A STUDY ON "EFFICIENCY OF EXISTING REWARD AND RECOGNITION PROGRAMS"- WITH REFERENCE TO A MANUFACTURING UNIT IN BANGALORE.

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Abstract
The challenge for employers is to identify and implement recognition and reward programmes that are not complex yet effective, and which support a working environment that improves motivation and staff morale, whilst at the same time impacting positively on organizational performance. Research into recognition and rewards programmes would indicate that there are a   number of options available and that successful programmes and current approaches need to include certain fundamental requirements. This paper investigates and provides the results of feedback from staff surveyed in relation to an existing recognition and rewards programme at a large manufacturing organization in Bangalore with a view towards improving the current system. The results indicated that employees are aware about the reward and recognition programs but not the process and parameters.

Keywords: Rewards & Recognition, Efficiency, Factors, Awareness, Satisfaction.

1.0: INTRODUCTION
Man and his association with work is not recent; since the beginning of human civilization, the idea of work has been a central aspect of our life. Homo Faber, 'Man the Worker', made tools to appropriate nature for his basic needs and for his fellow humans as well. It is said that humans realize their potential by working upon nature or through 'fabrication' while nature gets its value when it is shaped by human effort. Most of the dominant philosophers of their time have emphasized the significance of recognition in life of human beings. Adam Smith gave importance to 'others' in a way that an individual visualizes himself or herself. That is through recognition from others we get to know of ourselves. Karl Marx asserted the significance of recognition in the labor process by naming the disrespect experienced at work as 'alienation from work'. According to Hegel, recognition as an ontological concept distinguishes 'persons in their life world' from 'mere animals in their environment'. As a psychological concept it is said to impact an individual's cognition of self and the environment. It gives an individual his/her sense of self and identity. Politically recognition serves as a source of integrating society and acts as 'social glue' for the organizations. Thus recognition as gathered from the various philosophies and theories, is an important psycho-social phenomenon that is integral to human life. The concept of recognition in the domain of work gained impetus post Taylorism other than Smith who viewed work as a means to an end, most of the other dominant philosophers had emphasized on the liberating nature of work. This nature however got eroded on account of the strategies of management used by Taylor (Sonawane, Pragya 2012). The present study aims to understand the perception of employees about the various rewards and recognition programs implemented in the organization.

2.0: LITERATURE REVIEW
Jerry A Wallin (1977) in a longitudinal study investigated the proposition that performance contingent rewards (pay) had a direct causal impact on performance. The results supported the hypothesis while no relationship between contingent reward and satisfaction and between performance and satisfaction was empirically established.

Deckop and Cirka (2000) investigated the influence of merit pay on intrinsic motivation on employees of a non-profit organization. Results indicated a decline in intrinsic motivation of employees after the introduction of a merit pay plan.

Kohn (1998) also asserts how use of reward undermines performance in stimulating activities and that money as a reward only improves quantity while quality of work is severely affected. He claims that psychologists point to three main needs of human beings and those are needs for autonomy, relatedness and competence. And that an organization should support for such an environment instead of focusing on external inducements for making employees work.

Cameron and Pierce (1994) did a meta-analysis of ninety-six experimental researches on intrinsic motivation and suggested that rewards do not undermine intrinsic motivation.

Allen and Helms (2001) tried to identify the determinants of organizational performance with reward practices as the independent variable. Four reward practices were found to be statistically significant predictors of organization performance:

ESOPs, individual based performance system, regular expression of appreciation by managers/leaders to employees and customer satisfaction monitoring tied to rewards.

3.0: OBJECTIVES
- To study the existing reward & recognition programs in the organization.
- To analyze the Efficiency of the selected reward & recognition programs.

4.0: STATEMENT OF THE PROBLEM
The various Reward and Recognition procedures were drafted depending on the organization need. Being efficient means, without wasting time or effort or expense. Also to accomplish a purpose & exhibiting a high ratio of output to input.The present organisation believes in constantly rewarding an individual employee and team excellence to motivate, encourage and promote excellence through various reward & recognition programs.
Prominent among them are:
- GEM Award (Going Extra Mile)
- Best of Best Award
- Spot Award

The main objective of this study is to determine the efficiency of the above reward programs (in the areas of process improvement, quality enhancement, new innovation, or any other 'break-through' beyond one's role) ,based on which efficiency of these reward programs can be enhanced or new reward programs can be added.

5.0: SCOPE OF THE STUDY
The present study aims to measure the efficiency of the selected rewards and recognition programs. The study concentrated only on the employees who have completed two years of service in the organization.

6.0: METHODOLOGY
The present study is a descriptive in nature.

