

The Appreciation Index

Making the invisible visible to strengthen
culture and drive performance



Contents

Foreword	3
Executive summary	5
Introduction	9
Findings globally	13
Emotions of appreciation	13
The outcomes of appreciation	14
Appreciation Index	16
Drivers of appreciation	22
Appreciation in the UK	24
#1 Recognition by managers	27
#2 Rewards for hard work	30
#3 Belonging at work	32
#4 Managerial support	33
#5 Praise by organisation	35
Takeaways	37
Additional readings and references	39

Foreword

Hi there,

Our focus at Reward Gateway | Edenred is to expand understanding of why and how a focus on people provides measurable returns to individuals and to your business. In our recent Economic Value Report, we explored ways to configure employee engagement solutions that support the wide range of employee needs and drive improved commercial outcomes.

In this Appreciation Index report, we turn our focus on a more individual human experience. We examine the impact that a feeling of appreciation has in support of the basic needs of employees and specific strategies organisations can use to create more appreciation within their workforce. I am excited to combine our passion for helping clients with behavioural science to increase our understanding of this powerful human experience.

This study will enable our clients and business leaders to make more reliable decisions to make organisations better places to work, whilst also driving improved business performance.

In this report, we'll take you through some of our initial findings, such as:

- The impact that feeling appreciated has on humans
- Which types of people are more or less likely to feel appreciated
- The five top drivers of appreciation (e.g. a feeling of belonging)
- How appreciation is felt differently in our three major areas of focus: the UK, the U.S. and Australia.

Enjoy!

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Executive summary

Executive summary

Introduction

In today's competitive business landscape, **appreciation in the workplace has become a crucial driver of organisational success**. This report highlights how **fostering a genuine culture of appreciation can unlock employee potential**, leading to significant business benefits. Our research across the UK, U.S. and Australia reveals that employees who feel valued, are supported by colleagues and managers and derive a sense of purpose from their role not only perform better, but also feel a stronger connection to their work. They treat colleagues more positively, encourage collaboration and actively contribute to the company's overall vision. In essence, they reciprocate because **appreciation appreciates**.

Methodology

Our research was grounded in a **rigorous methodology** designed to deliver reliable and actionable insights. We employed three key approaches:

- recruiting **nationally representative samples of employees across the three markets**
- utilising **advanced psychometric tests** (the Implicit Response Test, IRT) to delve into subconscious feelings
- applying **predictive modelling** to identify the most influential factors driving employee appreciation

Global Findings

This comprehensive strategy has provided business leaders with clear guidance on how to **elevate their organisations and outpace competitors**.

We confirmed a crucial yet often overlooked insight: **Fostering a culture of appreciation is not just a “nice-to-have”, but a strategic imperative for businesses**. By prioritising appreciation, companies can strengthen their workforce and achieve superior outcomes. Our study demonstrates that appreciation has clear, positive effects: **Appreciated employees are more likely to work harder, engage more deeply and experience higher job satisfaction**. They also show greater loyalty, are more inclined to pursue upskilling opportunities and willingly take on additional responsibilities.

The ultimate goal of this research was to create a **specialised tool** that measures and benchmarks appreciation across markets, sectors and companies. Our newly developed Appreciation Index offers companies a dependable standard to identify key areas for enhancing the employee experience and, consequently, driving organisational success.

Appreciation in the UK

The Appreciation Index scores across countries present a particular challenge for the UK: with a score of 61.8 out of 100 – below the global average of 65 – the UK workforce feels notably less valued than its peers in the U.S. (66.3) and Australia (66.8). This gap represents a substantial opportunity for UK businesses. Our research points to a

need for **targeted appreciation strategies, especially for women, entry-level employees and those in larger organisations.**

To build a culture where employees feel genuinely valued – not merely for their contributions, but for who they are – our engagement experts developed a framework inspired by **Maslow's hierarchy of needs**. Adapted to the workplace, this model provides a roadmap for businesses to **address employees' fundamental psychological needs, from basic physical conditions to self-actualisation**. Meeting these needs – ranging from fair pay to fostering belonging and offering opportunities for personal growth – is vital for unlocking a workforce's full potential.

When assessing employee appreciation in the UK, we discovered that the most influential factors were not linked to demographics, material rewards or fulfilling basic physiological and safety needs. Instead, the strongest drivers were tied to **employees' self-esteem (recognition by managers, rewards for hard work), feelings of love and belonging (a sense of belonging in the workplace), and aspirations for self-actualisation (managerial support for development and praise from the organisation).**

These findings suggest that while addressing basic needs like fair compensation, benefits and job security is necessary, they are merely the **baseline expectations** employees have from employers today. Alone, they do not cultivate a deep sense of appreciation. What truly makes employees feel valued goes beyond material or physical considerations – it's the **more personal and human aspects of their work experience that have the most profound impact.**

For UK companies aiming to gain a competitive advantage, the message is clear: **Investing in appreciation is not just about securing better business outcomes, but about creating a workplace where employees are deeply engaged and motivated to excel.**

Implementing insights from this report can be a crucial first step in developing a strategic roadmap for UK organisations. At Reward Gateway | Edenred, we remain committed to exploring the area of appreciation, providing companies with even more tailored strategies that ensure effective, future-proof results for organisational success and employee wellbeing.

“

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“

Investing in appreciation is not just about securing better business outcomes but about creating a workplace where employees are deeply engaged and motivated to excel.

Main Report

Introduction

1.1 Not only what you do, but who you are. Employee appreciation as an untapped potential for business success

Who is an employee? While this may seem like a straightforward question, the answer is more nuanced. Employees are not just professionals skilled in executing their organisational roles. They are individuals with unique personalities, preferences, interests and motivations. To truly understand an employee, we must view them through two lenses: **the 'role' they perform and the 'person' they are.**

For too long, companies have focused primarily on the 'role' side, measuring employees by their productivity, performance or absenteeism. **Success has often been defined by metrics that reduce individuals to numbers.** Workplace recognition programmes can follow this trend, rewarding specific achievements with bonuses and promotions for hitting targets. Although these measures are effective, they often overlook the person behind the role.

This is where appreciation becomes essential. **Appreciation is about recognising that someone is valuable and important as a person, not just for their work.** The distinction between recognition and appreciation is crucial. Recognition rewards actions and outputs, which can provide short-term motivation, but it doesn't address the deeper emotional and psychological needs employees have for connection and significance. Appreciation fills this gap by acknowledging employees for who they are.

Previous research by the Haas School of Business at UC Berkeley found that, while recognition boosts productivity by 23%, feeling appreciated increases it by 43%, nearly doubling the impact. Employees who feel valued and derive a sense of purpose and satisfaction from being part of a company not only work harder, but they also treat their colleagues better, foster collaboration and actively contribute to the company's overall vision. In other words, **they tend to reciprocate, because appreciation appreciates.**

That's why we argue that building an appreciative culture can unlock previously untapped employee potential, **giving companies a new competitive advantage.** Studies in organisational psychology and management consistently report a strong link between feeling appreciated and key metrics like productivity, engagement, motivation and job satisfaction. According to our previous survey of over 2,000 employees across the UK, **fewer than 40% of employees who felt valued had thought about leaving their company in the past six months, in contrast to 81% of those who seldom or never felt appreciated.**





Without appreciation, even those who currently perform well may eventually feel disconnected, leading to withdrawal and a lack of motivation, which will hinder organisational success in the long term. At the end of the day, every company not only wants to attract the best people, but also to retain them. Otherwise, the cost becomes too high and unsustainable – training and upskilling investments are wasted if employees leave. In today's fast-paced business landscape, **fostering a culture of appreciation offers a clear advantage, helping organisations unlock the full potential of their workforce – valuing not only the 'role', but also the 'person' – and creating a more resilient, high-performing environment that employees don't want to leave.**

1.2 How is this research different? A deeper understanding of appreciation in the workplace

If appreciation is so important, we wanted to understand it more deeply to provide companies with valuable insights and actionable steps to building an appreciative culture. The purpose of this research was threefold:

- to understand **what it means to feel appreciated**;
- to **what extent employees are experiencing appreciation across markets**; and
- to learn **the most influential drivers of appreciation at the workplace**.

Ultimately, our aim was to create a tool that establishes a benchmark for appreciation, providing companies with a reliable point of reference to identify key areas for improving employee experience and, in turn, drive organisational success.

To make this study more robust and reliable, we utilised three rigorous approaches: recruiting **nationally representative samples** of employees, applying a **psychometric test** to uncover their deeper subconscious feelings and using **predictive modelling** to identify key factors driving employee appreciation.

