



“A study on impact of reward and recognition system on employee job satisfaction”

Patel Disha Janakbhai

Student, B.V. Patel Institute of Management

Uka Tarsadia University, Maliba Campus, Bardoli.

Dr.Anuradh Pathak

Assistant professor, B.V.Patel Institute of Management

Uka Tarsadia University, Bardoli, Surat. Gujarat.

➤ Abstract

This study is to attempt to identify the impact of reward and recognition system on employee job satisfaction. The main objective of this study is to study the whether organization provide reward and recognition to its employee. To study the reward and recognition measures adopted by organization to satisfy its employee. Data collected for this study is by questionnaire method. A sample of 100 respondents were selected through a simple random sampling method.

Keywords-Employee Motivation and job satisfaction, reward and recognition

➤ Introduction

The basic for the efficient functioning of a company is that its employees work hard and stay motivated no matter how tough is the client. A company can reciprocate to its employees in no way better than rewards and recognition. Although many elements of designing and designing are the same, it is useful to keep this difference in mind, especially for small business owners interested in motivating staffs while keeping costs low. They are intended to provide a retrieve psychological-reward a financial-benefit to their employees, rather than a financial benefit. The word 'reward' is often used to refer to a system of rewards and recognition systems that are often combined with reward programs, but they have a different purpose altogether.

➤ Literature Review

Elmien Smith, Pieter Joubert (PhD) and Anis Mahomed Karodia (PhD) (September 2015) the impact of intrinsic and extrinsic rewards on employee motivation at a medical devices company in South Africa: The main purpose of this research was to investigate the role that intrinsic and extrinsic rewards play in motivating employees. This study in assessment of this problem adopted an explanatory research design using quantitative methodology and a survey strategy carried out among employees at a medical devices company in South Africa in order to assess these. The research had the following three essential objectives: to ascertain whether employees value rewards as motivation factors, to establish the extent to which employees are satisfied with current reward systems, and to identify which rewards (extrinsic or intrinsic) employees consider most beneficial. Based on the research conducted by examining employee perceptions towards the reward systems of the given Medical Devices organization and the work motivation of the employees, Employees at the company value rewards as a motivator, and would increase their efforts in order to gain rewards. All the respondents felt that they were ready to increase their work effort in order to receive rewards.

Shagufta Sarwar and James Abugre (2013) conducted a study on the Influence of Rewards and Job Satisfaction on Employees in the Service Industry: The objective of the study is to find out the relationship between employees' rewards, and the dimension of their job satisfaction in the service sector. Researcher has use primary data through designing the questionnaire. A questionnaire was constructed, tested and administered to a total 110 subjects at two private organizations. Descriptive and Chisquare analysis were used to interpret the data. The results of the study suggest that higher rewards and satisfied employees in work organizations play a major role both in the promotion of employee job satisfaction and consequently higher productivity in organizations.

Zeeshan Fareed, Zain Ul Abidan, Farrukh Shahzad, Umm-e-Amen, (2013) conducted a study on the Impact of Rewards on Employee's Job Performance and Job Satisfaction: The objective of the study to find the impact of rewards on employee's job performance and employee's job satisfaction in telecommunication sector of Pakistan and target employees relates to PTCL and cellular companies like Ufone, Telenor, Warid, Zong, Mobil ink jazz from Okra city. This study purely adopts quantitative research approach. Questionnaire used as instrument for data collection. This study proves the hypothesis that extrinsic and intrinsic rewards positively change the employee's job performance and employee's job satisfaction in telecommunication sector of Okra city Pakistan.

Rizwan Qaiser Danish & Ali Usman, "Impact of Reward and Recognition on Job Satisfaction and Motivation: Human resources are the most important among all the resources an organization owns. To retain efficient and experienced workforce in an organization is very crucial in overall performance of an organization. The present study is an attempt to find out the major factors that motivate employees and it tells what is the relationship among reward, recognition and motivation while working within an organization. The statistical analysis showed that different dimensions of work motivation and satisfaction are significantly correlated and reward and recognition have great impact on motivation of the employees.

