benchmark, you can expect to pay between 15% and 20% of an employee's annual salary in replacement costs.

For an organisation with 1000 staff, going from sector-average turnover to industry-leading would mean retaining 185 more staff each year – a potential saving of over £650,000.

✦ Opportunity cost

The Social Care workforce is not expanding in line with demand. In the first three months of 2022, the Care Quality Commission (CQC) estimates that

“2.2 million hours of homecare could not be delivered because of insufficient workforce capacity.” ✦

In residential care, a quarter of homes said they weren't taking in new residents because of staff shortages.

Given that lack of appreciation is one of the most significant drivers of higher turnover, its impact arguably limits growth opportunities for service providers. This has made it a key area of focus for sector leaders, topping their list of concerns in the latest National Care Awareness survey.

Recognition The Sona Way

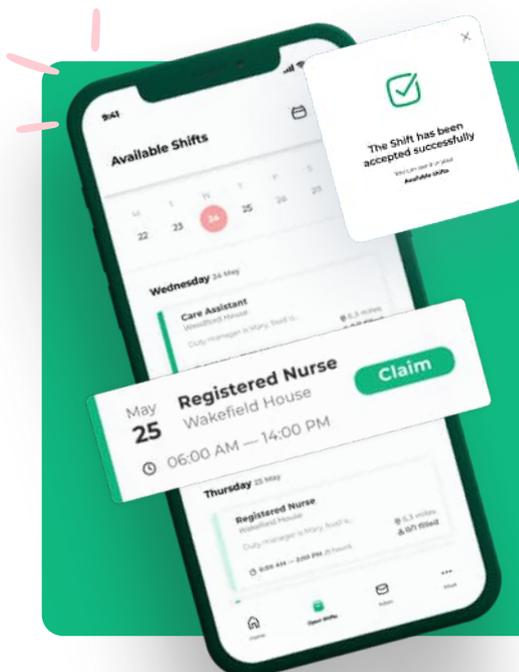
Backed by Google, Sona has been custom-built to help Social Care organisations solve their biggest workforce challenges. That includes recognition, which we have embedded into our software – literally.

Managers can send personalised messages of praise or appreciation to staff whenever they're logged in to the system. Staff receive an instant Sona app notification with that message of thanks or praise.

That's just one of our suite of communication and retention features designed to help providers improve the well-being and happiness of their teams and reduce preventable staff churn:

- Enable staff to give instant feedback with well-being check-ins
- Monitor individual and team morale in real-time
- Share and celebrate success together on the all-company newsfeed

Our customers consistently see improvements in employee experience, team morale and staff retention with Sona. We're proud to support some of the industry's most progressive employers:



PS If you enjoyed Appreciation Matters and are interested in improving retention at your organisation, then check out our dedicated report – Rethinking Retention.

Download it here:

[GETSONA.COM/RETHINKING-RETENTION](https://getsona.com/rethinking-retention)

Sona.
getsona.com