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The impact of reward management systems in the craft beer industry: a case study of a leading craft brewer.

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Submission of Thesis and Dissertation

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Abstract

The aim of this research study was to investigate the impact of reward management systems within the craft beer industry in Ireland. The data was gathered from a number of staff members within a leading craft beer brewery in Ireland in order to prove that it was relative to the study and also reliable. For the purpose of the study, the author looked at the theories of reward management, various reward programs, and their impacts on worker performance in the craft beer sector. The literature review led to the development of research questions that focused on the many types of rewards offered at work, reward management, reward programs, and the effects of rewards on productivity. The study was carried out utilizing a qualitative methodology, and four semi-structured interviews were conducted by the researcher. The results showed the numerous reward programs now in use in the Irish craft beer sector as well as how rewards affect workers' productivity.

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1.0 Section One: Background

The craft beer industry is becoming a highly saturated market with a lot of competition. Any company within this industry is relying on their employee's performance from the production line to the sales team, it is vital that organisations focus on their employee's performance and take measures to improve and encourage staff. Employees within any industry must be viewed as assets to the company, this is important within the craft beer industry at this time as demand is increasing and there is pressure on these organisations to produce and distribute their products globally whilst maintaining their high standards.

According to Barber and Bretz, reward management systems have a large impact on the recruiting, retaining and motivating of employees which results in higher levels of performance. (Barber and Bretz, 2000).

The craft beer industry is a relatively new industry, it is driven by innovation as the target market are looking for new flavours and good quality products. In order for these breweries to survive in their industry they must be innovative. In 2012 there was only 15 craft breweries in Ireland, this number has increased to over 70 in 2021. (Spillane, 2020).

This industry like many others was severely affected by Covid-19. Pre covid-19 almost 80% of craft breweries trade was done through the selling of their products in bars and restaurants, as things return to normal these breweries now sell many of their ales in supermarkets and also are beginning to experience the added pressure of supplying bars and restaurants with their products once again, putting pressure on their production team as well as their sales teams contacting these establishments to sell their products, making the process of attracting and retaining employees a very high priority. Investigating the reward management systems in one of the more successful craft breweries and conducting a survey with a sample population of employees within this organization will help to identify the preferences of employees and also give a clear description of the types of rewards available to employees within the craft beer industry. These interviews will not only see what rewards are valued most but also to see if there are any current reward systems in place in this industry and if so, what effect do the current reward systems have on the performance of the employees within this industry

Research Questions

This study's purpose is to identify the following.

1. What variations of reward systems exist in the Irish craft beer industry?
2. What are the effects of the reward systems on the performance of employees in Ireland's craft beer industry?

1.2 Research Structure

The thesis opens with an introduction section, this section will include the background of the study and the aims of the research. The second section of the thesis is a literature review. *“A literature review distils the existing literature in a subject field; the objective of the literature review is to summarize the state of the art in that subject field.”* (Rowley, J. 2004). The literature review for this study primarily focuses on reward systems, the numerous incentives companies provide employees, factors that motivate employees, and employee performance, with a focus on the reward systems that are most commonly utilized in the Irish craft beer industry.

2.0 Section Two: Literature Review

2.1 Introduction

Over the last few decades, employers have come to realise the power of rewards, this area has been heavily studied since. Compensation strategy can be described as *“deliberate utilization of the pay system as an essential integrating mechanism through which the efforts of various subunits and individuals are directed toward the achievement of an organization's strategic objectives”* (Gomez-Mejia & Balkin, 1992)

Rewards are seen as one of the most important motivating factors in organisations and studies show that the use of reward systems can drastically influence company culture, in turn influencing the productivity of the organisation as a whole. *“The reward system represents a particularly powerful means for influencing an organization's culture. Much of the substance of culture is concerned with controlling the behaviors and attitudes of organization members, and the reward system is a primary method of achieving control.”* (Kerr, 1987). Employers are constantly faced with the challenge of finding ways to motivate employees in order to reach strategic goals and objectives. One definition of motivation is a person's intrinsic urge to meet an unmet need (Higgins, 1994). The terms internal and external are used to characterize these forces. Internal forces are those that are related to the individual and include things like needs, attitudes, and goals. Workplace external pressures include things like tasks, workloads, feedback, rewards and compensation, as well as the social environment at work. It is crucial that management understands how each individual may encounter various motivating factors that could affect their performance. It is vital that a manager does not focus on just one set of these forces as it may lead to problems whilst trying to motivate staff that may benefit better from the opposite set of rewards. In order avoid problems in this

area reward management systems can be implemented. These reward systems include the numerous incentive types that employers may use at their discretion to encourage their staff to deliver the greatest results in terms of performance. The purpose of this research study's literature review portion is to evaluate the key beliefs and practices of both incentives and reward management that organizations use in the workplace today. It also examines the effects these practices have on employee performance.

2.2 Rewards

Rewards are used to motivate employees within an organisation, when employees are motivated their performance increases. According to Van Rooy and Bussin rewards are defined as a tool that can be used to attract, motivate and retain employees, however it is not always clear what type of rewards the company must offer their employees in order for them to become motivated to complete the tasks given to them. As Lawler argued in his study in 2003, there are two different elements that must be considered in order to determine the effectiveness of any given reward to motivate an individual, the first factor is the degree of reward that is being offered to the employee and the second factor is the value that the individual places on the chosen reward. (Lawler, E. 2003).

There are many types of rewards, these rewards are categorized as intrinsic rewards and extrinsic rewards. Intrinsic rewards are internal rewards that are not monetary, these rewards can be in the form of respect and appreciation, added responsibility. These rewards can be motivators for all employees, Jovanovic and Matejevic have argued the point that intrinsic rewards can be very valuable to an employee that is no longer motivated by pay rewards. (Jovanovic, Matejevic, 2014). Employees are motivated by intrinsic rewards to keep improving and, where necessary, to change their behavior in a long-lasting way (Ryan and Deci, 2020). For instance, when someone completes their work well, they frequently feel a sense of accomplishment and happiness. The employee is therefore encouraged to carry out that task successfully going forward in order to reap the benefits of this intrinsic incentive. Extrinsic rewards can be either monetary or non-monetary, the monetary extrinsic rewards can be an increased wage or a bonus for good performance within the company, the non-monetary rewards can come in the form of days off work for example.

Prior to now, the major goal of reward systems put in place by organizations was to compensate employees financially (Snelgar et al, 2013). However, it has been shown that employees increasingly need more than just financial advantages as rewards for their efforts due to the ever-increasing complexity of today's working environment (Millmore et al, 2007).

This has led to organizations implementing both extrinsic and intrinsic incentive management systems in order to both inspire and recruit new personnel.

2.3 Reward Management

Reward Management can be defined as a motivational practice used by business to reward their employees for reaching goals and helping the company, the company will set goals and establish their policies and procedures that the employees must follow while attempting to achieve the set goals. The reward is the return that the organization gives to the employee for achieving the goal. It is vital that companies have a good reward management system in place as it leads to greater productivity and organizational performance.

“Reward management system contains the organization’s policies, processes and practices for rewarding its employees in accordance with their contribution, abilities and artifice. It is progressed within the organization’s reward philosophy, strategies and policies, and includes agreements in the form of processes, practices, structures and procedures which will provide appropriate types and levels of pay, benefits and other forms of reward.” (Güngör, P. 2011).

Rewarding employees is a very useful tool that can be used to motivate employees and improve their performance, however, if these rewards are not monitored and managed the employees may no longer be motivated by the rewards presented to them. Organisations must evaluate their employees and the rewards given to each employee. It is important that all employees are offered rewards for completing their tasks and helping the company to achieve their goals and objectives. The organization should be completely transparent with employees about their reward management systems and treat the employees fairly regardless of their importance or position within the company. The rewards should be fair and valued at a similar proportion to the objectives or goals that the employee has achieved for the company (Armstrong et al.2009). There have been numerous studies on reward management. Ajila and Abiola's (2004) study revealed that compensation packages can affect employee performance. Based on their research, they came to the conclusion that reward systems improve employee performance by developing their abilities, knowledge, and skills to meet corporate goals.

The study by Allen and Kilmann (2001) found that reward methods are essential for enhancing employee performance and achieving organizational objectives. As was already mentioned, numerous researchers have found a direct correlation between employee awards and worker performance. In contrast, if a company doesn't provide its workers rewards, it will have a negative impact on how well they perform.