Sampling design
- Sample Unit---- Employee who has completed 2 years of service in his current role, from different departments in the organisation.
- Size of sample selected --- 100, Respondents—68

Method of drawing the sample
Simple Random Sampling
Data collection tool
- Questionnaire

7.0: DATA ANALYSIS
Table 1 : Awareness o f the respondents about the different rewards

Are you aware about the following rewards being awarded ?	Total Respondents = 68
GEM AWARD	65
Best of Best Award	65
Spot Award	63

(Source: Primary Data)

It shows that as many as 65 out of 68 (95.58%) are aware of the 'GEM' award. Similar is the case with the 'Best of Best' award. In the case of 'Spot award' the awareness levels go down because 63 out of 68 respondents (92.6%) are aware of the 'Spot award'On the whole it appears that many of the employees with more than 2 years of service in the organisation are aware of the Reward & Recognition systems.

Satisfaction regarding frequency of GEM awards
The GEM award is normally given once in a quarter, therefore the investigator was asked to know whether the employees are satisfied with the periodicity.

Analysis reveals that 60% of the respondents felt that the periodicities of the GEM award (quarterly) are satisfied. Only 13% of them are not happy with this periodicity. On the other hand 26.5% reported that the frequency of Reward is not important. There seems to be not much resentment against the quarterly awarding of GEM award.

Satisfaction regarding frequency of Spot award.
The 'Sport award' is normally given once in a month, therefore the investigator was asked to know whether the employees are satisfied with this periodicity.

The analysis reveals that 75% of the respondents felt that the periodicities of the Spot award (Monthly) are satisfied. Only 22.05% of them are not happy with this periodicity. On the other hand 2.94% reported that the frequency of Spot award is not important. There seems to be not much resentment against the monthly awarding of Spot award.

Communication level of reward and recognition system.
Communication of any policy regarding reward and recognition system or any other system needs to be communicated to all the employees in an organization. Otherwise non-communication or the communication gap creates a number of perceptual distortions and misgivings among the members. Hence the question was drafted and sent to the employees.

The analysis reveals as high as 80% of the employees are aware of the reward system, hence it can be said that the organization has a fairly adequate communication system. However it needs to be improved since 20% of the employees do not receive such communications. This will improve the organizational effectiveness as also the interpersonal conflicts and misgivings.

Table 2 : Most Motivating Factors

Motivation Factors	Rating 1	Percentage
Recognition for your Achievement	15	22
Working conditions	3	4.41
Growth / Advancement Opportunities	16	23.52
Salary + Benefits	20	29.41
Work Itself	14	20.58
Total	68	100

(Source: Primary Data)

Table 2 gives the ranking of motivational factors among the employees. While analyzing the data, it may be noted that the first priority (a ration one) is only considered.

It may be noticed that the factors such as Salary+Benefits-29.4%, Growth Opportunities-22% are the dominant factors that act as motivators.

Another important feature is that a little over 50% of the employees rated 'Salary' and 'Growth' are the most important.Surprisingly, it is revealed that working conditions do not matter much to the employees.

Table 3: Awareness of Reward & Recognition Parameters.

Parameters	Yes	No	Total	Yes %	No%
GEM AWARD	45	23	68	66.17	33.82
BEST OF BEST	18	53	68	26.47	77.94
SPOT AWARD	49	19	68	72.05	27.94

(Source: Primary Data)

Employees need to be aware of the parameters on the basis of which the rewards are given. Otherwise Reward system will defeat its purpose. Because employees can motivate themselves to get the award if they are aware of the parameters.Table 3 reveals that the 'Spot award' scores a maximum of 72% while 'GEM award' scores 66% and the least is 'Best of Best award' at 26%.

This shows that most of the employees are not aware of the parameters on the basis of which 'Best of Best award' is given. Similar is the case with 'GEM award' at 34%.

On the basis of this it can be suggested that the organization should take all the measures to communicate the parameters on the basis of which awards are given, then only the dissatisfaction among the employees will vanish.

Non-awareness or non-communication of the parameters will give rise to a number of rumors and loose talks. This is not good for the health of the organization.

Impact on the employee satisfaction
The investigation on the impact of the reward and recognition systems on the employee motivation is studied.
It is really surprising to note that, only 44% felt that reward and recognition system enhanced their motivation. On the other hand 35% felt it otherwise, 20.6% are indifferent. This clearly shows that reward and recognition system in the organization is a highly sensitive policy, because 56% do not feel that it is a motivator. In a sense it is counterproductive.
Table 4 : Preferred Pattern of Recognition.

Arrangement of Recognition	Respondents	Percentage
In a open house setting	34	50
Personally in a one-on-one setting	4	5.88
In writing rather than in person	21	30.88
In a department gathering	9	13.23

(Source: Primary Data)

In the earlier question we found that the significant number of employees felt that the reward and recognition system may not significantly act as the motivator to perform better and more effectively.

This induced us to investigate the pattern of preference among the employees regarding the reward and recognition systems. Accordingly, the question was drafted and sent to employees. Table 4 reveals that 50% of the respondents preferred an Open-house setting, followed by 30.8% preferring the recognition in writing rather than informing orally. In effect 80% of the employees preferred 'Open-House & In Writing' pattern of the reward and recognition system, whatever, the form it may take.

