

**THE RELATIONSHIP BETWEEN REWARD MANAGEMENT AND  
RECOGNITION IN THE WORKPLACE**

**By**

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## ABSTRACT

A major topic of interest since the 1960s has been the area of reward satisfaction. What has been primarily focused on however by researchers is the area of investigating pay( financial reward) satisfaction and the impact that they have on numerous work outcomes with specific attention being paid in the area of turnover. Within turnover literature, additional studies have found a consistent relationship between job satisfaction and turnover intention.

Organisations more than ever are now realising that there is a need to establish an equitable balance between the employees contribution to the organisation in terms of the work that they do for the organisation and the organisations contribution to the employee for the work that they do. Establishing this balance is one of the main reasons to reward and recognise employees within the organisation. There are three main strategic components that organisation follow in relation to creating this balance which include, compensation, benefits and recognition. (Deeprise,1994). There have been several studies which has been conducted on this topic which have been able to indicate that the most common problem within an organisation in today's environment would be that the organisation miss the important component of recognition, which is the lost cost, high return ingredient into a well-balanced reward system. A key focus of recognition is to make employees feel appreciated and valued (Sarvadi, 2005). Research has proven that employees who get recognised tend to have higher self-esteem, more confidence, more willingness to take on new challenges and more eagerness to be innovative (Mason, 2001).

## DECLARATION

The researcher hereby declares that the thesis, “The relationship between reward management and recognition in the workplace”, is her own work and that all sources that have been referred to and quoted have been indicated and acknowledged with complete references.

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# **CHAPTER 1**

## **INTRODUCTION**

Today's working society has evolved from previous years with many working expectations growing and dramatically changing. With the workplace environment constantly changes so does the attitudes of its employees and overall the basic motivators. Harris (1996) also suggest that there have been dramatic changes in the working environment suggesting that the realities of yesterday no longer exist, as the workplace rules have changed, so too must the way organisation meet the new motivational needs of their employees. Human capital remains to be at the heart of any organisation and it remains to be their most important asset. Beer et al. (1984) suggests that in order for an organisation to meet the needs of shareholders there must be a strong relationship between the organisation and employees. There needs to be a work balance within the organisation,

There appears to be a close relationship between employees' overall satisfaction with their jobs and their organisation and their intention to stay or leave. Previous research has shown that for employees, whose performance is rewarded when they go "above and beyond", 90% are satisfied with their job, 88% are satisfied with the organisation and just 12% consider leaving the organisation. Amongst employees who say that their performance is not rewarded, 52% are satisfied with their jobs and 47% are satisfied with their organisation, and 36% seriously consider leaving (Compensation & Benefits Report, 2003). Organisations could benefit from implementing a total rewards programme that focuses on both formal rewards and informal recognition the minimum an employee

looks for when entering into the organisation is fair pay, sufficient working condition and fair treatment. But employees are always going to expect more just in the sense that management would expect more. Management expect that employees have the ability to take initiative and to continue to reach their potential in relation to the business objectives. Employees on the other hand vary in expectations often relating to their needs in security and challenge. This is where for the employees, management need to be able to address these expectations by having a great understanding of what motivates them.

## AIMS OF RESEARCH

The recognition of employee's contribution to the organisation is a very important aspect and it shows the employees how much they are valued within the organisation. Organisations need to ensure that they are providing effective recognition and feedback systems, which would not just help the employee reach their potential but also help the organisation as they will be able to get the potential out of the employee which will help in the reputation and value of the organisation. What the findings of this research study could do would be to influence organisations to consider an appropriate and effective approach to recognition that would result in a way of motivating employees. That is the bottom line on what this research study is to investigate the role that the recognition employees get could play on how they are motivated.

## LIMITATIONS OF STUDY

The study was conducted at a large Tesco store in Co. Wicklow which provides groceries, petrol and insurance services for the greater Wicklow areas. Due to the fact that the method used in conducting the research was convenience sampling it can be said that the findings cannot be generalised and as a result there would be low external validity. The chosen sample group was that of the full time employees from Monday to Friday, thus limits the amount of research that was able to be gathered.

## RESEARCH QUESTION

With the current economic situation that we are in, it is clear that there is now strong competition for people to find employment. Organisations need to ensure that they are hiring people that are fit for the job in terms of qualifications and also in terms of work ethic. If organisations are able to get the correct people for their organisation then they will be the ones who will reap the rewards and will be the ones who attract the best employees. What this thesis is about though is in relation to when the organisation get the right employees, how do they retain them?. The relationship between motivation and performance has been largely studied in the past (Vroom, 1964). However, high correlations between the two were not portrayed. It wasn't until later research concluded that employee motivation and job performance are actually positively correlated (Petty et al., 1984). What we are trying to prove is the area in which expectations on motivators and the motivation strategy of an organisation have the ability to result in better overall organisational performance and satisfaction.

**Research Questions:**

- 1. What is motivation and how are its different forms related?**
- 2. Are monetary incentives as important as they are portrayed?**
- 3. How do the different forms of motivation influence employee performance?**

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **INTRODUCTION**

In order to look at the insights of theories we must be fully aware of the concepts in which we are discussing. From this we need to be aware of the meaning of rewards and recognition as these two terms are often used interchangeably. What we can see from literature is that these two are in fact unique and tangible.

What we can see when we look in today's society is that people are influenced in different ways. What is important when looking at what influences people in the organisation in the working strategy. This is what enables us to look at organisations capabilities. If an organisation is to treat its employees as its most important asset, it has to be knowledgeable about what it is that motivates people to reach their full potential (Lawler, 2003).

Organisations are under constant pressure to enhance and improve their performance and are realising that an interdependent relationship exists between organisational performance and employee performance. In the following section the focus will be on the motivational theories and the impact that these theories have on enhancing employee performance.



## MOTIVATION

Motivation is defined as "a set of processes concerned with the force that energises behaviour and directs it towards attaining some goal" (Baron, 1983). Kreitner and Kinicki (1992) suggest that motivation represents, "those psychological processes that cause the arousal, direction and persistence of voluntary actions that are goal directed". For management to have the ability to have a relationship with its employees and one that can have the ability to motivate their employees to work to their maximum potential then an understanding of these psychological processes is imperative.

Mol (1992) suggests that there is a distinguished difference between "movement" and "motivation". This is viewed through the opinion that when an employee carries out an objective for the purpose of being remunerated, then the employee is moved rather than motivated. The difference is that only when the employee carries out the task as they are enjoying it are they motivated. In conjunction with this, employee motivation is a process that an organisation can foster and nurture so that it can occur spontaneously. If organisations believe that people are naturally motivated, they must simply provide the environment and atmosphere that fosters and supports their motivation (Baron, 1983).

La Motta (1995) posits the view that, the common wisdom is that managers have to learn to motivate people. He believes that employees bring their own motivation, and what they need from work is to be liberated, to be involved, to be accountable and to reach their full potential. According to Lawler (1973) as cited in Barling, Fullagar and Bluen (1987), a theory of work motivation must account for the control and prediction of behaviour. It must account for the phenomenon of voluntary behaviour being initiated,

that is, it should identify the energisers of voluntary work behaviour. A theory of work motivation must explain how human behaviour is directed or channelled.

## THEORIES OF MOTIVATION

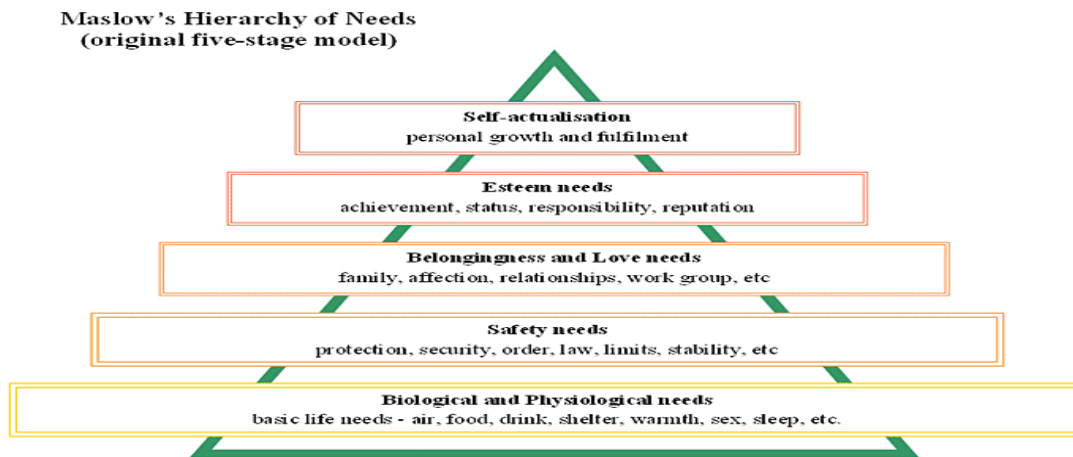
In understanding content theories of motivation we need to look into people's needs and understand what it is that gives them that extra energy and sustains their behaviour. (Schermerhorn et al., 1991). In reality for an organisation to succeed they need to ensure that they are attracting, retaining and motivating the best employees. Certain employees can be understood through psychological literature in terms of motivation and performance capability. Hence, it is deemed expedient to understand traditional and contemporary motivation theories that play a role in reward and recognition (Lawler, 2003).

# THE NEEDS HIERARCHY THEORY OF MASLOW

We start with the most well-known theory on motivation, Maslow postulates that employees are motivated to satisfy needs and that the needs of people can be arranged in a hierarchy. Maslow suggests that people constantly desire better circumstances.

Maslow arranged his needs in five categories and the significance about this theory is that lower level needs must be satisfied before higher level needs can be met (Schultz, 1982). Prior to Maslow researchers suggested that the focus should go separately on factors such as biology or power in order to determine human behaviour. . Maslow posited a hierarchy of human needs based on two groupings: deficiency needs and growth needs.

The different levels of this hierarchy also provide some important insights into how employees' needs can be met so that rewards and recognition are effective.



© alan chapman 2001-4, based on Maslow's Hierarchy of Needs

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- The first level relates to the physiological needs, those that are essential which

include food and water. In relation to the workplace the physiological needs of individuals are met through interaction and through breaks and meals.

