



A STUDY ON EFFECTIVENESS OF REWARD SYSTEM ON MOTIVATIONAL LEVEL OF EMPLOYEES

Dr. Govinda Gowda H.G.¹, Alisha Maxy Fernandes²

Abstract

Motivation is the internal push that activates and directs behavior. theory of Motivation is the internal push that activates and directs behavior. theory of motivation refers to the process of explaining how or why human behavior is powered up and detected. It is among the most crucial categories of research in the area of organizational behavior. Motivating employees starts with the recognition that for people to do their best work, they must be in a system that fosters their basic emotional drives to obtain, bond, comprehend and defend. Money acts as a motivator and money matters to everyone but money cannot be considered the most supreme thing, need for reward and recognition of any change according to the contribution and the outcome. Monetary compensation can only satisfy the employee's greed but not all his needs so it's important for an employer to identify measures to motivate employees through some non-monetary rewards as well. Money is necessary to meet the basic needs of the employees, but the theory of reward is behavioral in nature.

Keywords: Motivation, Reward System, employee retention, work performance.

INTRODUCTION

“An employee's motivation is the direct result of the sum of interactions with his or her manager”.

-BOB NELSON

Employee motivation refers to the amount of enthusiasm, dedication, and inventiveness that employees bring to their professions. Finding strategies to encourage employees is always the priority of the management, regardless of whether the economic activity of the country is growing or shrinking. Incentives or employee involvement are emphasized in competing ideas.

Self-awareness is a very human characteristic, according to psychologists. It is in our nature to nurture and watch something grows, and this applies to almost everything we do in our daily lives. This applies to social settings. In a person's life, motivation is vital. It doesn't matter if we're trying to improve our own performance or that of our company. Employees who are motivated don't need to be instructed how to accomplish their jobs; they take initiative, are eager to take on more tasks, are creative, and are go-getters.

Employees that are motivated guarantee that there is still a positive attitude in the workplace. Coworkers are content and secure at work. They also Ensure that your customers are satisfied. They always outperform their competitors in terms of results. As a result, motivation is a critical aspect in ensuring that employees stay engaged and provide their best to the firm. A high degree of motivation also leads to a reduced rate of employee turnover.

Work life demographics are changing as more and more people are entering the work force but as an employer, he or she should be prepared to face the changes in the reward and recognition policies with the shifting age. The conventional method of pat on the back and a holiday gift at the end of the year isn't keeping the present generation of employees satisfied with their work. Young, energetic, and enthusiastic employees seek to see immediate results and the immediate recognition of a job well done. It's time to change and keep employees motivated to excel at their job and increase their productivity at work.

Motivation is a very important aspect of human resource management. Human resource management is an ever-changing topic and is applied in the everyday lives of both employees and the management therefore motivation can be defined as any driving force that enable an employee to work hard for some grain or reward for the work performed. Appreciation for the work done becomes an important part of boosting the employee to give his or her fullest to the work he or she is performing. The human mind always needs the motivation to do things and when done needs to be appreciated for the work so done. Employees who are rewarded for the good work done is likely to do better things that come their way when he is rewarded appropriately. This has been proven if the behavioral enforcement theory thus theory states that any person rewarded is likely to put more effort to perform future tasks better.

Employee recognition gives small bursts of motivation that can continue to produce impressive results from employees. Motivation can be extrinsic and intrinsic motivation, employees who are extrinsically motivated he or she is motivated to do an activity or a task for an external gain or a reward in return, if an employee is intrinsically motivated, he or she is motivated to do the activity because it internally rewards the employee here. The employee enjoys doing the work because it satisfies his or her basic psychological needs. Extrinsic motivation is negative and intrinsic motivation is positive.

Extrinsic motivation can be used only when routine tasks need to be performed and where the goal can be achieved easily however extrinsic motivation will not work with any task this is not routine, it will not work if the way to the solution isn't clear and for the tasks that are called for creativity. Pressure kills the creativity of employees whether it's in a negative form as a punishment or in a positive form as a reward. So, what we need is employees who are intrinsically motivated.

Intrinsically motivated employees are self-determined, have independency at work and the desire to strive for excellence. Employees who want to do a good job, a creative job will do so if they are provided with the proper environment to do so says the co-founder of Hewlett Packard. Motivation starts from finding out what's necessary to your employees and catering to their needs is what motivates them, and they will bring ten folds back to the organization.

Employees can also be motivated by limiting hindrances stressors like job insecurity, job confusion and unknown responsibilities and by encouraging achievable challenging workloads, varied responsibilities, clear job descriptions and fluid conversations among the employer and employee. Employers should ensure bringing changes in how employees feel about feedback allowing real time open communication and consistent feedback thus will change the way employees and employers collaborate and think about work.

