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Assessments of reward management as an important part of motivation in various industries of Nanded District: Current pragmatic analysis.

Incentives and reward management what exactly employees want? An answer surveyed in various industries of Nanded District

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Abstract:

There are various types of rewards exists which are impetus for the employees to perform extra work, productivity as well as provide impulse for the achievement of goals and ultimately improve the efficiency of an organization. This research is an endeavour to understand impact of reward management especially in terms of monetary and non-monetary motivational tool in various industries in Nanded. This primary data has been collected from employees working in diverse industries having zero to thirty years of professional experience through interview as well as survey methods. The data collected from the respondents was analyzed which helped to recommend appropriate elucidation to augment and implement employee motivation.

Keywords: Reward system, Motivation, Recognition, Various industries in Nanded.

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Introduction

Reward management is nothing but the procedures, rules, and standards associated with allocation of benefits and compensation to employees. It is developed within the framework of the organizations reward philosophy, strategies and policies, and contains arrangements in the form of processes, practices, structure and procedures which will provide and maintain appropriate types and levels of pay, benefits and other forms of reward (Nelson, B, "1001 Ways to Reward Employees", 2004). It includes basic pay, additions to base pay, individual performance -related pay, bonuses – rewards, incentives – payments, commission, skill - based pay, service -related pay, competence - related pay, career - development pay, allowances, total earnings, employee benefits, total remuneration etc.

An intrinsically motivated individual, according to Ajila (1997) will be committed to his work to the extent to which the job inherently contains tasks that are rewarding to him or her. And an extrinsically motivated person will be committed to the extent that he can gain or receive external rewards for his or her job. He further suggested that for an individual to be motivated in a work situation there must be a need, which the individual would have to perceive a possibility of satisfying through some reward. If the reward is intrinsic to the job, such desire or motivation is intrinsic. But, if the reward is described as external to the job, the motivation is described as extrinsic. Good remuneration has been found over the years to be one of the policies the organization can adopt to increase their worker performance and thereby increase the organizations productivity. Also, with the present global economic trend, most employers of labour have realized the fact that for their organizations to compete favorably, the performance of their employees goes a long way in determining the to influence workers performance to motivate them began in the 1970s. So many people have carried out researches in this area, some of which are Oloko (1977), Kayode (1973), Egwuridi (1981), Nwachukwu (1994), Ajila (1997).

The performance of workers has become important due to the increasing concern of human resources and personnel experts about the level of output obtained from workers due to poor remuneration. This attitude is also a social concern and is very important to identify problems that are obtained in industrial settings due to non-challant attitudes of managers to manage their

workers by rewarding them well to maximize their productivity. All efforts must be geared towards developing workers interest in their job so as to make them happy in giving their best to their work, this will ensure industrial harmony. In view of this, this study attempts to identify the influence that rewards have on workers performance in order to address problems arising from motivational approaches in organizational settings. For some reasons most organizations use rewards external to the job in influencing their workers. Vroom (1964), supported the assumption that workers tend to perform more effectively if their wages are related to performance which is not based on personal bias or prejudice, but on objective evaluation of an employee's merit. Though several techniques of measuring job performance have been developed, in general the specific technique chosen varies with the type of work. All these issues call for research efforts, so as to bring to focus how an appropriate reward package can jeer up or influence workers to develop positive attitude towards their job and thereby increase their productivity. Possibly the best means of understanding workers motivation is to consider the social meaning of work. In this respect, short-term goals and long-term goals of employees and employers may affect production variously. Accordingly, giving attention to the manner in which rewards given to workers are perceived is preferable to assuming that reward means the same thing to all. Rewards that an individual receives are very much a part of the understanding of motivation. Research has suggested that rewards now cause job motivation and satisfaction, which leads to performance. It showed that though there was no significant difference in motivational level and job satisfaction across various categories of workers in different organizations. Egwuridi (1981) also investigated motivation among Nigerian workers using a sample of workers of high and low occupational levels. The hypothesis that low-income workers will be intrinsically motivated was not confirmed, and the expectation that higher income worker will place a greater value on intrinsic job-factors than low-income workers was also not confirmed. This shows clearly the extent of value placed on extrinsic job factors. Akerele (1991) observed that poor remuneration is related to profits made by organization

OBJECTIVES

To find the relative strength of the monetary and non-monetary rewards being offered with respect to

motivate the employees in different organizations. To understand the employee perspective about rewards.

RESEARCH METHODOLOGY

Sample size: 300 corporate respondents from different organizations. Collection of data: Face to face interview

DATA ANALYSIS

and structured questionnaire. Sources of data: Pharmaceutical industry, Private bank & Educational Institutions etc.