- Level two relates to the safety and security needs that an individual might desire which would include the protection against physical and psychological threats in the workplace environment. Baron (1983) suggests that under this category there would be organisational benefit packages and job security.
- The third level in this hierarchy would relate to the social needs that give the individual a sense of belonging, affiliation and acceptance by others in the workplace. This may be achieved through the use of social interaction. Baron (1983) again suggests that employees would have the need to feel that they matter and that they make a difference.
- Level four relates to the need for self-respect and esteem by fellow colleagues. This is where both intrinsic and extrinsic motivation establishes. This would relate to the needs of employees for psychological touch which would relate to intrinsic and then physical touch which would relate to extrinsic.
- The fifth and final level relates to the need for self-actualisation which refers to the opportunity to fulfil ones potential. As individuals spend much of their time in the workplace, it has become the responsibility of organisations to help individuals meet these higher level needs (Baron, 1983).

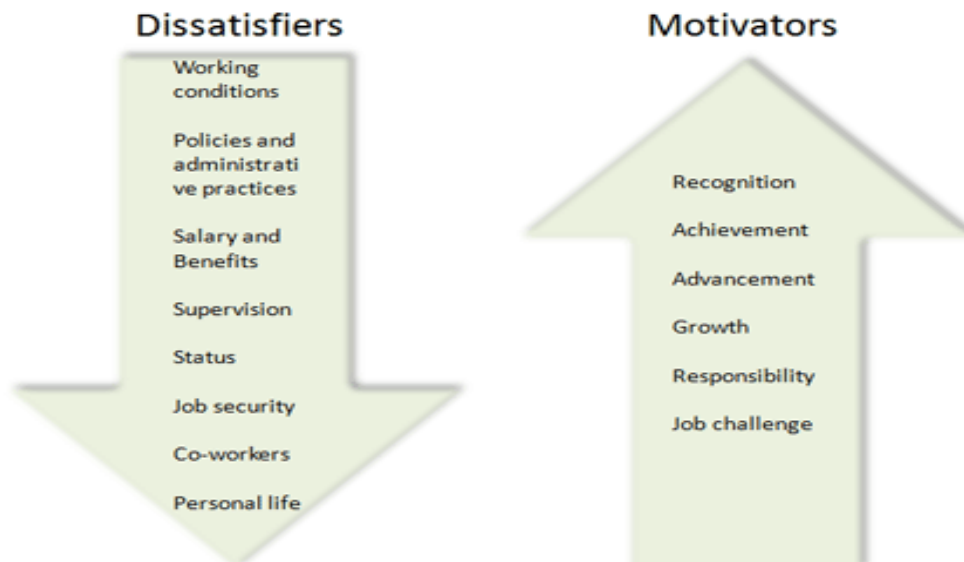
Managers can relate and use Maslow's theory highly due to its simplicity. However, what managers must be aware of is that it is evident that organisation must start with the basics

before they can introduce elaborate rewards and recognition programmes. Management need to ensure that they create conditions in which employees lower level needs are satisfied in order to have the effect of motivating them to reach their full potential and to self-actualise.

## HERZBERG'S TWO-FACTOR THEORY OF MOTIVATION

Frederick Herzberg had close connections with Maslow and believed that there was a two factor theory of motivation. Herzberg suggests that there are certain factors that an organisation could introduce in order to directly motivate employees to work harder, these are known as motivators. However, there is also the ability to de motivate an employee which is known as hygiene factors.

### **Herzberg's Hygiene and Motivational Factors**



Herzberg found that certain characteristics tend to be consistently related to job satisfaction, intrinsic factors, such as achievement and growth. When respondents felt good about their work they related that to themselves. However, when they were dissatisfied with their work they tended to cite extrinsic factors such as company policy. He found that removing dissatisfying characteristics from a job does not necessarily make

the job satisfying. He thus proposed a dual continuum, where the opposite of satisfaction would be no satisfaction and the opposite of dissatisfaction would be no dissatisfaction (Robbins, 1993).

According to the two factor theory of motivation, organisation cannot begin to motivate their employees until the dissatisfaction has been removed. Hygiene factors such as salary, working conditions and supervision are not motivators even when they are being met. True motivation only kicks in when an employee's higher-level needs are met (La Motta, 1995). The relevance of Herzberg's theory to the discussion of reward and recognition is that a dissatisfied employee cannot be motivated. It is thus important that an organisation first give attention to hygiene factors before introducing motivators into the workplace (Nel et al., 2001).

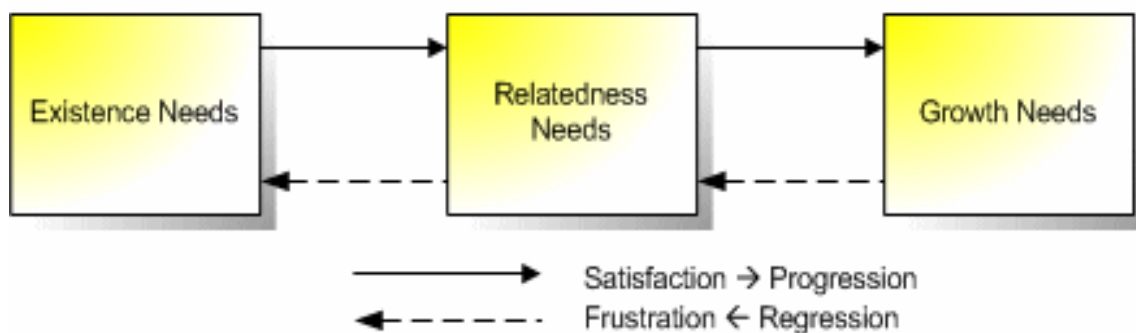
Intrinsic to Herzberg's theory is the fact that only motivators cause true motivation since the hygiene factors are of short-term duration, they could never be truly associated with work motivation. Rather they would be involved in reducing negative factors in the work environment (Barling et al., 1987).

The criticisms of this theory relate to the issue that the two factor results is observed as a result of the issue that it is natural for people to take credit on levels of satisfaction and to blame dissatisfaction on external factors. The main area that people criticise here is that they do not believe that job satisfaction necessarily implies that there is a sufficient level of motivation or productivity. Herzberg states that the reasoning here is that the factors causing satisfaction are different from the reasoning behind dissatisfaction and that as a result of this they cannot just simply be treated as opposites of one another.

## ALDERFER'S ERG THEORY OF MOTIVATION

Following on from the work of Maslow and Herzberg comes Alderfer's ERG theory of motivation, this similar to Herzberg comes similar to Maslow in the sense that instead of the five categories of needs, Alderfer (1972) suggests a hypothesis that the motivation of individuals in an organisation can be understood in terms of ERG, existence, relatedness and growth.

### Clayton Alderfer's ERG Theory



When we say that ERG and Maslow are similar in theory what we mean by this is that when we look deep into the theories similarities arise. Existence needs are comparable to the physiological and safety needs in Maslow's theory. What is demonstrated is that with the needs that people have for energy exchange and the requirement to reach a homeostatic equilibrium with regards to certain material substance (Armstrong 1991). It relates to tangible goals such as being able to buy food and pay for shelter (Schultz, 1982).



The second element of the ERG theory relates to relatedness needs, concerned with the interaction and social encounters with other individuals which represent the need for acknowledgement. Muchinsky 1987 suggests that relatedness needs acknowledge that individuals are not self-contained units but they have the need to engage in transaction with their human environment. Employers can meet this need in the workplace through support, respect and recognition (Schultz, 1982).

The final aspect is the growth needs segment which focuses on the requirement of personal growth and development. Similar to the esteem and self-actualisation aspect of Maslow this need can only be fulfilled if people are given opportunities to realise their potential. In terms of this motivation theory, a job can provide satisfaction if it involves challenge, autonomy, and creativity (Schultz, 1982). In a learning environment, recognition of learner achievement and positive feedback helps to satisfy Maslow's need for recognition and need for self-actualisation, and Alderfer's need for personal growth.

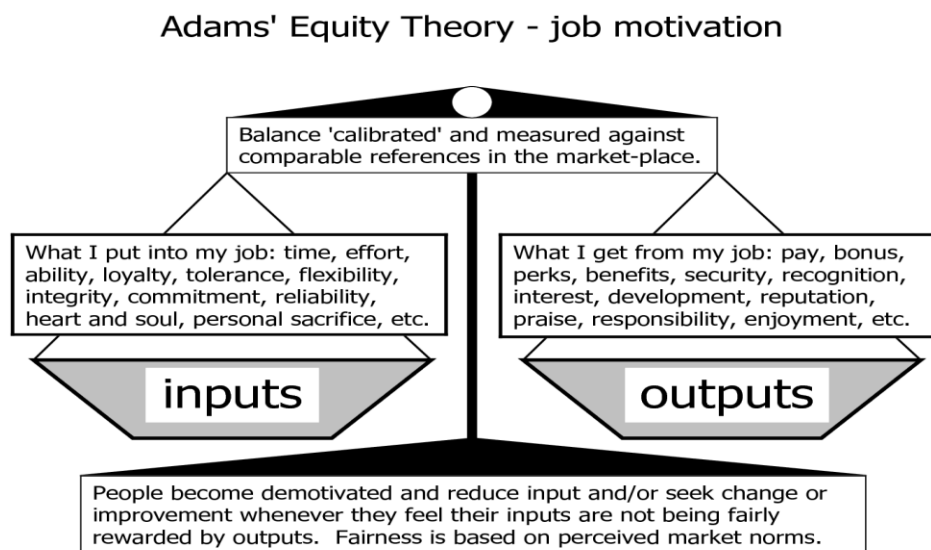
What sets the ERG theory and Maslow's theory apart is the issue that while Maslow demonstrates a more rigid approach in that in order to motivate an individual you must follow the hierarchy in terms of the stages most important, the ERG theory is more flexible in nature. According to Alderfer, an individual can work on growth needs even if that individual's need for relatedness or existence remains unsatisfied.

