Employee Perception towards Reward/Recognition:
A Study with Reference to Dental Colleges in Mangaluru

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ABSTRACT

The aim of the study is to examine the effect of Reward and Recognition mechanism on Employee Perception in Dental colleges of Mangaluru city. The specific of objectives of the study are as follows: To understand the various reward mechanism followed in the Dental colleges of Mangalore, to understand the general perception of the employees with regard to Reward system, to determine the perception of employees towards implementation of the various reward mechanism. The sample size of the study comprises of 131 full time lecturers working in two Dental Colleges within the city of Mangaluru. The data collected is mainly through the Questionnaire method. The data obtained was processed using the Statistical Package for Social Sciences (SPSS) and was analysed using both descriptive and inferential statistics (Regression, Annova and T- Test). The analysed data was presented using graphs, charts, and tables.

Keywords: Reward and Recognition, Implementation, Employee perception, Human Resource, Reward Practices/ Policy.

INTRODUCTION:

Internet World Stats published top population owned countries report in 2017; India claims to have the second largest population in the entire world. Every year there is a large set of population seek for employment, however because of the globalisation the employment rate is increasing. Human Resource System is now facing issues and challenges both from internal and external environment. From Employees competing to seek advanced career in the organisation to employees demand for increased pay and work environment focus a challenge to present HR system.

Due to the increased competition in the globalised era, it is obvious to see employees switching their job from one organisation to another. Hence there is a need to have Human Resource Cell for the effective management and the development of the human resource in the organisation. There is a huge investment behind recruitment and training of the employees, if there is high attrition rate the company would incur loss. This is an indication that the organisation should motivate and reward for their skills and knowledge. (Dahlqvist & Matsson, 2013) Since reward strategies reflect the companies' organisational culture, they need to be tailored as per the business objectives. (Silverman, 2012) Says in the context of non financial reward; where organisations are able to gain a thorough understanding of their employees expectations in return for their hard work, organisations are able to determine how their reward and recognition strategies can help to deliver what is really needed.

HR Council for the Nonprofit Sector in collaboration with The community foundation of Ottawa has established a programme related to Employee reward and recognition, it says before rewarding the nomination process

must be precisely set, if there is single recipient the reward can be presented privately but in case of two or more recipient then the reward should be presented in public. In contrary to the process of Recognition it clearly states the individual recognition could be done privately whereas, the team should be recognised publicly. (Schweyer, 2011) Designing the incentive programme is the need for an hour since there is no "one size that fits all", what motivates one person may have opposite effect on another. He further adds, Reward represents recognition, not compensation.

Employees in today's work culture expect something more for what they render. It is a very difficult task to satisfy the needs of every employee in the organisation. (EPA VICTORIA, 2017) Environment Protection Authority Victoria government in Austria publishes a framework for Rewarding and Recognition. It says Reward is followed by the occurrence of certain behavior with an intention of encouraging it to happen again. The R&R structure needs to be simple and communicative to reward the best performers in the company but at the same time fair and consistency in rewarding has to be maintained. The government also advices to review the reward practices often that fits the goals of the organizations and best practices.

REVIEW OF LITERATURE:

(Thompson & Zaitseva, 2011-12) The study conducted in UK by Higher education academy clearly states the reward and recognition with retention plans depends on the student's success. It also recommends making the baseline level expectation much higher, by arguing that special achievement by the teachers should be reoriented towards recognition of outstanding programmes and learning programmes.

(Limaye & Sharma, 2012) The study aims at understanding of effective innovative rewards and recognition among 11 different companies who participated for 'India's best companies work for- study 2012'. The study enlightens the strategies to attract and retain best talents from the available option such as competitive pay, pay for performance, and equal pay. However the risk associated with paying is that the company needs to differentiate between performers and non performers. The company needs to first set the benchmark for the different levels of compensation atleast by determining bottom line goals so that company can tie pay to the goals.

Companies now understand the struggle of the employees to contribute continuously towards the organization success. It is the recognition and the word of Praise that keeps employees to work much better. Further it adds organisations now are creating platforms for all to recognize each other, which includes peer to peer and junior to senior recognition.