Recruiting nationally representative samples

While previous research offers valuable insights, we aimed to understand how appreciation varies across different countries today. For this study, we recruited nationally representative samples from the UK (1,040), U.S. (1,060) and Australia (1,252). Participants varied **across ages, genders, ethnic backgrounds, ways of working, seniority levels, industries and**

organisation sizes they work in – to reflect a real situation within the countries. Using such samples ensures that the findings better reflect the broader population by including diverse people, **reducing bias and allowing for valid comparisons across different groups**. This not only makes the results more reliable, but also provides a strong foundation for future research, helping to track changes and compare outcomes over time. Once we have a benchmark for each of the markets, we can continue our investigation into specific sectors and companies operating within them. This will allow us not only to compare the level of appreciation, but also to account for the local cultural differences and specific economic context.

Using a psychometric approach to capturing implicit and explicit evaluations of employee experience

Assessing employee experience has traditionally relied on engagement surveys, but this approach presents two significant challenges. Firstly, such surveys often suffer from desirability bias, with employees providing responses they believe align with company expectations, rather than sharing their true thoughts. This reluctance to offer honest feedback may stem from a desire to avoid being perceived negatively or jeopardising career prospects. As a result, the feedback gathered can portray an overly optimistic view, masking the reality of employee sentiment. Secondly, even when employees provide candid feedback, a disconnect often remains between what they think and what they feel. The real employee experience is not solely driven by rational thoughts, but is profoundly shaped by emotions.

To overcome these limitations, we have adopted a more comprehensive approach. Neuroscience research highlights that decision-making occurs through two distinct systems: **fast, intuitive (implicit) thinking and slow, deliberate (explicit) thinking**. Both are essential in shaping behaviour and experience. The **Implicit Response Test (IRT)**, developed by Harvard University, is a valuable psychometric research tool in this context. It captures implicit reactions within a very short time frame, usually between 300 and 500 milliseconds. This brief window is crucial because it reflects automatic, unconscious responses before conscious thought can influence the reaction, allowing for the investigation of feelings rather than thoughts.

By integrating both implicit and explicit methods in our research, we have gained a more holistic understanding of the conscious and subconscious factors driving behaviour. This approach ensures that no critical influences are overlooked, allowing for a **more accurate and nuanced assessment of employee experience**.

This technique is gaining traction among businesses, as it enables **access to emotional responses before they are consciously processed, providing insights beyond the reach of traditional methods**.

Applying predictive modelling to quantify the key factors driving employee appreciation

We used a Random Forest machine learning model to uncover the key factors driving employee appreciation. This was chosen for its ability to handle complex data relationships and to produce robust, reliable insights. The model was able to explain 70% of the variance, showing a strong fit for understanding what influences appreciation. For an accessible breakdown of the results, we estimated Shapley Additive Explanations (SHAP) values, which indicated how much each factor contributes to the Appreciation Index. This work identified the **top five drivers of appreciation** – critical areas where we can focus our efforts for maximum impact. Importantly, we found no significant differences across the three markets, meaning the results are consistent. Additionally, we looked at significant demographic differences using ANOVA ($p < 0.05$), which gave us a clearer picture of how different groups experience appreciation, helping to tailor our suggestions for the drivers of appreciation.



Findings globally

2.1 Emotions of appreciation

How does it feel to be appreciated? Uncovering key emotions linked to appreciation

Appreciating someone at its core is about **acknowledging their worth as a person and expressing genuine gratitude**. This simple act can spark a wave of positive emotions in employees. It's important because positive emotions do more than just lift the mood – they **expand how people think and act in the moment, while also building lasting personal resources**. These resources stretch across physical, intellectual, social and psychological realms. Appreciation helps employees not only recognise the value of their own thoughts and actions, but also see the deeper meaning in the people, events and experiences around them.

To explore the emotions tied to appreciation, we asked employees in the UK, Australia

and the U.S. how they feel when they're appreciated at work. Unsurprisingly, the most common emotions were **increased happiness and motivation** – findings that align with existing research in organisational and positive psychology, which highlights how positive emotions create a ripple effect, boosting broader wellbeing [7, 10].

Interestingly, across all three regions, the emotions were largely the same, except for one standout difference: felt gratitude – U.S. workers reported feeling significantly more grateful when appreciated compared to their counterparts in the UK and Australia.

Global emotions of appreciation

	UK	Australia	US
# 1	Happy	Happy	Happy
# 2	Valued	Valued	Grateful
# 3	Motivated	Grateful	Motivated
# 4	Grateful	Motivated	Valued
# 5	Joyful	Joyful	Joyful

Each emotion was determined by a score out of 100, in the implicit response test, indicating a level of sentiment from 0 'completely disagree to 100 'completely agree. The emotions were then ranked based on their score to determine the top 5. Sample sizes: UK – 1,040, U.S. – 1,060, Australia – 1,252, overall – 3,352.

2.2 The outcomes of appreciation

What are the outcomes of appreciation? Tangible benefits for the companies

Given that appreciation at work is closely linked to positive emotions, what does this mean for businesses? Previous research highlights that appreciation is a powerful driver of workplace success [19; 17; 22]. It **boosts productivity, performance and employee engagement, while also improving motivation and team relationships**. It enhances wellbeing and job satisfaction, both of which can positively impact financial performance. At the same time, **appreciation helps lower employee turnover, absenteeism and stress** – key factors that can drain resources.

For business leaders, fostering a culture of appreciation isn't just a nice-to-have, it's a strategic move. Without it, issues like stress and absenteeism can grow, affecting team morale [2]. By making appreciation a priority, organisations can **strengthen their workforce and drive better business outcomes** [3]. Our study also confirmed that appreciation at work has clear positive outcomes.

Global outcomes of appreciation

	Score	Rank
I work harder	72.14	1
I am more engaged	70.5	2
I am more satisfied with my job	68.7	3
I take my job more seriously	67.9	4
I feel more loyal to my employer	64.8	5
I complete training to build up my skills	60.3	6
I want to take on extra tasks	59.2	7
I am eager to recommend my workplace to others	58.9	8

Each outcome was determined by a score out of 100, in the implicit response test, indicating a level of sentiment from 0 'completely disagree' to 100 'completely agree'. The outcomes were then ranked based on their score to determine the top 5. Sample sizes: UK – 1,040, U.S. – 1,060, Australia – 1,252, overall – 3,352.

Overall, the positive impact of appreciation on business outcomes was consistent across the UK, the U.S. and Australia, suggesting that a **workforce that feels appreciated is a key driver of business success in all three markets**. Employees who feel appreciated reported the tendency to work harder, stay more engaged in their tasks, take their jobs more seriously and experience higher levels of job satisfaction. This link between appreciation, increased satisfaction and improved productivity mirrors what previous research has shown about the benefits of a satisfied workforce [16].

One of the lower-rated outcomes was the willingness to recommend the workplace to others. One reason for this might be that these recommendations are influenced by other factors, such as referral bonuses, broader workplace culture or incentives, rather than appreciation alone.



2.3 Appreciation Index

Benchmarks of appreciation. Calculating the Appreciation Index across countries

Once we understood what it meant for employees to feel appreciated and the benefits this could bring to businesses, we set out to evaluate the state of appreciation across employees in different countries. To achieve this, we developed the **Appreciation Index, a unique tool that measures how valued employees feel in their workplace at the moment.**

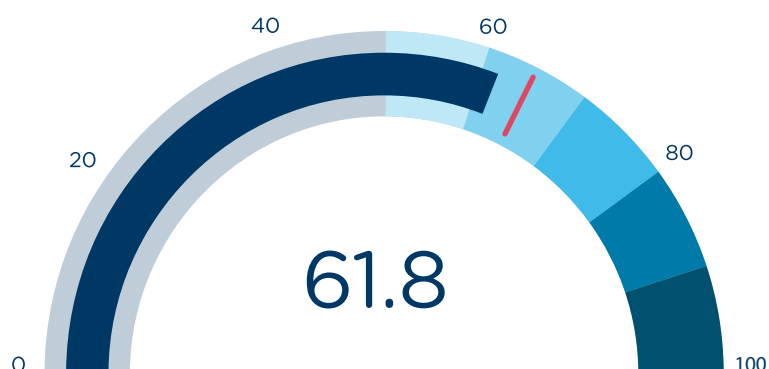
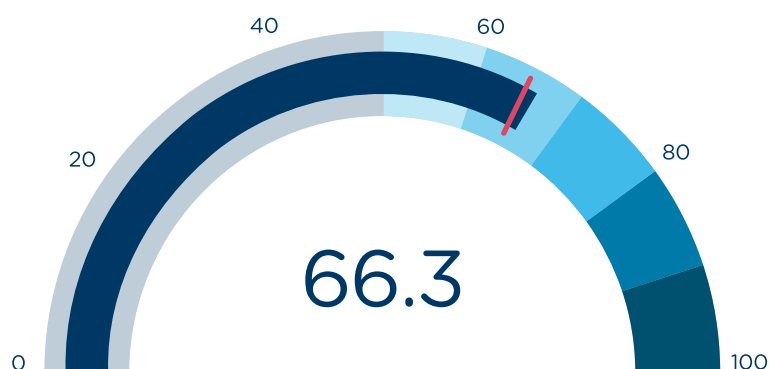
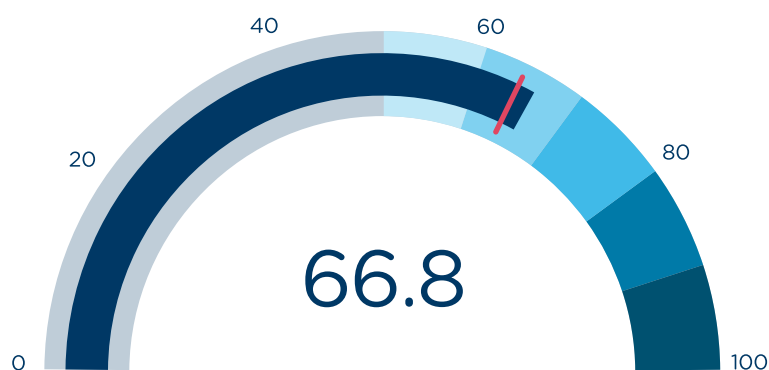
Drawing on insights from organisational psychology and behavioural science, the Appreciation Index employs a psychometric test to capture not only **employees' expressed views — what they think — but also their underlying emotions - what they feel.**