Flexible schedules, time offs, appreciation, introduction of the best technology at the workplace, trust and respect, job security and for better rewards and recognition system in the organization can boost the capacity of the employee and can strive better results at work. Smart employers know that an important part of the job is to motivate employees. The best way to achieve this is to create a motivational environment in which workers themselves share all the responsibility for building a dynamic workplace in the organization.

The extent to which employee gets motivated is the extent to which the organization can meet its goals and objectives. The monotony of work can sometimes lead to demotivation in employees and the management should ensure that necessary activities and training and development activities are held now and then to ensure high involvement, and this directly affects the productivity. Communication acts as a key in this process of motivation because an employer can only motivate an employee when he or she knows the drawbacks an employee holds and to understand such drawbacks employee and employer relationship plays an important role.

The degree of motivation can differ from person to person some employees are self-motivated but other employees should be motivated through different measures. Economy, sociology, psychology, and different fields have contribution to the study of rewards systems in India and the impact of this reward system is completely dependent on the structure of the organization its vision mission strategies and the function of the organization.

Employees can also get motivated through monetary and non-monetary rewards, the higher the reward higher the productivity from the employees' side. Money may not all the time motivate employees in every circumstance certain non-monetary reward becomes a crucial part of employee recognition. Promotions, money, plaques, incentives, bonuses, verbal praise, written appreciation, official perquisites, special assignments, parties, recognition, employee appraisal day, work anniversaries etc.

Rewards to an employee can be given either on the completion or on special events held in the company, immediate reward and recognition can have a positive impact on the employee's performance. Every company has its own techniques for rewarding its employees and every company should try to stay ahead with the new trends emerging in the field of rewarding their employees.

No matter how much an employee is rewarded or is motivated, the level of satisfaction always changes when the employee knows how well others are rewarded and motivated when they compare themselves or their organization with that of others. The comparison here can happen both within the organization as well outside the organization

Millennials perfect to stay in trend and so do they prefer to get rewarded and motivated in the same style therefore organizations should try to know how their employee's let to get treated and motivated. Motivating and rewarding the employees acts as a competitive advantage and rewards help in the following aspects

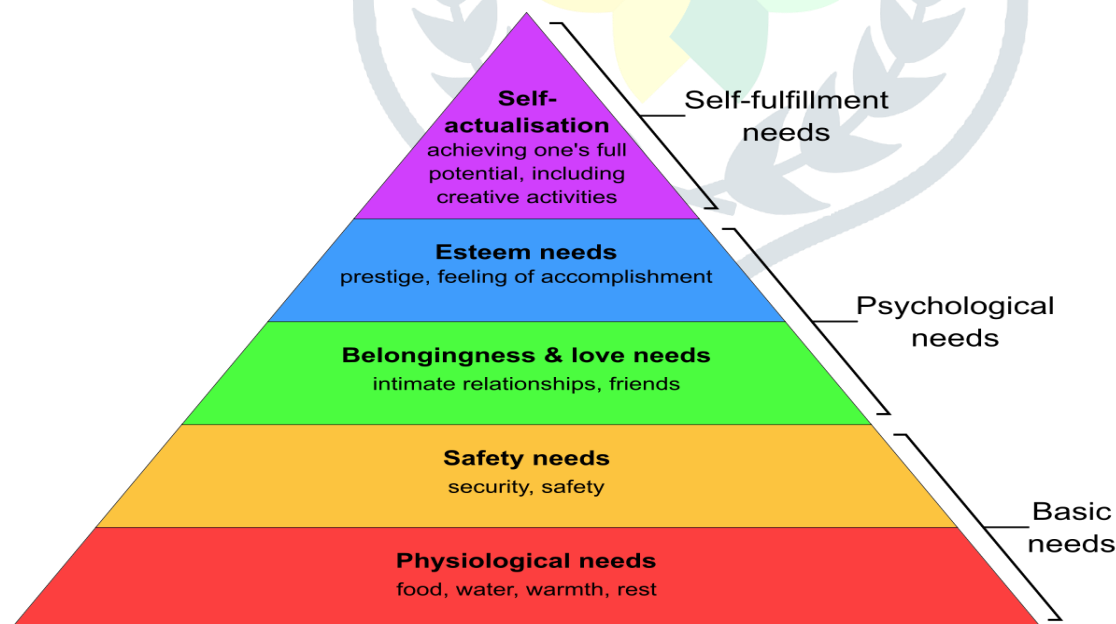
- motivates employees to perform effectively,
- motivates employees to join the organization,
- motivates employees to continue to work in the organization.
- higher the motivation to work and contribute more to the organization.

