



A Study on Analysis of Reward Management Strategy at RRR Industrial Products

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ABSTRACT

The history of manufacturing is deeply intertwined with human progress, dating back to early toolmaking and evolving significantly during the Industrial Revolution. In modern manufacturing processes rely on the efficient use of resources and innovative technologies to produce a wide range of industrial goods. Industrial manufacturing encompasses the fabrication of machinery, equipment, and various industrial-use products from raw materials. It plays a crucial role in reducing human labour while ensuring timely and cost-effective production across diverse sectors. Industrial equipment can be categorized into standard and custom-built classes, catering to specific needs and industries. The industry is further segmented into various sectors, including agriculture, construction, mining, and general-purpose machinery.

INTRODUCTION

Reward management strategies can be broadly categorized into financial and non-financial rewards. Financial rewards include salaries, bonuses, and benefits such as health insurance and retirement plans. Non-financial rewards, on the other hand, focus on intrinsic motivators such as recognition, career development opportunities, and work-life balance. Both types of rewards play a significant role in shaping employees' attitudes and behaviours within an organization.

Effective reward management is grounded in several key theories of motivation, including Maslow's Hierarchy of Needs, Herzberg's Two-Factor Theory, and Vroom's Expectancy Theory. These theoretical frameworks provide insights into how different types of rewards can fulfil employees' various needs and drive their performance. For instance, Maslow's theory suggests that basic financial rewards address physiological and safety needs, while non-financial rewards can satisfy higher-level needs such as esteem and self-actualization.

REVIWE OF LITERATURE

WALTERS T. NGWA (2018) 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 level 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 employee's 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 (2020) 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 no cooperative behaviour

OBJECTIVES OF THE STUDY

Primary Objective

To evaluate the effectiveness of the current reward management strategy within the organisation.

Secondary Objectives

- Assess the alignment of the reward management strategy with organisational goals and objectives.
- Analyse the impact of the reward management strategy on employee motivation, job satisfaction, and retention.
- Identify areas of improvement or gaps in the existing reward management system.
- Benchmark the organization's reward management practices against industry standards and best practices.

LIMITATIONS OF THE STUDY

- The study may lack generalizability due to its focus on a specific demographic (e.g., age groups, gender) or industry. Findings may not be applicable to other populations or sectors.
- The sample may not accurately represent the entire workforce, especially if it's drawn from a specific region, industry, or organization type. This could skew the results and limit their broader applicability.
- Responses provided by participants may be influenced by social desirability bias, where individuals provide answers they think are socially acceptable or expected rather than reflecting their true opinions or behaviours.
- The study appears to be cross-sectional, capturing data at a single point in time. This limits the ability to establish causal relationships or track changes over time.
- Statements such as "highly motivated" or "very likely" lack quantifiable metrics, making it difficult to assess the strength of the reported effects objectively.
- The statements lack contextual details such as the specific types of non-financial rewards offered, the criteria used for performance evaluation, or the nature of the reward allocation process. This makes it challenging to fully understand the implications of the findings.
- The study may suffer from a low response rate or incomplete data, raising questions about the representativeness of the sample and the reliability of the findings.
- The study may not consider external factors such as macroeconomic conditions, industry trends, or organizational culture, which could influence employees' perceptions and behaviours related to reward management.
- There could be other variables not accounted for in the study that may influence the relationships observed, such as individual differences in job roles, tenure, or educational background.
- Some statements appear to lack clarity or contain grammatical errors, which could affect the interpretation of the findings and undermine the credibility of the study.

RESEARCH METHODOLOGY

Research Design

Research design is the basic frame works which provide guidelines for the rest of research process. The research design specializes the method for data collection and analyse. It specializes the pinpoint to carry out research property. The research design used in this study is descriptive.

Techniques of data collection

Primary data is collected through questionnaire which is suitable for study and secondary data are collected from articles, websites etc.

DATA ANALYSIS AND INTERPRETATION

GENDER

S.NO	PARTICULARS	NO: OF RESPONDENTS	PERCENTAGE
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1	MALE	60	60%
2	FEMALE	40	40%

TYPES OF REWARD THAT'S OFFERED TO EMPLOYEES.

S.NO	PARTICULARS	NO: OF RESPONDENTS	PERCENTAGE
1	FINANCIAL INCENTIVES ONLY	34	34%
2	NON-FINANCIAL REWARDS ONLY	46	46%
3	BOTH FINANCIAL AND NON-FINANCIAL REWARDS	15	15%
4	NO REWARDS OFFERED	5	5%

CLARITY OF PERFORMANCE ON REWARD SYSTEM.

S.NO	PARTICULARS	NO: OF RESPONDENTS	PERCENTAGE
1	VERY DISSATISFIED	28	28%
2	DISSATISFIED	48	48%
3	NEUTRAL	15	15%
4	SATISFIED	7	7%
5	VERY SATISFIED	2	2%

REWARD MANAGEMENT STRATEGY PERFORMANCE.

S.NO	PARTICULARS	NO: OF RESPONDENTS	PERCENTAGE
1	Very Motivated	39	39%
2	Motivated	43	43%
3	Neutral	11	11%
4	Demotivated	6	6%
5	Very Demotivated	1	1%

THE PROCESS OF DETERMINING REWARD ALLOCATION BASED ON EMPLOYEE PRODUCTIVITY.

S.NO	PARTICULARS	NO: OF RESPONDENTS	PERCENTAGE
1	Very Transparent	37	37%
2	Somewhat Transparent	44	44%
3	Neutral	17	17%
4	Not Transparent	2	2%

CURRENT REWARD SYSTEM ADEQUATELY RECOGNIZES AND REWARDS HIGH PRODUCTIVITY.