Dr. R. Anitha, "A study on Job Satisfaction of Paper Mill Employees with special reference to Udumalpet and Palani Taluk": The objective of study the Reward and Recognition have influences to employee engagement at PT. Bank Sulutgo, Manado, and

simultaneously.2. Reward has influence to employee engagement at PT. Bank Sulutgo, Manado, and partially.3. Recognition has influence to employee engagement at PT. Bank Sulutgo, Manado, partially. The main aim of this study is to analyze the satisfaction level of paper mill employees. The organizations lack the relationship between workers and supervisors, working conditions, Canteen, rest room facilities, rewards, recognition and promotion policy, reward system of the employees and promotions must be given based on merit, educational qualification and experience, and if these factors are given little more care, the company can maintain high level of satisfaction, organizational commitment and involvement. This will in turn lead to effectiveness and efficiency in their work which leads to increased productivity.

➤ Research Objective

- To study the whether organisation provide reward and recognition to its employee.
- To study the reward and recognition measures adopted by organisation to satisfy its employee.
- To study whether reward and recognition measures adopted by organisation lead to employee satisfaction.

➤ Research Methodology

Study aims to find out the impact of reward and recognition system on employee job satisfaction.. The design of research that was selected for the project is “Descriptive or survey design”. Primary data was collected through questionnaires. The data gathered through survey with open ended question, close ended questions and sample size is 100. The frequency and reliability test were used to analyse the data.

➤ Hypothesis Development

H1: There is a relationship between employee’s rewards and job satisfaction.

H2: There is a relationship between employee’s rewards and motivation.

H3: There is a relationship between employee’s motivation and job satisfaction.

➤ Finding of the study

Reliability statistics

Table: 1 Reliability statistics

Cronbach alpha	No. of items
.667	29

Reliability Analysis: Reliability test was carried out by using SPSS software and the reliability test measure given below: Cronbach’s alpha: .667, the standard value is at 0.5 but over here it’s highly reliable, so all the questions were found reliable.

➤ **Demographic Profile****Table: 2 Demographic profile of the respondents**

Demographic Variable		Frequency	Percentage
Gender	Male	69	69.0
	Female	31	31.0
Age	20-30	31	31.0
	31-40	25	25.0
	41-50	24	24.0
	Above 51	20	20.0