(Silverman, 2012) The study aims at understanding the motivation level behind the non financial rewards. The employees these days are involved in a lot of activities and they want to do much more for the company. Non financial recognition are in much varied ways and now designed within the formal structure such as by provide recreational facility, vouchers etc. The company needs to first streamline the behaviors or actions that need to be appraised. He further adds, Non financial rewards has a long lasting impact when compared to financial reward since latter motivates only for short period of time but non financial reward if used at the right time and at a right way it may create positive work environment, reinforce behaviours, motivate towards high performance so on.

(Miller, 2015) Proposed an online article based on the highlights of Robert J. Greene, June 27 workshop "Effective Rewards Management". Greene being the CEO of the consultancy Reward Systems Inc. in Glenview says "it is not possible to attract and retain the talented employees with reward alone, other aspects like career development and challenging workplace along with the defined reward structure will have a greater impact on the effectiveness of the workplace."

He explains, "Employees feel that they are underpaid" but the question is "pay relative to what?" If the employees feel they are paid little when compared to what they could have been then it is a career management problem and not a pay problem.

The role of job descriptions and performance appraisals should be linked to the pay scale and the employees should know the metrics on which they are evaluated, provided they are given the tools and resources to outperform and get good recognition in the workplace.

Reward and Recognition from Organisational Perspective:

Many organisations adopt competitive strategies to reward its employees. Though there are several types of rewards not all fit in the organisation. Many authors contend that Reward and Recognition process convey the organisation culture and its objectives. (Spitzer, 1996) Monetary reward is not strongly correlated with motivation. Many companies invest huge dollars to reward its employees without a proper understanding of its purpose and the employees feel the reward what they receive itself is the most demotivating factor in the company. By this review it is clear that the organizations face a huge challenge to set a cost effective reward

system in place.

Organisations focus on what is Individual reward or Team reward? (Limaye & Sharma, 2012) It is necessary to strike a balance between driving and rewarding individual results and team performance because only focusing on "individual achievements and rewards/recognition" can harm team work and collaboration, while only focusing on team achievements without encouraging and rewarding individual excellence can affect individual drive and productivity.

From Compensation to incentives and from incentives to rewards and from rewards to total rewards and currently we are now moving towards smarter rewards. (Brown, 2014) has termed total reward can damage the effectiveness of brand reward hence the author has termed total reward as smart reward approach which is clear, simple, evidence based and more practical in nature.

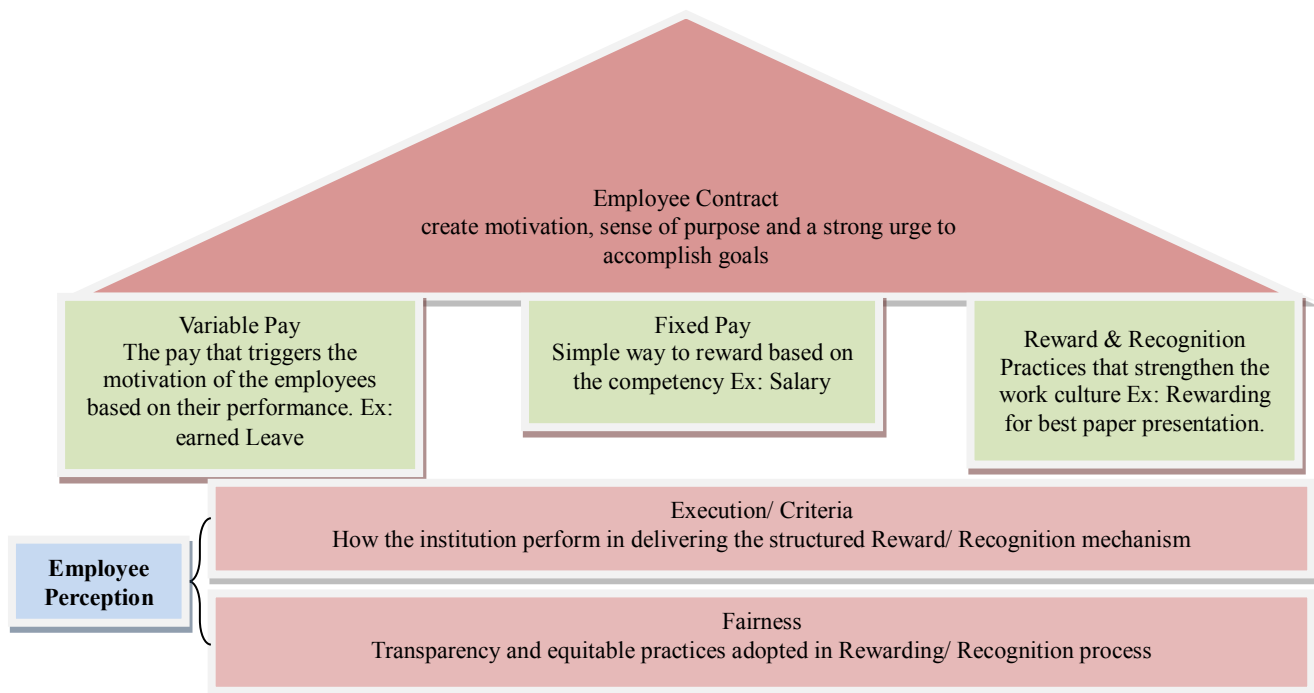**Reward and Recognition from Employee Perspective:**