In the workplace it is important for managers to note that their employees are going to

have needs that must be met in order for them to work to the best of their potential. According to the ERG theory if the manager solely focuses on one need at a time then this will not effectively motivate that individual. A particular aspect of the ERG theory that managers should be familiar with is the issue of frustration. If an individual is not given the growth opportunities in the organisation then this may result in the revert of relatedness needs such as socializing needs.

## EQUITY THEORY ON JOB MOTIVATION

Moving away from the similarities of Maslow we look at John Stacey Adams and the theory of equity. What should be noted is that Adams calls personal efforts and rewards issues in the organisation “inputs” and “outputs”. What we mean by inputs are what we give or put into the organisation and outputs represent everything that we take out in return from the organisation. The reason in which Adams labels these inputs and outputs is that they help in order to emphasise what individuals put into their work is not just solely their working hours and what individuals receive from their work is not solely their wages. Other terms in which Adams uses in the equity theory relates to the term “referent” in order to describe the reference points or individuals with whom we compare our own current situation which is the imperative part of the theory.



© 2002-07 design alan chapman based on JS Adams' Equity Theory, 1963. See [www.businessballs.com/adamequitytheory.htm](http://www.businessballs.com/adamequitytheory.htm)  
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What Adams wanted to let managers be aware of is that pay and conditions do not alone determine motivation of individuals, what is needed is a balance, a balance between what employees put into the job and what they want to get out of the job. But of course for different individuals and different jobs what do we describe as the fair balance?

The equity theory helps us figure out the fair balance with the help of comparing the balance of effort made and the reward and also the other factors of give and take - the ratio of input and output - with the balance of relevance examples (referent) The equity theory does not depend on the ratio rather it depends on the comparison between the ratio and the ratio of other individuals. What is known to constitute a fair balance or ratio would depend on comparing our own situation to that of other referents in the same market. From this we can recognise that this theory is that of a more complex nature. This comparative aspect of Equity Theory provides a far more fluid and dynamic appreciation of motivation than typically arises in motivational theories and models based on individual circumstance alone.

An example here is that the equity theory has the ability to explain why individuals in the workplace can be motivated by their situation one day and yet with no change in the circumstance or working conditions can be made demotivated if they learn that another individual in the workplace is having a better reward to effort ratio. This would also display the reasons why one employee can be demotivated by another employee's success in terms of promotion or pay.

An important aspect to note when looking at this equity theory is that words like efforts and rewards, or work and pay, are an over-simplification - hence Adams' use of the terms inputs and outputs, which more aptly cover all aspects of what a person gives, sacrifices, tolerates, invests, etc., into their work situation, and all aspects of what a person receives and benefits from in their work and wider career, as they see it.

It is important for managers to understand the equity theory in relation to its pivotal comparative aspects, they need to be aware that while improving an individual's terms and conditions can resolve that one person's demands and be it just for a short period of time, if the change in conditions is perceived by other in a negative way then the solution can easily establish more problems than it attempted to resolve.

## INTRINSIC AND EXTRINSIC MOTIVATION

Motivation can be divided into two forms, intrinsic and extrinsic motivation. Amabile (1993) suggests that individuals are intrinsically motivated when they seek enjoyment and satisfaction of curiosity in the form of a personal challenge in the organisation. Individuals are extrinsically motivated when they are engaged in the organisation for the purpose of obtaining a goal excluding the work itself.

From this knowledge of the two we can form the conclusion that there is a distinct difference between the two. However, research suggests that intrinsic and extrinsic motivation can indeed have an effect on each other. Amabile (1993) states that extrinsic motivation can work in opposition to intrinsic, there can also be an effect - *“once the scaffolding of extrinsic motivation is taken care of, intrinsic motivation can lead to high levels of satisfaction and performance”*. These are the strong beliefs of Amabile (1993) however, researchers argue that not all people are equally motivated; some employees are more intrinsically and others more extrinsically motivated (Furnham et al., 1998).

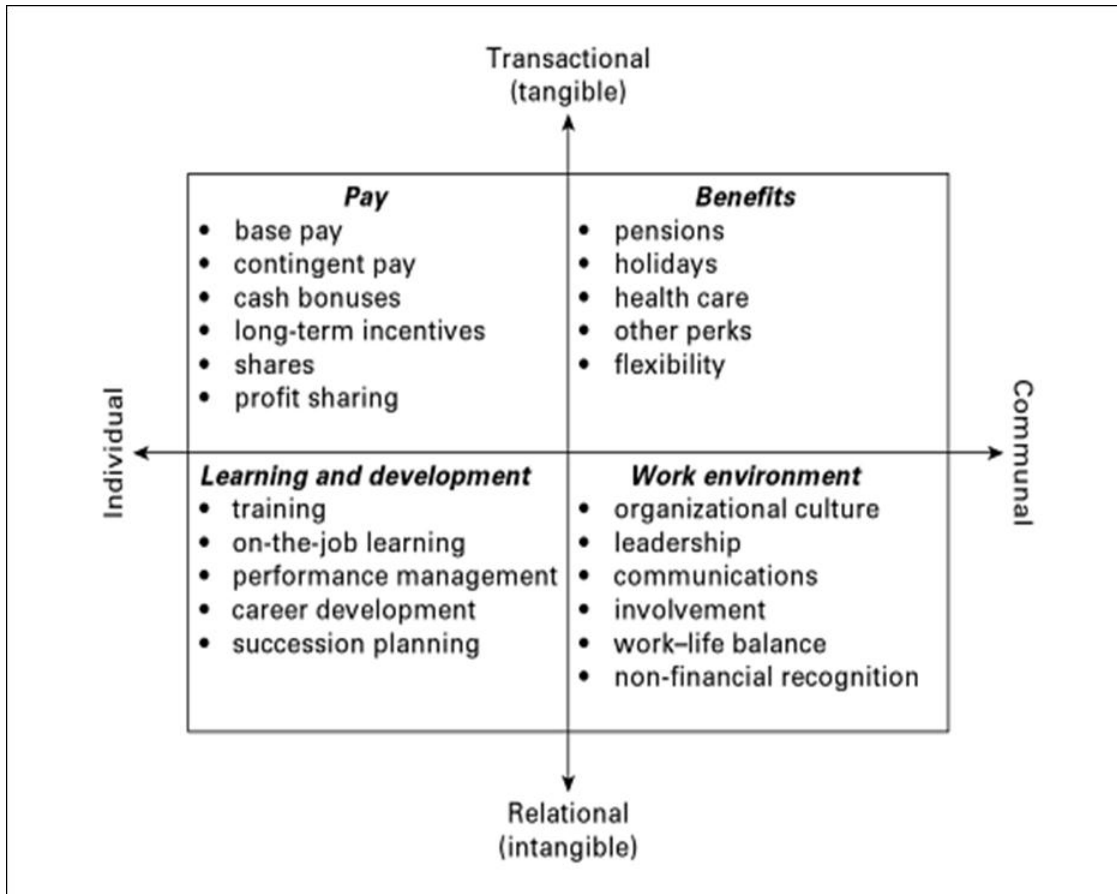
## TOTAL REWARD MANAGEMENT

If organisations are more upfront about what they are demanding, then they should also be explicit about how they can reward individuals who go the extra mile (Baron, 1983). Beer et al. (1984, p. 117) succinctly argue that: “Organisations must reward employees because, in return, they are looking for certain kinds of behaviour: they need competent individuals who agree to work with a high level of performance and loyalty. Individual employees, in exchange for their commitment, expect certain extrinsic rewards in the form of promotions, salary, fringe benefits, bonuses, or stock options. Individuals also seek intrinsic rewards such as feelings of competence, achievement responsibility, significance, influence, personal growth, and meaningful contribution. Employees will judge the adequacy of their exchange with the organisation by assessing both sets of rewards.”

Deeprise (1994, p. 26) defines reward management as “the process of developing and implementing strategies, policies and systems which help the organisation to achieve its objectives by obtaining and keeping the people it needs, and by increasing their motivation and commitment.” It also relates to intrinsic as well as extrinsic motivation, the non-financial as well as the financial rewards (Armstrong & Murlis, 1991).

## TOTAL REWARD MANAGEMENT PROGRAMMES

Towers 2005 developed a model of total rewards which is seen to be one of the more important theories of reward management.



The upper two quadrants which are pay and benefit relate to the transaction rewards which would be financial in nature and are what organisation would use in terms of recruiting and retaining their employees. The contrasting quadrants would relate to relational rewards which would be non-financial in nature. These quadrants are used in order to enhance the value of the upper two quadrants. Thompson, 2002 suggests that the real power comes when organisation combine relational and transactional rewards.



The concept of total rewards was introduced in the 1990s which the first model being introduced in 2000 and revised in 2006 by Christopherson and King, 2006. What this model consists of is five elements of reward which include compensation, benefits, work life balance, performance and recognition, and development and career opportunities.

The compensation aspect is related to the pay provided by the organisation to an employee for services rendered which would include both fixed and variable pay.

Benefits would relate to the programs and organisation uses in order to supplement the compensation in which that the employee shall receive. What these benefits do is provide security for the employee and their family.

Work life balance is a specific set of practices, and programs in order to actively support efforts that will ensure the employees achieve success in both the work and at home.

The performance aspect of performance and recognition relates to the effort towards achieving goals within the organisation. What is involved in this area is the expectation and continuous feedback. The recognition aspect is the part in which acknowledges the employees efforts. What it relates to is the meeting of the intrinsic psychological needs of the employee for appreciation in the workplace.

The development aspect of development and career opportunities relates to the learning experiences in order to enhance an employee's skills. Development of an employee can benefit both the employee and the employee's organisation. Career opportunities involve the recognition by the employee to further their career and establish new career objectives. Development and career opportunities not only help the employee but they also add value to the organisation.

The method of cash payments as incentives can be seen to be expensive on an organisation, incentive alternatives can be seen to be just as successful as they can be seen to tailor to the individual and help them in achieving their organisation objectives (Stephenson, 1995). Lawler (2003) reflects on the magnitude of rewards in that they must have the ability to meet the basic human needs of survival and security,. What this means is that an organisation must have the ability to choose relevant rewards that will be able to link to their job.