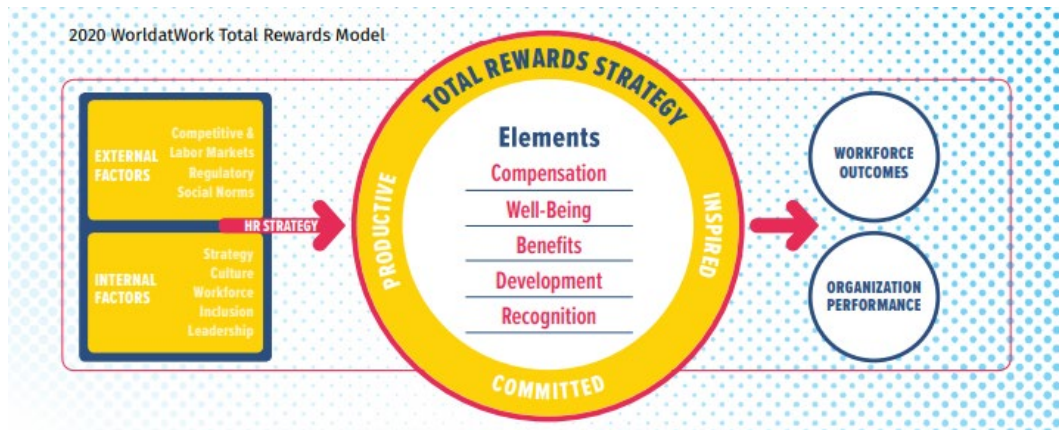
Employee and manager motivation are increased by rewards that are appropriate, efficient, and timely. Studies and practical application of the idea of "performance reinforcement" have demonstrated that giving employees constructive criticism in a timely manner can serve as a catalyst for increased productivity and morale (Cock, 2008). The studies show a substantial relationship between the employees' current resources, service pay, the exchange of information, level of stress, and job burnout at work (Schaufeli, 2004). Companies typically stress a specific value and drive their behaviour towards it while focusing on what managers and employees regard to as reward (Podhame, 2004).

Reward management should be evidence-based, a company that has a good reward management system will manage their reward practices in a way that allows them to accurately predict which innovations are most likely to have the best impact on the company and deliver the results that they need or want as a company.

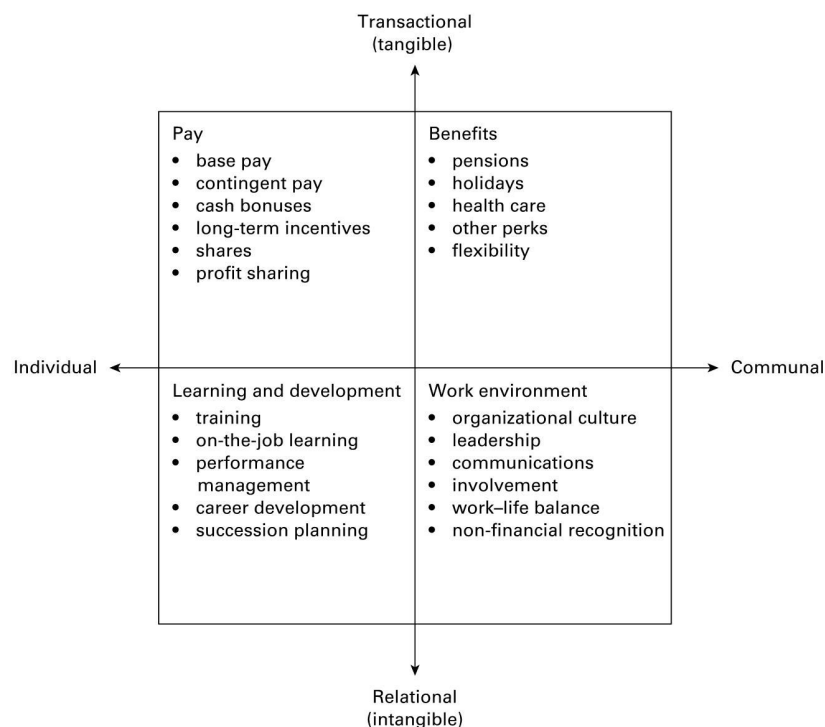
2.4 Total Reward Management Models

Armstrong and Murlis (2007) define Total reward as *“The total reward concept emphasizes the importance of all aspects of the rewards package as a coherent whole.... Account is taken of all the ways in which people can be rewarded and obtain satisfaction through their work, linking financial and non-financial aspects”*.

There are many different reward management models that have been published in the last 20 years. The first model is the WorldatWork Total rewards model, this model includes the elements that the company use to motivate the employees; compensation, well-being, benefits, recognition and development. This model is updated from a previous model that was published. The updated model now contains five elements of total rewards compared to six in the previous model in order to improve the overall perception of Total Rewards.



The second model is the Tower Perrins total reward management model, this model includes both intrinsic and extrinsic rewards along with rewards that are monetary and non-monetary. The model consists of a matrix with four quadrants, this model is used quite frequently in order to plan a total rewards approach. The two quadrants at the top represent the tangible rewards for employees and the intangible rewards or located in the two quadrants at the bottom. The model outlines which rewards are individual and which ones should be communal. The model is most effective when the tangible and intangible rewards are combined. (Armstrong, 2014).



The third total reward model was created by JLARC/Commonwealth of Virginia in 2008. This framework is composed of three elements that in theory lead to complete employee satisfaction. The three elements of this model include compensation, benefits and work/life environment. The first aspect of compensation involves providing a competitive salary at each level in order to attract and retain employees. The second aspect is benefits, benefits covers the area of competitive health benefits which also aids an organisation with the task of attracting and retaining employees. The work/life aspect involves the organisation providing a flexible work/life that still supports productivity as well as ensuring employees are able to enjoy life outside of their occupation. Commonwealth also made suggestions to accompany this model, the suggestions are in relation to retirement, benefits, cash compensation and base pay. (Jiang, Z. 2009).

The implementation of a total reward management system can be made easier through the use of models like these; however, it is still not a straightforward process. There are many factors that must still be considered such as who will design the plan, how will the plan be funded, what business conditions must be incorporated into the plan and what types of rewards should be used. (Heneman, R. 2007)

2.5 Performance Related Pay Systems

Performance related pay is a system that rewards employees via pay rises or other rewards based on an evaluation of each employee's performance over a period of time. The evaluations are carried out by a supervisor or a manager and the increase in pay is usually based off a pre agreed set of objectives. According to Heery and Noon (2001) performance related pay can be used in two ways. First, it can define the wide category of payment systems that tie compensation to some type of performance-based metric at work. Because of this, it is compatible with profit-sharing, merit pay, gainsharing, piecework, sales incentives, and other output-based pay schemes. Second, it might apply to individualised systems where wage increases are based on performance evaluation outcomes. Performance related pay systems are fitting to Vrooms expectancy theory (1964) as well as Skinners reinforcement theory (1969). Vrooms expectancy theory suggests that motivation to work will increase in proportion to how strongly one believes that effort will be rewarded and how much one values that reward. *"it is based on common sense psychology of employees and says that they will be motivated to act when there is an expectancy that their behaviour can result in*

achievement of desired outcomes.” (Parijat and Bagga. 2014). Skinner's reinforcement theory of motivation emphasizes each person's mental state, namely their emotions and feelings. The focus of reinforcement theory is often on the changes that each person experiences when engaging in certain behaviours or actions. Accordingly, the external atmosphere of the business must be structured properly and positively in order to encourage the employee, according to Skinner. The reinforcement theory of motivation is a valuable tool for managing how each person acts and behaves. This idea disregards the motivations behind people's actions. (Gordon and Krishanan, 2014). The reinforcement theory can be used within an organisation when a performance related pay system is introduced, the employees excelling at their job will be compensated accordingly and the employees not performing and meeting expected goals can also be punished. In theory this should motivate the employees to complete tasks efficiently and properly as they seek the rewards that come with performing well. Over time, it has been discovered that one of the strategies an organization may use to boost employee productivity and performance is good remuneration. (Ajila and Abiola. 2004).

Since the late 1980s, academics have conducted extensive research on the impact of PRP on performance (Perry et al., 2009). This substantial collection of PRP research has been compiled by a number of academics to study its effects and determine where the field stands right now. The first meta-analysis on the influence of financial incentives on performance was carried out by Jenkins et al. (1998). They came to the conclusion that financial incentives are likely to significantly enhance performance quantity but only marginally raise performance quality by limiting the research by study environment (i.e., laboratory, experimental simulation, and field settings). Another study was completed by Condly et al. (2003), In their meta-analysis, the authors increased the number of moderators and found that monetary rewards have a stronger beneficial effect on performance than non-monetary rewards. Additionally, they discovered that incentive schemes focusing on teams rather than individuals have a more favourable effect on performance. By categorizing research by the observability of outputs and outcomes in organisations where PRP is implemented, Hasnain et al. (2012) conducted a meta-analysis on 110 empirical studies of PRP in the public sector. They discovered that while the majority of high-quality research mention beneficial impacts of PRP, these effects tended to be focused in professions where outcomes are visible such as teaching, healthcare, and revenue collecting. Importantly, they discovered that in typical public service professions where results are difficult to observe, the impacts of PRP are

uncertain. Their findings support the claim made in a previous analysis of PRP research (Perry et al., 2006, 2009), which maintains that it is essential to take into account the features of businesses where PRP is implemented.

Performance-related pay, according to Kohn (1993), fails because money itself is not an incentive. Demotivation may also result from employees not receiving this compensation. Additionally, he argues that performance-based compensation might undermine employee teamwork and sever working ties by encouraging rivalry. Pfeffer (1998) further argued that performance-related remuneration inhibits teamwork by emphasizing the employee's individual success. Pearce (1987) further asserted that when remuneration is based on performance, people are more likely to prioritize their own interests over those of the company. Performance-based compensation also has the potential to establish a culture of fear among employees, which might be damaging to their productivity.

