

An Impact On Employee Satisfaction Through Promotion And Reward Policy

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Abstract

Employees of every organization will be continuously working hard and contribute in achieving organization objectives only if they are satisfied well. The general objective of this research is to study the effect of rewards and promotion on employee satisfaction. The specific objectives is to study the behavioral differences between employees who are appreciated and not appreciated to identify the most effective means of rewarding and promotion, to understand the extent to which employees perform, to identify what the effect of motivation is on the individual and to study organizational development if rewards and promotions the result of the emotional conflicts between the employees. Employees of every organization will be continuously working hard and contribute in achieving organization objectives only if they are satisfied well. Quantitative research design has been adopted for this study. The SPSS-23 version is used for data analysis, where different techniques were applied like regression, and correlation. Various employees from the companies are the respondents. This study shows that a wide variety of factors influence employee motivation and satisfaction. It is also important to know that there is a direct and positive relationship between rewards and promotions and job satisfaction and motivation. Therefore, if the rewards and promotions given to the employees are changed, it leads to a corresponding change in work motivation and satisfaction.

Keywords: Rewards, Promotion, Employee, Motivation, Satisfaction

INTRODUCTION

According to Spector (1997), employee satisfaction is the satisfaction of employees towards their work. It is the degree to which employees like their jobs. Kidd (2006) defines employee satisfaction as the feeling that employees have on their job; the experience of the job with experience, current expectation, and the alternative that exists in the future. The commitment of top management to increase employee satisfaction by taking into account the factors that influence employee satisfaction will be able to encourage employees to improve the performance of their duties, to contribute to the growth of the company (Shaw, Delery, Jenkins, & Gupta, 1998).

Eylon & Bamberger, (2000), Egan, Yang, & Bartlett, (2004) and Change & Lee, (2007) argues that there is a positive effect from learning culture on job satisfaction. Bhatti & Shehzad, (2008) show that the employee who satisfied with their jobs will have a higher quality of work and higher commitment to the company, so ultimately their desire to leave the organization will be declined. Antoncic & Antoncic, (2011) propose four elements of employee satisfaction. First is general satisfaction with the work. It contains work conditions, working time, and company reputation. Second is employee relationship, which consists of the relationship of the employees, and interviews with employees are on an annual basis. The third is the remuneration, benefits, and organizational culture. It is including salary, benefits, and rewards in the form of praise, promotion, education, permanent jobs, and the supportive atmosphere and the culture of the company. Fourth is employee loyalty. The satisfied employee will be loyal to the company.

There is large amount of literature available about rewards and employee satisfaction. Pragya (2008) described the relationship between non-financial rewards and employees satisfaction and told that non

monetary rewards increase the satisfaction of the employees. Dambisya, (2007) investigated that the use of nonfinancial incentives for health worker leads to satisfaction of employees. This study was conducted in health sector and found that non financial rewards affect the performance of an individual. Danish et al (2010) revealed that human resources are the most essential area among all the resources of organization. Competent and knowledgeable personnel in an organization are very essential in overall performance of an organization. Motivated employees can help and make an organization competitively more value added and cost-effective. He also originate that different degree of work motivation and satisfaction are considerably linked and reward and recognition have great influence on motivation of the workers, and if the worker is motivated than it would increase his job performance, which leads to job satisfaction.

Steven et al, (2001) revealed that if major promotion systems typically practiced in businesses increases the satisfaction of the employees. Mohr et al, (2006) concluded that different the data on work features is to study whether “enriched” job design, nature like excellence circle, response, suggestion programs, and task teams, affects job satisfaction and inspected that that two opposing hypothesis are recognized on the association between enriched jobs and job satisfaction. Motivational hypothesis,” demonstrates that enrichment will increase satisfaction these results show that a number of types of enrichment, in particular offers, information sharing, task teams, excellence circles and training, increase satisfaction.

OBJECTIVE OF THE STUDY

1. To study the influence of promotion on employees’ satisfaction.
2. To study the influence of reward policy on employees’ satisfaction.