## BENEFITS OF TOTAL REWARD PROGRAMMES

Pfeffer (1998) provides a powerful argument for a total rewards approach stating that *“Creating a fun, challenging, and empowered work environment in which individuals are able to use their abilities to do meaningful jobs for which they are shown appreciation is likely to be a more certain way to enhance motivation and performance - even though creating such an environment may be more difficult and take more time than simply turning the reward letter”*

Nelson (1995) argues that there are three trends favouring the increasing use of recognition. These trends are as follows:

**The trend toward increased uncertainty**, relates to the organisation and the rapid changes involved in this changing environment where there is a growing need to be more flexible and also to increase the use of informal controls such as recognition and feedback.

**The trend towards fixed compensation**, which relates to compensation programmes that freeze salaries and also merit increases paid on a bonus basis. Informal rewards would be a way in which would help in accommodating the need for reinforces as what can become of this is pressure of the organisation.

**The trend toward empowered employees**, relates to having increased responsibility in the interest of the organisation. What this means is that the organisation must provide employees with more flexibility in order to be more innovative. Informal rewards can help reach desired outcomes.

Bremen J, M (2012) discusses in his article “Advancing Total Rewards and the Employee Value Propositor” and within this article looks at the concept that organisations need to focus on evolving their rewards program in order to have a balance within the organisation. What this means is that the organisation designs a suitable rewards program in which will be balanced in terms of the needs of the organisation. What this balance will entail is in terms of the business cycle and also the direction in which the employees will be headed. Organisations have previously been encouraged to test out different combinations of total rewards and look at the results given to the organisation using sophisticated quantitative models. The reasons that the organisation have been encouraged to do this is that for the organisation they can look at how various combination influence the behaviours of their employees. The main focus here within this article is looking at understanding the relationship between the total rewards program and employee value prospector. Within this article we can see that an organisations employee value prospector is far greater than jobs, colleagues and mission statements. Organisations familiarise the term total rewards with the combination of monetary and no monetary structures, Bremen, J.M states that “*whether a company manages its rewards programs holistically or in discrete functional silos, a total rewards philosophy underscores the value gained*”. The overall objective here as stated by Bremen, J is that the employees will be influenced in a positive way which will have a knock on effect on customer satisfaction resulting in revenue growth for the organisation.

## CASH IS KING?

Cash has the ability to always remain at the forefront of the reward mix. The reason for this is that it has the ability to represent the primary pact between the organisation and the employee. Whenever a person is being hired, the amount of money they are getting is always one of their primary questions, whether it is in the form of compensation or their basic pay it is what everyone needs in order to have a way of living. The question here is in terms of whether the aspect of money is really what motivates an employee and also if money alone represents what employees really want to get out of their job.

While it is clear that cash does act as an incentive for a lot of people, with the current economic crisis that we are in it may be time to re-examine the old paradigm that cash is the most sufficient motivator. With many of the theories mentioned above stating that people are not just motivated by the concept of money we can note that with the right circumstances for employees there can be other effective ways for organisations to motivate employees while also having the drive to increase revenue and create innovation across the organisation.

## WORK LIFE BALANCE

Work-life balance is receiving increasing attention and is one of the most important challenges facing Human Resources (McCarthy, Darcy and Grady, 2010)

Work-life balance is defined as: —“the perception that work and non-work activities are compatible and promote growth in accordance with an individual’s current life priorities” (Westman, Brough & Kalliath, 2009)

White, Hill, McGovern, Mills and Smeaton, 2003) suggest that all employees have the ability to perceive a work life balance as they all have the ability to accomplish a better fit between the personal and profession lives. When looking at work life balance it is common that they can be associated with the desire to fulfil three basic psychological needs which would be relatedness, competence and autonomy which in turn can be essential to the employee as they fulfil the need of growth. Work-life balance is not only concerned with working fewer hours. Researchers have indicated that it has become more multifaceted (Maxwell, 2005).The impact of job demands on stress reactions of employees may be buffered by job resources. —“*Job resources are psychological, physical, social or organizational aspects of the job that are: (a) functional in achieving work goals; (b) decrease job demands and the associated physiological and psychological costs; or (c) stimulate personal growth and development*“ (Bakker, Demerouti & Verbeke, 2004)

Both organisations and employees can gain from a healthy work life balance. The achievement of balance can yield dividends for the organisation in relation to having their employees more motivated and productive which in turn can help in attracting a wider range of employees to the organisation.

## PREVIOUS RESEARCH

There have been various researches done on the issue of motivation and the impact that it can have on the employee and on their job performance. Wyatt's 2004 survey on Strategic Rewards and Pay Practices sought that organisations are looking to adopt reward strategies is that competitive advantage can be provided in order to attract employees with the strongest skills and capabilities. The results of the study were that 77% of organisations have taken on a total reward strategy. The organisation state that they are satisfied with performance and the incentives they have within the organisation, but the survey shows that only 24% of the employees within the organisation believe that their performance is rewarded accordingly.

According to Mason (2001), recognition in various forms is a powerful retention strategy and that it does not have to be expensive. A study conducted by the US Department of Labour found that 46% of people leave their jobs because they feel unappreciated.

A study done named "People, Performance and Pay" done in 2001, suggested that it generally takes 5% to 8% of an employee's wages to change behaviour if the reward is cash. Motivation here is more like to occur when a reward is personalised.

Another survey done the following year in 2002 named "People and Work Survey" concluded that 48% of employees believed that they were paid fairly, 28% were motivated by incentives within the organisation and only 29% responded that when they do their work to the best of their ability does their performance get rewarded. (Compensation and Benefits Report 2003)

Fiona Moore (2007) did research in order to compare work life balance issues within the organisation. It was concluded that within the organisation managers are not able to achieve work life balance. Hughes and Bozionelos (2007) concluded within this survey that work life imbalance was not only a growing concern in many organisation but that it also was a major source of dissatisfaction for many employees.

A survey conducted with the Association of Research Libraries was sent to all its 119 member in January 2001, the results showed that 37% of libraries do not have any recognition program, although 16 of the 90 responses showed that they were interested in implementing an awards program. Another 37% of the libraries do indeed have recognition programs.



## CONCLUSION

What we can see from this is that it is evident that organisations that participate in good reward and recognition programmes can see that their employees are satisfied within the organisation and that they also possess a desire to learn and further their skills within that organisation. The more highly rewarded and recognised organisations make their employees feel then the more satisfied they tend to be not just within their job but also in life in general. What this means overall is that people that remain satisfied are those that are less likely to change jobs and are less likely to be the ones calling upon unions. Organisations are better off when they provide people with a reward level that leads them to feel at least moderately satisfied (Lawler, 2003). A worrying issue which is evident within the literature is that not all organisations are aware that reward systems are crucial within organisations in order to maintain their staff and also in order to gain value to their organisation. A well-recognised work force not just benefits the employee but also the organisation. An organisation that reaps all the rewards themselves is one that adopts a balance of reward and recognition.

Many employees within an organisation find it hard to get the right balance with work and life and from this organisations need to ensure that they are giving their employees the support that they need. It is not all about the financial incentives that motivate employees but also the way in which they are treated from their employers has a dramatic effect on the way in which they see their managers but also the way in which they see their jobs.

## **Chapter 3**

### **RESEARCH METHODOLOGY**

This chapter relates to the research process in terms of the research questions introduced at the start of the thesis and an analysis of the gathered data and results established. Firstly, the target organisation will be introduced followed by a declaration on what are the research questions and then the data that was collected and analysed.

### **POPULATION AND SAMPLE**

Sekaran (2001, p. 225) defines a population as “the entire group of people, events or things of interest that the researcher wishes to investigate.”

The population of this thesis was conducted from a large Tesco store located in Co. Wicklow. Tesco is a large supermarket which operates under the “Tesco” brand, as well as other subgroups such as “Tesco Extra”, convenience stores such as “Tesco Express”, several petrol stations and in 2007 Tesco introduced Tesco Mobile. With Tesco constantly expanding all functions are seen to be performing under high levels of pressure.

Tesco are known for providing an innovative reward package in which is valued by the staff and the reward investment up help by Tesco is linked to the organisations performance in order for staff to be a well-known part of the success.

The overall reward strategy of Tesco Ireland relates to reinvesting to ensure that every element of reward adds value to the organisation and that value is added by the staff. This is done by ensuring the affordability of the reward package is sustainable by focusing on

rewarding staff for the contribution they put into the organisation.

In order to access the relevant information needed to complete the questionnaire it was vital to rely on the assistance of the human resource manager of the organisation. The sample used in this study was the employees who work full time from Monday to Friday. The reasoning for focusing on these employees was that after discussions options with the human resource manager we found that these were the group to research on as they were the ones who were more involved within the organisation and carrying out a questionnaire would be more successful with this group. The decision was made after the human resource manager informed me that conducting these questionnaire in the form of handing them out in the canteen on lunch would prove less disruptive, which was an important factor considering the busy environment of the store.

Webster (1985) states that *“a sample is a finite part of a statistical population whose properties are studied to gain information about the whole”*. A total of 200 questionnaires were sent out to respondents with a total of 92 employees completing the survey. According to Sekaran (2001), a response rate of thirty percent is acceptable for most research studies. The response rate for this study was forty six percent. For this research and the nature of the organisation involved it seemed more appropriate to use a convenience sample, Leary (2004) states that a convenience sample is one in which *“refers to a sample of participants that are readily available”*. With the hectic environment of Tesco it seemed appropriate to use convenience sampling as it was the easiest to obtain the information and at the same time gather relevant information from the people that work in Tescos on a full time basis.

## GATHERING DATA

The measuring instrument used for this study was a questionnaire which follows the quantitative methodology. Leary (2004) suggests that this is a positive way of gathering data as questionnaires can be distributed to groups simultaneously. The major advantage of choosing this method is that it is less costly and also less time consuming while still gathering adequate data. The questionnaire is broken into two separate parts. To start of there will be a biographical section of the questionnaire followed by a motivation questionnaire.