Performance related pay systems can be seen as a traditional method of rewarding employees. The employee is rewarded once a particular goal or objective is met, Kohn (1993) argues that although some employees will be motivated by a monetary reward it is not always the case, there are other non-monetary rewards that may bring more value to an employee therefore increasing the employees level of motivation.

2.6 Team Based Rewards

In a working environment that is becoming increasingly competitive as the years go on, the need for productive and efficient teams is higher than ever before. Teams have been regarded as key organizational units in today's industries (Mathieu et al., 2014). Teams have always been seen as an alternative to highly structured departments, functioning without a structure (e.g., Mintzberg, 1979). Recent research, however, suggests that teams typically use structural components to direct or coordinate their efforts. There are many reasons for the increased popularity of teams and team based rewards in many organisations over the last couple of decades. Interdependencies between jobs and tasks have been created by changes in the way work is organized, the flattening of organizations, and evolving technology. As a result, it is frequently challenging to distinguish between the contributions and performance of individual workers (Patten, 1977).

When evaluating performance, it can sometimes be more accurate to measure the performance of larger organizational units than an individual's performance, according to

research in related subjects like performance evaluation (Landy & Parr, 1983). The increased use of teams has also brought attention to the necessity of encouraging collaborative team cultures and providing a way to affect the communal motivation of team members (Shamir, 1990). On the hypothesis that team rewards will accomplish something fundamentally different than individual rewards, rewards are applied to teams as a whole. In particular, team-based awards may fulfil these objectives as well as encourage cooperative group-level behaviour, whereas the use of individual compensation has been demonstrated to stimulate and reinforce individual performance. These group-level actions are seen to be crucial for the group's efficient operation and, in the end, for organizational effectiveness (Tjosvold, 1986). In addition, group incentives can be tied to the accomplishment of workplace objectives, maximizing the motivational advantages of goal-setting (Lawler & Cohen, 1992).

Another reason team based rewards are proving beneficial to organisations is that they can be classed as small group incentive systems, as opposed to large group reward systems that involve gainsharing, may make it less likely for people to work less hard while working in groups than when working alone. Team members may feel that their contributions are more noticeable in an atmosphere where awards are based on team performance than under bigger group incentive system (Sheppard, 1993). According to Godeanu (2012), the installation of an individual performance incentive setting could have a detrimental effect on employees because they might not see their goals as being connected to one another, which could lead them to view their employment as being distinct from those of their co-workers. This is supported by Armstrong (2012), who claimed that some employees who like to be recognized for their individual contributions may lose motivation when participating in team-based incentive programs.

There are limitations to team based rewards that have been discussed in many studies. Employees within these teams may feel that they carry out more beneficial work than others in the team and the equal rewards are not earned by other members if they are not carrying out the same level of work. This can be avoided as Perkins and White (2011) have mentioned that these reward systems must be heavily supervised in order to ensure team members are contributing the same amount of work to the team. According to Thompson (2008), when team-based reward systems are implemented incorrectly, they might foster teammate rivalry and undermine cooperation rather than the opposite.

The main problem with group incentives' ability to motivate employees is that it can be difficult for workers to perceive how their efforts are reflected in the collective performance indicators used to determine awards (Milkovich & Wigdor, 1991).

Additionally, the application of team-based rewards may increase the risk of motivational loss due to perceptions of inequality brought on by perceived freeriding of other team members and the application of an equality principle rather than an equity-based concept when giving prizes. In other words, when high achievers receive rewards on par with lower performance within the same group, they may feel unfairly treated.

The research presented here shows that team based reward systems can be extremely beneficial to an organisation as many find it is a good way to motivate employees. Like any reward system there are complications and occasions when it may fail to motivate every individual in the organisation however, with supervision many of these problems can be avoided or minimised.

2.7 Conclusions

It is clear from the numerous studies on the impact of rewards on job performance that workers are more likely to stay with an organization once they feel valued, and it is up to businesses to support the development of such environments. We can conclude from the literature itself that organizations are unaware of the significance of reward systems for staff retention and recruiting as well as employee motivation. The achievement of organizational goals requires the assistance of employees, and this can only go on as long as workers believe their contributions are valued and are recognized and rewarded. The literature also makes it clear that any compensation system the company decides to employ should be integrally related to the organizational goals of the company, regardless of its size.

Financial incentives are not the only factor in employee motivation, which is another finding from the research on the subject. It is clear from the literature that employees are increasingly concerned with finding a balance between their personal and professional lives. The adoption of a whole reward program makes it easier for employers to find a reward management system that includes incentives other than money in order to support and encourage workers. Employees in the sector must continually improve their performances in order to meet Ireland and the EUs expanding demand now that the popularity of craft beer is increasing year on year. Organisations in the Irish craft beer industry must therefore implement effective reward systems that will motivate employees in order to have a positive impact on the efficiency and productivity.

3.0 Section Three: Methodology

3.1 Introduction

The systematic collection and analysis of material with the goal of learning something is what is referred to as research (Saunders et al. 2012). The "philosophy of how research should be conducted" is referred to as methodology. (Saunders et al. 2012) This section of the research focuses on the methods that were used throughout the study itself and also aims to justify why those methods were chosen.

The goal of this research study is to increase knowledge about how a reward management system impacts employees' performance in the Irish craft beer industry. Understanding research technique entails looking at research philosophy, which, according to Saunders et al. (2012), focuses on the nature of knowledge and how it is created.

In this section, the researcher tries to explain the data gathering procedure, the sample group chosen, and the research techniques used. Additionally, it will attempt to explain how the data was handled following gathering. In this section of the study, there will be a section that gives more details about the ethical considerations that were noted throughout the data collection phase of this research project. Finally, this part of the research will also take into account the constraints and limits brought on by the study.

3.2 Research Objective

This study's purpose is to identify the following:

1. What variations of reward systems exist in the Irish craft beer industry?
2. What are the effects of the reward systems on the performance of employees in Ireland's craft beer industry?

3.3 Research Philosophies

An essential step in the research process is taking the research philosophy into account, which has an impact on how knowledge is created and understood (Saunders et al., 2009, p. 107). The researcher thinks a "realistic" perspective on the research is suitable because it is based on human behaviour in terms of work performance and how this is changed depending on the perceived qualities associated to that performance. According to Saunders et al. (2012), we make assumptions at every level of the research process. Your presumptions on the nature of human knowledge and the reality you come across during your research undoubtedly influence how you see your research questions, the approaches you use, and how you interpret your results. There are many factors that can influence the

best method to use when gathering information, but any strategy used by a researcher must be appropriate and reasonable in light of the study's objectives.

The results of the research are more accurate and significant when a good research methodology is used.

The research philosophy layer of the 'onion' gives the author the choice to select from three different modes of thought: axiology, ontology, and epistemology. Each one emphasizes the important variations that will affect how one approaches the research process and, consequently, how the researcher conducts their research.

Axiology is a division of research philosophy that examines value judgments (Saunders et al 2012, p137). When a researcher employs axiology, their own values play a significant part throughout the entire study process in order to create reliable results. Thus, the name "axiology" refers to an effort to critically investigate a wide range of already existing and overlapping problems about what constitutes goodness, moral behaviour, worth, and responsibility (Hiles, 2008).

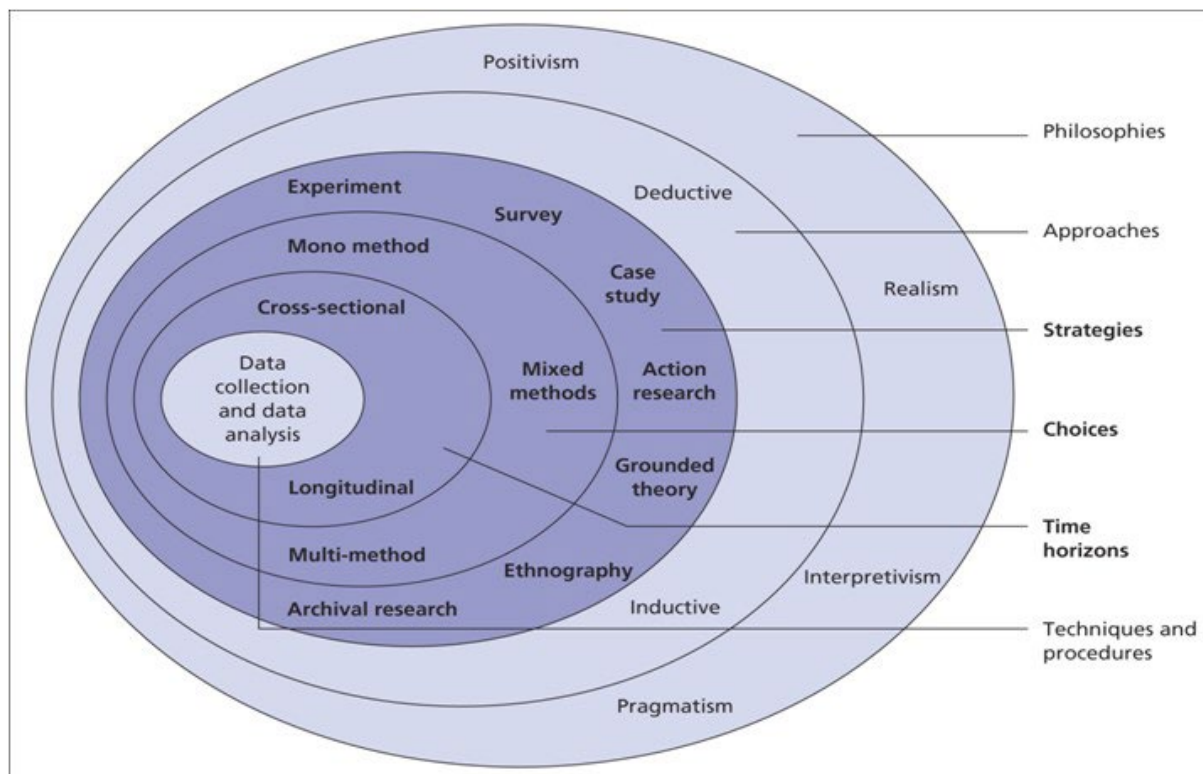
The nature of reality is a topic of ontology (Saunders et al 2012, p 130). Ontology looks at how scholars comprehend the way the world works and the assumptions they build those assumptions on. Ontology has two viewpoints: subjectivism and objectivism. The idea that social systems exist in reality apart from and unrelated to social actors is known as objectivism (Saunders et al 2012, p 130). Contrarily, subjectivism contends that social actors' perceptions and subsequent actions are what cause social phenomena.

