

Vol 5 Issue 12 Jan 2016

ISSN No : 2230-7850

---

International Multidisciplinary  
Research Journal

*Indian Streams  
Research Journal*

Executive Editor  
Ashok Yakkaldevi

Editor-in-Chief  
H.N.Jagtap

---

## Welcome to ISRJ

**RNI MAHMUL/2011/38595**

**ISSN No.2230-7850**

Indian Streams Research Journal is a multidisciplinary research journal, published monthly in English, Hindi & Marathi Language. All research papers submitted to the journal will be double - blind peer reviewed referred by members of the editorial board. Readers will include investigator in universities, research institutes government and industry with research interest in the general subjects.

## Regional Editor

Manichander Thammishetty  
Ph.d Research Scholar, Faculty of Education IASE, Osmania University, Hyderabad.

Mr. Dikonda Govardhan Krushanahari  
Professor and Researcher ,  
Rayat shikshan sanstha's, Rajarshi Chhatrapati Shahu College, Kolhapur.

## International Advisory Board

Kamani Perera Regional Center For Strategic Studies, Sri Lanka	Mohammad Hailat Dept. of Mathematical Sciences, University of South Carolina Aiken	Hasan Baktir English Language and Literature Department, Kayseri
Janaki Sinnasamy Librarian, University of Malaya	Abdullah Sabbagh Engineering Studies, Sydney	Ghayoor Abbas Chotana Dept of Chemistry, Lahore University of Management Sciences[PK]
Romona Mihaila Spiru Haret University, Romania	Ecaterina Patrascu Spiru Haret University, Bucharest	Anna Maria Constantinovici AL. I. Cuza University, Romania
Delia Serbescu Spiru Haret University, Bucharest, Romania	Loredana Bosca Spiru Haret University, Romania	Ilie Pintea, Spiru Haret University, Romania
Anurag Misra DBS College, Kanpur	Fabricio Moraes de Almeida Federal University of Rondonia, Brazil	Xiaohua Yang PhD, USA
Titus PopPhD, Partium Christian University, Oradea,Romania	George - Calin SERITAN Faculty of Philosophy and Socio-Political Sciences AL. I. Cuza University, Iasi	.....More

## Editorial Board

Pratap Vyamktrao Naikwade ASP College Devrukh,Ratnagiri,MS India Ex - VC. Solapur University, Solapur	Iresh Swami Ex - VC. Solapur University, Solapur	Rajendra Shendge Director, B.C.U.D. Solapur University, Solapur
R. R. Patil Head Geology Department Solapur University,Solapur	N.S. Dhaygude Ex. Prin. Dayanand College, Solapur	R. R. Yalikar Director Managment Institute, Solapur
Rama Bhosale Prin. and Jt. Director Higher Education, Panvel	Narendra Kadu Jt. Director Higher Education, Pune	Umesh Rajderkar Head Humanities & Social Science YCMOU,Nashik
Salve R. N. Department of Sociology, Shivaji University,Kolhapur	K. M. Bhandarkar Praful Patel College of Education, Gondia	S. R. Pandya Head Education Dept. Mumbai University, Mumbai
Govind P. Shinde Bharati Vidyapeeth School of Distance Education Center, Navi Mumbai	Sonal Singh Vikram University, Ujjain	Alka Darshan Shrivastava Shaskiya Snatkottar Mahavidyalaya, Dhar
Chakane Sanjay Dnyaneshwar Arts, Science & Commerce College, Indapur, Pune	G. P. Patankar S. D. M. Degree College, Honavar, Karnataka	Rahul Shriram Sudke Devi Ahilya Vishwavidyalaya, Indore
Awadhesh Kumar Shirotriya Secretary,Play India Play,Meerut(U.P.)	Maj. S. Bakhtiar Choudhary Director,Hyderabad AP India.	S.KANNAN Annamalai University,TN
	S.Parvathi Devi Ph.D.-University of Allahabad	Satish Kumar Kalhotra Maulana Azad National Urdu University
	Sonal Singh, Vikram University, Ujjain	

**Address:-Ashok Yakkaldevi 258/34, Raviwar Peth, Solapur - 413 005 Maharashtra, India**  
**Cell : 9595 359 435, Ph No: 02172372010 Email: ayisrj@yahoo.in Website: www.isrj.org**



J. Padmini



## A STUDY ON THE IMPACT OF EMPLOYEE REWARDS AND RECOGNITION PROGRAMS



J. Padmini

HOD- Department of Management Studies Valliammai Engineering College .