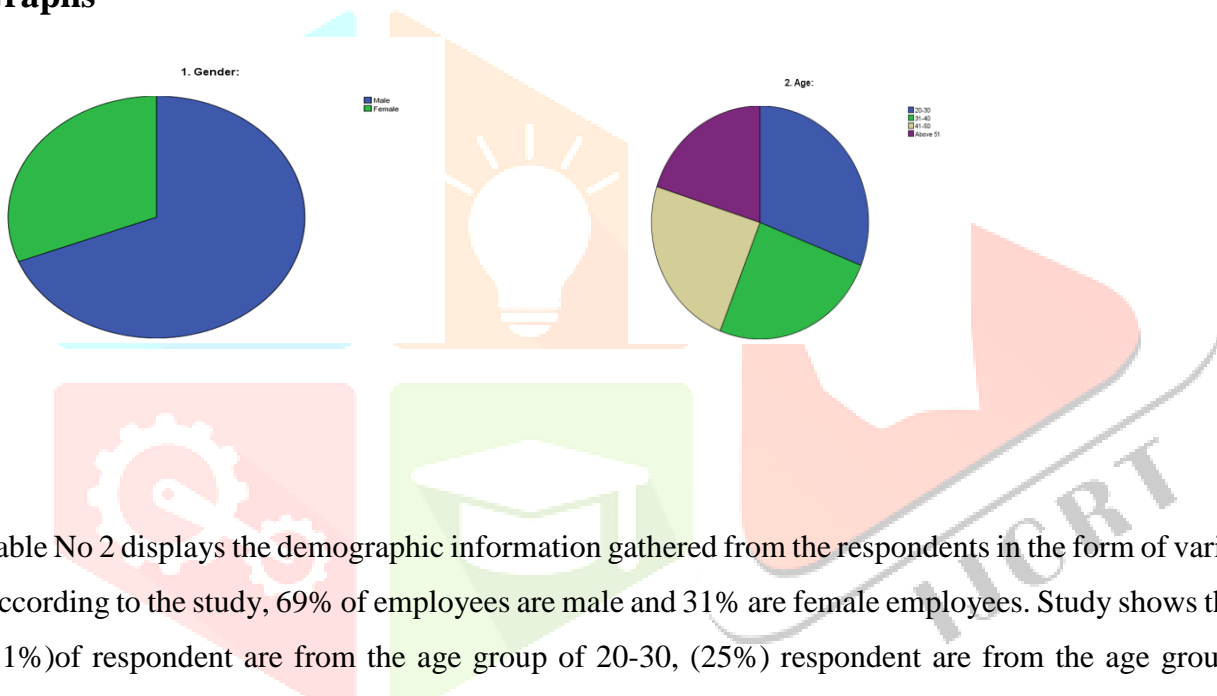
➤ **Graphs**

Table No 2 displays the demographic information gathered from the respondents in the form of various graphs. According to the study, 69% of employees are male and 31% are female employees. Study shows that majority (31%) of respondent are from the age group of 20-30, (25%) respondent are from the age group of 31-40, (24%) of respondent are from the age group of 41-50 and (20%) from the age group of 51 above years.

Chi-square test

Table No: 3 Test with age

		value	df	Sig.	Accepted/ Rejected
flexible time for part time work	Pearson Chi-square	27.482 ^a	12	.007	Rejected
compressed work	Pearson Chi-square	14.175 ^a	12	.290	Rejected
flexible with telecommuting to work from home	Pearson Chi-square	10.678 ^a	12	.557	Rejected
The demands of my work interfere with my home and family life	Pearson Chi-square	11.965 ^a	12	.448	Rejected

Here from table it is observed that the significance test value for flexible time for part time work, compressed work, flexible with telecommuting to work from home, work interfere with home family life greater than significance level 0.05 hence null hypothesis rejected which suggests that there is no significance relationship with age.

Table No: 4 Test with Education Qualifications

		value	df	Sig.	Accepted/ Rejected
flexible time for part time work	Pearson Chi-square	15.376 ^a	15	.425	Rejected
compressed work week	Pearson Chi-square	14.841 ^a	15	.463	Rejected
flexible with telecommuting to work from home	Pearson Chi-square	14.528 ^a	15	.486	Rejected
The demands of my work interfere with my home and family life	Pearson Chi-square	21.177 ^a	15	.131	Rejected

Here from table it is observed that the significance test value for flexible time for part time work, compressed work, flexible with telecommuting to work from home, work interfere with home family life greater than significance level 0.05 hence null hypothesis rejected which suggests that there is no significance relationship with age.

RECOMMENDATION

The findings obtained through the current study suggest that over all there are more respondents who are satisfied with the reward and recognition program in the organization. Reward and recognition system has been found to have direct impact on the kind of behaviour reinforced in the company. Therefore, it is always necessary for company to think through the areas for which they want to reward/recognize their employees. The reward and recognition systems may be reviewed periodically for effective attachment of company goals. The managers should let the employees to participate in decision making so that employees feel that their opinion is important for the company development.

CONCLUSION

Current study is descriptive in nature and it has concluded that satisfaction of employees through impact of reward and recognition. It is also concludes that satisfaction of employees are considered for reward and recognition mostly for achieving target, increased productivity and customer's satisfaction. Further it conclude that formal and informal recognition for their achievements by superior is very important for respondents, recognize for team and individual accomplishment is also very important for them, as they are rewarded equally as well as when they perform beyond expectation. It also concludes that there is no

relationship between ages and recognition. From the study it also concludes that majority of respondents were satisfied with the reward and recognition programs conduct in their company.

From the overall study it is concluded that the employees are satisfied with the reward and recognition program of the organization.

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