What constitutes legitimate knowledge in a subject of study is referred to as epistemology (Saunders et al 2012, p 132). Interpretivism, positivism, and realism are the three research philosophy tenets that make up epistemology. When a researcher adopts a philosophical perspective as a natural scientist, they are practicing positivism (Saunders et al 2012, p134). According to positivists, there is only one stable objective reality, which can be investigated from a neutral point of view (Park et al. 2020). Positivist researchers approach their research method in a planned and controlled manner, being remote and disengaged from the study subjects. In order to facilitate replication, a positivist researcher would also frequently employ a highly structured technique.

Realists believe that reality exists completely independently of the mind (Saunders et al 2012, p136). Direct realism and critical realism are the two types of realism. While a critical realist thinks that what one perceives via their senses is just a sensation and not genuinely real, direct realism regards what one perceives through their own senses as real.

According to interpretivism, it's important to comprehend how people differ in their capacity as social actors (Saunders et al 2012, p 137). While positivist researchers tend to employ more quantitative methods to measure their subjects scientifically, interpretivism researchers tend to take a more sympathetic approach and attempt to understand their research subjects from their own point of view. The appropriate methodology to use would be an interpretivist one as the goal of this research is to investigate the thoughts and opinions of the employees.

Figure 3 (Saunders et al. 2012) Research Onion.



3.4 Research Approach and Design

According to Saunders et al. (2012), there are two types of research methods: inductive reasoning and deductive reasoning. In business and management research, these two methods are frequently employed, particularly when analysing cause-and-effect relationships. *“Inductive reasoning is a logical process in which multiple premises, all believed true or found true most of the time, are combined to obtain a specific conclusion or to supply evidence for the truth of a conclusion”* (Sauce & Matzel, 2017). *“Deductive reasoning is the process of drawing conclusions that are guaranteed to follow from given premises.”* (Prado, J. et al. 2011).

A more in-depth understanding of the perceived opinions, both favourable and unfavourable, of the incentive system's structure and its effects on the research topic is the goal of the qualitative approach.

A quantitative technique could also be used because the goal of this research is to understand people's behaviour and the conclusion is focused on what individuals actually do and think. However, rather than focusing simply on meanings, through questionnaires or surveys, qualitative researchers frequently prefer to look at typical behaviour and the culture of the organization in issue.

The researcher has chosen to adopt an inductive strategy even though both of these methods can be employed to obtain study data from a variety of sources. When you follow the logic of going from observed research to a theoretical result, you are using an inductive approach to the relationship between theory and observed research.

Nevertheless, depending on the research topic selected, it is also feasible to mix both deductive and inductive methodologies, and this can be advantageous in a variety of ways (Saunders et al. 2012). A deductive research strategy can be considered complementary to an inductive approach, which is followed by patterns that appear in the interviews and are compared to recently published literature.

I would expect that this research's qualitative data analysis, which would mostly use an inductive technique, would disagree with or contradict parts of the accepted theories. The primary data for the research project will be gathered, and it will also make use of secondary data as described in the literature review.

Since the research questions for this project are highly detailed, I think in-depth interviews would help employees give their best answers. An open and honest response should be encouraged by maintaining the respondents' anonymity.

3.5 Research Strategy

The researcher's plan of action for how they will go about answering their research question is called a research strategy. According to Saunders et al. (2012), a researcher might use the following main research strategies: Research methods used include experimentation, surveys, case studies, archival work, ethnography, action research, grounded theory, and narrative inquiry.

Strauss and Corbin (1990, p. 11) stated that, *“By the term ‘qualitative research’, we mean any type of research that produces findings not arrived at by statistical procedures or other means of quantification. It can refer to research about persons’ lives, lived experiences, behaviours, emotions, and feelings as well as about organisational*

functioning, social movements, cultural phenomena, and interactions between nations.”

Qualitative research is not statistical and it incorporates multiple realities.

The researcher chose to use a qualitative research method and also approach the research via a case study of a leading organisation within the Irish craft beer industry. A case study on one organization was chosen by the researcher, and it was based on semi-structured interviews with its workers. A case study was undertaken because it enables the researcher to explain the data's intricacies, something that an experiment or survey would not be able to do.

3.6 Data Collection

The gathering of primary and secondary data is a crucial step in the research process. Barret (2018) suggests methodically gathering the data in a quality and quantity required to conduct your data analysis after identifying your sources of information. Consequently, if the researcher does not get the right data, they will not sufficiently accomplish their research goals and objectives to create reliable and comprehensive conclusions. As aforementioned, the researcher will employ semi-structured interviews to gather primary research for this project and will also consult secondary data from the literature review.

3.6.1 Primary Data

According to (Hox et al., 2005) primary data is data that is collected for the specific research problem at hand, using a procedure that fits the research problem the best. Every time primary data is collected and used it is added to the existing store of social knowledge. The material is made available by researchers for reuse by the rest of the research community, at this point it becomes secondary data. Primary data can be considered as the best form of data collection as it allows the researcher to form very specific data for the research currently being undertaken.

I plan to conduct 4 interviews with individuals in the Irish craft beer business as part of the primary data collection, and the format of the interviews will be in line with the chosen research topics. More interviews couldn't be conducted due to time restrictions. This study tries to determine the impact of various reward systems on worker performance. 11 proposed questions are centred on 5 areas that are compatible with the themes and data discovered through the critical examination of recent research. In relation to my research statement, I want to identify elements that can affect how satisfied or unsatisfied employees are at work.

3.6.2 Secondary Data

In order to better comprehend the subject at hand, the secondary data research for this study included a critical evaluation of recently published literature. While secondary data, like primary research, can be a beneficial source of information to help you create and answer your research questions, it should also be treated with some caution. Researchers frequently use secondary data analysis when analysing quantitative data, and it has also started to be employed with qualitative data.

The use of secondary analysis over primary analysis has various benefits.

- Savings in terms of time, money and personnel, whilst using data that is collected already it can be attained very quickly and easily.
- Ensure data quality, secondary data attained from the college research facility or google scholar is usually of a good standard and reliable.
- Large sample size, large studies will often use a much bigger sample size than what is possible whilst conducting primary data collection for a thesis.

(Devine, P. 2003)

Online data sources, published journals from the college library's data base, and published books relating to the research statement made up the secondary data for this study.

I hope the research does not contain too much theory by combining primary and secondary data collection methods, and that the primary research offers some balance in terms of what is practical for the organization in terms of the subject at hand and suggestions for further study.

3.7 Interview Design

The research that this dissertation is based upon consisted of 4 interviews averaging approximately twenty minutes in length. The interviews were carried out amongst employees from various different roles within the company, the interviews concerned different genders and ages in order to receive data from people that may not share identical views. According to Saunders et al (2012), An interview is a deliberate conversation between two or more individuals that calls for the interviewer to build rapport, ask precise, clear questions that the interviewee is eager to answer, and listen intently.

Saunders et al (2012) also states that interviews can be held in three different ways:

- Unstructured interviews in which the interviewer does not have a planned set of questions. This gives the researcher more freedom to go further into their area of interest.
- Semi-structured interviews, where the researcher will have a list of topics and some key questions to address but might vary from interview to interview.
- Structured interviews in which the interviewer asks a predetermined list of questions that are all the same:

In this research study, the researcher used semi-structured interviews. These were a collection of significant inquiries related to the study's central themes. By selecting a semi-structured interview, the researcher can add or remove certain questions, allowing the session to flow more naturally. As a result, the interviewer has more freedom in how they conduct the interview and can delve deeper into specific cases. The literature review was used to develop the chosen questions. Participants received a list of interview questions before the interview in order to increase credibility by providing them with a better idea of the issues that will be covered.