## RELIABILITY OF CHOSEN DATA

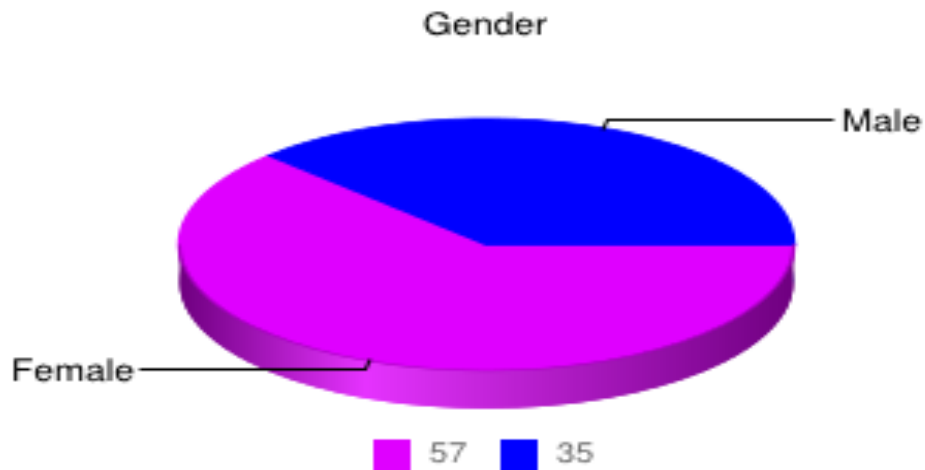
“Reliability refers to the consistency or dependability of a measuring instrument. Validity, on the other hand, refers to the extent to which a measurement procedure actually measures what it is intended to measure rather than measuring something else, or nothing at all” (Leary, 2004)

## BIOGRAPHICAL INFORMATION

The biographical part of the questionnaire was used in order to incorporate personal information of the respondents in terms of gender, age, marital status, job classification and the length of employment they have with the organisation. (Stated in Appendix 2).

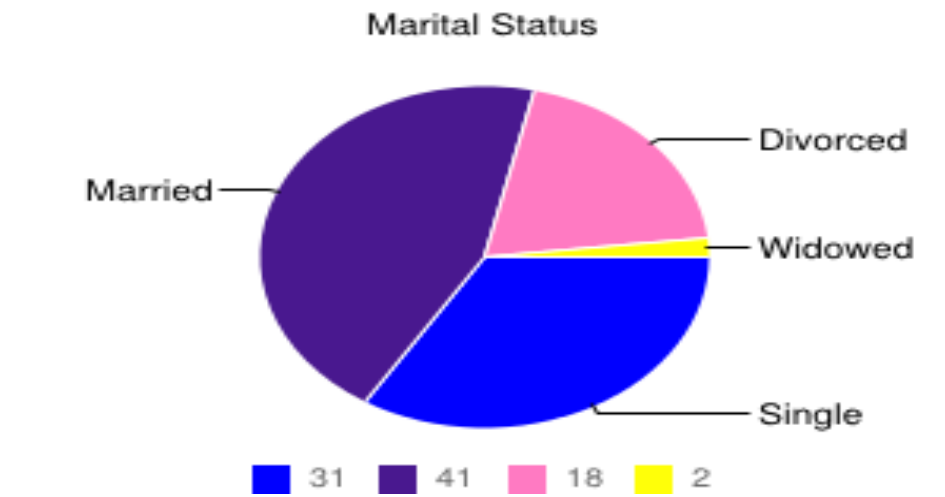
The following information shall be stated in graphical form.

**Gender: Figure 3.1**



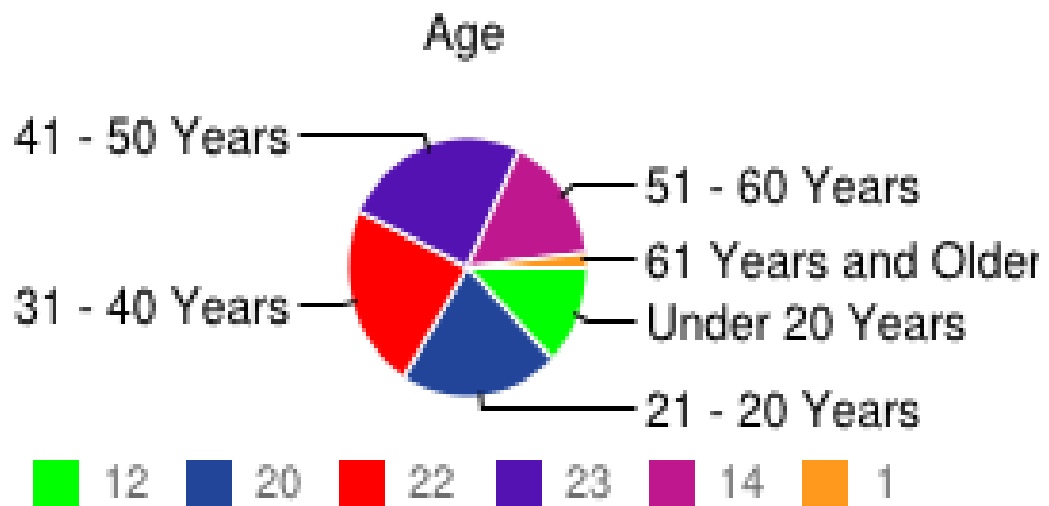
This graph represents the gender distribution of the sample of respondents from the organisation in which the research was conducted. What we can see from this graph is that the majority of the respondents were female with 57 of the 92 which is an overall of 61%, while the remaining 39% were male respondents (n = 35)

**Marital Status: Figure 3.2**



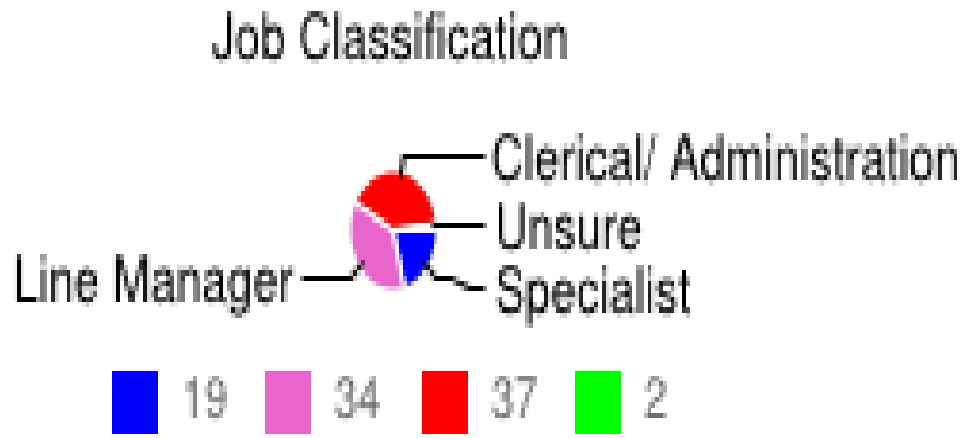
As displayed in the above graph the majority of the respondents were married with 41 of the 92 respondents giving a total of 45%, this was followed by single which was 31 people out of 92 which gives a total of 33% of the total respondents. 18 out of 92 of the respondents were divorced which is a 20% total of the respondents and finally 2 of the 92 respondents were widowed which would result in 2% of the overall respondents.

**Age: Figure 3.3**



From the 92 respondents of this study we can see that the majority of the respondents working in Tesco were between the ages of 41 and 50 with 26% of the overall respondents (n = 23), this was followed by 31 - 40 years with 24% of the overall respondents (n = 22). 21 - 30 years followed closely behind with 21% (n = 20). 15% of respondents were between the ages of 51 - 60 years of age (n = 14). Under 20 years was 13% of the overall respondents (n = 12) and finally only 1 person was 61 years and older which resulted in 1% of the overall respondents.

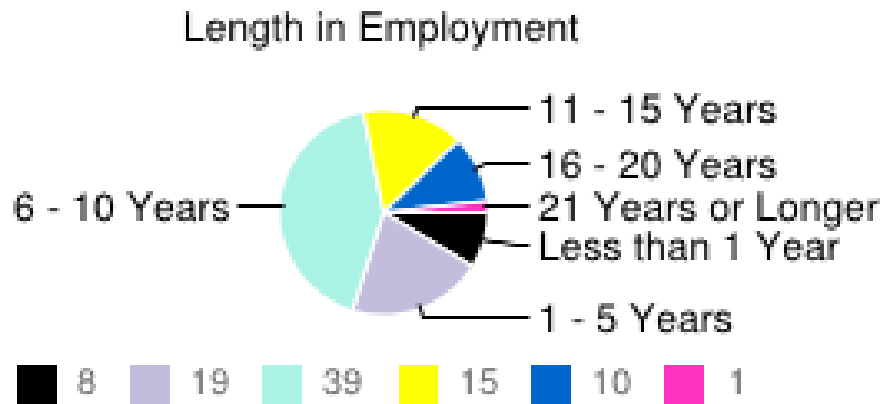
**Job Classification: Figure 3.4**



The majority of the job classification from the sample has the occupation of clerical/administrators with 41% overall ( n = 37). The second highest figure comes from line managers with 36% of the total sample (n = 34). Specialists had 21% of the overall sample (n = 19). Finally, 2 people were unsure of their exact title within the organisation with 2% of the sample.



**Length in Employment: Figure 3.5**



From our sample the majority of the respondents had been in employment at Tescos for a period of 6 to 10 years with 42% (n = 39). 1 - 5 years was the second highest number with respondents stating that they were in employment for a period of 1 - 5 years which was 21% (n = 19). Next was 11 - 15 years which resulted in 16% of our respondents (n = 15). 16 - 20 years was the next popular with respondents which resulted in 11% of the total (n = 10). 9% of the respondents stated that they had been in employment with Tesco for less than 1 year (n = 8). There was 1 employee who had stated that they had been working at Tescos for 21 years or longer which was 1%.

## MOTIVATION QUESTIONNAIRE

The motivation questionnaire used in this study has elements of the sixteen factors of Herzberg's two factor theory. The questionnaire is set out in order to gather insight from the employees in terms of employee satisfaction in with workplace and their levels of motivation. (Stated in Appendix 3).