(Buch & Tolentino, 2006) The study conducted to analyse the employees perception towards reward associated with six sigma rating clearly says that employees believe that their effort will lead to outcomes which means they have high valence perceived as desirable. The participants also value extrinsic rewards and do not agree with six sigma as an instrument of receipt.

 (Gagne, 2014) Argues that Reward and Recognition is an important area of engaging human resource in an organization. (Mehmood, Ramzan, & Akbar, 2013) Says that Reward & recognition plays three important roles in the organization they are: Attraction, Motivation, and Retaining of employees thus the Reward management becomes important for overall branding of the company in the area of human resource management.

Fredrick Herzberg clearly stated in his theory of motivation that it is intrinsic reward the employee looks for in the organisation than the financial reward since it aims at personal achievement, professional growth, sense of pleasure and accomplishment. On the other hand extrinsic reward has a straight forward deal with the employees and is usually built on performance review and projects.

(OTONDE, 2014) A perception study conducted in Kenya to analyse the reward and its influence on employee performance identifies the reward used in the telecom company is not competitive when compared to the market offers. The employees perceive that the criteria for promotion of employees is not clearly laid hence it affects the morale of the employees towards the company. As stated earlier managing rewards and their implementation is a very difficult task for any organisation but has to handle with utmost care because this disturbs the organisations capacity to grow stronger.

CONCEPTUAL FRAMEWORK:

Source: Research Scholar

The above graphically presented conceptual framework represent the outline of the study, various reward and recognition mechanisms are drawn from the dental colleges and the employees perception is studied through analysing the awareness level of criteria, transparency and the satisfaction level of various reward & recognition process.

OBJECTIVES OF THE STUDY:

1. To understand the various reward mechanism followed in the dental colleges of Mangalore.
2. To identify the employee general perception towards the Reward and recognition system followed in the dental colleges of Mangalore.
3. To study the employees perception towards implementation of the various reward mechanism.
4. To provide some suggestion for better implementation of reward mechanism.

HYPOTHESIS OF THE STUDY:

$H0_1$: There is no relationship between the employee perception toward Reward mechanisms and their perception towards the implementation.

$H0_2$: There is no relationship between the employee perception toward implementation and their perception towards the practices followed in the organisation.