### ABSTRACT

The study deals with the employee rewards & recognition. Its analyses the rewards & recognitions programs followed by the organizations. It is an empirical study. The relationship between the demographical variables of age, gender and experience and rewards and recognition program was analyzed. The statistical tools such as chi-square test, co-relation test was performed on the data. The statistical analysis showed that there is a significant relationship between the gender, age & experience and rewards & recognition programs followed by the organizations.

**KEYWORDS** :employee rewards, recognition programs, chi-square test, co-relation test.

### INTRODUCTION

The Word reward refers to the benefits that workers receive from their jobs (Kalleberg 1977, Mottaz1988). In any organization, rewards play an important role in building and sustaining the commitment among employees that ensures a high standard of performance and workforce constancy (Wang 2004). Generally organizations have gained substantial improvement by entirely complying with the organizational strategy of a well-balanced reward and recognition program. Employee Reward refers to all categories of financial benefits, tangible services and benefits that an employee receives as part of employment relationship with the organization (Bratton and Gold 1994). Organizational rewards means all the benefits i.e. financial and non-financial that an employee receives through their employment relationship with an organization (Bratton and Gold1994, Malhotra

etal. 2007).

The rewards that individuals seek from their organization are of three types i.e. extrinsic, intrinsic and social rewards (Williamson et al. 2009). Extrinsic rewards are the physical benefits provided by the organization such as pay, bonus, fringe benefits and career development opportunities. Intrinsic rewards refer to the rewards that come from the content of the job itself, and encompass motivational characteristics of the job such as autonomy, role clarity and training (Hackman and Oldham 1976). Social rewards arise from the interaction with other people on the job and may include having supportive relationships with supervisor and co-workers. Ali and Ahmed (2009) established that there is a substantial affiliation between reward and recognition, and similarly between employee motivation and job satisfaction. In any organization, rewards play an important role in building and sustaining the commitment among employees that ensures a high standard of performance and workforce constancy (Wang 2004). According to the individual–organization exchange theme, individuals enter organizations with specific set of skills, desires and goals, and expect in return a decent working environment where they can use their skills, satisfy desires, and attain their goals (Mottaz 1988). M

#### **OBJECTIVES OF THE STUDY:**

- To study about the impact of rewards and recognition on the performance of employees in the IT sector.
- To study about the level of employees satisfaction with the monetary benefits provided by the organization.
- To study the level of satisfaction of employees with the current reward and recognition system.
- To provide the practical suggestion for the improvement of employees rewards and recognition in an organization.

#### **REVIEW OF LITERATURE:**

In general terms rewards programmes come within the overall concept of compensation strategies which are defined as the “deliberate utilization of the pay system as an essential integrating mechanism through which the efforts of various sub-units or individuals are directed towards the achievement of an organization’s strategic objectives” (Gomez-Mejia and Balkin, 1992). They are management tools that hopefully contribute to a firm's effectiveness by influencing individual or group behavior (Lawler and Cohen, 1992). All businesses use pay, promotion, bonuses or other types of rewards to encourage high levels of performance (Cameron and Pierce, 1977). Reena Ali and M. Shakil Ahmed (2009) studied the impact of reward and recognition programs on employee’s motivation and satisfaction. This exploratory study suggests a positive relationship between reward and satisfaction. Rizwan Qaiser Danish (2010) explored the Impact of Reward and recognition on employee Job satisfaction and motivation. Analysis revealed close relationship with dimensions of work motivation and satisfaction and less significant relationship between Recognition and work.

Hatice Özutku (2012) studied The Influence of Intrinsic and Extrinsic Rewards on Employee Results: An Empirical Analysis in Turkish Manufacturing Industry. He found that application level of intrinsic and extrinsic rewards in Turkish manufacturing industry is not high. It has been identified that intrinsic rewards have a significant influence on employee results; however extrinsic rewards do not have a significant influence on employee results in Turkish manufacturing industry. This study highlighted the importance of the intrinsic reward system for implementing TQM. Although it is not

possible directly to motivate others, it is nonetheless important to know how to influence what others are motivated to do, with the overall aim of having employees identify their own welfare with that of the organization (Bruce and Pepitone, 1999). Organizations are under constant pressure to enhance and improve their performance and are realizing that an interdependent relationship exists between organizational performance and employee performance. In the following section the focus will be on the motivational theories and the impact that these theories have on enhancing employee performance.

The studies reviewed shows that there is significant relationship between rewards & recognition and employee satisfaction. Intrinsic rewards significantly influence employee performance.