HYPOTHESIS

- H1. Promotion has a positive and significant relationship with employees’ satisfaction
H2. Reward Policy has a positive and significant relationship with employees’ satisfaction

COMPANY PROFILE

Description of water resources like wells, canals, and dams have been seen at many places in Vedas. ‘Kavat’ is easily seen in many places in the Rig-Vedas description of the wells. The water of the wells was brought from wheels made of stone in which the container was tied with rope. The wells were not only used to bring water for the daily use of humans and animals but also irrigation. The word ‘Awta’ is also mentioned in the Rig-Vedas which signifies the wells. In other words ‘kulya’ is mentioned which means artificial canals. The description of canal excavation is seen in the Yajurveda. Even Guru of Devas ‘Brahapati’ said that the repair and modification of dams and canals is holy practice and the rich society of state should take responsibility for it. It is clear from this whole history that sources of irrigation part of civilization and livelihood. Since the formation of the department of irrigation and water resources Uttar Pradesh, it has been focused on the development and construction of dams and canals and wells. The department implemented this objective and provided adequate litigation facilities to the citizens of the state and meanwhile, the department also carried out flood prevention works and always tried to avoid the horrors of floods. Water is a precious gift of nature. Without water cannot be imagined any life or civilization. This is why our ancestors preferred to live where water was easily available. The development of society since ancient civilization is based on water only. Every human civilization was always established near any water resources body.

LITERATURE REVIEW

(Lam et al., 2001) stated there is no doubt that employee satisfaction is critical in the service industry because of the nature of the industry. As suggested by “the service-profit chain” providing employees with a superior internal working environment is likely to lead to satisfied employees who are both loyal to the

organization and able to provide the customer with an excellent service experience. Customers will recognize and value the outstanding service offered to them

Lawler (2003) explained rewards play a vital role in determining the significant performance in job and it is positively associated with the process of motivation. There are two factors which determine how much a reward is attractive, first is the amount of reward which is given and the second is the weightage an individual gives to a certain reward.

Vansteenkiste (2005) Defined incentives, rewards and recognitions are the prime factors that affect employee satisfaction. As the employees engage in their working activities purposely for own's sake then they will feel intrinsic motivation in their behaviors, as their activities will essentially be enjoyable and satisfactory. The factors like incentives and rewards are the most preferred factors for employee satisfaction programs.

Oosthuizen (2010) stated that it is among the function of managers to motivate the employees successfully and influence their behavior to achieve greater organizational efficiency.

Flynn (2012) argued that rewards and recognition programs keep high spirits among employees, boost up their morale, and create a linkage between performance and motivation of the employees.

Lawler (2013) argued that two factors determine how attractive a reward is. The first is the amount of reward that is given and the second is the weightage that a person gives to a certain reward.

Rane (2016) studied the importance of employee Job Satisfaction. He explained that the employee Job Satisfaction was essential to face the dynamic and ever-increasing challenges of maintaining the productivity of the organization by keeping their workforce constantly engaged and motivated.

Javed and Premarajan (2017) examined the influence of distributive and procedural justice on pay and Job Satisfaction. They provided that distributive justice and procedural justice had a differentiating impact on Job Satisfaction and four facets of pay satisfaction i.e. level, raise benefits, and administration.

According to Armstrong (2018), reward and promotion management processes are concerned with the design, implementation, and maintenance of reward and promotions systems geared to the improvement of the organizational, team, and individual performance.

METHODOLOGY

The researcher used quantitative survey as the major method to find out the impact. Quantitative surveys are designed to fit a questionnaire schedule. This is the most commonly used technique in research. The researcher used exploratory study to gather information and to discover whether there does the researcher use any relaxation between the variables (dependent and independent).

The researcher used simple random sampling method in selecting the sample size. This method offered equal opportunity for each member of the population to be sampled. The essence of using this method was to avoid Research Bias. "A population is the group of all items of interest to a statistics practitioner" (Keller, 2009) According to (McDaniel, 2001) target population is a total group of people from whom the researcher may obtain information to meet the research objectives. However, due to time and resource constraints only, so for sample size limited employees were selected for collecting the data. For data collection primary source was used, a survey questionnaire was prepared to collect data from respondents of. The questionnaire was consisting 22 items including three variables; Promotion, Reward Policy and Employee satisfaction. A total number of two hundred and twenty two questionnaires were circulated. The researcher personally administered the questionnaire. The limitations of the study was the very limited time to conduct the study on employees, as many of them were not present in their workplace. The shift timing was another barrier to get the respondents. Contacting various organizations can be a condition that may eventually be

a time-consuming factor. Respondents who have not received rewards or promotions were showing discomfort in filling the questionnaire. The researcher felt that getting the respondents was time consuming. The cost involved to do the research was more. It may be a prerequisite to approach various organizations which is ultimately a time consuming factor.

