10 Inexpensive Ways to Boost Employee Morale

Enhancing the good will (and productivity) in your workplace is exceedingly important, but it doesn't have to be excessively expensive.

By Joy Powers in partnership with Newsweaver.

Trying to boost your organization's bottom line? It's time invest in employee morale. Happy workers are 12 percent more productive, according to a study from Warwick Business School.

Conversely, unhappy employees can be detrimental to your organization. Not only are they less productive and absent more often, but you will pay the price for months or years to come if they end up walking out the door. Turnover costs are estimated to be from 30 percent of annual salary for an entry level employee up to 400 percent of annual salary for a high-level employee.

Lucky for you, improving morale doesn't have to cost a fortune. None of the methods I've outlined below involves raises or bonuses.

1. Recognize individual employees.

Tell people when they are doing a fabulous job. This is simple, and it works so well. This was by far the most common response I heard when asking professionals how to boost employee morale. Praise your employees at staff meetings, or take the time to thank them in a handwritten note. Whatever the message, the most important thing is that employees know that you notice and appreciate their hard work.

Employee recognition need not stay within the office walls. One local hospital worked with its public relations pro—Shelly Gordon of G2 Communications—to create its "Hospital Heroes" program, which celebrated outstanding staff accomplishments. The press profiled the hospital's housekeeping staff, nurses and surgeons, boosting employee morale.

One Internet startup challenged employees to devise an innovative and cost-effective way to promote the company. Each month, the company chose and implemented the best idea. Management announced the winner at a staff meeting and gave him a prize. Elgin "Subwaysurfer" Bolling won one month and to this day describes it as "one of the highlights of my working with the company."

2. Show employees the results of their hard work.

I once worked at a large nonprofit that raised money for other nonprofits. Most of my co-workers and I had very little, if any, direct interaction with the people and the communities we helped. Though we raised money for books and senior excursions, we never witnessed the joy of seeing children receive the new books, nor the delight of watching retirement home residents enjoy an afternoon at the museum.

To remedy this, the HR team organized field trips for us to see the results of our hard work. These were incredibly rewarding experiences and connected us to the communities. They made me feel more passionate about the work we were doing.

To replicate the field trip experience in your workplace, be sure to share with the entire staff the thank-you notes and positive reviews from customers. Better yet, team-builder Mike Jaffe of Jaffe Life Design asks clients to meet and personally thank the employees who service their account.
"By reminding employees about the meaning their work has by seeing its impact directly through the eyes of the people they are engaging with, it serves as a tremendous boost to morale, confidence, and satisfaction and adds an entirely different level of meaning to their work," Jaffe says.

3. Give employees responsibility.

All your employees can point out inefficiencies in your organization, but not all feel empowered to do so.

Paul Vragel of 4aBetterBusiness recommends listening to employees to learn what gets "in the way of the good job they want to do" and then involving them in the process to eliminate these barriers. Using this approach, he helped a midmarket manufacturing company implement almost 100 ideas that increased earnings by 30 percent within a few months.

When Terry Henley of Employers Resource Association needed to take over a production department of 100-plus employees on a six-month cleanup assignment, he involved the employees in improving their respective departments. Together, they reduced their error rate by 50 percent, increased their production by 25 percent, and eliminated huge backlogs that previously caused them to work overtime.

4. Treat employees like people.

"The fastest way to kill morale is to treat an employee like a resource similar to a stamp press or die cutter," says Curtis Stuehrenberg of Accelrys. Instead, extend small gestures like learning your employees' names and sending flowers when they are sick.

5. Make sure top management is available, listening and engaging.

In the early days of Hewlett-Packard, "the HP Way" included the practice of "management by walking around," says Bob Kalsey, whose father started working at HP in the 1950s. Founders Dave and Bill spent time on the shop floor talking with individual employees, asking questions, and soliciting ideas.

"People there felt their work and opinions were valued, and they took pride in that," says Kalsey. "We all want to feel genuinely a part of something larger than ourselves, and when we do, we are loyal and eager to go the extra mile. Unlike many C-level people who insulate themselves from low-level workers, Dave and Bill weren't absent from their employees' daily lives."