The Appreciation Index was calculated by combining the explicit and implicit elements, providing a score from 0 to 100 that reflects a level of sentiment to how strongly employees feel towards the statements: where 0 means 'completely disagree' and

100 is 'completely agree'. This score then reflects how much appreciation employees feel at work. This innovative research method produces a **more comprehensive assessment of the employee experience.** By comparing scores across different companies, industries and demographics, we identified how well organisations are supporting their employees at the moment and benchmark their performance in this critical area.

The study revealed that, on average, across three markets, employees were more likely to report feeling appreciated at work, which was an encouraging sign that companies had already been making efforts to create positive working environments. However, with a global Appreciation Index score of 65 out of 100, there is still substantial room for improvement, especially if decision-makers are willing to prioritise this issue.



UK Appreciation Index**US Appreciation Index****Australia Appreciation Index**

The Appreciation Index was calculated based on responses about current employee appreciation in their workplaces. To assess this, we combined explicit ratings (scored from 0 — ‘completely disagree’ to 100 — ‘completely agree’) with implicit measures (quick choices: ‘disagree’ or ‘agree’). Nationally representative samples: UK — 1,040, U.S. — 1,060, Australia — 1,252, overall — 3,352.

Among the three countries in the study, the UK recorded the lowest score, with an Appreciation Index of 61 – falling below both the global average (65) and the scores of the U.S. (66.3) and Australia (66.8). This highlights the need for more focused efforts to improve employee appreciation, particularly in the UK.

Digging deeper into the issue, we expected to see that not everyone would feel the same

level of appreciation at work. Knowing that demographic factors play a significant role in shaping individual experiences, we investigated which groups were experiencing it more.

Here's a snapshot of how different groups felt appreciated across five key demographic factors globally:

A Snapshot: Global demographic differences in appreciation

	Less Appreciated	More Appreciated
Gender	Women	Men
Sector	Hospitality/Tourism	Financial Services
Seniority	Entry/Mid	Executive
Org. Size	>2500	1-499
Control over work	Almost never	Always
Tenure	10+ Years	5-10 Years

An ANOVA was used to examine demographic differences in appreciation scores. Nationally representative samples: UK – 1,040, U.S. – 1,060, Australia – 1,252, overall – 3,352. Significant differences are reported with p-values below 0.05 after correction.



Organisation size

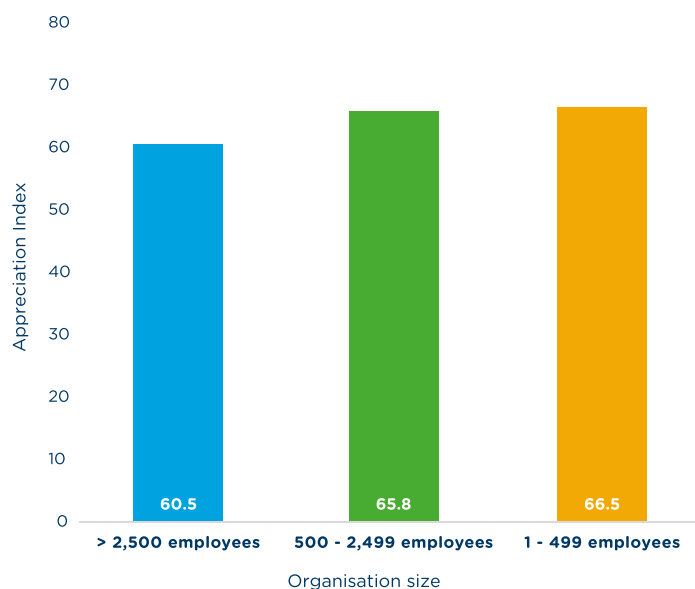
Appreciation scores varied by organisation size, but this differed across countries.

Globally, **employees in smaller organisations (fewer than 500 employees) tended to feel more appreciated.**

This could be due to the **closeness of contact with their managers and coworkers and the amount of feedback they tend to receive on a daily basis.**

However, in the UK, this was not the case, with those in mid-sized organisations (500–2,499 employees) reporting the highest levels of appreciation. Larger organisations (over 2,500 employees) consistently reported lower appreciation scores across all markets, suggesting that big companies should invest more in building an appreciative culture.

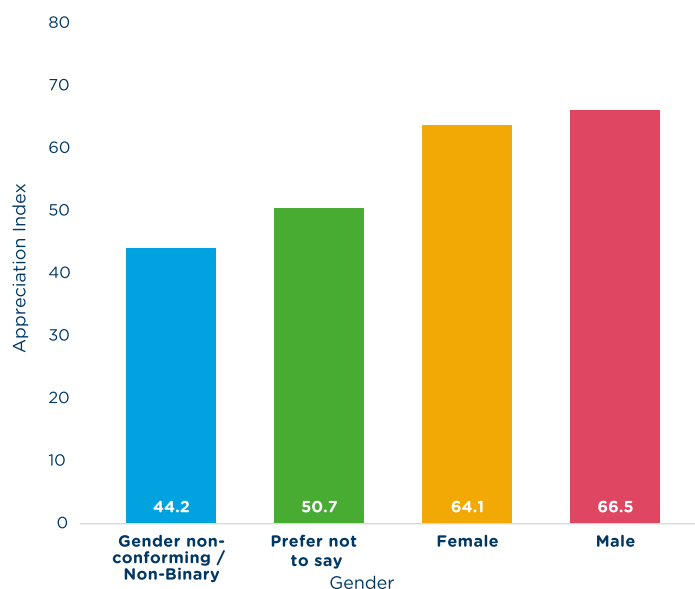
Differences in appreciation by organisation size



Gender

The difference in appreciation between men and women was small, with **men feeling slightly more appreciated (66.5) than women (64.4)**. This shows that workplaces are already moving towards greater gender equality in appreciation. However, the gap was more pronounced in the UK, where men (64.0) reported feeling notably more appreciated than women (60.0), indicating that the UK may lag behind other countries in ensuring equal appreciation for all genders.

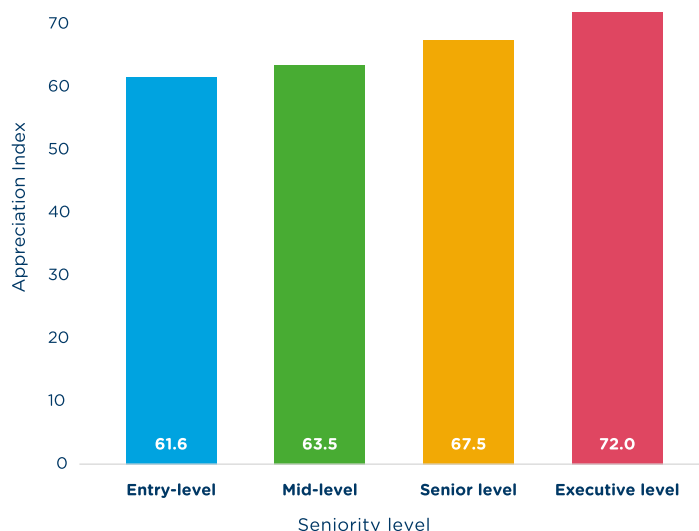
Differences in appreciation by gender



Seniority level

Executives across three markets felt the most appreciated (72.0), significantly more than entry-level employees (61.6). This likely reflects the **higher levels of recognition and responsibility that come with senior positions.** However, the gap between executives and senior staff was smallest in the UK, with less than a one-point difference, compared to an almost seven-point gap in Australia. This suggests that in the UK, senior employees are almost as appreciated as top executives, while the gap is bigger in other regions.