3.7.1 Interview

All of the interviews that were done followed the semi-structured protocol. As a result, the researcher was able to delve further into the participants' responses and their engagement with the topics. This gave the participants the chance to genuinely communicate what they thought about incentives, reward structures, and how they affected job performance. All interviews happened at a time and place chosen by the participants. All interviewees decided to have the interview take place in a meeting room on the business's property during hours. The interviews were scheduled to last 20 to 25 minutes each. Prior to the interview, an email outlining the goal of the research project was given to the interviewees. The interviewees felt at ease the entire time because they were aware that their opinions would stay anonymous. Interviews were captured on tape using an iPhone and transcribed at a later date. All audio was stored on iCloud.

A pilot interview with one employee was conducted prior to the actual interviews. The purpose of the pilot study was to assess the validity and reliability of the prepared questions as well as to make sure they were applicable to both the research study and the employees. The pilot interview was also performed on company property, which provided insight into the participants' potential opening up while still present at work. The interviewee was very open during the interview, according to the researcher. The outcomes of the pilot study

demonstrated that the researcher's questions were appropriate, with many of them not requiring any rewording. However, it also provided the researcher with an opportunity to practice interviewing.

3.8 Sampling Technique

Due to time, access, and financial constraints, it is frequently hard for researchers to gather and analyse all potentially relevant data. Using sampling techniques, researchers can take a representative sample of the population and use it as the population for their research.

According to Saunders et al. (2012), researchers might use two different kinds of sampling techniques; A sampling technique that makes advantage of random selection is called probability sampling, often known as representative sampling.

Non-probability sampling, also known as judgmental sampling, is a method in which samples are chosen at random from a population with uneven odds of selection.

In this research project, the researcher has chosen to employ non-probability sampling, also known as self-selecting sampling, as it is thought that this sample technique would provide the highest potential for gathering the necessary data. When a researcher posts an advertisement asking for volunteers to participate in the research project, self-selecting sampling, according to Saunders et al. (2012), is a type of volunteer sampling. In order to recruit participants for the study, the researcher also addressed emails to every employee of the organization. The advantage of employing self-selecting sample is that it can cut down on the time spent looking for participants and ensure that those who do participate want to. A researcher must be cautious while utilizing a self-selecting sampling strategy as participants that opt to take part may be biased.

3.8.1 Data Quality

Validity, bias, and dependability difficulties with data need to be properly taken into account. The research's results should be firmly supported by the data. As you will be careful about how much trust you put in secondary data in order to draw conclusions from it, you too need to be cautious and critical with your own original research. Cameron and Price (2009) explore the significance of differentiating excellent data from bad. Since I employed questions from a number of angles in regard to the subject at hand, the semi-structured nature of the interview questions has allowed for a high level of validity and relevance.

3.9 Ethical Issues

Saunders et al. (2012) offer a number of important guidelines for researchers to keep in mind while conducting their study. These guidelines consist of the following:

- The researcher's honesty and objectivity.
- Respecting other people.
- Nonmaleficence.
- Respecting the participants' privacy.
- The contributors' right to withdraw and the participation's voluntariness.
- Participants' free and informed consent.
- Making sure that data is kept private and that participants' anonymity is maintained.

Reasonability of the researcher's analysis of the data gathered and reporting of the findings:

The interview questions were not intended to elicit revealing information from the respondent or delve into great personal depth, but I did not come into any ethical dilemmas as a result of them. The majority of people in the workforce who are subject to varied degrees of rewards and how those rewards influence them both personally and professionally may find the very premise of this research study to be difficult. In order to get their permission to use the findings as part of this study and to make it clear that all individual input will be kept anonymous, I want to fully reveal the justifications for the study as well as the process for analysing the answers to the interview questions. The email that comes with the request for the interview will go into further detail about this. Prior to each interview, a confidentiality agreement will be offered and signed. Additionally, the researcher upheld objectivity, honesty, and integrity throughout the course of this research investigation. All earlier works cited in this research study have been acknowledged by the researcher.

3.10 Limitations

It is understood that the research methodologies employed may have certain limits, despite the fact that the research being done strives to produce results of the highest validity and reliability. These restrictions might be brought on by the limited sample size that was used to gather the original data.

The results of this study may not be applicable to other organizations in the craft beer sector because it only included employees from one company. The researcher contacted a few organizations, but most of them were either too busy or would rather not participate. Additionally, it was difficult to persuade the company's employees to take part; just four of the 20 invited employees accepted the invitation to participate in the study.

As part of a part-time master's degree in which the researcher was also enrolled, time restrictions for finishing the research study were another restriction. The researcher may have overlooked the review of motivation theories when performing the literature review because she was so focused on the different reward management systems that affected performance in the construction business. While other methods might be common in other organizations, the researcher focused on reward systems that they had encountered in the craft beer industry.

4.0 Section Four: Analysis, Discussion and Results

4.1 Introduction

The research report's results, and analysis are crucial components. In order to give a reliable report, Saunders et al. (2012) highlight the significance of research findings and the critical role they play in presenting main and secondary data obtained during the research process.

This study sought to determine the effects of some of the numerous reward programs currently in use in the Irish craft beer industry on worker productivity. Using a case study as the technique, the researcher was able to investigate the present incentive systems in use inside a prominent brewery in the Irish craft beer business and determine whether reward management has an impact on employees within the industry.

4.2 Summary of Interviewees

Four semi-structured interviews were conducted with employees from different levels within the organisation which is a leading company in the Irish craft beer industry. The interviews took approximately 20 minutes each. The participants were ages between 25 and 50 and the majority were male. All of the participants were very familiar with the craft beer industry, some of the interviewees had more experience in sales and operations. The other participants were familiar with the brewing processes and worked in teams for a longer period of time than those in sales. All of the interviewees were based in North Kildare/ Dublin. They are referred to in this section as INT1, INT2, INT3 and INT4.

4.3 Results

The themes that appeared in both the literature review and the interview questions will be used to group the data's findings.

These rewards' impacts on performance are examined, along with how different jobs in the organisation are awarded and the motivators for those in different roles within the organisation.

4.3.1 Rewards and Reward Management

In this section of the study, the researcher questioned participants to find out not just their knowledge of rewards but also their understanding of how awards affect employee performance. The first interview question focused on the incentives used to improve employees' job performance. All participants stated that organizations use both intrinsic and extrinsic rewards to boost their employees' achievements. INT1 stated that in their organisation there are clear career paths for all employees that show an interest and a care for the work they perform on a day-to-day basis; the employees are incentivised by the potential of climbing the organisations ladder and receiving more responsibilities along with increases in pay overtime. INT1 insists that the company notice and reward employees fairly when it is obvious that they carry out their work to the highest level. INT2 had a similar answer to INT1 as they stated there is a clear path to success within the company, the employees are motivated by the potential for promotion after serving time within the company and producing a high standard of work. INT2 also mentioned some benefits which help with employee retention and recruitment, these benefits included health insurance and company pension participation. This falls in line with some of the secondary data in the literature review, (Güngör, P. 2011) states that rewards can come in many forms other than pay or bonuses, health insurance is one of these and it is clear the employees in this case study are satisfied with this type of benefit for their hard work. INT3 had a different answer than the other interviewees for this question, they stated they are incentivised by flexible working hours from week to week, they also mentioned that they have seen the clear career path mentioned by others, the moving from a warehouse operative to working with the brewers. INT4 mentioned that there is a bonus matrix, this is a method of establishing compensation for the bonuses for employees based off of the company's performance. This is interesting as the other interviewees did not mention this is the method used. This could be down to a lack of knowledge in relation to how the rewards are calculated. This falls in line with research carried out by (Armstrong et al.2009) The rewards should be fair and valued at a similar proportion to the objectives or goals that the employee has achieved for the company, a company using a bonus matrix ensures this is possible.

The second question relating to this theme asked the interviewees do rewards have a direct reflect in the performance of the individual. INT1 and INT3 believe that rewards do result in an employee improving their work performance and in turn the overall yearly business output is improved. INT2 partially agrees with INT1 however they also state that the rewards offered are not always financial and the employees are still motivated to improve upon their performance, the inclusion of employees in the decision-making process helps to give them a sense of responsibility, when an employee is given the extra responsibility, they are motivated to carry out the work to the highest standard possible. As Lawler, E. (2003) stated the first factor is the degree of reward that is being offered to the employee and the second factor is the value that the individual places on the chosen reward. If the company know an employee will enjoy a certain reward more, they may offer this as they know it will be a better motivator for the individual. INT4 also agreed with this question however they highlighted that this is not a sustainable model, increased rewards mean increased costs. INT3 and INT4 mentioned that for them and a lot of people around them the offer of non-monetary rewards is more attractive. This is echoed by (Millmore et al., 2007) when he says it has been shown that employees increasingly need more than just financial advantages as rewards for their efforts due to the ever-increasing complexity of today's working environment.

The last question about these themes and also the last question of the interview asked the interviewees how they felt about the current reward systems in place and if they feel changes could be made to improve upon them. INT1 believes that the systems currently in place is effective for the company. "My opinion of Rye river Brewing Co. rewards systems is that I see it as a very fair and open for all employee to achieve their goals and objectives when they start in the business". Although the systems are in place it is ultimately up to the employees to chase these goals and take the opportunities when they are presented. INT2 believes that the current reward system is clear and transparent, they mention the high levels of staff retention. This means the staff are clearly satisfied with the company culture and the balance it gives them outside of work. We see this from INT1 also who has been part of the company from the beginning and INT2 has been there a number of years also. The company has grown but they have kept the same principles mentioned by both INT1 and 2, loyalty, commitment and hard work. INT3 and INT4 both believe the reward system currently in place is fair, they state that if a staff member is noticeably working hard day in day out, they will be rewarded via opportunities to progress. INT4 does state that it could be improved with more of an

emphasis on the work/life balance side of things rather than monetary rewards the majority of the time.