The structure of the questionnaire was in relation to multiple choice, respondents could select the answer which best reflected the feelings they had towards their employment.

The choices that the respondents could choose from was:

**True**            =            **T**

**False**           =            **F**

## STATISTICAL ANALYSIS

Leary (2004) suggests that “statistical analyses are used to describe an account for the observed variability in the behavioural data”. What this means is that there is a process in which to analyse the data that has been conducted within the research. In doing this, you have the ability to summarise and answer questions about the patterns of behaviour in an organisation that was found within the research. Statistical analyses involves descriptive and inferential statistics.

## DESCRIPTIVE ANALYSIS

Descriptive statistics are used in order to present quantitative descriptions in a useable form. The reason in which people use descriptive statistics is that from it the user can describe features of the data in which they gathered. The ability it has it to provide summaries about the sample and with graphical analysis there is a basis of virtually every quantitative analysis of data. The descriptive statistics utilized in this study are based on frequency tables and graphical illustrations to provide information on key demographic variables, as well as the means and standard deviations for the responses. The mean is a measure of central tendency, and provides an arithmetic average for the distribution of scores. The standard deviation, on the other hand, is a measure of variability which is calculated as the square root of the variance (Leary, 2004).

## INFERENCEAL STATISTICS

Inferential statistics are used in order to reach a conclusion that is extended beyond the immediate data that is collected from the research. What his means is that when using inferential statistics the researcher is trying to infer the sample data with what the overall population may think. Inferential statistics are used in order to make interferences from the data which is gathered into more general conditions. This differs from descriptive as that is used in order to describe what is going on within the data. In order to test the research objectives, the inferential tasks include the Pearson Product-Moment Correlation Coefficient and Analysis of Variance (ANOVA).

## PEARSON PRODUCT - MOMENT CORRELATION

### COEFFICIENT

The Pearson product moment correlation coefficient is a statistical test used in order to assess the strength of the relationship between two variables. The data that is gathered for the research also needs to be calculated in order to determine the probability of the correlation coefficient having occurred by chance alone.

For the purpose of this study the reason in which the Pearson product moment correlation coefficient was used was in order to look at the relationship between rewards, recognition, satisfaction in the workplace and the motivation of employees in the organisation.

## ANALYSIS OF VARIANCE (ANOVA)

Leary (2004), states that “ANOVA analyses the differences between all condition means in an experiment simultaneously“. In relation to this research study, the analysis of variance was used in order to determine whether or not there are differences in motivation and satisfaction in the organisation based on the biographical information of the sample.

## **CHAPTER 4**

### **FINDINGS AND RESULTS**

This chapter of the thesis refers to the results of the empirical study. There will be a presentation which will include an analysis of the descriptive statistics. In order to display these results and findings the statistical programme used for the analyses and presentation of data in this research is the Statistical Package for the Social Sciences (SPSS) version 20.

The upper level of statistical significance for null hypothesis testing was set at 5%.

All statistical test results were computed at the 2-tailed level of significance in accordance with the non-directional hypotheses presented (Sekaran, 2001).

### **RESULTS**

From the use of descriptive analysis in the form of arithmetic means and standard deviations the following table displays the results from the questionnaire.

**Table 4.1**

<b><u>Variable</u></b>	<b><u>Mean</u></b>	<b><u>Standard Deviation</u></b>
<b>Work Content</b>	2.57	.65
<b>Promotion</b>	2.89	.62
<b>Personal</b>	1.53	.69
<b>Benefits</b>	1.86	.63
<b>Leader</b>	1.42	.69
<b>Payment</b>	2.10	.62
<b>Working Conditions</b>	1.34	.72
<b>Recognition</b>	1.23	.64
<b>General</b>	1.33	.54

What we can conclude from this table is that in relation to the questionnaire is that it indicates that the means for the above headings range in number. These would range from 1.33 up to 2.89. What this means in simpler terms is that the employees taken from this sample are relatively motivated. But there is a distinction in what in fact does actually motivate them. Work content, promotion, payment and benefits were seen to be the aspects that didn't motive the sample. The reasons that we can see this are as a result of the fact that the mean values indicate the topics in which employees were most likely to be demotivated.

What is seen in this table is the areas that are most likely to motivate the employees from

this sample are recognition, general and working conditions.

## INFERENCEAL STATISTICS

This next section will discuss the results of the inferential statistics used in this research study. In order to do so we must use and present the results in the form of the Pearson Product Moment Correlation Coefficient as well as Analyses of Variance (ANOVA).

The Pearson product moment correlation coefficient is a statistical test used in order to assess the strength of the relationship between two variables. The data that is gathered for the research also needs to be calculated in order to determine the probability of the correlation coefficient having occurred by chance alone.

**Table 4.2**

<u>Variable</u>	<u>Pearson Correlation</u>	<u>Significance</u>
<b>Work Content</b>	0.86**	0.000
<b>Promotion</b>	0.92**	0.000
<b>Personal</b>	0.66**	0.000
<b>Benefits</b>	0.65**	0.000
<b>Leader</b>	0.32*	0.023
<b>Payment</b>	0.74**	0.000
<b>Working Conditions</b>	0.62**	0.000



<b>Recognition</b>	0.37*	0.000
<b>General</b>	0.34*	0.005

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

\*\* Correlation is significant at the 0.01 level (2-tailed)

There is a significant correlation existing between work content and motivation ( $r = 0.86$ ,  $p < 0.01$ ). The results support the theory that there is a significant relationship between work content and motivation.

What we can see with promotion in terms of the relationship it has with promotion is that it has great significance ( $r = 0.92$ ,  $p < 0.01$ ). We can conclude that promotion has significant relevance when it comes to motivation and the opportunities that are presented in the workplace.

There is a significant correlation found between personal and motivation in this research as what we can see from this above table would represent  $r = 0.66$ ,  $p < 0.01$ . What this means is that it is an aid in supporting motivation.

Benefits and motivation within the workplace are seen to have a distinct relationship ( $r = 0.65$ ,  $p < 0.01$ ). This comes back to the issue that benefits are key in workplace motivation.

There is another distinct relationship which comes in the form of leader and motivation in the workplace when it comes to the sample studied. ( $r = 0.32, p < 0.05$ )

Also, there seems to be another correlation between payment and workplace motivation. ( $r = 0.74, p < 0.01$ ) This results back to the issue that there is a definite distinct significance when it comes to the relationship between payment and workplace motivation.

Working conditions and workplace motivation are too seen to have a significant relationship. ( $r = 0.61, p < 0.01$ ), what this represents is the theory suggesting that working conditions support workplace motivation.

Recognition has a distinct impact when it comes to workplace motivation in relation to the sample take for this study. ( $r = 0.37, p < 0.05$ )

Finally comes general ( $r = 0.34, p < 0.05$ ), this concludes that general also is a factor to consider as there is a relationship here with work place motivation drawn up from the sample.

In conclusion what can be distinctively noted is that all coefficients were positive, this reflects the issue that the null hypothesis is rejected. From the table above and its workings the results display what was originally thought that all variables have strong relationship and each support the workplace motivation theories.

## ANALYSIS OF VARIANCE

We use the biographical characteristics of the sample used in this research in order to carry out the full investigation in terms of the differences in workplace motivation and the satisfaction that the employees get within their jobs.

**We start off with the differences in workplace motivation and satisfaction in relation to gender of the employees.**

**Table 4.3**

<b>Gender</b>	<b>Mean</b>	<b>S</b>	<b>N</b>	<b>F</b>	<b>P</b>
<b>MALE</b>	1.80	0.51	113		
<b>FEMALE</b>	1.54	0.62	72	3.10	.000**

**Next we look at the differences in relation to marital status**

**Table 4.4**

<b>Marital Status</b>	<b>Mean</b>	<b>S</b>	<b>N</b>	<b>F</b>	<b>P</b>
<b>SINGLE</b>	1.67	56	25	3.45	.000**
<b>MARRIED</b>	1.78	0.48	28		
<b>DIVORCED</b>	2.10	0.18	120		
<b>WIDOWED</b>	1.70	0.49	1		

After we look at the differences in relation to age in the workplace

**Table 4.5**

<b>Age</b>	<b>Mean</b>	<b>S</b>	<b>N</b>	<b>F</b>	<b>p</b>
<b>&lt; 30 Years</b>	1.69	0.33	87	2.41	.000**
<b>31-40</b>	1.84	0.82	56		
<b>41-50</b>	1.91	0.90	71		
<b>50 + Years</b>	1.59	0.44	11		

Job Classification within the workplace is the next variable to look at.

**Table 4.6**

<b>Job Classification</b>	<b>Mean</b>	<b>S</b>	<b>N</b>	<b>F</b>	<b>P</b>
<b>SPECIALIST</b>	1.78	0.59	42	4.10	.000**
<b>LINE MANAGER</b>	1.69	0.65	45		
<b>CLERICAL</b>	2.01	0.51	13		

Finally we look at how long an individual has been working in the organisation.

**Table 4.7**

<b>Employment</b>	<b>Mean</b>	<b>S</b>	<b>N</b>	<b>F</b>	<b>P</b>
<b>&lt; 1 Year</b>	1.58	0.42	33	3.45	.000**
<b>1- 5</b>	1.78	0.54	44		
<b>6- 10</b>	2.10	0.22	20		
<b>11- 15</b>	1.81	0.58	5		
<b>15 - 20</b>	1.70	0.54	44		
<b>&gt;20 Years</b>	1.67	0.39	54		

The following information will display exactly what these figures mean in terms of the differences with each of the elements in terms of workplace motivation and satisfaction in the workplace from the perspective of the employee.

- Gender

What we can witness with these figures is that there is a significant difference in relation to the mean in the overall levels of motivation and satisfaction. Males reported lower levels of satisfaction and motivation in the workplace in terms of the recognition that they get. (Males, mean = 1.80, s = 0.51) (Females, mean = 1.54, s = 0.62). This indicates that males are less motivated in the workplaces by the rewards and recognition they could receive.