Every employee is motivated when his physiological or psychological needs are met, there are 2 groups of motivation theories argue Luthans and they are as follows

1. Content theories

2. Process theories

The content theory focuses on the individual needs and focuses on Dr. Abraham Maslow's hierarchy theory which states that stages where once the need of an individual is satisfied the level of need increases to the next level.



Maslow's hierarchy needs theory explains how the need of an individual starts and how it raises to the next level after each level is achieved. Starting from physiological needs, safety needs, belongingness and love

needs, esteem needs, and self-actualization needs, and this is the scale on which an employee is motivated when his needs are met in this order.

Herzberg's factor theory also explains how certain factors can contribute to satisfying and dissatisfying employees therefore an organization should closely observe the employees and determine what contributes to their satisfaction and dissatisfaction of employees.

1. High hygienic standards and motivation: This is the ideal circumstance for any employer to be in. All the personnel are ecstatically motivated and have few complaints.
2. Poor hygiene and a lack of motivation: Employees have few complaints in this circumstance, but they are also unmotivated. Employees are highly compensated, yet the job is not particularly engaging. Employees simply pick up their pay stubs and depart.
3. A lack of hygiene and a high level of motivation: This is a difficult situation because the employees are both highly motivated and have several grievances. So, when work is attractive, yet is staff is not paid according to market standards, this is an example of a problem like this.
4. Lack of hygiene and motivation: There are no points for guessing; this is a poor situation. Employees aren't motivated, and there aren't any sanitary measures in place.

Here satisfactory factors are termed as motivators

Some of the factors which contribute to employee satisfaction as well-known as motivators are as follows:

- Achievement
- Recognition
- Opportunities
- Appreciation
- Satisfaction
- Growth

And factors considered dissatisfactory are as follows:

- No appraisal
- Improper organizational climate
- No healthy relationship between the managers and employees
- No rewards and recognition etc.,

McClelland's 3 models of success are included in the content theory and process theory which includes Vroom's expectancy theory, equity theory, Locke's goal achievement theory and agency theory. Motivating employees to work at their full potential is the main agenda of a successful organization and its management, employee reward system helps organizations acknowledge their employee's achievements by appreciating

them with monetary or non-monetary rewards. A well-established reward system also helps reduce issues like employee turnover and absenteeism. An employee reward system is designed to increase workplace engagement, improve employee retention and satisfaction and boost collaboration.

Every company should have a reward system that focuses on four aspects compensation, benefits, recognition, and appreciation. The reward system should be well structured keeping the motivational level of employees and the organizational goals. A well-known theory that aims toward motivation is Maslow's hierarchy of needs. Organizations should keep track of the degree to which the employees' needs are being met which directly acts as a driving force of motivation. As employees are the assets of the organization their level of functioning depends on the motivation to work, which contributes back to the organization's productivity. In the current senecio the organization's work is tied up with the enthusiasm with which the employees work. The main purpose behind the study identifies measures that adds to the work motivation of employees and provide feedback to the organization on the employee's perception of the reward system.

The best way to measure the motivational level of an employee is to ensure whether the organization is leading in the path of achieving its goals. Motivating the employees not only happens when the organization makes efforts to do so but it's the willingness of an employee to work hard that keeps him or her motivated. The organization should ensure that employees know the purpose of their work only then it can serve a meaningful purpose. The type of business and the company culture is which make employees step into the organization every morning and put in all efforts and knowledge in achieving the purpose. Constant training, seminars, workshops, and other activities should be held to stay in trend with the changing dynamic world in which technology and working culture are going for a rapid change.

There are certain drawbacks on the part of managers in motivating their employees that is managers often believe that one set fits the whole which doesn't hold good taking the whole organization into consideration as every individual believes and has his or her own expectations of what he or she deserves and on what aspects he or she should be rewarded.

REVIEW OF LITERATURE

BELACHEW KASSAHUN (2019) has conducted research on “**Reward System and its Effect on Employees Work Motivation in One and Two Star Rated Hotels in Amhara Region, Ethiopia**” Employee motivation has been acknowledged as a critical issue affecting all businesses. One to two star rated hotels must consider the matter of motivation to please their staff and achieve success to provide exceptional service to their clients and enable the growth of tourism in the area. Payment, advancement, acknowledgment, perk, job content, and working conditions are all things that one two-star hotels provide for its staff. However, the one- and two-star hotel reward systems are inadequate, and hotel personnel is mistreated. This suggests that the one- and two-star hotel provided appropriate benefits for their employees, both intrinsic and extrinsic, to motivate them to perform better. Employees in one- and two-star hotels have a poor attitude about the reward system. They argue that the one- and two-star hotel reward systems are not well-communicated,

transparent, or equitable. They also believed that the compensation system is neither externally competitive nor appropriate for hotel workers.