S.NO	PARTICULARS	NO: OF RESPONDENTS	PERCENTAGE
1	Yes, definitely	34	34%

2	Yes, to some extent	50	50%
3	No, not really	13	13%
4	No, not at all	3	3%

CHI-SQUARE ANALYSIS

HYPOTHESIS 1:

Null Hypothesis (H₀):

The null hypothesis often suggests that there is no significant relationship, effect, or difference between variables being studied. For example:

There is no significant difference in productivity between male and female employees

Alternative Hypothesis (H₁):

The alternative hypothesis contradicts the null hypothesis and suggests there is a significant relationship, effect, or difference between variables. For example:

Female employees are more productive than male employees.

OBSERVED VALUE

GENDER	FINANCIAL INCENTIVES ONLY	NON-FINANCIAL REWARDS ONLY	BOTH FINANCIAL AND NON-FINANCIAL REWARD	NO REWARDS OFFERED	TOTAL
MALE	13	32	12	3	60
FEMALE	21	14	3	2	40
TOTAL	34	46	15	5	100

EXPECTED VALUE

9	20.4	3	27.6
6	13.6	2	18.4

	E	O-E	(O-E) ²	(O-E/E) ²
12	9	3	9	1
3	6	-3	9	1.5
13	20.4	-7.4	54.76	2.69
21	13.6	7.4	54.76	4.02
3	3	0	0	0
2	2	0	0	0
32	27.6	4.4	19.36	0.70
14	18.4	-4.4	19.36	1.05
				9.96

DEGREE OF FREEDOM:

(C-1) (r-1)

(4-1) (2-1)

= 3*1=3. [7.815]

Calculated value is greater than table value H1 Accepted.

INTERPRETATION:

Observed Values: These are the actual counts of male and female employees in each category of rewards. For example, among male employees, 13 received financial incentives only, 32 received non-financial rewards only, 12 received both types of rewards, and 3 received no rewards. Expected Values: These are the counts we would expect in each category if there were no association between gender and the type of rewards offered. They are calculated based on the marginal totals and the assumption of independence between the variables. Calculation of (O-E): This column represents the observed count minus the expected count in each cell. Calculation of (O-E) ^2 and (O-E) ^2/E: These columns represent the squared differences

between observed and expected values, and then dividing by the expected value, respectively. These calculations are used to obtain the chi-square statistic. Degree of Freedom (d f): This is calculated as the product of the number of categories minus 1 for each variable. In this case, since there are 4 categories for one variable (reward type) and 2 categories for the other (gender), the d f is (4-1) *(2-1) = 3. Calculated Value and Table Value: The calculated chi-square value is compared to a critical value from the chi-square distribution table at a specified significance level (usually 0.05). If the calculated value is greater than the table value, it suggests that the null hypothesis (HO) is rejected in favour of the alternative hypothesis (H1).

CORRELATON ANALYSIS:

Correlations

	1) How satisfied are you with the frequency of reward distribution?	2) To what extent do you feel motivated to perform better when rewards are tied to your performance?
Correlation Coefficient	1.000	0.94
How satisfied are you with the frequency of reward distribution? Sig. (2-tailed) N	.	.010
Correlation Coefficient	100	100
Sig. (2-tailed) N	0.94*	1.000
Spearman's rho	.010	.
To what extent do you feel motivated to perform better when rewards are tied to your performance?	100	100

*. Correlation is significant at the 0.05 level (2-tailed).

INTERPRETATION:

There is a strong positive correlation (0.94) between "How satisfied are you with the frequency of reward distribution" and "To what extent do you feel motivated to perform better when rewards are tied to your performance" This means that as satisfaction with the frequency of reward distribution increases, so does motivation to perform better when rewards are tied to performance. The p-value for this correlation is 0.010, which is less than 0.05, indicating statistical significance at the 0.05 level (2-tailed). This suggests that the observed correlation between satisfaction with reward distribution frequency and motivation to perform better is unlikely to be due to random chance in the sample.

CORRELATON ANALYSIS:

Correlations

	1) How transparent do you find the process of determining reward allocation based on employee productivity?	2) Do you believe that the current reward system adequately recognizes and rewards high productivity?
Spearman's rho	Correlation Coefficient Sig. (2-tailed) N Correlation Coefficient Sig. (2-tailed)	0.97* .010 100 100
	Do you believe that the current reward system adequately recognizes and rewards high productivity?	1.000 .010 100 100

*. Correlation is significant at the 0.05 level (2-tailed).

INTERPRETATION:

The high positive correlation (0.97) between transparency of the reward allocation process and the belief in the adequacy of the reward system indicates that as transparency increases, so does the belief that the system adequately recognizes and rewards high productivity. In simpler terms, employees who perceive the process of determining reward allocation to be transparent are more likely to also believe that the current reward system adequately recognizes and rewards high productivity.

CONCLUSION

In conclusion, a well-designed reward management strategy is essential for project success. By aligning rewards with project objectives, recognizing individual and team contributions, providing professional development opportunities, and fostering a positive work environment, organizations can effectively motivate their teams to achieve goals and deliver results. Clear communication, fair and transparent reward systems, and continuous feedback are key elements in ensuring the effectiveness of the strategy. As leaders focus on implementing these strategies, they can create a culture of productivity, engagement, and motivation, ultimately leading to successful project outcomes and a satisfied, high-performing team.

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