#### **RESEARCH METHODOLOGY:**

Considering the objectives of the present study, the following hypotheses are generated to design, analyze, verify and arrive at the findings and conclusions of the present study.

There is no significant association between employee gender and overall satisfaction with rewards and recognition programs provided by the company.

There is no significant association between employee experience and employee satisfaction with monetary benefits provided by the organization.

There is no significant association between employee age and their satisfaction with the current reward and recognition system in the company.

These hypotheses were tested and verified using appropriate assessment techniques and suitable statistical analysis.

It is well known fact that the results of any research study depends upon the research design it adopts. The present research is descriptive study and sample survey design was adopted. Descriptive research describes the data and characteristics about the population or phenomenon being studied.

#### **TOOL USED:**

The primary data was collected using a questionnaire .It was constructed and validated by the investigator. Secondary data was collected from online databases and journals.

#### **SAMPLING FRAMEWORK:**

The population identified for the purpose of this study is the employees of. Various IT industries. The sample consists of 100 subjects selected using non probability convenient sampling method.

#### **STATISTICS USED:**

The data obtained was processed and then analyzed with suitable statistical techniques like chi square test and above test.

#### **ANALYSIS AND DISCUSSION:**

##### **1. CHI-SQUARE ANALYSIS OF EMPLOYEE GENDER AND OVERALL SATISFACTION ABOUT REWARDS AND RECOGNITION SYSTEM PROVIDED BY THE COMPANY.**

Ho (Null hypothesis) – There is no significant association between employee gender and overall satisfaction with rewards and recognition programs offered by the company

Ha (Alternate Hypothesis) – There is significant association between employee gender and overall

satisfaction with rewards and recognition programs offered by the company

**TABLE NO:1 EMPLOYEE GENDER AND OVERALL SATISFACTION ABOUT REWARDS AND RECOGNITION SYSTEM**

CHI-SQUARE TEST				
	Value	Df	Asymp. Sig. (2-sided)	
Pearson Chi-Square	5.200 <sup>a</sup>	5	.392	
Likelihood Ratio	7.133	5	.211	
Linear-by-Linear Association	.845	1	.358	
N of Valid Cases	10			
a. 12 cells (100.0%) have expected count less than 5. The minimum expected count is .50.				

**INFERENCE:**

Since the computed Chi square value (0.392) is greater than the p-value (0.05), the H<sub>0</sub> is rejected. Hence it is concluded that there is significant association between employee gender and overall satisfaction with the rewards and recognition programs provided by the company. It implies that there are differences in the way rewards and recognition programs provided by the company are perceived by both genders.

**2.EMPLOYEE EXPERIENCE AND THE SATISFACTION LEVEL OF MONETARY BENEFIT:**

Hypothesis 2: H<sub>0</sub> (Null hypothesis) – There is no significant association between employee experience and the satisfaction with monetary benefit provided by the organization.

H<sub>1</sub> (Alternate hypothesis) – There is significant association between employee experience and the satisfaction with monetary benefit provided by the organization.

**TABLE NO: 2 EMPLOYEE EXPERIENCE AND THE SATISFACTION LEVEL OF MONETARY BENEFIT**

Chi-Square Tests				
	Value	Df	Asymp. Sig. (2-sided)	
Pearson Chi-Square	31.875 <sup>a</sup>	32	.473	
Likelihood Ratio	27.113	32	.712	
Linear-by-Linear Association	2.871	1	.090	
N of Valid Cases	25			
a. 45 cells (100.0%) have expected count less than 5. The minimum expected count is .20.				

**INFERENCE:**

Since the computed chi square value (0.473) is greater than the p-value (0.05), the null hypothesis is rejected. Hence it is concluded that there is significant association between employee experience and the satisfaction with the monetary benefits provided by the organization. It implies that satisfaction with the monetary benefits provided by the organization varies with the experience of employees.



### 3.EMPLOYEE AGE AND THEIR SATISFACTION WITH THE CURRENT REWARD AND RECOGNITION SYSTEM

#### HYPOTHESIS:

**Ho (Null hypothesis)** – There is no significant difference between employee age and their satisfaction with the current reward and recognition system in the company.

**H<sup>1</sup> (Alternate hypothesis)** – There is significant difference between employee age and their satisfaction with the current reward and recognition system in the company.