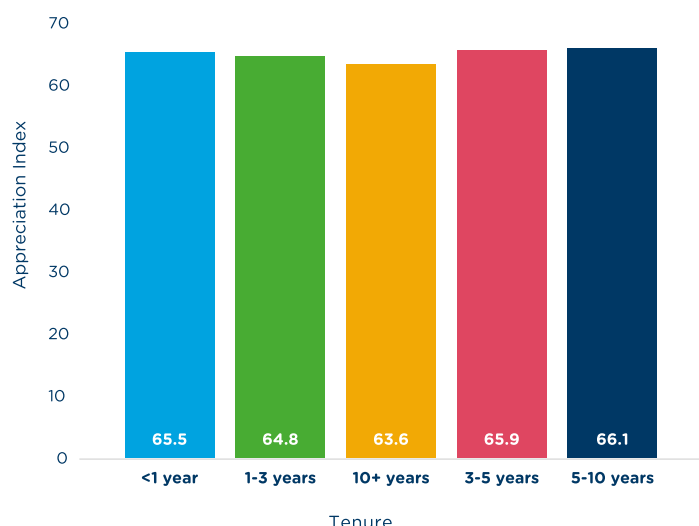
Differences in appreciation by seniority level



Tenure

Tenure also influences how appreciated employees feel at work. Across markets, **those with 5-10 years at the organisation scored higher on the Appreciation Index (66.2), while employees with over 10 years reported slightly lower scores (63.2).** The small 3-point difference suggests that perceived appreciation remains relatively consistent across different tenure lengths.

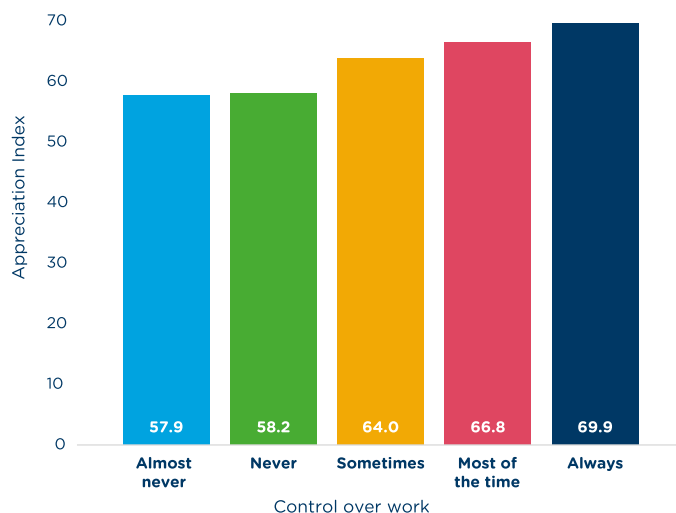
Differences in appreciation by tenure



Control over work

Employees who had **more control over their work and could decide where and how to work felt significantly more appreciated** than those who almost never had this type of control (70 vs 57.9). This could be due to the **autonomy and trust that come with greater self-efficacy** – both essential for job satisfaction and successful collaboration. Not surprisingly, self-employed individuals, who typically have high levels of autonomy and can directly see the impact of their efforts, also reported higher levels of appreciation.

Differences in appreciation by control over work



Sector

Sector analysis from our nationally representative samples revealed that, while all sectors scored above 50 on appreciation – an encouraging sign of efforts to support employees – there were notable variations between industries. Employees in the **Technology, Financial Services and Professional Services sectors generally reported appreciation levels above the global average of 65**, while those in the **Hospitality and Tourism, Healthcare, Education, Public Sector, Transport and Logistics sectors recorded lower-than-average scores**.

This analysis highlights significant opportunities for future work. The varied number of participants across sectors, reflecting their prevalence in the markets we assessed, points to the potential for targeted research that could yield deeper insights into industry-specific dynamics. While this study has provided valuable global and national-level benchmarks, it paves the way for further exploration into why employees in certain sectors feel less appreciated. This foundational analysis offers a promising direction for developing tailored strategies to boost appreciation where it lags and to elevate overall levels of appreciation across all industries.

Sector	Average Appreciation Index
Military	70
Technology	69
Aerospace and Defence	69
Financial Services	68
Pharmaceuticals	67
Mining	67
Professional Services	66
Media and Entertainment	66
Energy	66
Other	66
Food and Beverages	65
E-commerce / Retail	65
Real Estate	65
Manufacturing	65
Telecoms	64
Hospitality / Tourism	64
Healthcare	64
Education	63
Public sector	63
Transport and Logistics	62

2.4 Drivers of appreciation

What can improve appreciation at the workplace? Identifying the key drivers of employee appreciation

How can companies create a culture where employees feel truly appreciated, not just for what they do, but for who they are? To explore this, our engagement experts created a **Total Employee Experience model**, based on Maslow's Hierarchy of Needs – a well-known framework outlining the essential steps for human development, from basic needs to self-actualisation. Mapping the outcomes of satisfying core needs to specific actions that companies can implement at each level provided valuable insights into the opportunities businesses should pursue to address their employees' fundamental psychological needs and unlock their full potential.

At the **base of Maslow's pyramid are physiological needs** – such as food, water and shelter. In the workplace, these are addressed by companies through fair pay, benefits and access to essential resources like healthcare. **Without these basics, employees aren't likely to engage with higher-level motivations at work.** In our research, we

focused on two key areas at this level: a supportive physical work environment [18] and fair financial compensation [24].

Next in the hierarchy come **safety and security needs, which cover both physical safety and job security, as well as mental wellbeing.** Providing **mental health support, financial planning resources and comprehensive health insurance** helps employees feel secure in their roles. At this level, we specifically looked into work safety [14], psychological safety [8] and perceived organisational support [9].

Equally important for companies are **employees' love and belonging needs.** People thrive when they feel connected to their colleagues and supported by their managers. **Team-building activities, open communication and peer support programmes are essential to building a sense of community.** Here, we examined concepts like workplace belonging [11], trust in the organisation [5] and supportive interpersonal relationships [21].



To meet employees' **self-esteem needs**, companies must provide **recognition and respect for their contributions**. This goes beyond major milestones – day-to-day achievements also deserve acknowledgement. **Frequent, personalised recognition and opportunities for professional growth help employees build confidence and feel valued**. At this level, we explored the concepts of organisation-based self-esteem [20], employee recognition [22; 1] and trust in the organisation [5].

Finally, at the top of Maslow's hierarchy is **self-actualisation** – the drive to reach one's full potential by growing, becoming their true self and experiencing a sense of purpose [31] through the work one does. **Self-actualised employees are often deeply engaged in their work, experiencing moments of joy and purpose**. They experience what Maslow called 'peak experiences', moments of intense joy, creativity and transcendence where they feel deeply connected to work and their company. This notion is closely linked to the **flow state** [6; 25], where individuals are fully immersed and engaged in an activity that challenges them without overwhelming them. Here, companies can support employees by offering development opportunities aligned with their personal goals, fostering creativity and providing a supportive environment and challenging projects that encourage growth.

While previous research suggests that employees might prioritise these needs differently – for instance, some may value the purpose of the work they do over financial bonuses [29; 13], or preferences may vary across cultures [28; 15] – Maslow's framework remains a powerful tool for understanding core human needs every employee has. For companies looking to build a culture of appreciation and tap into the 'person' side of the employee experience equation, this approach is vital.

To gauge which needs on different levels drive employee appreciation, we asked participants to respond to a series of statements about these needs across all the levels, using both implicit measures (fast choice between agree or disagree) and explicit ratings (scored from 0 – 'completely disagree' to 100 – 'completely agree'). This provided us with a clearer picture of how well organisations are meeting these fundamental needs. Then, to pinpoint the key drivers of appreciation, we applied a machine learning algorithm to identify the most influential factors within the five layers of needs. By quantifying the impact of each driver, we established the top five contributors to employee appreciation across countries.

