

## IMPACT OF REWARD AND RECOGNITION SYSTEM AT BONFIGLIOLI TRANSMISSION.PVT.LTD

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### INTRODUCTION

**Reward** is an incentive plan to reinforce the desirable behaviour of workers or employers and in return for their service to the organization. Rewards can be monetary in the form of salary or non-monetary in the form of awards for some special services to the company. **Employee recognition** refers to the act of acknowledging an individual or team's behavior, performance, effort and accomplishment that help the organizational goals and values. Recognition encourages employees to repeat good performances.

Rewards and recognition to motivate employees and demonstrate that they are appreciated. Often, rewards and recognition take the form of extra compensation for employees who carry out the activities in their role description and meet their objectives. They serve for many purpose in the organizations to build a better employment deal, hold on to good employees and to reduce employee turnover. Rewards and recognition can also be given for team-based accomplishments or for meeting project-based targets.

### BONFIGLIOLI

Established in 1999 , Bonfiglioli Transmission Pvt. Ltd. has made a name for itself in the list of top suppliers of Gear Boxes, Reduction Gears & Gear Cutting ,Marine Equipment in India It operates through three different Business Areas: Industrial, Wind, Mobile. These three distinct sectors develop specific solutions and applications in response to the varying needs of our increasingly complex and technologically advanced markets the solutions keep the world in motion, family-run Italian company with a global presence. It can accompany customers everywhere and always. The three Business Units, Power Transmission Solutions, Mechatronic Drives & Solutions and Mobile & Wind solutions, embody all the know-how and experience needed to support the customers' growth. Bonfiglioli is one of the worldwide leader in the manufacturing of gearboxes, gear motors and drive systems.

### OBJECTIVES OF THE STUDY

- To study the existing Rewards and Recognition Process at Bonfiglioli
- To analyze whether the employees have knowledge on the available reward system in the organization.
- To understand the satisfaction level towards the available rewards system in the organization.

### REVIEW OF LITERATURE

- Vijayakumar and Subha (2013), Impact of Reward and recognition on employees, The study concludes that rewards and recognition if improved could have positive effect on motivation and satisfaction. Thus reward plan plays vital role in enhancing the value delivered to the employees. Although many dimensions of work and job motivation are related to motivation and satisfaction, the mean values of payment, promotion, benefits and recognitions, shows that employees are less motivated with

those aspects. Hence rewards and recognition plans programmes given to the employees of company has to be revised in such a way that it has to motivate and satisfy them.

- Lara Priyadharshini Sinappan, Mahadevan amulraj (2014), Impact of reward and recognition and Empowerment on Organisational Citizenship Behaviours among Technical Engineers, The study revealed that rewards and recognition have significant relationship with all the four dimensions of OCB while empowerment shown a strong coordination with only teambuilding dimension of OCB i.e rewards and recognition practices strongly enhance organizational OCB than that of empowerment.

## ANALYSIS AND INTERPRETATION

### Determining Chisquare Test For Age And The Reward Has A Positive effect

**H0 (NULL HYPOTHESIS):** There is no significant difference between Age and the Reward Has a Positive Effect on Employees Performance.

**H1 (ALTERNATIVE HYPOTHESIS):** There is a significant difference between Age and the Reward Has a Positive Effect on Employees Performance.

S.NO	AGE	EMPLOYEE SATISFACTION				TOTAL	PERCENTAGE
		A	N	D	SD		
1.	20-30	8	30	14	5	57	0.633333
2.	31-40	6	19	6	2	33	0.366667
	Total	14	49	20	7	90	

EXPECTED VALUE				
1.	8.4	29.4	12	4.2
2.	4.2	14.7	6	2.1

P (Probability) Value = 0.466141073 (or) 0.47

Chi-Square Value = 2.551020408

### INFERENCE:

The value of **P** is found to be **0.47 (p > 0.05)**

Hence H0 is accepted

There is no significant difference between Age and the reward that has a positive effect.

### DETERMINING CORRELATION FOR THE STATEMENT WHERE THE COMPANY OFFERS REWARDS BASED ON THE PERFORMANCE AND THE REWARD SYSTEM.

The Company Offers Rewards Based On My Performance	Awareness of The Reward System
11	15
60	52

16	21
3	2
11	15

**CORRELATION:**

	The company offers rewards based on my performance	Awareness of The Reward System
The company offers rewards based on my performance	1	0.98
Awareness of The Reward System	0.98	1

**INFERENCE:**

The value of **r** is found to be **0.98**

There is **positive** correlation between company offering rewards based on their performance and the awareness made on the rewards associated.

**FINDINGS**

- It is found that **majority** of the respondents, **23.33%** from **HR department**
- It is found that **majority** of respondents, **56.67%** with the experience of **1-3 years**
- Majority of the respondents **61.11%** neither agree nor disagree that they are being recognised by peers and co-workers
- There is no significant difference between Age and the reward that has a positive effect.
- There is **positive** correlation between company offering rewards based on their performance and the awareness made on the rewards associated.

**SUGGESTIONS**

- The employee who actively service the community need to be identified and recognised
- The manager should practice a positive nonverbal behaviour that should demonstrate appreciation with smiles or a handshakes.
- The reward program which is brought should create general awareness among the employees.

**CONCLUSION**

Reward and recognition program are equally important when trying to improve performance and morale among employees. The above methods can be used to motivate employees. Since all the methods are not be applicable to the same

organization, the organization should make sure that they choose best rewards that suit their organization. The most effective way to motivate the employee to achieve the desired goals of the organization include creating an environment with strong respectful and supportive relationships between the organization managers or supervisors and employees and a focus on genuine expressions of appreciation for specific employee achievements, service milestone and day to day acknowledgement on performance excellence. In order to improve this system, the management can enhance their way of communication, smooth relationship among employees, effective promotional policy and effective work environment.

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