WALTERS T. NGWA (2019) had conducted research on **“Effect of Reward System on Employee Performance among Selected Manufacturing Firms in the Littoral Region of Cameroon”** and the study looks at how profit-sharing influences employee commitment. To begin with, even though compensation system is not one-size-fits-all for every company, it'll be interesting to investigate the impact of performance appraisal on employee effectiveness in service businesses. Employee tasks are more routine, with less creativity and innovation. Group work is less likely, while an increased levels of specialization and job distinction is more likely. It is critical to do study in this area with the goal of determining the most effective compensation system for service businesses.

ARUN KUMAR, P (2019) has conducted research on **“Rewards incentives and its motivation towards organization effectiveness a study on Hindustan Coca Cola beverages private limited Andhra Pradesh”** this study states how reward influences on the organizational performance in recruitment, retention, good corporate culture. It was found through this research that employees rewards and recognition is having a positive impact on their employees. Monetary and non-monetary has its own impact on the motivational and satisfaction level of employees. Most employee choose monetary rewards as a primary option as what was found in this research. And when given an option of non-monetary rewards employees prefer gift vouchers, then family tour packages, and finally appreciation notes or team lunch.

YOKO KITAKAJI, SUSUMU OHNUMA (2019) has conducted research on **“The Detrimental Effects of Punishment and Reward on Cooperation in the Industrial Waste Illegal Dumping Game”** it was investigated whether rewards or mutual punishment enhanced non-cooperation or motivation and saw unlawful industrial effluents dumping as a social dilemma where everyone faces the expense of improper disposal, lawful treatment is cooperative behaviour, and improper disposal is noncooperative behaviour.

ZHEN ZHANG, LIANYING ZHANG AIBIN LI (2019) has conducted research on **“Investigating the Effects of Reward Interdependence and Nonfinancial Incentives on NPD Collaboration in Diverse Project Teams”** it was found that using a reward system to manage NPD (new product development) teamwork was a good idea. However, we are still unsure about the types of incentives that should be employed to encourage NPD collaboration. The effects of reward dependency and nonfinancial incentives on NPD collaboration are investigated in this study, as well as the moderating effects of group size and deep-level heterogeneity.

WARUNI AYESHA EDIRISOORIYA (2018) has conducted research on **“Impact of Rewards on Employee Performance: With Special Reference to Electric Co.”** Employee performance and extrinsic and intrinsic rewards have a good link. It indicates that employee rewards are enhanced, resulting in an increase in job motivation and staff performance. Organizations must improve their current incentive system that integrates compensation package with hr strategy in strategies to attract and maintain their personnel. Furthermore, it must consider compensation as a performance incentive and a component of the company's

overall business plan. The importance of reward in employee performance is demonstrated in this study. Given that management is accountable for developing a distinctive compensation strategy with the goal of achieving long-term competitive advantage.

ROSHANI SHARMA (2017) has conducted research on “**Impact of Reward Management Strategies on Motivation of Employees in Private Banks in Selected Districts of Rajasthan**” this study states that 98% of employees are agreeing that reward is the main motivation of employees to work hard towards achieving the goals of the organization. And 99% are of an opinion that an effective reward system influences the competitive advantage as well and it also states the age group from 18 to 25 is highly effective and is immensely motivated with the monetary reward system.

FELISTA NGOZI ABASILI, ABDU JA'AFARU BAMBALE, MUKTAR SHEHU ALIYU (2017) has conducted research on “**The Effect of Reward on Employee Performance in Kano State Board of Internal Revenue**” Using income, incentive, bonus, promotion, recognition, pension, and gratuity as independent factors and performance as the dependent variable, study the direct connection between reward and employee performance. The remuneration packages and incentive system of the organization have a direct effect on employee performance, job happiness, and loyalty to their jobs. Workers will most likely not be dedicated, and their performance will be subpar if the organization does not implement a suitable compensation package, incentive structure, and motivational approaches. Reward is vital to the smooth operation of any employee-employer relationship, and it is a topic that both the employee and the employer are passionate about.