We discovered that the most significant factors driving appreciation were not related to demographics, material rewards or the satisfaction of basic physiological or safety needs. Instead, the **strongest influences were tied to employees' self-esteem, their sense of love and belonging and their self-actualisation needs**. Namely, the statements that drove appreciation the most were:

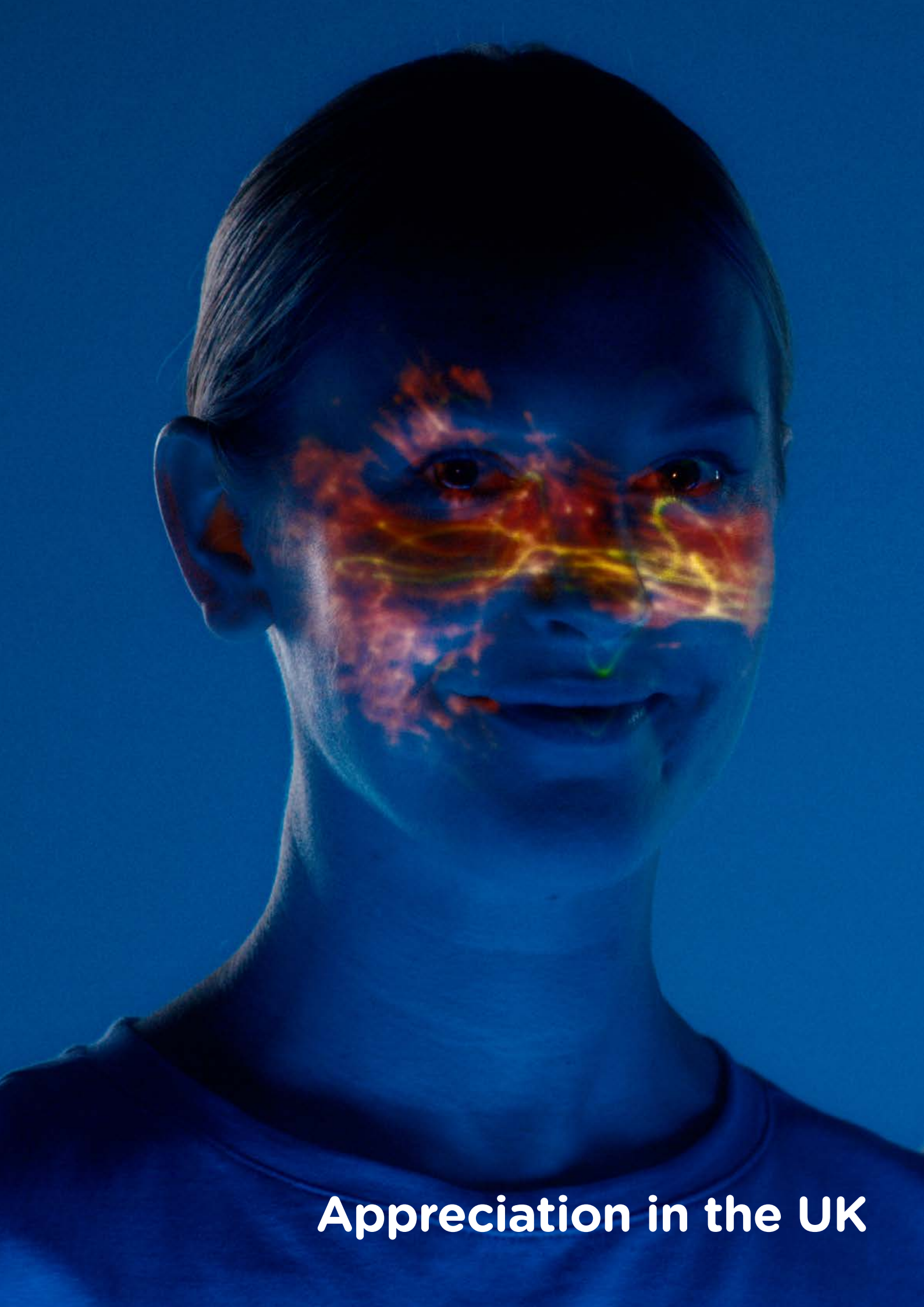
#1 I am recognised by managers

#2 My hard work is rewarded

#3 I feel I belong here

#4 My managers support me

#5 My organisation praises me



Appreciation in the UK

Uncovering the key drivers in the local context

What if we told you that the key drivers of appreciation vary depending on where you are? Understanding how these drivers manifest in the UK – and how they differ from the U.S. and Australia – gave us valuable insights into what steps can be taken to boost appreciation in UK organisations.

Our research in the UK specifically revealed that to effectively enhance employee appreciation, organisations here should prioritise five principal drivers:

#1 Managerial recognition

#2 Rewards for hard work

#3 A sense of belonging

#4 Managerial support

#5 Organisational praise

1 Managerial recognition

The most impactful of these is managerial recognition, underscoring the **importance of interpersonal relationships** and highlighting that **employees feel most valued when acknowledged by influential stakeholders whose validation they seek to advance in their careers**. Nonetheless, recognition gaps persist across various demographics – senior staff report higher levels of recognition compared to entry-level employees, and men perceive themselves as more recognised than women. In larger organisations, where employees can often feel like mere ‘cogs in the machine’, recognition levels are significantly lower, underscoring the need for sustained and targeted managerial efforts.

2 Rewards for hard work

The second most influential driver is rewards for hard work. It emphasises how crucial it is to **acknowledge and incentivise employees when they go above and beyond in their work, putting in extra effort beyond what is typically required**. Mid-sized and smaller firms typically provide a stronger sense of reward than their larger counterparts. Here, demographic differences also come into play: Men, senior executives, and self-employed individuals often feel more rewarded, while disparities based on ethnicity and age indicate further areas for targeted improvements.

3 A sense of belonging

A sense of belonging also plays a vital role in fostering appreciation. This driver draws our attention to the **‘person’ side of the employee equation, emphasising the importance of relationships, connections and a sense of community at work**. When employees feel genuinely connected to their workplace and colleagues, it **cultivates trust and loyalty, which, in turn, enhances their commitment to organisational goals**. This interconnectedness not only fosters an environment where employees are more engaged, but also promotes higher morale, collaboration and sustained productivity. In this area, executives generally report a stronger sense of belonging than junior staff. This suggests that organisations must extend efforts to cultivate this feeling across all levels of seniority.

4 Managerial support

Managerial support is another critical factor. It once again highlights the impact of a **supportive and safe work environment on employees' sense of appreciation, particularly when this support comes from a close colleague who directly influences an employee's career and daily work.** Our research in the UK shows that this driver tends to wane in larger organisations and among employees with disabilities. Entry-level employees are particularly affected, emphasising the importance of accessible and inclusive support structures across all tiers of the workforce.



5 Organisational praise

Finally, organisational praise – appreciation at the corporate level rather than from individual managers – rounds out the appreciation framework. This driver brings us back to our Total Employee Experience model, which draws on Maslow's Hierarchy of Needs, and highlights that **appreciation is an overarching concept that must be nurtured at individual, interpersonal and organisational levels.** In the UK specifically, we found that senior staff frequently report higher levels of praise, while women, especially those in large organisations, note a marked deficiency in praise by organisation.

Overall, these drivers demonstrate that UK organisations can enhance appreciation by **promoting inclusive, consistent recognition and reward systems, especially tailored to address the needs of underrepresented groups, younger and entry-level employees and workers in large companies.** This focused approach would bridge existing gaps and foster a more appreciative workplace culture across all demographics.

#1

Recognition by managers

“I am recognised by my managers”

The most powerful driver of how appreciated employees felt was the recognition they received from their managers. This underscores the **profound impact managers have on the employee experience** and highlights the **importance of providing managers with the right training and tools to ensure recognition is consistent and easily implemented.**

In the UK, recognition scores were lower at 59.6, compared to 62.8 in the U.S. and 64.9 in Australia, with seniority playing a significant role in how employees experienced recognition. Senior employees reported feeling more recognised, while entry- and mid-level staff often had more neutral views, with scores closer to 50, indicating they neither agreed nor disagreed about feeling recognised.

