

Social Exchange Theory for Social Recognition Programs

Social Exchange Theory (SET) argues that people will stay in relationships or with organizations if they believe the benefits (recognition and rewards) of doing so exceed the costs. Leverage SET in the workplace through broad-based non-cash social recognition programs.

SOCIAL EXCHANGE THEORY

emphasizes the importance of interactions between co-workers, their supervisors and managers, and other stakeholders in the form of appreciation and recognition

The universal need for social connection belonging is widely described in the psychology literature.



PEOPLE WILL GO TO SIGNIFICANT EFFORT TO WIN

appreciation and approval from managers, peers, customers, and other stakeholders.

Social recognition programs touch the majority of employees, signaling priorities and desired behaviors.



INCLUDE REWARDS of token tangible value, but high social value.

Social recognition without tangible reward is often perceived as insincere. Small rewards from respected managers and peers convey appreciation, garnering results at a fraction of the cost of cash.



MOST U.S. WORKERS MAY BE ACTIVELY SEEKING NEW WORK

the main reason cited: lack of recognition

In 2017, 73% reported they were looking for other work. The need for social recognition may be greater than ever due to the isolating effects of COVID-19.



SOCIAL EXCHANGE THEORY LINKS EMPLOYEES' WILLINGNESS

to work harder and continue behaviors and actions reinforced by social recognition, leading to higher employee engagement, greater performance, and lower turnover.



COMBINE SOCIAL RECOGNITION

with career planning, autonomy, fair pay, and rewards for maximum effect.

When combined, these behavioral management practices amplify one another.