ROGER MCCOY (2017) has conducted research on “**THE RELATIONSHIP OF EMPLOYEE REWARD SYSTEMS AND MOTIVATION LEVELS WITH SPECIAL EMPHASIS ON FRANCHISING**” it was found out that for franchisors, keeping franchisees happy and productive is crucial. A unique reward system that recognizes positive and effective behaviors in the workplace can be a powerful motivator. Franchisee reward programmers can be tailored to match the demands of individual franchisees. Identify the system's hidden needs and assist the group in growing by efficiently satisfying those demands. Keep in mind that long-term franchisor success and a sustainable, productive, efficient, and expanding system are driven by franchise profit, not just revenue growth. Employee reward schemes and employee engagement have a strong and compelling link. And when these benefits can be delivered or generated in a way that provides intrinsic rewards within the employee, the stronger the motivation.

BHALEKAR, SHUBHANGI VIKAS (2017) has conducted research on “**Impact of Incentives and Reward System on Employees Behaviour in Automobile Industry**” It was proved in this study that money matters. And, have found that a single bread earner in the family is much more in need of a monetary or financial reward than a family with many bread earners. It was found that employees do not take a step back in changing jobs which would result to a higher reward and difference in pay than in the same job. This study was conducted to ascertain the effect of incentives on employee motivation. Also, to find factors that contribute to the job satisfaction of employees. This fact also came into light from this study that qualification also influences the rewards given to employees, that is, employees with higher qualification

are much more likely to get promoted or are subjected to early increments than an employee with comparatively lesser qualification.

PRAGYA GUPTA (2016) had conducted research on “**STUDY OF IMPACT OF NON-FINANCIAL REWARDS ON MOTIVATION LEVEL OF SALES EXECUTIVES OF FINANCIAL SECTOR**” this study states how motivation of employees can influence on success or failure of an organization. She also argues that non-financial rewards have much more influence than that of financial rewards. And she adds that money by itself will not result in sustainable motivation. Motivation is a mystery box for the managers and should be dealt with caution.

DR. BASKAR, PRKASH RAJKUMAR K. R (2013) has conducted research on “**A Study on the Impact of Rewards and Recognition on Employee Motivation**” Employee motivation and happiness are influenced by a multitude of factors, according to research. It also was significant to uncover those rewards and recognition had a direct and positive association with motivation and job satisfaction. As a result, if employee rewards and recognition are changed, there will be a commensurate shift in organizational commitment and job satisfaction. The immediate translation of this might be that the higher the degrees of motivation and happiness, the greater the rewards and recognition. When there are huge inconsistencies, particularly when it comes to emotional distress between performers and non-performers, the organisation should re-evaluate and correct the problem. If the organisation does not re-evaluate this situation, it may have a detrimental influence on work performance and productivity, as well as minority retention. According to Maslow's hierarchy of requirements, lower level wants like compensation and benefits must be met first before higher level needs like motivation can be supplied.

ABDIFATAH ABDILABI (2015) has conducted research on “**Analysis of Extrinsic Rewards and Employee Satisfaction: Case of Comtel Company in Somaliland**” Extrinsic awards and employee satisfaction have a positive association. Giving awards to the highest-performing employees encourages them to improve their job satisfaction while also inspiring other employees to compete for the chance to be rewarded. Employee happiness is influenced by the level of appreciation for their job and the supply of performance benefits, which boosts their morale at work. According to the findings, an employee's level of satisfaction from receiving an extrinsic reward is believed to impact incentive desirability in the same way that a fixed pay income does. This means that the employee who chooses a fixed salary over a performance-based salary will prefer a tangible reward over a non-physical reward. Giving employees non-tangible benefits, on the other hand, has been shown to be an essential component in employee happiness.

RESEARCH DESIGN

INTRODUCTION:

The framework of market research methods and procedures chosen by a researcher is referred to as research design. The researchers' design allows to use the most appropriate methodologies for the study and to set up their investigations successfully in the future as well. This research aimed to explore the effect of using rewards as motivation and the kinds of rewards employees deem most effective.

STATEMENT OF PROBLEM: There certain problems that are addressed by this study and those are that organizations sometimes had a laid-back hand when it comes to rewarding its employees, and some organizations have the old traditional form of motivating employee, to address such problems this study was conducted. Previous studies on this topic never identified whether employees want to shift to the new techniques of rewarding and motivation employees.

SCOPE OF THE STUDY: To determine the level of motivation within the organization's working group and to learn about individual perceptions of the company's motivational benefits, which include a reward system.

Employee motivation is boosted significantly by the reward system. When an employee receives sufficient appreciation, it enhances their confidence, which in turn increases their production. And, to identify the various new reward techniques employees want the organization to adopt.

