



A STUDY ON IMPACT OF COMPENSATION AND REWARD SYSTEM ON THE EMPLOYEES PERFORMANCE WITH REFERENCE TO INVENTERON TECHNOLOGIES, BANGALORE

Ms. Kavya BK

IDA20BA019, Department of MBA, Dr. Ambedkar Institute of Technology, Bangalore 560056, Karnataka, India

ABSTRACT

The study reveals the importance and need of effective compensation and reward system in the organization. The project work was undertaken on the title a study on impact of compensation and reward system on the employees performance with reference to inventeron technologies, Bangalore. The study determines the importance and need of effective compensation and reward system in the organization. It also helps in determining the employees' salaries, Bonuses, extra benefits, rewards and know the employee's performance towards the work. The study shows employees commitment towards achieving goals and organization policy of compensation and reward system. The objective of the study is to understand the impact of compensation and reward system on the performance of the employees and to examine the relationship between workers wellbeing at work and also to analyse the relationship between compensation structure and promotion. The data was collected through the structured questionnaire. A statistical technique like the chi-square and correlation were applied to analyze the data collected from the study. The study revealed that there are more young employees in the organization and employees get motivated with good compensation and rewards, the employees want promotion and career growth opportunity and are highly satisfied with their workplace, most of the employees choose financial and non-financial rewards. Compensation and reward system is good at Inventeron technologies, most of the employees are been rewarded based on their performance. Effective compensation and reward systems are crucial for keeping, and inspiring workers, which contributes to the organization's increased performance

Keywords: *Compensation and rewards, employee performance, motivation, human resource*

1. INTRODUCTION

The compensation and reward system gives employees ongoing motivation, which motivates them to complete their tasks quickly and meet their goals. The positive workplace culture can significantly improve employee performance, which can result in the attainment of organizational goals and increase overall effectiveness. Rewards and compensation are an important factor that significantly boosts employee effort awareness and fosters a sense of commitment to the organization's overall development and success.

On the other hand, employees put in a lot of time and effort, both physically and mentally.. They are also affected at the psychological level by workplace happenings. Employers need to recognize these efforts and time of the employees as investment in the organization and design compensation and reward mechanisms accordingly.

The project is an excellent chance for students to get valuable knowledge about the firm. It is also beneficial for students to grasp the corporate environment. It helps in a very efficient manner with appropriate guidelines provided by the guide. The 12-weeks project was undertaken on a study on impact of compensation and reward system on employee's performance with reference to Inventeron Technologies, Bangalore, Karnataka.

Objective of the study:

- To determine the impact of compensation and reward system on the performance of a worker
- To examine the relationship between workers wellbeing at work and their productivity.
- To analyze the relationship between compensation structure, promotion, and productivity.

2. REVIEW OF LITERATURE

1. **Bob (2011):**

Compensation techniques provide and maintain excellent types and tiers of pay, benefits, and other types of compensation, compensation techniques are based on compensation philosophies and methodologies and incorporate association in the structure of Policies and strategies, guiding principles, buildings, and strategies.

2. Armstrong (2005):

It is highlighted that a crucial component of the human resources management strategy for influencing productivity in the company is compensation administration. It offers the creation, use, and maintenance of reward systems that are focused on enhancing individual, group, and corporate performance.

3. Antebi (2003) :

This work then again is constrained to monetary compensation in Anambra State Civil Service as a current find out about has proven that pay is the riding pressure for searching for employment in the Civil Service. Advancing policies and the language of attracting, pleasing, keeping, and perhaps encouraging employees is the problem in compensation administration.

4. Yusuf Mohammed Nula (2013):

Appropriated the evaluation of pinnacle chief remuneration approach of NYSE criticalness relationship in pressing affiliation quarterly. This comparison was requested about the CEO pay game – plan of NYSE centrality affiliations. It endeavoured the relationship between CEO pay, company size, bookkeeping company execution, and corporate association, from 2005 to 2010.

5. Luthra (2014):

Scattered an article entitled a contrast on pay the board at Sri metal endeavours restricted, Coimbatore in the boundless diary of commercial enterprise and the authorities. In days dynamic economy, with broadened company dispute and the improvement lack of safety that follows resolutely with mergers and acquisitions.

3. METHODOLOGY

The type of research is Descriptive Research. Descriptive research is attempted to depict the circumstances, network, wonders, results, or program. The study was based on data collecting from various sources like primary data, secondary data. The fundamental objective of this sort of research is to portray the information and attributes about what is being examined. In this study a Convenience sampling method is used to collect data from the respondents .The survey was conducted only in various departments such as HR, Marketing and Finance departments as a sampling method for the survey. The responses are collected from 50 employees out of 250 employees in the company.

Hypothesis for the study :

To obtain the objective of this research work, the following hypotheses shall be tested. The hypotheses are noted in Null form and shall be tested to both confirm or reject the Null speculation as the case may additionally be.

Hypothesis for compensation:

HO There is no significant relationship between overall compensation and performance.

HI- There is a significant relationship between overall compensation and Performance

Hypothesis for reward system:

HO There is no significant relationship between overall reward and performance.

HI- There is a significant relationship between overall reward and performance

4. RESULTS AND DISCUSSION

According to the findings, the organization has all younger employees who can perform more efficiently. The major age group of employees is between 18-25 with a greater number of graduates and least being the category of diploma and majority of employees are in associates. The highest annual income is in the range of 7lakhs to 9lakhs and 5lakhs to 6lakhs with an experience of 11-15 yrs. accordingly. The employees get motivated with good compensation and rewards, the employees want promotion and career growth opportunity and are highly satisfied with their workplace. The employees' opinions are considered sometimes in the organization and employees' main obstacle they are facing is lack of motivation from the organization. Special salary is been given by the organization to employees who perform extraordinarily this helps and boosts the morale of the employee and helps in performing more challenging tasks. As stated at the outset of this study, it assisted the impact of compensation and reward

system on the employee's performance, it is acceptable to conclude that these variables may play a significant impact on employees and determine the performances and skills of the employees at Inventeron Technologies.

5. CONCLUSION

Compensation and reward system is good at Inventeron technologies, most of the employees are been rewarded based on their performance. Effective compensation and reward systems are crucial for keeping, and inspiring workers, which contributes to the organization's increased performance. This necessitates the utilisation of resources such basic salary, reward, incentives, equity, promotion, leave travel, vacation homes, special allowance, child education, bonuses, medical benefits, food service, and other advantages. To meet the demands of its employees and to ensure its long-term viability, the company must offer these advantages.

In order to further motivate employees, it is agreed that there should be regular promotions. Also, the organization should emphasize rewarding and encouraging individual performances. Career growth opportunity must be provided by the organization to the employees where they can enhance their skill and excel to contribute to the organization growth. Effective Compensation and reward system is essential for attracting, retaining and motivating employees which helps towards achievement of improved performance of the organization

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