Managerial recognition as a driver of appreciation, by country

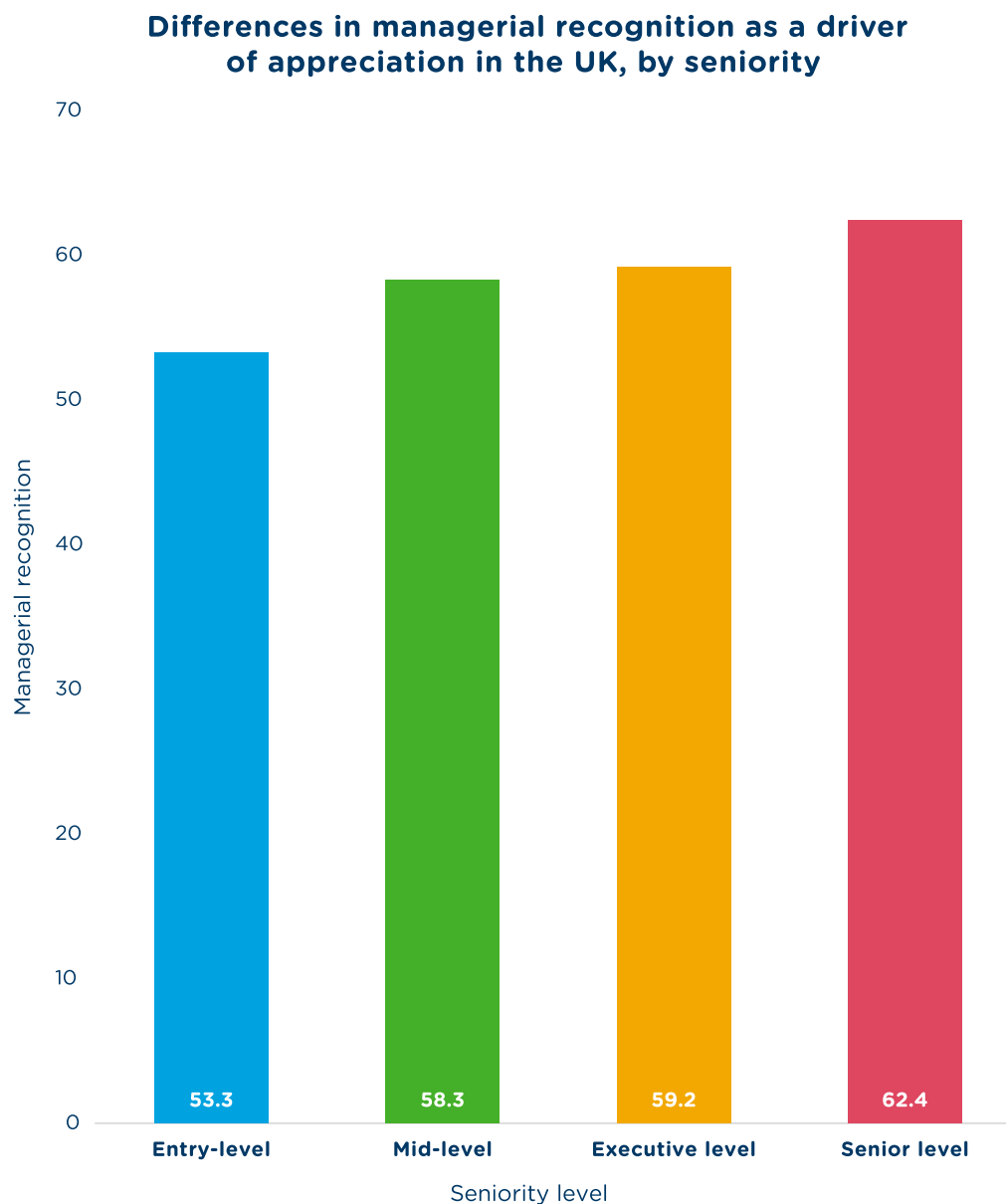
Country	Mean
UK	59.6
US	62.8
Australia	64.9

Demographic differences in managerial recognition as a driver of appreciation in the UK

	Less recognised	More recognised
Gender	Women	Men
Seniority	Entry/Mid	Senior
Org. Size	>2500	500-2500
Age	45-64	18-29, 30-44, 65+

An ANOVA was used to examine demographic differences in appreciation scores within this driver. A nationally representative sample of 1040 participants. Significant differences are reported with p-values below 0.05 after correction.

Interestingly, executives in the UK (59.2) felt less recognised than senior-level employees (62.5), likely due to **fewer layers of external control and feedback above them**. However, this wasn't the case elsewhere. In both Australia and the U.S., executives had the highest recognition scores, suggesting cultural differences in how recognition is given and received at the executive level.





Company size also played a role. **Larger organisations reported lower levels of recognition** (54.5) compared to smaller (58.5) and mid-sized businesses (61.5). With scores just above neutral, employees in larger companies seemed to feel somewhat overlooked. This supports the idea of **‘organisational dehumanisation’ [4], where employees in big firms may feel like cogs in a machine, valued more for completing tasks than for their individuality**. This trend was consistent across all three markets, suggesting that recognition from managers often gets lost in the shuffle within larger organisations.

Gender differences were also notable, with **men reporting more recognition from managers than women in the UK** (60.1 vs 56.7). Age added another dimension, with **younger workers (18-29), those aged 30-44, and employees over 65 reporting higher levels of recognition** than those

aged 45-54 and 55-64. It seems that Gen Y (Millennials), Gen Z and Baby Boomers felt more acknowledged by their managers than Gen X. However, these age-related patterns didn’t appear in the U.S. and Australia, hinting at cultural differences in how recognition by managers is perceived across generations.

It would be valuable to conduct further research to determine whether these populations receive different rates of recognition, or if they perceive recognition differently. Regardless, **managers should carefully consider how and when they recognise their diverse teams, striving to maintain consistency across groups to maximise the effectiveness of recognition.**

#2

Rewards for hard work

“My hard work is rewarded”

The next most powerful driver is also linked to recognition and reward, specifically whether an employee feels adequately rewarded for their hard work.

Demographic differences in rewards for hard work as a driver of appreciation in the UK

	Less rewarded	More rewarded
Gender	72.14	Women
Seniority	70.5	Entry/Mid
Org. Size	68.7	>2500
Ethnicity	67.9	White
Employment Status	64.8	Employed
Age	60.3	45-64

An ANOVA was used to examine demographic differences in appreciation scores within this driver. A nationally representative sample of 1040 participants. Significant differences are reported with p-values below 0.05 after correction.

In the UK, scores for feeling rewarded for hard work were lower at 59.2, compared to 60.9 in the U.S. and 62.9 in Australia. The picture also varied by company size. **Employees at large companies (52.4) felt significantly less rewarded for their efforts** compared to those in mid-sized organisations with fewer than 2,500 employees (62.1) and smaller businesses with fewer than 500 employees (61.4). In larger organisations, hard work seemed more likely to go unnoticed, with scores closer to 50, indicating a ‘neutral’ response, rather than a strong sense. That’s nearly 10 points below what we saw in smaller firms.

Interestingly, while this trend appeared in the UK and Australia, it wasn’t evident in the U.S.

Rewards for hard work as a driver of appreciation, by country

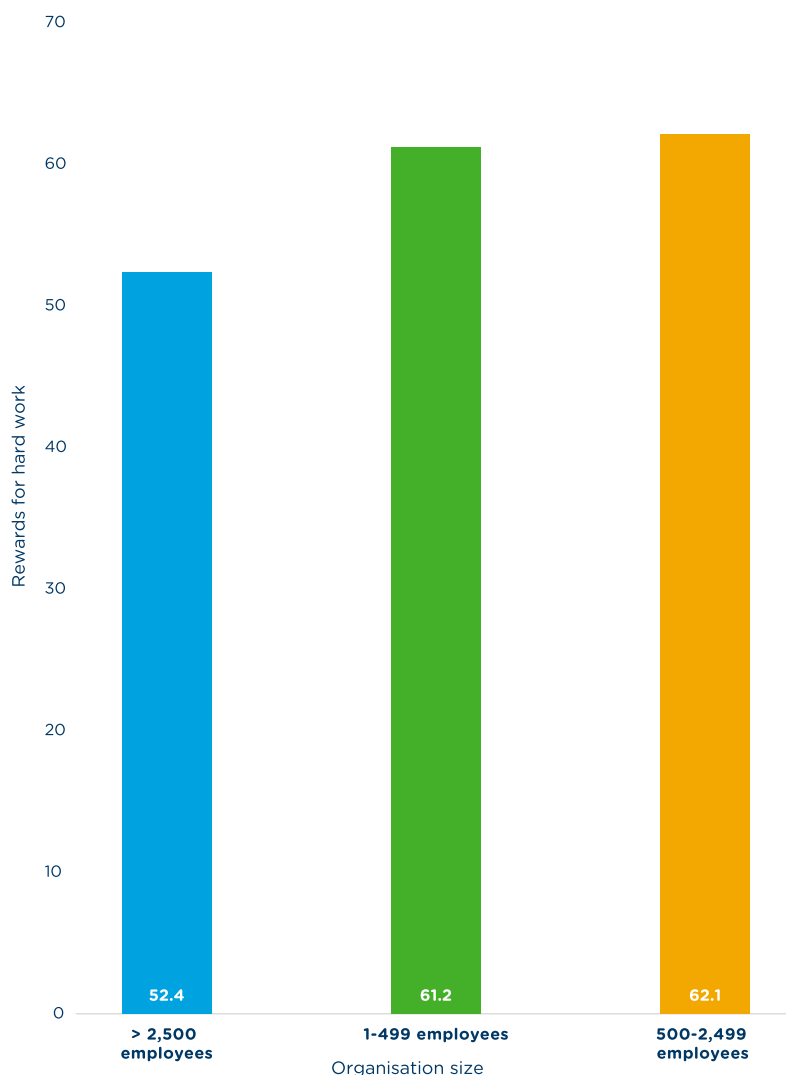
Country	Mean
UK	59.2
US	60.9
Australia	62.9

Another focus was on how different ethnicities experienced rewards for hard work in the UK. **White employees reported lower scores (58.0) when it came to feeling their hard work was rewarded**, while Black, Black British, Caribbean and African workers had much higher levels of agreement (68.7). Even though our samples were nationally representative, there were no statistical differences between other ethnicities, including Asian or Asian British or mixed or multiple ethnic groups.