Sr. No.	Parameters of monetary rewards	No. of respondents	% (X)	Parameters of non-monetary rewards	No. of respondents	% (Y)
1	The importance of receiving formal monetary recognition in return of efforts.	14	04.66	Flexible Hours	84	28
2	Preference of performance incentives.	84	28	Recognition	92	30.66
3	Fringe Benefits	89	29.66	The Opportunity to Contribute	29	09.66
4	The importance of good pay bonuses	39	13	Independence and Autonomy	54	18
5	Premium Pay	13	04.33	Training for enhancing knowledge & skills	23	07.66
6	Commissions	49	16.33	Belongingness	08	02.66
7	Stocks	12	04	Chance to Contribute	10	03.33
	Total	300		Total	300	

Table 1: Co relational analysis between parameters of monetary & non-monetary rewards Research Findings:

Sr. No.	Parameters of monetary rewards	No. of respondents	% (X)	Parameters of non-monetary rewards	No. of respondents	% (Y)
1	The importance of receiving formal monetary recognition in return of efforts.	14	04.66	Flexible Hours	84	28
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6	Commissions	49	16.33	Belongingness	08	02.66
7	Stocks	12	04	Chance to Contribute	10	03.33
	Total	300		Total	300	

The value of R is 0.2262. Although technically a positive correlation, the relationship between the variables is weak (*nb.* the nearer the value is to zero, the weaker the relationship). The value of R², the coefficient of determination, is 0.0512.

HYPOTHESIS

H0 = Reward Management is a vital motivational tool for employees in various industries in Nanded.

H1 = Reward is a mere motivational tool for employees in various industries in Nanded.

Standard Deviation = 23.8

Hi = 87.0 Low = 15.0

Median = 39.0

Average Absolute Deviation from Median = 16.7

Monetary Reward Parameters	Industries in Nanded		
	Pharmaceutical Industry (Group A)	Private bank (Group B)	Educational Institute (Group C)
The importance of receiving formal monetary recognition in return of efforts	14	51	39
Preference of performance incentives	84	57	15
Fringe Benefits	89	96	24
The importance of good pay bonuses	39	42	45
Premium Pay	13	21	33
Commissions	49	12	57
Stocks	12	21	87

Table 2 Analysis of variance between Monetary Reward & various industries in Nanded

Source of Variation	Sum of Squares	d. f.	Mean Squares	F
between	55.74	2	27.87	3.2924E-02
Error	1.4389E+04 1.4445E+04	17	846.4	
Total		19		

The probability of this result, assuming the null hypothesis, is 0.968

Group A: Number of items= 7
 12.0 13.0 14.0 39.0 49.0 84.0 89.0
 Mean = 42.9
 95% confidence interval for Mean: 19.66 thru 66.06
 Standard Deviation = 33.0
 Hi = 89.0 Low = 12.0
 Median = 39.0
 Average Absolute Deviation from Median = 26.1

Group B: Number of items= 6
 12.0 21.0 42.0 51.0 57.0 96.0
 Mean = 46.5
 95% confidence interval for Mean: 21.44 thru 71.56
 Standard Deviation = 29.8
 Hi = 96.0 Low = 12.0
 Median = 46.5
 Average Absolute Deviation from Median = 21.5

Group C: Number of items= 7
 15.0 24.0 33.0 39.0 45.0 57.0 87.0
 Mean = 42.9
 95% confidence interval for Mean: 19.66 thru 66.06

Non Monetary Reward Parameters	Industries in Nanded		
	Pharmaceutical Industry (Group A)	Private banks (Group B)	Educational Institute (Group C)
Flexible Hours	84	9	48
Recognition	92	6	15
The Opportunity to Contribute	29	18	54
Independence and Autonomy	54	45	60
Training for enhancing knowledge & skills	23	69	66
Chance to Contribute	8	45	36
Belongingness	10	51	21

Table 3 Analysis of variance between Non-Monetary Reward & various industries in Nanded

Source of Variation	Sum of Squares	d.f.	Mean Squares	F
between	309.4	2	154.7	0.2174
Error	1.2811E+04 1.3121E+04	18	711.7	
Total		20		

The probability of this result, assuming the null hypothesis, is 0.807

Group A: Number of items= 7
 8.00 10.0 23.0 29.0 54.0 84.0 92.0
 Mean = 42.9
 95% confidence interval for Mean: 21.67 thru 64.04
 Standard Deviation = 34.4
 Hi = 92.0 Low = 8.00
 Median = 29.0
 Average Absolute Deviation from Median = 27.0

Group B: Number of items= 7
 6.00 9.00 18.0 45.0 45.0 51.0 69.0
 Mean = 34.7
 95% confidence interval for Mean: 13.53 thru 55.90
 Standard Deviation = 23.9
 Hi = 69.0 Low = 6.00
 Median = 45.0
 Average Absolute Deviation from Median = 18.9

Group C: Number of items= 7
 15.0 21.0 36.0 48.0 54.0 60.0 66.0
 Mean = 42.9
 95% confidence interval for Mean: 21.67 thru 64.04
 Standard Deviation = 19.5

Hi = 66.0 Low = 15.0

Median = 48.0

Average Absolute Deviation from Median = 15.4

CONCLUSION

From the research findings of the table 1, 2 and 3 it can be concluded that the null hypothesis is true. That is reward management is an imperative motivational tool in various industries in Nanded. There is also need for the organizations that they must develop a reward strategy in a novel way that will be helpful for boosting the morale of the employees. The only monetary or non-monetary policies of the rewards are not possible, we should consider other rewards also we should be develop the policies for the employees of an organization that would be mutually beneficial for the employees as well as the organization. The rewards should be framed to succeed employer in motivating the employees according to their needs.

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