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## A STUDY ON THE IMPACT OF REWARDS ON JOB SATISFACTION AND EMPLOYEE RETENTION WITH SPECIAL REFERENCE TO SMIORE DEOGIRI

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### ABSTRACT:

Reward has a direct connection with the motivation and job satisfaction of the employees. Variations in rewards and recognition can bring a positive change in work motivation and job satisfaction of the employee (Ali and Ahmed, 2009). No employee wants to leave the organization. However, the some situational factors can make them to leave it. Hence, some sorts of the rewards can make them to be

motivated, which can help the organization to have long-term retained employees within that. Job satisfaction leads the employees' retention with organization with the effective manners. When the employees get satisfaction with their job then the productivity of the organization could be more. It can help an individual to set emotional response towards the work. It leads the high performance within the organization. The employees' job satisfaction is important because it contributes to the quality of high performance.

The present study is conducted on how the rewards can play the predominant role on the job satisfaction and the employees' retention in the organization. For this study, the employees of the SMIORE, Sandur, a mining organization is selected for the analysis. It was established in 1954 with high productivity through the effective employees.

Although several researches have been carried out the study on the employee Retention, most of the researchers have focused only on the causes of employee Retention. Very little has been done on the examining the sources of employee Retention, effects and advising various strategies (Ongori, 2007). These are the important aspects for the managers to ensure that there is employee continuity in their organizations to enhance organizational success. This chapter contains background of the study, statement of problem, significance of the study, purpose of the study, research questions, conceptual framework, limitations and delimitations of the study.

**KEYWORDS:** *Impact of Rewards, Job Satisfaction, Employee Retention, and SMIORE Deogiri.*

### INTRODUCTION:

Throughout the management literature, practitioners as well as theorists have underlined the importance of rewards systems.

Rewards management is considered to be probably the most rapidly developing area of human resource management. In order to conceptualize the rewards systems, it is necessary to commence from the Harvard Model of human resource management, which emanates from the Harvard Business

School (Sparrow and Hiltrop, 1994). This model is called "Soft Variant" because it emphasizes in the human aspect of human resource management. According to Beer al (1984), the model comprises of four key policies: rewards systems, designed to attract, retain and motivate employees; human resource flow,

akin to the human resource development set of policies; employee involvement in decision-making, and work systems, designed in order to produce the best outcomes.

A simple and general way to define job satisfaction is as follows: Job satisfaction simply means how people feel about their jobs and different aspects of their jobs. It is the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs (Spector, 1997). Grahman has defined job satisfaction as the measurement of one's total feelings and attitudes Retention one's job (Graham, 1982). Hence, job satisfaction is the individual attitudes of employee of their jobs. When one says, „I am satisfied with my job“, it indicates that the person has positive attitudes towards the job.

Neog and Barua (2015) studied relationships between:

- Job security and employee retention,
- Job satisfaction and employee retention,
- Work life balance and employee retention and
- Compensation and employee retention in the automobile service workshops in India.

### LITERATURE REVIEW:

**Vroom (1964)**, in his study on job satisfaction focuses on the role of the employee in the workplace. Thus, he describes job satisfaction as emotional orientations on the part of individuals towards work roles, which they are currently occupying.

**Rafiq, Javed, Khan, & Ahmed (2012)** conducted research for the exploration of the effects of rewards on job satisfaction. Data had been collected from different telecom organizations call centres employees of Pakistan. By applying regression analysis research investigated that job satisfaction is considerably based on extrinsic rewards as evaluate to intrinsic rewards. The research proved that when employees are furnished with economic rewards as compare to non-economic rewards they become more pleased.

**Noraani Mustapha** in his research, 'The Influence of Financial Rewards on Job Satisfaction among Academic Staffs at Public Universities in Kelantan, Malaysia' (2013), his emphasis on that the organizational routines can be fulfilled with the employees' job satisfaction. The purpose of this study is to determine the influence of monetary rewards on job satisfaction among lecturers in four public universities in Kelantan. The sample was randomly chosen through systematic procedure.

**Philip E. Carlan (2007)**, 'The Search for Job Satisfaction: A Survey of Alabama Policing', the present study quests for job satisfaction among the employees in the organizations. It also focuses on how job satisfaction can be attained through the managerial skills and by providing the relevant and effective rewards for the employees.

**Maheswari, M., Lakshmi, A. and Karuppannan, A.**, in their research article 'Employee Job Satisfaction and Attitude with Special Reference To it Sector in Tamil Nadu State' (2016), give emphasis on the job satisfaction and employee retention by the cooperative attitude of their superiors in the organization. It also focuses on how the healthy relationship among the employees can lead to attain the satisfaction.

### OBJECTIVES OF THE STUDY:

1. To study the significant difference in employee retention with special reference to SMIORE based on organizational hierarchy.
2. To study the significant difference in employee retention with special reference to SMIORE based on numbers of organization served before.
3. To study the significant difference in employee retention with special reference to SMIORE based on total job experience.
4. To study the significant relationship between rewards and job satisfaction with special reference to SMIORE.

5. To study the significant relationship between rewards and employee retention with special reference to SMIORE.
6. To study the significant contribution of job satisfaction and employee retention on rewards with special reference to SMIORE.