Self-employed individuals in the UK scored higher (65.8) than employees in companies (58.7), indicating they felt their hard work was rewarded more often. This could be due to the fact that **self-employment often gives people more control over the outcomes of their work and a direct connection to the rewards of their efforts**. Previous research supports this, showing that self-employed individuals tend to have a deeper connection with their work and feel more rewarded as a result [32]. Interestingly, this trend didn't hold up in the U.S. and Australia, where the difference was not significant.

Gender also played a role. **Men (63.0) were more likely than women (56.9) to feel their efforts were recognised**, highlighting a clear gap in how hard work was perceived across genders in the UK. There was also a hierarchy in the sense of reward. **Executives (64.0) and senior management (63.3) scored higher** than entry-level employees (56.4) on this dimension, suggesting

Differences in rewards for hard work as a driver of appreciation in the UK, by organisation size



that the higher up you were, the more likely you were to feel your hard work was being acknowledged. In terms of age, **younger workers (18-29 and 30-44) and those over 65 felt more rewarded for their efforts**, while those in the 45-54 and 55-64 age groups lagged behind. It's clear that not all efforts were recognised equally, and companies need to take a closer look at how they're treating their employees depending on their age.

#3

Belonging at work

"I feel I belong here"

This next driver shifts away from recognition and focuses on whether an employee feels a sense of belonging at the workplace. The recent emphasis on belonging in organisations not only supports their Diversity, Equity and Inclusion (DEI) efforts, but also has a significant impact on how appreciated all employees feel.

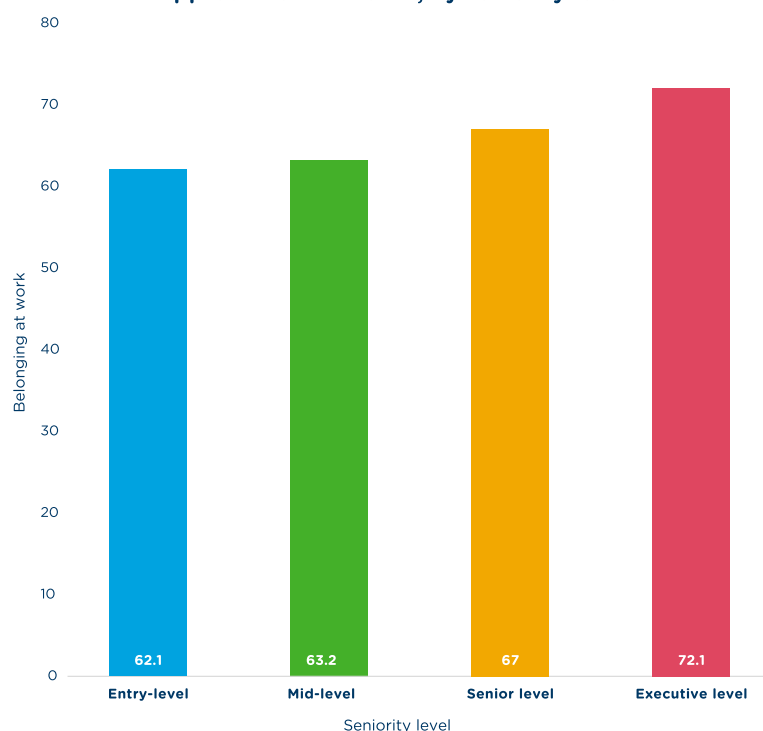
In the UK, scores were lower (64.6) compared to the U.S. (67.4) and Australia (69.1), with significant differences emerging only across seniority levels in all three regions. **Executives (72.1) reported a stronger sense of belonging** than their entry-level (62.1) and mid-level (63.2) counterparts. This isn't surprising – **executives typically have more established careers and may have found a company that feels like the right fit**, while those starting out are often still seeking that deeper sense of connection.

In the UK, there were **no significant differences in belonging reported across LGBTQIA+, disability or ethnic groups**. This suggests that there is a **more consistent experience across diverse groups, indicating progress towards a more inclusive workplace companies have been making in recent years**. However, these findings warrant further investigation to determine if the patterns hold in larger studies.

Belonging at work as a driver of appreciation, by country

Country	Mean
UK	64.6
US	67.4
Australia	69.1

Differences in belonging at work as a driver of appreciation in the UK, by seniority level



#4

Managerial support

“My managers support me”

This fourth driver returns to the influence of managers, with employees' ratings of managerial support showing a strong connection to how appreciated they feel.

Demographic differences in managerial support as a driver of appreciation in the UK

	Less Support	More Support
Seniority	Entry/Mid	Senior
Org. Size	>2500	500-2500
Community	Disabilities	No Disabilities

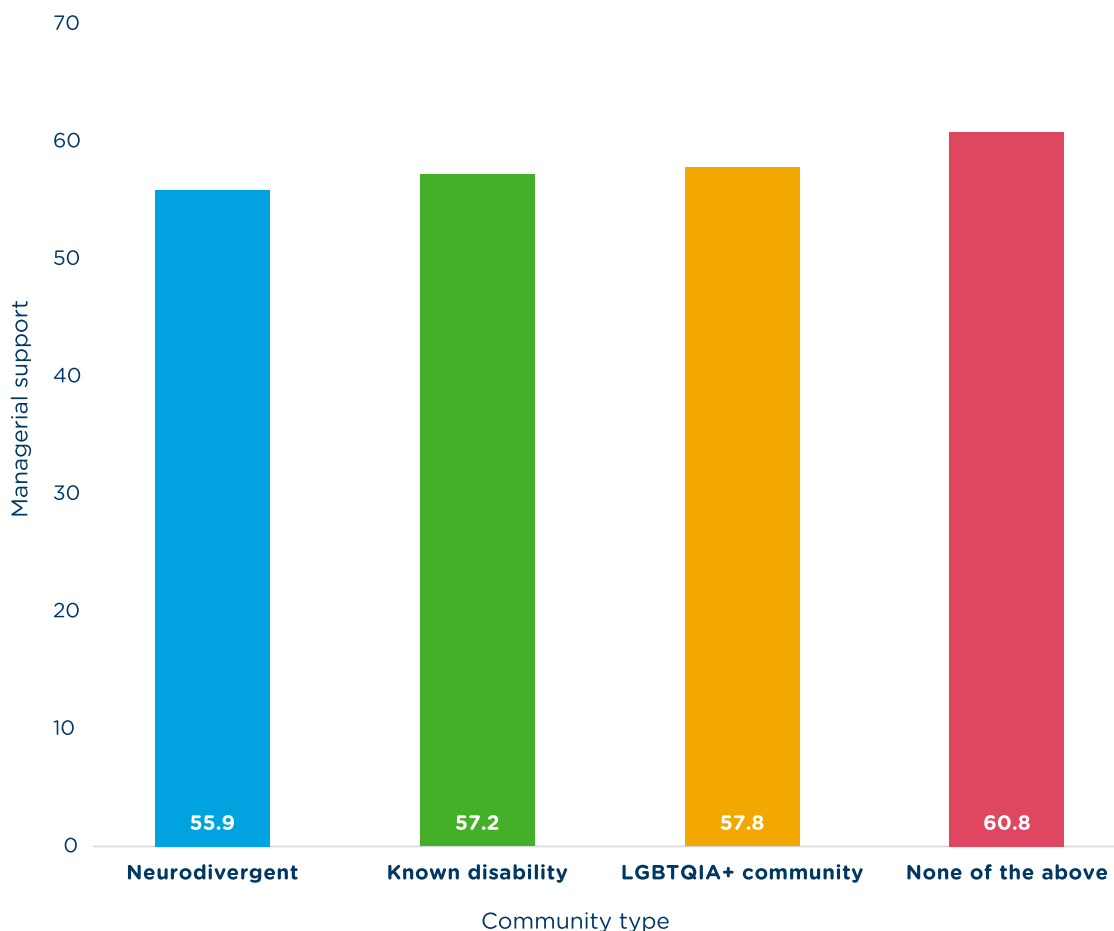
An ANOVA was used to examine demographic differences in appreciation scores within this driver. A nationally representative sample of 1040 participants. Significant differences are reported with p-values below 0.05 after correction.

Unfortunately, not everyone experienced the same level of managerial support. In the UK, employees reported lower levels of support (59.6) compared to those in the U.S. (62.9) and Australia (64.9). **Employees with disabilities in the UK reported less managerial support** (57.2) than those without (60.8). This trend wasn't observed in the U.S. or Australia, highlighting that while many employees in the UK may feel a sense of belonging, there is still much work to be done in creating a truly supportive environment for employees who might find themselves being somewhat different.

Managerial support as a driver of appreciation, by country

Country	Mean
UK	59.6
US	62.9
Australia	64.9

Differences in managerial support as a driver of appreciation in the UK, by personal characteristics of specific groups



The pattern continued when looking at job hierarchies. **Entry-level employees felt significantly less supported by their managers** (56.4) than those in senior positions (62.8), and this trend was similar across all three markets. In the U.S. and Australia, entry level employees felt significantly less managerial support than executive employees. It's a clear reminder that support shouldn't be reserved for senior staff – entry-level employees also need it, both to feel valued and to grow within the organisation.