METHODOLOGY OF THE STUDY:

Sources of Data: The data is collected through primary and secondary sources. The major findings of the study are through Primary data collected through a structured Questionnaire. The secondary sources used to review the work done under the concerned area. (Korir & Kipkebut, 2016) The target population for the study comprised all permanent lecturers from the two dental colleges within the Mangaluru city. The sample size of respondents that were studied was determined by the use of the formula developed by Yamane (1967). The formula used to calculate sample size is shown below.

$$n = \frac{N}{1 + N(e)^2}$$

Where:
N = Population size take
n = sample size
e= Margin error of the study set at ±5%

Table 1: Distribution of Teaching Staff per Institution

Name of the Institute	Population (N)
AJ Institute of Dental Sciences	111
Manipal College of Dental Sciences	82
Total	193

Source: Human Resource office and web site information of each Dental College.

$$= \frac{193}{1+193(0.05)2} = 131 \text{ respondents}$$

The sub-sample of size for each dental college was determined using the formula by Krecjie and Morgan (1970) as follows:

$$s = \frac{XS}{P}$$

Where;
s = Sub-sample size for each college
X = Population of employees in each college
S = Total sample size for the study
P = Total population of all the colleges based on job category of employees

Based on this formula, a total sample size of 131 respondents was used. The study used simple random sampling to select respondents from each of the sampled dental colleges. The departments formed the strata and

every nth number was provided with the questionnaire until the sample size was reached.

The data collected is mainly through the primary data with a help of self structured Questionnaire. The questionnaire was divided into three sections as follows: Section A: Employees background information Section B: Reward and Recognition; Section C: Implementation and practice of giving the rewards in the institution.

Statistical Technique: To test the hypothesis statistical tools like regression, Annova and T test analysis is applied.

The factors potentially explaining the success of the Research topic are transferred into Variables as displayed in table 2.

Table 2: Summary of the Variables

Variable	Description
RM	Reward Mechanism
IM	Implementation Process
RP	Reward Policy / Practice
HM	Harmonic Mean

DATA ANALYSIS AND RESEARCH FINDING:

Table 3: Showing the Response towards the RM

Particulars	N	Mean	Std. Deviation
Appreciation for excellence in the academic performance	131	2.81	1.075
Sponsored Abroad visit to the family and staff	131	2.15	1.222
Claim for Paper presentation/ Seminars attended	131	3.25	.807
Award for Recognising and appreciating Outstanding attendance	131	2.84	1.073
Recognising years of service in the institution	131	3.66	.652
Recognition by achievement publication in College Bulletin	131	3.76	.596
Monetary benefit for publication based on Impact Factor	131	2.52	1.126

Interpretation: As per the above table it is clear that the respondents agree with the reward for claim in paper presentation, recognition of service and achievement published in college bulletin since the HM value is above 3.

Table 4: Showing the Perception toward IM of RM

Particulars	N	Mean	Std. Deviation
Giving formal recognition for employee efforts to "make a difference"	131	4.06	1.305
Treating employees fairly	131	3.92	1.339
Recognising and appreciating Outstanding attendance	131	3.61	1.471
Recognising years of service in the institution	131	4.34	.997
Incentives Based on Grading/ Performance appraisal	131	4.21	1.123
Monetary benefit for publication based on Impact Factor	130	3.37	1.415

Interpretation: As per the above table it is clear that all the respondents agree with the above reward mechanism and is successfully implemented in the Institutions since the HM value is greater than 3.

Table 5: Showing the Perception towards the IM and the RP Followed

Particulars	N	Mean	Std. Deviation
The criteria for the recognition programmes has been clearly explained to me	131	4.17	1.171
I'm aware of the procedures for nominating an employee/ Teacher for an award	131	4.09	1.133
The recipients of the employee /Teacher awards are adequately publicized	131	3.51	1.614
Institution maintains transparency in Rewarding the employees	131	4.31	1.053
Do you think current Reward Structure helps in attracting and retaining suitable employees	131	4.16	1.136

Interpretation: As per the above table it is clear that all the respondents agree with the above RP followed in the Institutions since the HM value is greater than 3.

HYPOTHESIS ANALYSIS:

$H0_1$: There is no relationship between the employee perception toward Reward mechanisms and their perception towards the implementation.