The evidence in the primary data suggests that once a company has a clear rewards system the employees will become motivated and show this through their work in order to be recognised and receive their rewards whether it be intrinsic or extrinsic. Jovanovic, D., and Matejevic, M. (2014) stated that employees may become motivated by intrinsic rewards if extrinsic rewards are no longer available and vice versa. This is interesting as when compared with the primary data it is clear that in a rewards system the employees may be motivated by an intrinsic reward but to receive that intrinsic reward, they must complete goals that may offer an extrinsic reward first. When a reward system contains both it is more likely to motivate all employees and they receive a reward they may not have interest in, but they are aware that next reward is of high value to them.

4.3.2 Total Reward Management Systems

The researcher wanted to get a sense of how the interviewees felt about both intrinsic and extrinsic rewards and how they thought they affected work performance for this section of the research. Most employees said that other incentives were equally significant, despite the fact that monetary awards were crucial for improving employee performance. Most employees agreed that financial rewards do motivate them and others around them in the organisation. INT1 states that the majority of colleagues that they know are motivated by financial rewards. The interviewee also states that they are aware that some of the employees are motivated by a better career path and a want to better themselves as a person and an employee. INT2 states that they are also aware of those that are motivated via financial rewards, they also go on to mention that *“I myself have gotten to the stage where I feel I am motivated more by non-financial rewards or benefits as it is important for me at this stage in my life to spend time with my family.”* INT4 had a similar opinion to INT2 they were no longer motivated by the financial rewards. INT3 was a college student working part-time hence why they valued their financial rewards more than others.

This is interesting as employees are motivated by different things during different periods of their lives, it is fair to say in the beginning of an individual's career they are hungry to succeed and progress in order to earn more money and set themselves up for the future, as they progress, they may become satisfied with the position and the responsibility and pay that

they have, the motivators for this individual will change. This is evident in the secondary data, the worldatwork model highlights the motivators for people and there are various elements involved.

The second question aligning with the theme of Total reward management systems was if recognition from a manager or employer would motivate them. This question was asked in order to discover if the employees were motivated by intrinsic rewards. INT1 holds the strong opinion that recognition from management is very beneficial for motivation in the majority of situations. *“I believe a motivated and appreciated employee is always a better employee that will be more productive for the business. A key role in any managers job within a team is to make sure that their employees work is always recognised and rewarded accordingly.”* INT2 holds a similar opinion on this question, they tell the researcher about performance reviews that occur in the brewery and the fact that there is an emphasis on rewarding positive work. INT3 gave a personal answer to this question, they valued praise from others very highly. INT4 understood the importance of praise but also mentioned that you must be careful when praising employees, *“It has a massive impact but it needs to be careful and managed properly for example, some people don’t like public recognition. On the other hand, if other employees see you praise the people around them and not them it can lead to poor staff moral if not managed effectively.”*

The interviewees agreed that both financial and nonfinancial rewards have a positive motivating effect on employees within the organisation, this opinion from the interviewees is similar to the research carried out by (Jiang, Z. 2009) and also the total reward model by JLARC/Commonwealth of Virginia in 2008, there are many financial incentives that motivate employees but a work/life balance can be one of the best motivators for those satisfied with their financial situation and their position within a company.

The primary data also made it clear that all of the employees felt that acknowledgement from their supervisors gave them motivation and a sense of achievement which encouraged to continue working at a satisfactory level. In the case of INT1 as a manager within the company, they were persistent on the fact that there is a noticeable benefit to encouraging and acknowledging the employees that are performing well on a consistent basis.

4.3.3 Team Based Reward Systems

This section of the research looks at interviewees' perceptions of how team-based reward systems can affect an employee's performance at work as well as any experiences they may have had with them. This section of the interviews caused some confusion for some

interviewees, I believe the questions may have been misunderstood by some participants however it was interesting to see their understanding and interpretation of team-based rewards. The first question in relation to team-based reward systems was if the interviewee had any experience of team-based reward systems. INT1 had an interesting response and they had been with the organisation from the beginning in a small team of six people, this made up the whole company at the time. There was no team-based reward system at the time, the six people involved were simply passionate about the company and the reward for them was to see the company grow and gain recognition nationally for their product. This employee worked well in the team and was awarded promotions in the following years until they reach sales manager for the On-Trade side of things in the company. There was no experience with current team-based reward systems evident from INT1 although they had worked in teams the rewards seemed to come individually. INT2 mentions that they have only experienced team-based rewards in their current company, *"My experience in this company has been mainly positive, if you are working as part of team like myself, each member can motivate those around them resulting in improved results and performance."* INT3 states that they experience team-based rewards in busy seasons in the warehouse, INT4 states that team-based rewards are only effective when the business is running well. This could be the reason for the seasonal team-based rewards in the warehouse, the company can afford to reward warehouse operative when it is extremely busy as sales has increased. If there are rewards available for the collective team it can help if only a few are motivated by the rewards they can still encourage the others in the team to perform at an optimum level anyway. Some team members may not be motivated by the reward, but they may become motivated whilst spending time with the highly motivated individuals in their team. This is the situation that Shumar (1990) has discussed in his research, the use of teams has provided collaborative team culture and communal motivation of team members.

When asked do team-based reward systems encourage knowledge sharing amongst staff the majority of participants agreed. INT1 said *"yes it definitely promotes this and more often than not a business will benefit from this in the short and long term. A problem or issue shared within a business is more easily resolved if more people with experience know about it and can challenge each other to resolve it."* INT2 had a similar opinion *"a problem shared is a problem halved"*. INT3 and INT4 also had similar opinions, agreeing that team-based reward systems encourage knowledge sharing.

The third question relating to the current theme was, do team-based rewards encourage teamwork. INT1 had an interesting and detailed answer to this question, they believed that it is very important to have teamwork within any organisation and in particular it is important to include employees of a competitive nature within these teams as they will want to excel and prove themselves. A business with a core competitive team will succeed and drive the other teams within the organisation. INT2 said that the benefit of working in a team is the members with drive and motivation will encourage those around them in order to succeed and meet goals. The answers from INT1 were interesting because it contradicted some of the secondary data that I researched previously T, Armstrong (2012), who claimed that some employees who like to be recognized for their individual contributions may lose motivation when participating in team-based incentive programs. INT3 and INT 4 both said that although it is possible that team-based rewards can promote teamwork, the real problem that affects teamwork is with the members of the team, the team dynamic must be correct before offering rewards to encourage teamwork. Milkovich, (1991) talks about this, stating employees within the team may feel a sense of inequity, so the team based rewards can push them further from teamwork.

The final question relating to this theme asked if the interviewee believed that team-based rewards were fair to all employees. INT1 stated that they can be fair but highlighted the importance of supervision when a system like this is introduced to an organisation. It is down to the person supervising these reward systems to monitor the work of teams and those involved in order to ensure the rewards are distributed fairly and at the correct times. INT2 stated that employees can become frustrated and demotivated if they are working in teams and fail to see reward for their efforts or notice employees that aren't contributing receive the same rewards. INT3 and INT4 had similar answers stating they can be fair but only under supervision. The answers from all interviewees for this question can be backed up by the secondary data from Perkins and White (2011) as they have mentioned that these reward systems must be heavily supervised in order to ensure team members are contributing the same amount of work to the team.

4.3.4 Performance Related Pay Systems

This theme was introduced to interviewees by asking for their understanding of performance related pay systems, all of the interviewees had a clear understanding of these pay systems.

INT1 and INT2 had a clear understanding of this question and described the systems within the organisation, the company in question offered better positions to those consistently meeting their goals and objectives within the organisation. The majority of these roles came with a higher salary. INT3 had an understanding of these systems but mentioned that they are not in use in the warehouse. INT4 stated *“Performance based on achieving specific kpis. The system can have a % range or mostly meets, fully meets, exceeds appraisal system.”*

The methods used in this organisation were interesting when compared to the secondary data collected, there is no strict PRP system applied within the organisation but this also helps with the criticism from Kohn (1993), he says that PRP systems fail because money itself is not an incentive. In this companies case the employee receives more responsibility along with a monetary reward.

The second question relating to this theme was concerned with the interviewees opinion in regards to a noticeable improvement in performance when a PRP system is introduced. The majority of participants agreed that there is an improvement in performance when it is awarded with financial gain. INT1 believes that the majority of people work for financial reasons, if a company introduces an opportunity for the employees to earn more money the employees will be motivated by this and strive to attain the reward offered to them. This is echoed by Jenkins et al. (1998), In their meta-analysis they came to the conclusion that financial incentives are likely to significantly enhance performance quantity. INT2 also agreed that there is a noticeable difference in performance once a PRP system is put into place, they also stressed the point that if a PRP system is put in place it is vital to ensure it is communicated clearly to employees and they are all given a fair chance to reach their goals. INT4 believes it would help but also states that employees now value flexibility and a work/life balance more so.