OBJECTIVES OF THE STUDY

- To determine the effect of existing reward system on productivity
- To know about the motivation techniques used by the organization
- To analyse the different type of reward system (monetary and non-monetary)
- To suggest modern techniques through which employees get motivated

HYPOTHESIS:

H₀: Reward system does not have a significant impact on the motivational level of employees.

H₁: Reward system has a significant impact on the motivational level of employees

RESEARCH GAP

Many researchers have identified various types of reward systems that have an impact on employee motivation, but previous studies failed to identify whether employees are or were willing to try out new techniques of rewards that act as motivators. It is critical to understand the factors that act as demotivators to motivate employees in this research such factors that act as demotivators were identified. Previous studies were unable to determine employees' preferences towards ranking of various types of reward systems and

also failed to identify employee perception towards their current role, current reward system, or whether they believe the company treats its employees fairly or not.

RESEARCH METHODOLOGY

METHODOLOGY: It refers to a broad research strategy. The plan for conducting research is called research design. The conceptual structure is the research design. Descriptive research has been adopted. This study makes use of descriptive research because it aids in the discovery of facts via surveys and enquiries. A structured questionnaire method is used to obtain data from a primary source.

Secondary data has been collected from websites, magazines, journals, articles, newspapers, and books.

DATA COLLECTION: The sources of data are both primary and secondary data.

HYPOTHESIS TESTING:

H₀: Reward system does not have a significant impact on the motivational level of employees.

H₁: Reward system has a significant impact on the motivational level of employees

TABLE 4.24.1.A

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.541 ^a	.293	.284	.54805

a. Predictors: (Constant), Reward_System

TABLE 4.24.1.B

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.081	1	10.081	33.562	<.001 ^b
	Residual	24.329	81	.300		
	Total	34.410	82			

a. Dependent Variable: Motivation

b. Predictors: (Constant), Reward_System

TABLE 4.24.1.C

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.722	.412		4.180	<.001
	Reward_System	.645	.111	.541	5.793	<.001

a. Dependent Variable: Motivation

It can be inferred from the **TABLE 4.24.1.A**, that there is a good degree of correlation between the variables that is 0.541. The variation of the dependent variable (Motivation) can be explained using independent variable (Reward System) by 29.3% which is moderately low.

The level of significance chosen for this study is 0.05% which means that the value of Sig should be less than 0.05.

In the **TABLE 4.24.1.A**, the Sig Value is 0.001 which proves that the result is significant.

TABLE 4.24.1.B plays an important role to see the magnitude of impact on the dependent variable (Motivation). The Sig value here is less than 0.05 that is 0.001 resulting in the rejection of null hypothesis and accepting the alternate hypothesis.

Depicting the Regression equation $Y = a + bX$ as Motivation = 1.722 + 0.645 (Reward System). Thus, the null hypothesis (Reward system does not have a significant impact on the motivational level of employees) is rejected and the alternative hypothesis (Reward system has a significant impact on the motivational level of employees.) is accepted.

LIMITATION OF THE STUDY:

- The study will be limited to only one organization selected.
- Difficulty in meeting the employees face to face as they were working from home
- Respondents who have not received reward may show discomfort in filling the questionnaire

FINDINGS, SUGGESTIONS, CONCLUSION**FINDINGS:**

The purpose of the following study was to determine the impact of prizes on employee motivation.

- The analysis shows that rewards are only regarded as motivating if they are fair and equitable. Among the 83 respondents, it was observed that the majority that is 38.6% have rated “Good” for the reward system followed in the company.
- Continuous reward and recognition of employee’s performance in the organization help the employee develop more skills and contribute more to the organization.
- Some of the elements such as financial benefits, promotion, job security, appreciation and feedback, and good working conditions were seen as employee motivators.
- 59 percent of employees who responded to the survey believe that monetary rewards increase motivation to work more than non-monetary rewards, and the organisation should focus more on providing monetary rewards. While 41% of participants outlined a combination of both monetary and non-monetary rewards as a motivational booster.
- However, the organization must consider both and some of the non-monetary benefits such as additional leave, monthly employee points, edible gifts, and other incentives can also be implemented.
- Most of the employees were of an opinion that rewards and other perks will have an impact on your work performance.
- Employees also showed an urge to accept new techniques of rewards like Percentage of the profits of the company, Stock options, Retirement benefits, Monthly employee points
- With an effective reward system, the firms can reduce employee turnover.
- Employees perform better when they are fairly compensated for their efforts.
- This research will also assist the organization in increasing staff enthusiasm and consequently performance. By developing a confident and powerful workforce, the business will be able to achieve its goals at a lower cost.
- Offering good rewards to staff is the best method to keep them motivated. The researchers Armstrong and Taylor (2014), highlight that organizational equity has a strong impact on employees’ performance levels as well as influences the whole company’s performance.
- It was so found that there are certain elements that can act as demotivators to employees, when given the following demotivators Low pay, Lack of promotional Opportunities, Boredom, Poor working conditions, Lack of training, Burnouts/Fatigue employees said that the biggest demotivator for them could be low pay as financial aspects have a diverse effect on the standard of living of an employee, every employee aims to have better pay which meets him or her qualification and experience.
- Most of the employees in this organization also conveyed that they are often treated fairly in terms of rewards.
- 63.9% of the employee were of an opinion that they are satisfied with the organizational plan and 12% of employees were highly satisfied.
- It was known that the best elements of motivators were a hike in the salary and promotions and incentives and bonuses as most of the employee agreed to it. When employees were given a choice