#### **HYPOTHESES OF THE STUDY:**

- There is no significant difference in employee retention with special reference to SMIORE based on organizational hierarchy.
- There is no significant difference in employee retention with special reference to SMIORE based on numbers of organization served before.
- There is no significant difference in employee retention with special reference to SMIORE based on total job experience.
- There is no significant relationship between rewards and job satisfaction with special reference to SMIORE.
- There is no significant relationship between rewards and employee retention with special reference to SMIORE.
- There is no significant contribution of job satisfaction and employee retention on rewards with special reference to SMIORE.

#### **METHODOLOGY:**

Descriptive research design, which aims at collection of qualitative and quantitative data for the specific need of the problem. It describe as accurate as possible the characteristics of a social phenomenon of any group or community and see the association between the variables. The sample size for the present study is 200. Non-probability sample type, under that purposive sample design was implied for the present study.

There are many methods of data collection. However, for this research, mainly two methods are used for the exploration one is questionnaires and another is through interview. Face to face/personal survey where well-trained interviewers visit participants and ask questions and record answers. In both questionnaires and interview, too personal questions were avoided. Those were with more concerned towards the participants. In this exploration, structured questionnaires were used to collect primary data using the personal method. The procedure chosen is reasonably not so expensive, offers greater anonymity since there is no face-to-face interaction between participants, is easy to administer and participants can complete the questionnaire at a convenient time. The sample participants are also effortlessly accessible to the researcher.

#### **SUMMARY OF THE FINDINGS:**

##### **a) Differential Analysis:**

- There is no significant difference in rewards with special reference to SMIORE based on gender.
- There is significant difference in rewards with special reference to SMIORE based on age group.
- There is no significant difference in rewards with special reference to SMIORE based on educational background.
- There is no significant difference in rewards with special reference to SMIORE based on marital status.
- There is no significant difference in rewards with special reference to SMIORE based on length of service in the present organization.
- There is significant difference in rewards with special reference to SMIORE based on department.
- There is no significant difference in rewards with special reference to SMIORE based on organizational hierarchy.
- There is no significant difference in rewards with special reference to SMIORE based on numbers of organization served before.

- There is significant difference in rewards with special reference to SMIORE based on total job experience.

**b) Job Satisfaction:**

- There is significant difference in job satisfaction with special reference to SMIORE based on gender.
- There is no significant difference in job satisfaction with special reference to SMIORE based on age group.
- There is no significant difference in job satisfaction with special reference to SMIORE based on educational background.
- There is no significant difference in job satisfaction with special reference to SMIORE based on marital status.
- There is no significant difference in job satisfaction with special reference to SMIORE based on length of service in the present organization.
- There is no significant difference in job satisfaction with special reference to SMIORE based on department.
- There is no significant difference in job satisfaction with special reference to SMIORE based on organizational hierarchy.
- There is significant difference in job satisfaction with special reference to SMIORE based on numbers of organization served before.
- There is significant difference in job satisfaction with special reference to SMIORE based on total job experience.

**c) Employee Retention:**

- There is significant difference in employee retention with special reference to SMIORE based on gender.
- There is significant difference in employee retention with special reference to SMIORE based on age group.
- There is no significant difference in employee retention with special reference to SMIORE based on educational background.
- There is significant difference in employee retention with special reference to SMIORE based on marital status.
- There is significant difference in employee retention with special reference to SMIORE based on length of service in the present organization.
- There is significant difference in employee retention with special reference to SMIORE based on department.
- There is no significant difference in employee retention with special reference to SMIORE based on organizational hierarchy.
- There is no significant difference in employee retention with special reference to SMIORE based on numbers of organization served before.
- There is significant difference in employee retention with special reference to SMIORE based on total job experience.

**CORRELATION ANALYSIS:**

- There is no significant relationship between rewards and job satisfaction with special reference to SMIORE.
- There is no significant relationship between rewards and employee retention with special reference to SMIORE.

**Regression Analysis:**

- There is contribution of job satisfaction and employee retention on rewards with special reference to SMIORE.

## CONCLUSION:

This organizational exploration involves the use of human respondents from whom or about whom the data are gathered. Since human participants were involved in this study, ethical issues must be taken into consideration. Its major concern put with the ethical concerns raised from the relations between researcher and research respondents in the investigation progression. One of the prime rights of the participants is to know about the information that for what purpose they are collected.

The participants were the organizational employees engaged in the course of the investigation. For the ethical perspective purpose, the researcher cleared the purpose of the research, the procedure of their involvement and the significance of their contribution to each participant. For example, the researcher cleared that the study was designed to gather the information on the employees' job satisfaction. It designed to obtain a greater understanding of the organizational employees' attitudes to their occupation, investigating the issues impact on their job satisfaction and recognizing the latent outcomes of positive or negative job satisfaction in the organization. The researcher also informed the participants that the information is obtained from them are for the sake the research only. But, it is not for any other unethical purpose.

From the above it can be concluded that diverse reward package can influence employees to perform assigned task in an efficient and effective manner. The findings illustrated that reward package should integrate both extrinsic and intrinsic rewards. It should be a combination of several variables not only wages or salary but also recognition, learning opportunities, responsibility, growth, make work challenging and fun, involvement and quality of work life. A reward system can be a cluster of different reward components, but it should be integrated with the organizational business strategy, which means aligning reward practice with both business goals and employee values. The aim of creating an attractive reward strategy is to deliver a distinctive reward programmes that support the achievement of organizational goals as well as to meet the needs of stakeholders, existing reward system by linking performance with the pay, handling the reward communication in a positive manner and maintaining internal equity and external competitiveness.

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