The reward system currently in place within the organisation of the interviewees is not very advanced, from the data gathered through interview participants it seems that there is a traditional method of gaining promotion once an employee has been consistently carrying out their job to the highest level. This promotion comes with more responsibility and more pay however it is not a sustainable method of reward to use for all employees as everyone cannot be promoted into roles that do not exist within the company. There could be a reason for this as in the secondary data collected, Hasnain et al. (2012) states that PRP is effective when focused in professions where outcomes are visible such as teaching, healthcare, and revenue collecting. It would be a very complex process to introduce a PRP system into the brewery due to the range of tasks each member of staff has to carry out. There are so many varied

roles and people that it would be extremely difficult to please all members of staff and outline goals that must be met in order to enjoy the benefits of PRP.

5.0 Conclusion and Recommendations

5.1 Conclusion

The purpose of this study was to ascertain the effect that organizational reward systems have on productivity. We have observed a change from a very narrowly oriented reward structure that simply included income to one that now includes various rewards, both intrinsic and extrinsic, that the contemporary workforce values.

It can be challenging to manage your reward structure and systems within an organization, and mistakes can have very negative effects on both productivity and organizational performance. Managing teams in organizations with multiple cultures and when operations cross several international borders becomes more challenging. This is clear from the data acquired from the primary research carried out, and the research has demonstrated how dividing this may be, thereby impacting a favourable trend in performance. It was discovered that the organisation serving as the foundation for this research experienced the same challenges that organisations have generally while administering reward systems and structures. The primary research findings and literature review findings emphasize the significance of creating an open and pertinent incentive system that is directly related to organizational design, strategy, and culture.

This research has demonstrated the significance of the reward management component in performance improvement, despite the fact that traditionally performance improvement focused on many aspects of human resource management, such as learning, training, development, coaching, as well as reward schemes. The comprehensive evaluation of the literature demonstrates how tightly tied reward systems, and their implementation are to commitment, motivation, and performance. In general, the attraction or perceived worth of the benefits offered to a specific employee or a group of employees determines motivation.

Managers who place a high value on the reward they believe they are receiving exhibit better performance and greater motivation. As a result, we can say that motivation and performance are strongly related, albeit the incentives that motivate them both may be extremely different and there isn't a single, effective approach that can be used everywhere. I think that any manager's role requires the capacity to inspire workers in order to boost output and performance. It is believed that encouraging these employees may be more of a cost than a benefit as worker retention rates in the modern workplace decline. This research was conducted within a western organization, and people's preferences for rewards will vary depending on culture, it is crucial to keep in mind.

People perform differently based on their skill set, job aspirations, or personal situations, as we have seen; this was especially clear from the interview findings. When developing and implementing rewards systems, the literature review also emphasized the significance of management support and buy-in. This can be especially challenging when team-based rewards are involved. The challenge is how to encourage high levels of individual performance while fostering a culture that encourages teamwork and how to make team-based rewards compatible with individual ones. This is because it was found from the research that these were more beneficial to the organization than to high performers. It is evident from the primary and secondary studies that employees generally have mixed opinions on team-based rewards. Although it promotes communication and knowledge sharing between teams, this is not considered as being advantageous to the individual, but rather to the organization as a whole.

The interview data repeat and reflect many of the issues with performance-related pay that have been found by other research in the literature review. Although it is not the main worry for employees at the organization, there are differing views on its efficacy. It is understood to be a temporary reward with little ability to improve performance. It is surely not regarded as the best prize. Therefore, a person's performance and the reward that enhances it will be greatly influenced by their values at that particular moment in time. It is evident from this research that reward practices do influence performance, but just like with PRP, it can be challenging to pinpoint which practices will work best in a certain situation.

It promotes a pleasant environment where morale, motivation, and ultimately performance are high to provide the message that employees are valued within the organization and that their performance and commitment matter. Drive home this message with a relevant and practical reward system that demonstrates to current and prospective new employees that you care about their interests.

5.2 Recommendations for future studies

It is recommended that future research on this subject use a mixed-methods strategy that combines qualitative and quantitative research techniques. By combining quantitative and qualitative research and data, the researcher is able to expand on the results of either method while also addressing any flaws they may have discovered in the other.

Current reviews of the literature and data from my primary research make it abundantly evident that team-based rewards are seen as a contentious part of reward management.

However, there isn't enough written information on this type of compensation to fully grasp both its potential and the best method to make it acceptable to all parties involved. It might be wise to conduct more research in this reward management area.

Performance management systems have a reputation for being cynical, measuring employees based on unimportant criteria, and occasionally rewarding them for attaining these standards. Such a perspective allows for unfair incentive schemes to be seen as procedural rather than as meeting the needs of a person or group of people. Therefore, more research is required to determine how rewards systems are integrated into performance reviews as well as how this helps the broader organizational plan.

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7.0 Appendix 1: Interview Transcriptions

INT1

1. From your experience what incentives are used to increase employees work performance?

At Rye river Brewing Co. there are clear career paths put in place for employees that show a high level of interest and performance in their work that they carry out for the brewery.

This allow employees to work there way up through the company into better positions and in turn become more financially rewarded for longevity spent at the company and commitment shown towards the business.

2. Does an increase in rewards reflect in an increase in performance?

Yes rewards for improved work performance will more often than not lead to an overall higher standard of work from employees. This in turn will benefit the overall business and yearly output.

3. Are financial rewards a more effective way of increasing employee/your performances?

I would say it depends on what motivates the employee to work but for the majority of people I would say yes, some employees are not primarily motivated by increased financial reward all the time. Some employees may be more motivated by a career path and view to better themselves and become more educated by working within the business.

4. Does recognition from management have an impact on employee/your performances?

Yes my opinion would be that this for the majority of the time would be the case. I believe a motivated and appreciated employee is always a better employee that will be more productive for the business. A key role in any managers job within a team is to make sure that their employees work is always recognised and rewarded accordingly.

5. What is your understanding of performance related pay systems?

If an employee consistently shows a high level of work and commitment to a company they will in turn work their way up through the business opening up opportunities to work within new roles that hold higher responsibilities and commercial expectations within the business. These type of company positions should always come with a higher financial reward for the employee.

6. Does a performance related pay system improve the performance of employees?

Yes it will motivate employees to work harder and smarter to achieve their personal goals and objectives within a business.

I believe most people work for financial reasons therefore if an opportunity lies within a company for an employee to get paid more if their overall performance and value that they add to the business increases they will try work to a higher performance level to get into a better position within their company to ultimately be financially rewarded more.

7. What is your experience of team-based rewards systems?

I started working with Rye river brewing Company within a very small team of just six people when the business was established in 2013. My first position was as a sales representative for the On Trade. I helped grow our new brand along with building up a large On Trade customer base very quickly which I in turn got rewarded for by being promoted to Wholesale and Key Account manager in 2015. In 2018 I was then promoted to the position of On-Trade Sales manager for Rye river Brewing Company.

7a. What is your understanding of them?

I see a team based rewards system as working both within a team while also managing your own personal expectations and performance levels in line with a business's overall commercial plan.

People who can work well in a team while also maintaining focus on their own personal tasks and objectives are the people who are most likely to excel within that team

8. Does a team-based rewards system encourage knowledge sharing amongst staff?

Yes it definitely promotes this and more often than not a business will benefit from this in the short and long term. A problem or issue shared within a business is more easily resolved if more people with experience know about it and can challenge each other to resolve it.

9. Does a team-based rewards system promote teamwork?

It does and in particular if the team members have a competitive nature.

People with a strong, competitive nature will always want to win and excel. I feel a business with a core competitive team will drive success and raise the

overall standard of the team.

10. Are team-based rewards fair to all employees?

Yes they are if they are implemented correctly by the hierarchy within the business. Team based rewards must be transparent and fairly distributed. All rewards should be shared accordingly for the effort give by the team and the individual performance of staff members. If this is not the case, employees can become disinterested and may feel isolated from the team which will be counterproductive in the objective of having a team- based rewards system in place.

11. What is your opinion of the current reward system in your current organisation and are there any ways in which you feel that it could be enhanced?

My opinion of Rye river Brewing Co. rewards system is that i see it as very fair and open for all employee to achieve their goals and objectives when they start in the business.

Employees that show loyalty, hard work and commitment will always be rewarded while everyone is given the best chance and guidance to achieve their own personal goals. It is then ultimately up to the individual person to take the opportunities that are in place and get out of the business what they want to achieve.

INT2

1. From your experience what incentives are used to increase employees work performance?

From my experience in the company there is a good system of employee benefits in place. The system is fair and the benefits that we receive are usually satisfying when compared to the work that we have carried out. The longer you are here in the company and the harder you work, the more chance you have of being promoted. I suppose that is the norm in most companies.

2. Does an increase in rewards reflect in an increase in performance?

Yes it definitely does, we have seen a correlation between rewards offered and improvement in performance, it is important to point out that these are not just financial rewards.

Employees here are included in the decision-making process, the brewers down in the brewery have a sense of togetherness as the head brewer allows the lads to give an input on the seasonal options and new ideas they might have. This can be rewarding for them.