Table 6: Coefficients Table shows the relationship between IM and RM

Particulars		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
Serial Number	Variables (Constant)	-.027	.138		-.199	.843
Q1	Appreciation for Academic Performance	.365	.091	.370	4.002	.000
Q2	Sponsored Abroad Visit	-.154	.054	-.177	-2.832	.005
Q3	Claim for Paper Presentation	.227	.068	.172	3.335	.001
Q4	Appreciation for outstanding performance	-.037	.091	-.037	-.402	.689
Q5	Recognizing Year of service	.379	.084	.233	4.509	.000
Q6	Publication in college Bulletin	.098	.085	.055	1.149	.253
Q7	Monetary benefit based on Impact Factor	.403	.069	.427	5.846	.000
	Overall				4.739	.000

Adjusted R^2 = .965, ANOVA F= 490.799, p = .000 HS

The regression analysis was performed to analyze relationship between IM and RM. Here, Q1 to Q7 (RM) are independent variables whereas IM is dependent variable. The components such as; Q1, Q2, Q3, Q5 and Q7 have significant impact in relation to RM. The impact of IM was 96.5 percent on the RM. The overall impact is 0.000 with t value 4.739 which is <0.005 hence H0 is rejected and alternative Hypothesis is accepted.

$H0_2$: There is no relationship between the employee perception toward implementation and their perception towards the practices followed in the organisation.

Table 7: Coefficients Table shows the relationship between IM and RP

Particulars		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
Serial Number	Variables (Constant)	.465	.057		8.086	.000
Q1	Criteria for Recognizing the work	.270	.053	.298	5.057	.000

Q2	Awareness of nomination procedure	.282	.034	.301	8.183	.000
Q3	Recipient of employee for reward is publicized	.183	.018	.278	10.239	.000
Q4	Transparency in Rewarding	.218	.032	.216	6.878	.000
Q5	Reward structure retaining & Attracting the employees	-.060	.056	-.065	-1.077	.284
	Overall				10.873	.000

Adjusted R^2 = .990, ANOVA F= 2.417, p = .000 HS

The regression analysis was performed to analyze relationship between IM and RP. Here, Q1 to Q5 (RP) are independent variables whereas IM is dependent variable. The components such as; Q1, Q2, Q3 and Q4 have significant impact in relation to IM. The impact of IM was 99.00 percent on the RP. The overall impact is 0.000 with t value 10.873 which is <0.005 hence H0 is rejected and alternative Hypothesis is accepted.

MAJOR FINDINGS OF THE STUDY:

1. The Study reveals that the employees in the Dental Colleges agree with the competitive reward mechanism followed in the organisation but at the same time the institution also lacks with some of the mechanisms such as a sponsored family visit to abroad, It was identified that this benefit of reward is given to the employees after attaining a certain grade of service in one of the dental institutions but the other institutions do not follow this kind of reward.
2. The employees in the institution feel that the existing reward structure and its implementation will not help to attract the employees in the market nor it can retain the competitive employees in the institution, since the calculated value is 0.284 which is more that the P value at 0.05.
3. Further it clearly shows the RM like Publication in college bulletin and appreciation for outstanding performance is not implemented / delivered in the institution properly which means there is no outstanding performance concept followed in the Institution and the publishing the achievement in college bulletin is not laid down on clear grounds.

CONCLUSION:

The importance of human resource has flourished over the years. The trend has now moved to make the companies human resource more compatible in all the grounds. Going by the findings of this study, it is easily inferred that workers reward package matters a lot and should be a concern for both the employers and employees. Employees seek reward always and it is a never ending demand, hence it cannot be controlled, but the attitude towards the reward can be controlled which will help them to develop themselves and move closer towards the achievement of their personal goals regardless of external source or reward. The institutions need to design the incentive programme which encourages employee's behaviour to aim at the institutional goals.

The results of the study show the employees value the rewards given in the work place by their employer. Hence when the rewards are not given or if it is not implemented properly the employees show their displeasure through poor performance. Therefore it is imperative for the institution to consider the needs and feelings of the employees before structuring its reward programme.

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