of an organization would develop new techniques for motivating its employees which one would they choose majority of the employees to choose monthly employee points and retirement benefits. So, from the above data collected reward system has an impact on the motivation of employees.

CONCLUSION:

Every organizational design must include a fair reward system. The degree to which they integrate with the rest of the organization's systems has a significant impact on the organization's effectiveness and the wellbeing that its employees enjoy.

The main objective of the research was to investigate the impact of rewards on the motivational level of employees. The questionnaire survey testified to the fact that employees feel the reward system encourages and motivates them and increases their productivity. The findings from the data collected showed that most participants favoured financial rewards.

As a result, there is a consistent signal to management that employee performance may be improved through motivational events. As a result, there is a link between rewards and employee motivation. The goal of rewards is to incentivize employees to improve the organization's results.

SUGGESTIONS:

- Even though a variety of factors influence motivation, this analysis considers how monetary and non-monetary elements influence the motivation of the employees. As a result, other elements that influence motivation can be considered.
- Employees showed high interest in developing new techniques to reward them, so the organization has to consider new measures such as the percentage on the profits of the company, Stock options, Retirement benefits, Monthly employee points.
- Organizations should identify factors that act as demotivators for the employees and take measures on those factors.

Stakeholders, Decision makers, organizations, and HR managers can benefit from this research as it helps them to identify the elements that act as motivators and the efforts that organizations must put in to keep their employees motivated.

REFERENCES

Karami A, Dolatabadi H,R, Rajaeepou S, 2013, 'Analyzing the Effectiveness of Reward Management System on Employee Performance through the Mediating Role of Employee Motivation Case Study: Isfahan Regional Electric Company', International Journal of Academic Research in Business and Social Sciences, Vol. 3, No. 9 ISSN: 2222-6990, DOI: 10.6007/IJARBS/v3-i9/214 U

Waruni A, Edirisooriya, 2018, “The Impact of Reward on Employee Performance: with Special Reference to ElectriCo”

Madhubindu K, Reddy H.K, 2020, “Effectiveness of reward system on motivational level of employees of selected private insurance company”, Mukta Shabd Journal, Volume IX, Issue VIII, ISSN NO-2347-3150

Khadanga D, 1985, “Motivation by economic incentives and rewards a contrast between India and the U S A”, Utkal University,

Roberts R.L, 2005, “the relationship between rewards, recognition and motivation at an insurance company in the western cape”, University of the western cape

Milne, P. 2007, "Motivation, incentives and organisational culture", Journal of Knowledge Management, Vol. 11 No. 6, pp. 28-38. <https://doi.org/10.1108/13673270710832145>

Okojie, V. 2011, “Rewards Policy and Employee Motivation in The National Library Of Nigeria (NLN)”, Samaru Journal of Information Studies, 9. DOI:10.4314/sjis. v9i2.63657.

Puwanenthiren P, 2011, “Reward System and Its Impact on Employee Motivation in Commercial Bank of Sri Lanka Plc, In Jaffna District”, Global Journal of Management and Business Research, Volume XI Issue IV Version I, ISSN: 0975-5853

Aamir, Alamzeb & Jehanzeb, Khawaja & Rasheed, Anwar & Malik, M, 2012, “Compensation Methods and Employees' Motivation (With Reference to Employees of National Commercial Bank Riyadh)”, International Journal of Human Resource Studies, 2. 221-230, DOI:10.5296/ijhrs.v2i3.2474.