3. Are financial rewards a more effective way of increasing employee/your performances?

Its hard to say, I think this depends on each employees' preferences. Some are motivated purely through financial rewards while others consider other factors as motivating like flexible working hours, more annual leave and mutual responsibility. I myself have gotten to the stage where I feel I am motivated more by non-financial rewards or benefits as it is important for me at this stage in my life to spend time with my family.

4. Does recognition from management have an impact on employee/your performances?

Yes this is a key part of a managers role within RyeRiver, regular performance reviews are encouraged with an emphasis placed on rewarding the employees that have had a positive impact on the company.

5. What is your understanding of performance related pay systems?

From my understanding this is where employees are given clear incentives and opportunities within the firm to obtain higher salaries. Obviously, the senior roles come with higher responsibilities.

6. Does a performance related pay system improve the performance of employees?

Yes, for most employees it does make an improvement. Although sometimes this can be seen as a short-term reward. If a company is using a performance related pay system it is important that the system is clearly defined and that all employees are given fair opportunities to achieve their financial goals.

7. What is your experience of team-based rewards systems?

My experience in this company has been mainly positive, if you are working as part of team like myself, each member can motivate those around them resulting in improved results and performance.

7a. What is your understanding of them?

Team-based reward systems encourage teamwork within a group while also leaving room for individuals to become leaders. Each team in Rye River could be seen as a 'mini company' with opportunities available to members of the team to become leaders and drive the team towards completing goals. A collective rewards system can work well but they can also cause conflict in a team if they're not managed effectively.

8. Does a team-based rewards system encourage knowledge sharing amongst staff?

Yes, knowledge sharing is a big reason why team-based reward systems are implemented. This helps to resolve issues that arise as a problem shared is a problem halved. All team members will have different strengths and weaknesses. Hopefully a meeting of minds proves to be positive for the team and subsequently for the company.

9. Does a team-based rewards system promote teamwork?

Yes, teamwork can be promoted through reward systems. The employees in teams that want the rewards will drive and motivate the other around them so they can all enjoy the rewards of reaching a goal together.

10. Are team-based rewards fair to all employees?

They can be fair to all employees but only if they are clearly set out and communicate to their employees. In my opinion there should still be room for individual reward systems within the teams in order to motivate the leaders in these teams.

There are a few issues that could arise with these team-based reward systems, the first being when the employees get rewarded in a well performing team they all receive the same rewards. If there are individuals in the team not performing but still receiving the same rewards other team members may start to feel unhappy.

A situation like this can cause conflict in a team, this needs to be avoided or the team will not perform to as high a standard the next time around.

11. What is your opinion of the current reward system in your current organisation and are there any ways in which you feel that it could be enhanced?

I see the current reward system in the brewery as a transparent, fair and well communicated one. Progress within the company is evident for staff to see. Given the fact that almost all of the staff involved at the start of the company are still here is a good indicator that the rewards system has been successful. Obviously, changes have been required along the way as the company has expanded but these have been managed very well in my opinion. The core principles of loyalty, commitment and hard work are openly rewarded, so I see a system that works pretty well.

INT3

1. From your experience what incentives are used to increase employees work performance?

There are different incentives available in this company, I am working here since just before covid hit as a warehouse operative whilst completing my degree. The guys have been very supportive of me and offer time off whenever it is needed. For me, that incentivises me to work hard when I am on the job. I've seen some of my colleagues move from the warehouse into the brewery and learn how to brew the beers, to be given the opportunity to do this is an incentive in itself as it allows us to continue our careers within the company if we want to.

2.Does an increase in rewards reflect in an increase in performance?

I believe it does, when there is a reward mentioned to the staff in the warehouse for ensuring the product is in order and ready to be sent out for delivery you feel more enthusiasm around the warehouse, we know the product needs to be sent out in a timely fashion all the time but when we are aware of a potential reward for doing so everyone is ensuring things go smoothly and mistakes don't occur.

3.Are financial rewards a more effective way of increasing employee/your performances?

For me personally, I value the financial rewards a lot more than I would non-financial rewards. Working part-time it can be hard to make enough money so I feel that I am more motivated if the reward comes in the form of a bonus or a potential pay rise.

4. Does recognition from management have an impact on employee/your performances?

Yes I think it does, I think it is very important for a manager to tell employees when they are doing a good job and not just criticise them when a mistake is made. Of course they do need to ensure the operation is running smoothly and monitor the work but I personally get a boost when my manager or any of the lads praise me for working hard. I know I previously said I value financial rewards but it is also nice to know that they notice when you're working hard.

5. What is your understanding of performance related pay systems?

I believe this is a system where employees are payed based on the level of work they do, I presume this could be done in a warehouse like ours but I don't think that would be realistic. The manager would need to supervise us at every moment to identify mistakes and know exactly how much we were doing.

6. Does a performance related pay system improve the performance of employees?

I think it would improve the performance of the employees if it was in place in the warehouse, if there was direct supervision all day it would mean none of the warehouse operatives would be slacking.

7. What is your experience of team-based rewards systems?

I have some experience with team-based reward systems, here at Rye River we experience it during very busy months, usually for the beginning of summer there is huge demand for the craft beers as I suppose they are bought more in these months. We also notice a lot more demand for kegs in these months as a result of pubs being busier over the summer. During these busy times the warehouse operatives have strict deadlines, if we meet these deadlines we do receive rewards.

7a. What is your understanding of them?

My understanding is the company offer incentives for teams within the company to complete their goals in a timely fashion.

8. Does a team-based rewards system encourage knowledge sharing amongst staff?

I believe it does encourage knowledge sharing between staff, especially the staff in each team. If there is a reward on the line the team members will come to each other with issues in order to sort them out as quick as possible.

9. Does a team-based rewards system promote teamwork?

I think teamwork could be promoted through reward systems, the issues with this could be conflict if some team members aren't pulling their weight. But if the teams are managed well I can see how the promise of a reward financial or non-financial will encourage the team to work together.

10. Are team-based rewards fair to all employees?

From my experience team-based rewards are fair for everyone, I can see how in some instances it may not be fair to all if some team members are not doing as much work as others and still receiving the same reward.

11. What is your opinion of the current reward system in your current organisation and is there any ways in which you feel that it could be enhanced?

I think the current reward system is quite fair in RyeRiver. There is not a large reward system highlighting the tasks to be done in order to be promoted or get a raise but the managers and the warehouse supervisor are paying attention to each of us. They give us opportunities to become a brewer or help the other brewers out when the warehouse is under control, if you show initiative and work hard you will be offered the chance to improve your career in the brewery.

INT4

1. From your experience what incentives are used to increase employees work performance?

In general in my experience merit is based on a bonus matrix and salary increase. Employees that are performing well are identified and offered incentives to continue doing so at the same level or possibly higher.

2. Does an increase in rewards reflect in an increase in performance?

It can but in general it's not a sustainable model. An increase in rewards means an increase in costs for the company. It can be difficult to measure the price of an employee performing well, this is important as rewarding an employee too much will result in less profits for the company as a whole.

Nowadays the work culture, work life balance and good leadership is what can drive performance.

3. Are financial rewards a more effective way of increasing employee/your performances?

It definitely helps but there are other aspects that drive performance as I have mentioned already.

4. Does recognition from management have an impact on employee/your performances?

It has a massive impact but it needs to be careful and managed properly for example, some people don't like public recognition. On the other hand, if other employees see you praise the people around them and not them it can lead to poor staff moral if not managed effectively

5. What is your understanding of performance related pay systems?

Performance based on achieving specific kpis. The system can have a % range or mostly meets, fully meets, exceeds appraisal system.

6. Does a performance related pay system improve the performance of employees?

I think it certainly does help but recognition & culture, work life balance and great leadership are becoming more critical to staff. I believe this is a generational thing, I have noticed a shift as employees prioritise their family, this is not negative as they still perform in work.

7. What is your experience of team-based rewards systems?

It is important to offer team-based rewards to encourage staff, but it also means supervisors must pay more attention to their times, but overall total business is the key multiplier which

drives everything. If the business is not performing, it's hard to get a good team-based reward.

7a. What is your understanding of them?

They are a form of reward that helps to incentivise a collective group of people aiming for the same goal, they can be effective when the company as a whole are reaching output and sales targets.

8. Does a team-based rewards system encourage knowledge sharing amongst staff?

I believe it does encourage knowledge sharing as the team are already formed and they know they must work together; the reward system encourages knowledge sharing as the members of the team want to reach their goals so they will go to each other for help quicker than before.

9. Does a team-based rewards system promote teamwork?

I think so, similarly to what I've just said, a reward system will not change the dynamic of a team that is not working whether its due to personality clashes or a difference of opinions but it will encourage a team already going well to work harder.

10. Are team-based rewards fair to all employees?

They can be fair if the teams are supervised effectively.

11. What is your opinion of the current reward system in your current organisation and is there any ways in which you feel that it could be enhanced?

I think it is fair system. If the business is performing, you get rewarded with a bonus or increase in salary in some cases. I believe the system could be improved and more of an emphasis put on work/life balance and flexible working hours. From my experience this is what many of our employees now desire over financial rewards.