**TABLE NO3: EMPLOYEE AGE AND THEIR SATISFACTION WITH THE CURRENT REWARD AND RECOGNITION SYSTEM.**

Opinion of Respondents	Types of Decisions									
	Raising loan & Repayment		Saving and investment		Education of children		Participation in social activities		Improvement of housing facilities	
Before joining SHGs	19	38%	23	46%	17	34%	20	40%	22	44%
After joining SHGs	31	62%	27	54%	33	66%	30	60%	28	56%
<b>Total</b>	<b>50</b>	<b>100%</b>	<b>50</b>	<b>100%</b>	<b>50</b>	<b>100%</b>	<b>50</b>	<b>100%</b>	<b>50</b>	<b>100%</b>

#### INFERENCE:

Since the computed chi square value (0.213) is greater than the p-value (0.05) the null hypothesis is rejected. Hence it is concluded that there is significant difference between employee age and their satisfaction with the current reward and recognition system in the company.

#### FINDINGS AND CONCLUSION:

Chi-square analysis reveals that there is there is significant association between employee gender and overall satisfaction with the rewards and recognition programs provided by the company.

Chi-square analysis associating employee gender and overall satisfaction about rewards and recognition system provided by the company reveals that there is there is significant association between employee gender and overall satisfaction with the rewards and recognition programs provided by the company.

One way anova of employee age and their satisfaction with the current reward and recognition system in the company, the study accepts null hypothesis and hence there is no significant difference between employee age and their satisfaction with the current reward and recognition system in the company.

#### SUGGESTIONS:

Reward and recognition system has been found to have direct impact on the kind of behavior reinforced in the organization. Therefore, it is always necessary for organizations to think through the areas for which they want to reward/recognize their employees. It is also of utmost importance that the organizations clearly define the factors for the same so that the desirable outcomes are achieved and can be tracked and shared.

The reward and recognition systems may be reviewed periodically for effective attainment of organization goals.

The company has a sound reward and recognition policy and therefore the present reward and recognition system in the organization have proved this point with the help of results of the study.

When association between age, gender and experience is studied, there appears significant relationship between. So the present reward and recognition system can be followed in the near future .However it has to be reviewed time and again to sustain its effectiveness.

**BIBLIOGRAPHY:**

- 1)Dr. T. Usha Priya, T. Shakthi Eshwar(2014) ,"Rewards, Motivation and Job Satisfaction of Employees in Commercial Banks- An Investigative Analysis International Journal of Academic Research in Business and Social Sciences", April 2014, Vol. 4, No. 4 ISSN: 2222-6990
- 2)Dr.V.T.R. Vijayakumar ,Mrs. B.Subha (Nov 2013) India Impact of Rewards and Recognition on Employees Job Satisfaction and Motivation in Private Banks of Tirunelveli City ,International Research Journal of Business and Management – IRJBM ISSN 2322-083X.
- 3)Mottaz, C.J. (1988). Determinants of Organizational Commitment. Human Relations, 41(6): 467–482.
- 4)Reena Ali and M.Shakil Ahmed (June 2009)The Impact Of Reward And Recognition Programs On Employee's Motivation And Satisfaction: An Empirical Study, International Review of Business Research Papers Vol. 5 No. 4 ,Pp.270-279
- 5)Wang, Y. (2004). Observations on the Organizational Commitment of Chinese Employees: Comparative Studies of State-Owned Enterprises and Foreign-Invested Enterprises. The International Journal of Human Resource Management, 15(4/5): 649–64.



# Publish Research Article International Level Multidisciplinary Research Journal For All Subjects

Dear Sir/Mam,

We invite unpublished Research Paper, Summary of Research Project, Theses, Books and Book Review for publication, you will be pleased to know that our journals are

## Associated and Indexed, India

- ★ International Scientific Journal Consortium
- ★ OPEN J-GATE

## Associated and Indexed, USA

- Google Scholar
- EBSCO
- DOAJ
- Index Copernicus
- Publication Index
- Academic Journal Database
- Contemporary Research Index
- Academic Paper Database
- Digital Journals Database
- Current Index to Scholarly Journals
- Elite Scientific Journal Archive
- Directory Of Academic Resources
- Scholar Journal Index
- Recent Science Index
- Scientific Resources Database
- Directory Of Research Journal Indexing

Indian Streams Research Journal  
258/34 Raviwar Peth Solapur-413005, Maharashtra  
Contact-9595359435  
E-Mail-[ayisrj@yahoo.in](mailto:ayisrj@yahoo.in)/[ayisrj2011@gmail.com](mailto:ayisrj2011@gmail.com)  
Website : [www.isrj.org](http://www.isrj.org)