- Marital Status

What we can see here is that there is also a significant mean differences in the relationship with the factors of rewards and recognition within the workplace in relation to these employees based on the marital status. Divorced employees reported the lowest rewards and recognition within the workplace effecting their motivation followed by married employees. Employees whom are single are the ones to note that have the greatest level of satisfaction and motivation within the workplace as a result of the rewards and recognition given to them in the workplace.

- Age

Once again there is a significant mean difference when we look at the element of age in terms of the workplace motivation and satisfaction of employees. Between the ages of 41 - 50 years is reportedly where the main differences have been established (mean = 1.91, s = 0.90) This has a significant difference than all of the other age levels, employees in the age group of under 30 (mean = 1.69, s = 0.33), 31- 40 years (mean = 1.84, s = 0.82) and then the final category of older than 50 mean = 1.59, s = 0.44.

- Job Classification

In relation to job classification of the employees in this study what we can see from the above figures is that clerical employees are the ones who reported to lowest levels of rewards and satisfaction within the organisation and these results in them being the ones

who are less motivated within their occupation. Following this is specialists (mean = 1.78, s = 0.59) and then finally is line managers whom have a mean of 1.69 followed by s = 0.65.

- Length of Employment

Finally we can see again that there is a significant difference in terms of the mean within these employees in relation to rewards and recognition between the service of 6 - 10 years (mean = 2.10, s = 0.22). Those whom have been working 6- 10 years have been the ones who reported that they had the lowest level of motivation and satisfaction within the workplace. Those employees who have been working within the organisation for no more than a year were the ones who indicated the highest level of satisfaction within the organisation in terms of rewards and recognition for the work that they do compared to all other years of employment levels.

## CONCLUSION

What has been presented in this chapter is focusing on the presentation of the findings carried out for conduction research on the sample in question. What has been used in order to do this would be in relation to the Pearson product moment correlation and the analysis of the variance. What this did in terms of the research needed is present the findings that indicated relationships and differences in workplace motivation and the satisfaction of the employees.

The following and final chapter will show the data discussed and where available, existing literature being integrated with results emanating from the current study to order to be able to draw comparisons.



## **CHAPTER 5**

### **DISCUSSION, FINDINGS AND RECOMMENDATIONS**

This final chapter will focus on the results displayed in Chapter 4 and then a discussion in greater detail about the findings which can be linked in with the existing literature which was mentioned in Chapter 2. The chapter will then conclude with the recommendations from this study.

### **INTRODUCTION**

The purpose of this investigation was in order to identify the factors associated with how employees are motivated within the work place. In order to conduct the research needed for this a study was carried out with Tesco Ireland in their local store in Greystones, Co. Wicklow. With the help of the human resource manager, they were very helpful in conducting this study.

### **INFERENCE STATISTICS**

- Discussions on findings

The table labelled the sub dimensions is one that for this study has portrayed significant relationships between all of the sub dimensions in relation to work motivation and satisfaction, as a result of this the null hypothesis is denied. The dimensions included promotion, payment, recognition, personal, work content, leadership and general. What we can see from the table is that there is a significant statistical relationship between all of the dimensions of the questionnaire. From this we can note that all of the dimensions

and an influence on motivation and satisfaction of employees in the workplace to a positive effect.

What we can also note as a result of the findings from this table is that they are backed up by the survey of Mason (2001). The survey that was conducted here was in relation to employee retention in over 50 companies. What was noted from this survey is that most people got excited in their occupation when it came to the opportunity of a challenging work task, followed by the opportunity to develop work related skills, then management behaviour, positive work environment and finally recognition. What we can note from this is that the levels of importance are clearly linked in with each other. Albeit the order may be slightly different but the majority of people from this survey and from the one carried out in this dissertation all revolve around the issues of work content, leadership, working conditions and pay.

Recognition, working condition and general were the areas that effected employees the most within this study and they are also very important factors when it comes to the study of Mason (2001).

Literature that can be used in order to expand on this assumption would be the research done by Mercer (2002) which further corroborates this. The research that was conducted by Mercer (2002) relates to “People at Work Survey”, what was so fascinating about this survey is that it reflected that 48% of respondents believed that they were paid fairly according to the work that they do within the organisation, 28% motivated by the organisation incentive plan and then just 29% of the respondents within study suggested

that when they do a good job within the workplace do they get rewarded for it. (Compensation and Benefits report, 2003)

Similarly, research conducted amongst primary school educators, also supports the findings of this study, and concurs with previous research which reveals the needs least satisfied were remuneration, promotion, professional status and appreciation of work well done Schulze & Steyn (2003)

What we can note from this section is that it varies within organisation and employees the kind of factors that have the ability to motivate employees and keep them satisfied within the organisation but at the same time the organisation should be looking at those factors that do not necessarily influence employees to a great extreme and look at how they might be altered into having a positive effect.

The results gathered within this study show that there is a distinct relationship between rewards and recognition within motivation and satisfaction. What we can note from this is that if any one of the four were to be altered then there would be a corresponding change in within the organisation. Employees within this study are seen to be more motivated by recognition for the work that they do within the organisation. What we can note from this is that there might be a need for organisations to focus more on making sure that employees are giving recognition for that they do in order to be motivated so that there will be a result of higher levels of job performance.

The Watson Wyatt survey examined the various elements of the total rewards package to determine which are considered effective by organisations in achieving business

objectives. They found that base salary and short-term incentives were effective levers in attracting and retaining top performers (listed by 82% and 74% of respondents respectively).

A survey conducted in 1993 by Mac Donald was carried out in the top 100 companies in South Africa; the findings were that 96% of the respondents reported that money was the most influential factor in terms of motivation.

Mercer (2002) carried out another survey; this survey was conducted amongst American workers in 2002. The findings were that 63% of the respondents of the survey ranked “a pat on the back” a sufficient incentive. (Compensation and Benefits Report, 2003).

Recognition was seen to be the most important factor when it came to this study and Reeve and Deci (1996) suggest the same as when they conducted a study on the factors that impact employees the most in terms of intrinsic motivation it was found that recognition had a positive impact.

Taking into consideration all the aspects and findings that were established from previous research it can be noted in relation to this specific research that a total rewards management programme is required in order to optimise the motivation and satisfaction of the employees. The reason for this is that the results are too varied in terms of the categories of employees and what they themselves find to be motivation in the job. A total rewards management programme would be essential in order to get all employees on the same page.

## DIFFERENCE IN RELATION TO GENDER

Males reported lower levels of satisfaction and motivation in the workplace in terms of the recognition that they get. (Males, mean = 1.80, s = 0.51) (Females, mean = 1.54, s = 0.62). This indicates that males are less motivated in the workplaces by the rewards and recognition they could receive.

Kalantari (1995) conducted a study in which found that there was evidence to display that women had not been compensated fairly for their work compared to men in similar positions. In support of this finding, research conducted amongst teachers in South Africa by Schulze and Steyn (2003), found that female educators' needs that were not satisfied included salary, biased evaluation of merit and for promotion, participation in decision-making and a fair workload. This is not the case with this current study, the reasoning for this could be as a result of the fact that the majority of the people working within this organisation are of female sex.

## DIFFERENCE IN RELATION TO MARITAL STATUS AND

### AGE

Employees whom are single are the ones to note that have the greatest level of satisfaction and motivation within the workplace as a result of the rewards and recognition given to them in the workplace.

Between the ages of 41 - 50 years is reportedly where the main differences have been established (mean = 1.91, s = 0.90) This has a significant difference than all of the other age levels, employees in the age group of under 30 (mean = 1.69, s = 0.33), 31- 40 years (mean = 1.84, s = 0.82) and then the final category of older than 50 mean = 1.59, s = 0.44.

Schulze and Steyn (2003) suggest that there is a correlation between age and marital status in terms of the motivation of employees within the workplace. What was found was that the age had a major impact on the motivation levels as studies show that between the ages of 20 - 27 educators were committed to marriage, children and job mobility. The ages of 28 - 33 were focused on career issues, marriage and parenting. What we can see is that these motivational factors change and that between the ages of 34 - 39 the accomplishments of individuals were questioned which had the effect of stressing out the employees.

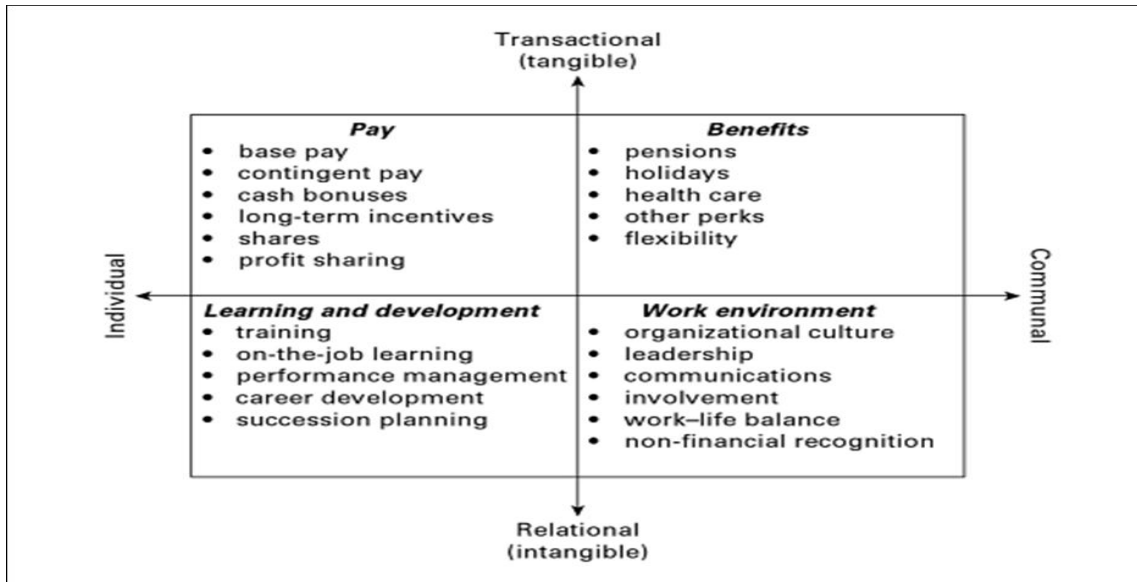
## DIFFERENCE IN RELATION TO THE LENGTH OF EMPLOYMENT

Those whom have been working 6- 10 years have been the ones who reported that they had the lowest level of motivation and satisfaction within the workplace. Those employees who have been working within the organisation for no more than a year were the ones who indicated the highest level of satisfaction within the organisation in terms of rewards and recognition for the work that they do compared to all other years of employment levels.