Safiullah, A.B. (2014). Impact of Rewards on Employee Motivation of the Telecommunication Industry of Bangladesh: An Empirical Study. IOSR Journal of Business and Management, 16, 22-30.

Yousaf, Saira & Latif, Madiha & Aslam, Sumaira & Saddiqui, Anam, 2014, “Impact of Financial and non-Financial Rewards on Employee Motivation” 21. 1776-1786, DOI: 10.5829/idosi.mejsr.2014.21.10.21756.

Abdifatah Abdilahi Ali, Odhuno E, Ondabu I.T, International Journal of Business Management and Economic Research (IJBMER), Vol 6(6), 2015, 417-435, ISSN: 2229- 6247

Baskar P. ,2013, “A Study on the Impact of Rewards and Recognition on Employee Motivation”, International Journal of Science and Research (IJSR). 4. 1644.

Yousaf, Saira & Latif, Madiha & Aslam, Sumaira & Saddiqui, Anam, ,2014, “Impact of Financial and non-Financial Rewards on Employee Motivation”, 21. 1776-1786, DOI: 10.5829/idosi.mejsr.2014.21.10.21756.

Kassahun B., 2019, “Reward System and its Effect on Employees Work Motivation in One and Two Star Rated Hotels in Amhara Region, Ethiopia”, Journal of Tourism, Hospitality and Sports, Vol.40, ISSN: 2312-5187.

Kitakaji, Yoko & Ohnuma, Susumu, 2019, “The Detrimental Effects of Punishment and Reward on Cooperation in the Industrial Waste Illegal Dumping Game, Simulation & Gaming”, 50. 509-531, DOI: 10.1177/1046878119880239.

Kikoito, N.K (2014). Impact of Reward Systems on Organisation Performance in Tanzania Banking Industry. Unpublished M.sc. Thesis, Open University of Tanzania.

Mulder, L. B. (2008). The difference between punishments and rewards in fostering moral concerns in social decision making. Journal of Experimental Social Psychology, 44, 1436-1443. doi:10.1016/j.jesp.2008.06.004

Osibanjo, A. O., Pavithra, S. & Adeniji, A. A. (2014). Compensation Management and Organizational Commitment in Developing Economies: Indian Perspective, Acme, Intellects International Journal of Research in Management, Social Science & Technology, Vol. 8, No. 8

Zhang, Zhen & Zhang, Lianying & Li, Aibin. ,2019,”Investigating the Effects of Reward Interdependence and Nonfinancial Incentives on NPD Collaboration in Diverse Project Teams”, Project Management Journal, 50. 875697281984704, DOI: 10.1177/8756972819847049.

P., Baskar. (2013). A Study on the Impact of Rewards and Recognition on Employee Motivation. International Journal of Science and Research (IJSR). 4. 1644.

McCoy, Roger,2018, “The Relationship of Employee Reward Systems and Motivation Levels with Special Emphasis on Franchising”.

Felista Ngozi Abasili, Abdu Ja’afaru Bambale, & Muktar Shehu Aliyu, 2017, “The Effect of Reward on Employee Performance in Kano State Board of Internal Revenue”, International Journal of Global Business, 10(2), 1-16.

Gogia S.K. Soni M. 2017, “Impact of reward management system on organizational performance with special reference to hotel industry in Jaipur: a literature review” Journal of Modern Management & Entrepreneurship (JMME) 115 ISSN: 2231–167X, General Impact Factor : 2.3982, Volume 07, No. 04

Studies, Tourism & Ferreira, Teresa.,2017, “Motivational factors in sales team management and their influence on individual performance,” Tourism & Management Studies,13. 60-65, 10.18089/tms.2017.13108.

Goswami P., C.Sneha, K.Veeraiah, 2013, “A STUDY ON “EMPLOYEE MOTIVATION ICICI BANK”, Mukta Shabd Journal, Volume IX, Issue VI, ISSN NO: 2347-3150

Paliwal V, Pokharel B. B, Shrestha K. P., 2016, “A comparative study on motivation factors of nepalese non-government organizations (ngos) worked during and after armed conflict”, Mewar University,

Chand M., 2018, “impact of performance appraisal on employee’s motivation and work performance in hotel industry a study of delhi ncr”, kurukshetra university, Volume 1, Issue 2 December 2018 ISSN: 0947-6250

Danish, R.Q. and Usman, A., (2010). Impact of reward and recognition on job satisfaction and motivation: An empirical study from Pakistan. International journal of business and management, 5(2), p.159

Dewhurst, M., Guthridge, M. and Mohr, E., 2009. Motivating people: Getting beyond money. McKinsey Quarterly, 1(4), pp.12-15.