6. Offer training.

"One of the top reasons employees leave a company is the lack of development opportunities, so providing your employees with professional effective training is sure to boost morale," says Robert Bilotti of Novita.

This begins by partnering new employees with more-seasoned veterans, bringing in experts for training sessions, and paying for employees to attend local trade conferences.

"Your best people continue to demand professional development opportunities that help them grow, yet most companies take the short-sighted view of cutting those programs when financials are tight," says leadership coach Darcy Eikenberg of Red Cape Revolution. Be wary of taking away these benefits.
"Your stars will remember how they're being treated now and will walk to your competitor as soon as the economy turns," Eikenberg warns.

7. Give small perks with big personal impact.

In addition to providing training, businesses can reward staffers with perks that make a difference in their employees' lives.

One perk that I cherish—and which costs my employer nothing—is the luxury of working from home once a week. The hour-and-a-half I save by not riding the bus gives me the chance to take a breather between my work and family responsibilities. Having flexible hours can make a world of difference to working parents.

New Belgium Brewing Co. in Colorado rewards each employee with a new bicycle after a year of employment, and it encourages employees to ride by providing on-site showers and bicycle maintenance supplies. Of its 320 employees, more than half the staff rides to work in the summer.

When it comes to rewarding a job well done, many executives revert to giving their employees small cash bonuses. Instead, Ruben Estrada of Estrada Strategies recommends treating employees to an experience.

"Instead of giving your production supervisor a $50 bonus, offer to buy dinner for him and his wife at a local fine restaurant," Estrada says. "When you give an employee money, his attitude is grateful, but the feeling is, 'I earned it,' and thus the impact is short-lived. When you give an employee an experience, you're giving them something they would call their mother to brag about."

8. Be transparent, and keep staff in the loop.

When employees don't know what is going on in the company, productivity can give way to redundant or otherwise unnecessary efforts on the part of the staff. Worse yet, when employees are given only part of the story, they are left to fill in the blanks with gossip, rumors and worry.

This happened to the employees of a client of leadership coach Darcy Eikenberg. The company was successful in a growing industry, but employees were still concerned with layoffs. The executive wasn't looking at the situation from the staff's viewpoint. The staff didn't know as much as she did. She then started explaining how and why the industry was growing, and why they were making cuts for the benefit of the company.

9. Make the office fun.

"No one wants to leave a place where they are having fun," says Abby Kohut, a recruiter at Staffing Symphony. "For little to no cost, employers can implement programs that make their employees smile." Her suggestions include potluck cooking contests, baby picture contests and department shows.

Jillian Zavitz at TalktoCanada, a company that offers English lessons over the Internet, has tried numerous approaches to boost the morale of her teachers. She found that bonuses and weekly prizes don't work. Faced with the additional challenge of having a virtual workforce, Jillian tried a new approach and implemented a game called "Amazing Race Canada" for her teachers and students.
"So far people are pumped at the opportunity to do different things—and compete against each other," Zavitz says.

10. Ask employees what motivates them.

Though the list above will certainly help bolster the morale of many employees, one of the most important things is to ask your employees what motivates them. Robert Dolezal, CEO at Consultiq & D&A Consulting, recommends sitting down with each employee and having a conversation about what they value and how they measure success.

"The answers they give will in turn suggest non-compensation rewards that will boost morale—and the conversations themselves will make them feel more motivated, appreciated and participatory, leading to morale boosts just by asking," Dolezal says.

Raj Khera, co-founder & CEO of MailerMailer, finds that the outcome of these sessions "is often a list of ideas that you hadn't thought of. If you implement them, the employees will feel even more appreciated and will typically help you get the ideas launched."

Just be genuine

Whichever methods you implement, remember to do so out of genuine interest and concern for your employees. Employees will recognize forced office socials and cheap thoughtless gifts as such, and this can cause more damage than the good will you sought.

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