What this represents is that the “one size fits all” approach is not one that is relevant to every organisation in this current economic situation. A retention strategy could be adopted within an organisation. The human resource manager plays a huge role when it comes to the element of retention in terms of addressing the needs of diverse groups of people. This is the case when it comes to the sample used for this study, there is a diverse amount of employees and they should not wait on legislation in order to implement strategy within the organisation. Properly packaged rewards and recognition can be considered as the conduit between motivation and job performance and improved productivity.

## COMPARING RESULTS WITH LITERATURE

Also another important factor to mention comes in relation to the link between the survey conducted for this thesis and also the total reward management table.



Many of the questions that were put to the sample come under the headings in the above table. Employees were asked to discuss issues such as the pay they receive within the organisation, the benefits that they receive and also the working environment.

Employees were asked whether benefits such as pensions and holidays are the way in which they get motivated over issues such as work environment which would relate to leadership, work life balance and communication.

Work content, promotion, payment and benefits were seen to be the aspects that didn't motivate the sample. The reasons that we can see this are as a result of the fact that the mean values indicate the topics in which employees were most likely to be demotivated.

What is seen in this table is the areas that are most likely to motivate the employees from



this sample are recognition, general and working conditions. The performance aspect of performance and recognition relates to the effort towards achieving goals within the organisation. What is involved in this area is the expectation and continuous feedback. The recognition aspect is the part in which acknowledges the employees efforts. What it relates to is the meeting of the intrinsic psychological needs of the employee for appreciation in the workplace.

In accordance with Maslow's hierarchy of needs, the lower level needs such as salary and benefits must first be met before the higher level needs, which impacts motivation can be satisfied. Managers can relate and use Maslow's theory highly due to its simplicity. However, what managers must be aware of is that it is evident that organisation must start with the basics before they can introduce elaborate rewards and recognition programmes. Management need to ensure that they create conditions in which employees lower level needs are satisfied in order to have the effect of motivating them to reach their full potential and to self-actualise. This is a very important factor to note as what we can see from this study is that a very important way of motivating people in this organisation is through the use of recognition programmes. While Tesco is a very successful organisation with the use of reward and recognition programmes there is the potential for more success.

According to the ERG theory if the manager solely focuses on one need at a time then this will not effectively motivate that individual. A particular aspect of the ERG theory that managers should be familiar with is the issue of frustration. If an individual is not given the growth opportunities in the organisation then this may result in the revert of

relatedness needs such as socializing needs. What is important to note in relation to this is that the findings showed that not all of the employees in the organisation are in fact motivated. This is the element of frustration that the ERG theory relates to. One need should not be focused on at a time as was stated that what can motivate one individual may not exactly motivate another. This is where recognition programmes need to be established so that individuals can express what in fact does motivate them and the organisation can focus on motivating its employees as a whole.

What the Adams Equity theory wanted to let managers be aware of is that pay and conditions do not alone determine motivation of individuals, what is needed is a balance, a balance between what employees put into the job and what they want to get out of the job. This fact is proven in this circumstance as what we can see from this study is that the sample are more focused on issues such as recognition for the work that they do instead of the area of financial incentives.

La Motta (1995) posits the view that, the common wisdom is that managers have to learn to motivate people. He believes that employees bring their own motivation, and what they need from work is to be liberated, to be involved, to be accountable and to reach their full potential. Employee work to the best of their ability especially in today's environment as jobs are scarce, these individuals will work to the best of their ability and what organisations should be to follow that is to recognise the work that they do. If organisations were to congratulate an employee on a job well done then that employee will feel as those they are greatly valued within the organisation. This in turn will give

them the motivation and strength to continue working to the best of their ability as they believe that they are making a difference within the organisation.

## RECOMMENDATIONS FOR FUTURE RESEARCH

According to La Motta (1995, p. 6), “motivation is simply the reason individuals have for doing the things they do when and how they do them.” What should be noted is that there are many different things that have the ability to motivate people. What motivates one person may not motivate another. Again we can note here that the idea of “one size fits all” approach is not always sufficient enough to motivate people who are inherently different which may just be as a result of cultural characteristics.

Further studies could also incorporate qualitative research as the present study only used quantitative research methodology.

## CONCLUSION

What we can see from this study is that many factors influence people in different ways. A positive outlook on this study is to note that there is a direct relationship between rewards and recognition with job satisfaction and motivation. This enables us to conclude that if rewards and recognition offered to employees were to be altered in any way that there would also be a corresponding change in work motivation and satisfaction. In other words the better the rewards and recognition given to the employee within the organisation then the higher levels of motivation and satisfaction that employee's will possess and therefore the overall effect will be greater levels of performance and productivity.

Management should be aware that there needs to be a balance between the amount of effort required from an employee within the organisation and the reward given to the employee for their work in the organisation. A total rewards program should be structured so that it attracts the right people to the organisation and the benefit's the organisation as they use that employee in order to drive organisational success. Reward and recognition programmes must provide equal treatment for equal accomplishments (Stroh, 2001).

A very important factor when it comes to an organisation helping its employees would be in terms of work life balance, organisations should provide policies in order to make it employees to balance work and life issues. If an organisation can ensure that they help employees with work life balance then this will result in an increase in job performance and productivity.

An overall motivational strategy can be used for the organisation in order to influence employees to increase motivation in one way and diminishing it in others. Managers need to consider uniqueness of the circumstances and the diversity of all that are involved within the organisation. Dodd (2005) postulates that “performance metrics, performance management as a business process and communication around total rewards management are the crucial underpinnings of an effective compensation system that truly differentiates and rewards performance”.

Motivation is a very influential factor when it comes to the workplace, we can see that motivation is a key aspect that drives organisational performance. Motivation comes under many different headings and there are different aspects which motivate employees. For an organisation to take control over motivation then they should ensure that they are familiar with their staff and their needs. It is not just about the needs of the employees while in the workplace but also the balance that the individuals need. If employees have the right total reward management and recognition programmes then the organisation will see their performance soar.

What motivates an employee varies from employee to employee but what can be seen from this study is that financial incentives are not always the way to motivate an employee. People presume that this is the only form of incentive that employees react to and that the illusion “cash is king” is for everybody. What this study has shown is that recognition for the job that they have done is what matters to them, the ability to come into work in the best working condition possible and have their work recognised by their superior is far more important. This is the reason why it needs to be stressed that all

organisations should have reward and recognition programmes, they may feel that in today's environment that they are wasting resources setting up such programmes but organisation should realise that they are the ones that are going to notice the difference not only with their employees but also with the overall performance of the organisation. The method of cash payments as incentives can be seen to be expensive on an organisation, incentive alternatives can be seen to be just as successful as they can be seen to tailor to the individual and help them in achieving their organisation objectives (Stephenson, 1995)

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## **Appendix 1**

### **MSC in Management Thesis**

Dear Sir/ Madam,

My name is Lisa Coffey and I am conducting research that explores the relationship

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between employee rewards and recognition in the organisation. This research is being conducted as part of my postgraduate dissertation in the School of Business at the National College of Ireland.

I would be grateful if you would take part in this study, you can do this by completing and returning the attached anonymous survey. Participation is completely voluntary and you are not obliged to take part. I would like to stress however that participation is anonymous and confidential, therefore responses cannot be attributed to any one participant.

The completed questionnaires will be securely stored and data will be transferred from the paper record to electronic format and stored securely.

I must stress for the record that it is important that you understand by completing and submitting the questionnaire that you are consenting to participate in the study.

For any further information that you might require you can contact me at [lisa\\_g\\_coffey@hotmail.com](mailto:lisa_g_coffey@hotmail.com) or (087) 2730114.

Thank you again for taking the time to complete this survey.

## **APPENDIX 2**

### **BIOGRAPHICAL INFORMATION**

### **Questionnaire for Thesis**

#### **Total Reward Management**

Having designed these questions I am aware that people view their jobs in different ways and what is expected in return from a job varies in accordance to the needs of people. From this I ask that you think carefully about your job while answering these questions, people don't view their jobs to be perfect very often so just take into consideration what you would need and expect from your occupation.

To get started in this questionnaire there will be an introduction element with some brief questions to enable a more in depth look and also to enable my findings to be more accurate.

## Introduction

### 1. Gender

- Male
- Female

## 2. Marital Status

- Single
- Married
- Divorced
- Widowed

## 3. Age

- Under 20 years
- 21 –30 years
- 31 – 40 years
- 41 – 50 years
- 51 – 60 years
- 61 years & older

## 4. Job Classification

- Specialist
- Line Manager
- Clerical/ Administration

- If you are unsure which category, please state your role:

5. How long have you been employed at this company?

- Less than 1 year
- 1 year – 5 years
- 6 years – 10 years
- 11 years – 15 years
- 16 years – 20 years
- 21 years or longer

## Appendix 3

### **Motivation Questionnaire**

The following questions are given two possible answers and you must choose between



them. Please choose from the following:

TRUE = T

False = F

Please indicate your answer with an (X)

**T**

**F**

- I am interested in my work
- My work is easy
- I have a certain degree of authority
- I have a say in decision making
- I control the amount of work I do myself
- My salary reflects the work that I do
- People in similar jobs receive the same money as me
- My job offers the possibility for promotion
- Everyone has an equal opportunity for promotion
- My working hours are reasonable
- I am never overworked

- I get credit for the work I do
- I receive constructive criticism
- My never have an issue with arrangements to take leave
- I am supported in my work
- I have considered leaving my job
- I have been looking for another job

Thank you for taking the time to complete my questionnaire. Please ensure that all questions have been answered.