Company size also played a role. **Employees in larger organisations reported lower levels of managerial support** (56.8) compared

to those in smaller (60.3) and mid-sized companies (62.3). **In larger firms, it seems employees may feel overlooked or struggle to get the managerial attention they need to feel appreciated.** Interestingly, this pattern of differences didn't appear when comparing seniority levels in the U.S. and Australia.

Beyond that, no significant differences were found for age, gender or family context. Since some groups felt more supported than others, it's clear that organisations still need to work to ensure everyone within the business receives the managerial support they need.

#5

Praise by organisation

“My organisation praises me”

This final driver of appreciation is once again linked to recognition but focuses on its expression – specifically, whether the organisation acknowledges and praises the employee.

Demographic differences in praise by organisation as a driver of appreciation in the UK

	Less Support	More Support
Gender	Women	Men
Seniority	Entry	Senior
Org. Size	>2500	500-2500

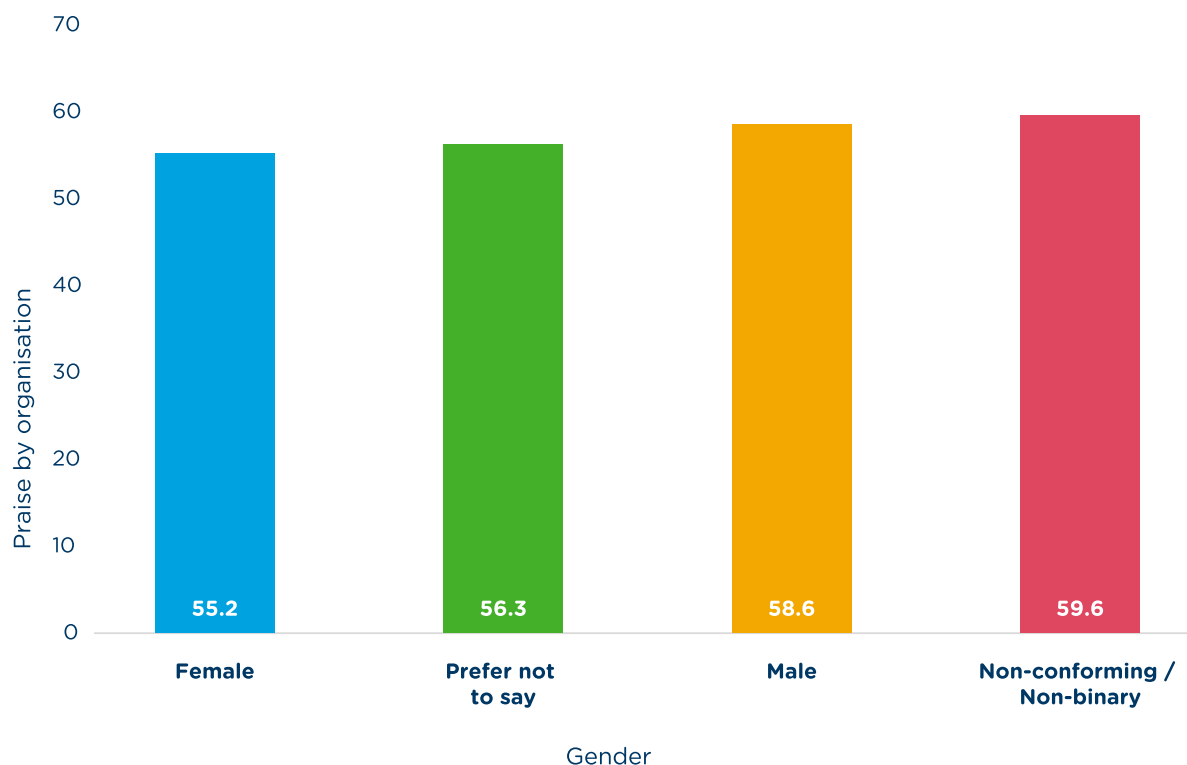
An ANOVA was used to examine demographic differences in appreciation scores within this driver. A nationally representative sample of 1040 participants. Significant differences are reported with p-values below 0.05 after correction.

In the UK, employees reported receiving less praise (56.7) compared to those in the U.S. (57.8) and Australia (62.3). Across all three markets, a noticeable trend emerged: **Men reported higher levels of organisational praise than women**, with scores of 58.8 compared to 55.3 in the UK. Women’s scores in the UK were only slightly above the neutral mark of 50, suggesting that many neither agreed nor disagreed that they received praise at work. This highlights a gap in how praise by an organisation is experienced across genders, particularly in the UK.

Praise by organisation as a driver of appreciation, by country

Country	Mean
UK	56.7
US	57.8
Australia	62.3

Differences in praise by organisation as a driver of appreciation in the UK, by gender



Seniority level was also important. **Senior and executive-level employees reported receiving more praise** (61.2) than those in entry-level positions (53.3), in all three markets, including the UK. In this case, **senior and executive-level employees are closer to the people and systems that represent the organisation as a whole**, so it's logical that they feel more recognised by the organisation in their day-to-day efforts. This also might indicate that executives are often recognised because of their **high levels of responsibility and more valued decision-making**, which could explain why they hear “well done” more frequently. Meanwhile, entry-level employees felt less acknowledged, highlighting a gap in praise that may reflect role differences.

Company size added another layer to the picture. **Employees in large organisations felt significantly less praised** (50.8) than those in smaller (58.6) or mid-sized companies (59.5). Workers in large firms barely reached the neutral mark, indicating they were neither satisfied nor dissatisfied with the praise they received. Even with this, all company sizes scored below 60 in the UK, showing that there is plenty of room for organisations to improve how they praise their employees. Interestingly, this trend did not appear in the U.S., suggesting that company size may influence praise differently across regions.

Takeaways

The findings of our comprehensive research across the UK, U.S. and Australia highlight an important point: **Fostering an appreciative workplace culture presents a strategic opportunity for companies.**

Since appreciation is linked to improved metrics such as productivity, engagement, motivation and job satisfaction, investing in it can unlock hidden workforce potential and give companies a competitive advantage.

Despite some global similarities, **the UK faces specific challenges, as shown by an Appreciation Index score of 61.8 – below the global average of 65** and behind both the U.S. (66.3) and Australia (66.8). This positions UK organisations at a disadvantage, but also presents a significant opportunity to drive change and close the appreciation gap.

The findings reveal clear disparities in how appreciation is experienced across different demographics in the UK. Men report feeling more appreciated than women, and senior staff score higher than entry-level employees. Additionally, employees in large organisations often feel overlooked compared to those in smaller or mid-sized firms, suggesting that a sense of being valued can diminish as companies grow. This points to the **need for more targeted and inclusive recognition practices to bridge these gaps.**

To explore where appreciation fits within organisational culture, this research utilises the Total Employee Experience model, based on Maslow's Hierarchy of Needs. Our assessment showed that, globally and in the UK, the **most significant influences on how appreciated employees feel are tied to their self-esteem, sense of belonging, and opportunities for self-actualisation** – elements that require a

focus on the 'person' side of the 'employee equation'. For companies, this means that while providing fair pay, job security and basic benefits forms an essential foundation, these basics alone will not distinguish an organisation from its competitors or fully unlock employees' energy and motivation.

In the UK, the **main drivers of employee appreciation were managerial recognition, rewards for hard work, a sense of belonging, managerial support and organisational praise.** Although these factors may seem straightforward, they highlight four key patterns. Firstly, the critical role managers play in employees' lives. Their recognition and support underline the importance of human-to-human connection, deserving close attention and investment from business leaders. Companies should take these relationships seriously and **develop specific strategies to foster meaningful, safe and open working dynamics between managers and their teams.**

Secondly, rewards for hard work as a driver of appreciation signal the importance of a positive feedback loop, ensuring that **employees see their extra effort acknowledged, rather than overlooked.** Thirdly, the influence of a sense of belonging underscores that humans are inherently social creatures, emphasising the **need to be seen and accepted by colleagues and to feel like valued members of a community of like-minded individuals.**

Lastly, the importance of organisational-level praise demonstrates that appreciation should permeate all levels of a business, not just appear in individual or team interactions. Without a company-wide strategy that integrates appreciation as a guiding principle for all employee experiences,

even the strongest relationships within the company will lack a cohesive narrative and foundation to tie them together and create a shared, meaningful experience for employees.

That's why it is essential to **adopt a multi-level approach that nurtures appreciation and to invest in building a culture that values individuals not only for their achievements but for who they are.** Companies must prioritise appreciation as a fundamental part of their workplace strategy, rather than treating it as an afterthought. Investing in this approach is not just advantageous. It is vital for staying competitive and fostering an environment where employees are motivated to give their best.



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Reward
Gateway