DATA ANALYSIS AND INTERPRETATION

This furthermore collected data was inserted into statistical packages for social packages (SPSS) for completing the analysis process. In research it is necessary to analyze the data statistically if the quantitative approach is used. The data analysis process is consisting of certain statistical techniques applied like: Reliability analysis, factor analysis, and correlation analysis and regression technique.

Reliability Analysis for Each Variable

Before starting the data collection process effectively it is necessary to check out the questionnaire consistency through reliability test, one of the main source of reliability is value of Cronbach’s alpha should be greater than 0.7 as described in SPSS Survival Manual.

Table-1 Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
.909	22

The table reliability statistics consists of two columns Cronbach’s Alpha which shows the consistency of variables by showing value greater than 90% as 0.909. The total number of items is 22.

Regression Techniques

Table 2. Model Summary

This is a table of

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.732 ^a	.536	.528	.687	1.936
a. Predictors: (Constant), Reward, Promotion Policy					
b. Dependent Variable: Employee Satisfaction					

regression model summary showing the regression value of the independent variable and dependent variable. This table is obtained by using step wise regression model value. Variable model show positive R-value, which is a good sign, and have strong relation towards dependent and independent variable. Adjusted R2 values are positive.

Enter method model shows the variable having strength of relation towards each other. At the end a, b, c predictors are preferred set of model of variables according to spss-23.

The result shows that (52.8%) variables are fit to the model that is a positive sign and acceptable for the research.

Table-3 Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

1	(Constant)	6.092E-17	.046		.000	1.000
	Promotion	.315	.048	.315	6.511	.000
	Reward Policy	.257	.056	.257	4.580	.002
a. Dependent Variable: Employee satisfaction						

This table shows the coefficient value of dependent and dependent variable. Here it is cleared that Beta coefficient values are greater than .3, which means there is good strength. These show the contribution of variables towards each other. As the value increase, it contributes more in significance. The table shows that four independent variables are positively contributing and according to hypotheses both have significant value and both hypotheses are supported.

Table 4. Hypothesis Acceptance/ Rejection

SUGGESTIONS

- The art of making all employees feel comfortable in the work in the work environment must be trained to training all managers which will not result in emotional conflict between employees.
- Most employees demand monetary benefits in reward and promotion, so organizations' should adopt more financial incentives to rewarding the employees.
- Formulation and implementation of all policies, especially with respect to employees who should be transparent and properly communicating the reward and recognition.
- Many different things that inspire people and the thing that motivates one person is not necessarily to inspire another as well.

CONCLUSION

Human resource provides the foundation for an organization to achieve sustainable competitive advantage. Attracting and retaining competent employees is a challenging task for every organization. This study shows that a wide variety of factors influence employee satisfaction. It is also important to know that there is a direct and positive relationship between rewards and promotions and job satisfaction. Here, if there is a change in the rewards and promotions given to employees, then there is a corresponding change in employees' satisfaction. It is illustrious that employee performance can be improved when employees are

S.NO	Hypothesis	Accepted	Rejected
1	Promotion has a positive and significant relationship with employees' satisfaction	✓	
2	Reward Policy has a positive and significant relationship with employees' satisfaction	✓	

motivated to achieve their goals. Based on the findings of this study, it can be recapitulated that employee reward package plays a significant role in employee performance. It means that reward is directly proportion to employee performance. The changes in rewards directly affect to the changes of the employee performance.

Based on the findings the following recommendations were considered employees form critical part of the organization, such that job satisfaction is greatly affected by the current reward system. Management should ensure that reward system is effective enough and competitive to influence employees to work harder. Teachers Service Commission should pay its employees positively for the competencies rather than just the experience alone this will make employee to be committed. It should embark also on individuals pay system

so as to base it on experience skills and performance. It is important for Teachers Service Commission to be aware of the role the current reward systems play in job satisfaction in that to reward system should serve both internal and external factors. The internal factors benefits include increase job satisfaction decrease absenteeism and labour turnover. A good reward system should motivate people to work harder increase production.

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