Table 5: Sources of recognition: its importance and satisfaction level

1=low, 5=high

Source of recognition	Importance given to me					Satisfaction Level				
	1	2	3	4	5	1	2	3	4	5
Head of Organisation	9	23	16	14	6	12	16	21	9	10
Functional Head	5	12	24	17	10	8	17	19	11	13
Immediate Manager or Supervisor	10	17	25	9	7	10	18	25	9	6
Peers	6	9	14	21	18	4	9	28	21	6

(Source: Primary Data)
In the same way, the sources of recognition and their importance and satisfaction level has been investigated. The data in this regard have been presented in Table 5.

The most striking observation is that the employees felt that they give more importance to the "recognition by peers" rather than the "Head of the Organisation".

Similarly they also felt that the 'Functional Heads' and 'Immediate Managers' are not as important as their peers in matters relating to recognition and appreciation.

Similar case is the pattern with satisfaction levels of the respondents. It means that the employees would like to get recognized and appreciated for their good work by their friends and colleagues (peers).

Preference to receive summary of Achiever's contribution
The issue of transparency is investigated further; in this regard we have put a question on whether the employees would like to know a summary of the major achievements and contributions of the awardees.

It reveals that 81% of the respondents preferred to receive the details on the achievements and contributions of the awardees; as a matter of fact this is necessary to enhance the transparency levels as well as eliminating the suspiciousness among the employees.

Reward & Recognition Nomination Process Satisfaction Level
There is infact a nomination process in the company to recommend the names of the employees for different awards. So in this context it was felt to know the satisfaction levels of the respondents with existing pattern of nomination process.
In a sense, this is another variant of transparency.
It is surprising to notice from this table that above half of the correspondents are not happy with the existing nomination process.
This again goes to confirm the fact that the respondents want more transparency and openness in giving the rewards and recognition.

FINDINGS
- The awareness of the present reward and recognition programs is prominent.
- Periodicity of the 'GEM award' and 'Spot award' is satisfied.
- It is evident that organization has a fairly adequate communication system, however, room for improvement exists.
- 'Working Conditions' do not matter much as a motivator for the respondents. While 'Salary' and 'Growth' and 'Recognition' are the most important motivating factors.
- Majority of the respondents are not aware of the parameters pertaining to 'Best of Best award'.
- About 56% of the respondents feel that the present reward and recognition programs have failed to enhance their motivation, which is counterproductive.
- 80% of the employees prefer 'Open-House and In Writing' pattern of the reward and recognition system.
- Respondents feel that source of recognition, its importance and satisfaction from 'Peers' is comparatively high compared to other sources.
- Most of the respondents are interested to receive the summary of the major achievements and contributions of the awardees.
- It is surprising to notice that half of the respondents are not happy with the existing nomination process followed for reward and recognition programs.

OBSERVATIONS
- Awareness and Communication pattern is very effective in the organization.
- Periodicities of major Reward & Recognition programs are satisfied.
- 'Best of Best award' parameters are not known by the major respondents.
- Present Reward and Recognition programs are below expectations, from the point of view of motivating the employees. Clearly a counterproductive point.
- Nomination process followed for various Reward & Recognition programs have greater degree of resentment among the respondents.

SUGGESTIONS
- Communication of prominent Reward & Recognition programs to employees can be increased by discussing in meetings, training programs etc. Also by displaying in notice boards, circulating Reward & Recognition programs sign boards to all the departments of the organisation.
- 'Best of Best award' parameters needs to be disclosed to employees through appropriate methods.
- Reward and Recognition parameters and its nomination process needs to be addressed, in order to enhance the effectiveness. As a result Reward and Recognition programs will be chief motivating components in the organization.
- As practiced, it is also evident that 'Open-House and In writing' pattern of recognition can be continued.

- Also, among the proposed Reward and Recognition procedures, "Young Achiever Award" is already implemented in the organization. In the same lines, depending upon the requirements and upon modification, other proposed Reward and Recognition procedures can be implemented in the organization.

CONCLUSION
- Organisation has some of the best Reward and Recognition programs like GEM Award, Best of Best Award, and Spot Award etc., which is a tribute to Individual Excellence, Team Excellence, and instant recognition for employees on a day-to-day basis respectively.
- Present Reward and Recognition programs, of the organization are efficient, and going further they can be improved by fine tuning of some of the associated elements of the existing programs. Also, Reward & Recognition programs effectiveness can be enhanced by introducing new Reward & Recognition programs.

RECOMMENDATIONS
- It is necessary to make it known to all the employees the pattern of nomination process followed to select awardees for different Reward & Recognition programs.
- It is best practice and needs to be continued further to recognize the achiever's in Open-House and also in Writing format.
- Organization effectiveness can be increased by charting out concrete plans to decrease the communication gap of Reward & Recognition programs among the employees.
- Specific action plan needs to be implemented to modify certain key elements of Reward & Recognition programs, such that they act as true motivators.
- It is necessary to circulate the summary of achiever's major contributions, in convenient form to all the employees.

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