



REWARD IS THE KEY COMPONENT TO EMPLOYEES FOR BOOSTING THEIR ENERGY

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ABSTRACT :

Reward, motivation and performance have a significant relationship. Employees take recognition as their feelings of value and appreciation and as a result, it boosts up the morale of employee which ultimately increases the productivity of organizations.

KEY WORDS: *significant relationship , productivity of organizations , platforms, systems.*



INTRODUCTION:

The rewards system systematically documents the efficiencies of individuals and teams and helps to create a systematic procedure of performance and rewards throughout the organization. Rewards of various kinds motivate employees to take an interest in the job as well as the organization.

WHAT IS REWARD SYSTEM :

Employee reward programs are platforms, systems, or programs that allow employees to recognize their colleagues for their daily efforts, major milestones, and important life events. Employee reward systems make it easy for everyone in the organization to celebrate the work of their colleagues and peers.

TYPES OF REWARD SCHEME:

- 1) Piecework schemes. Under Piecework schemes, a price is paid for each unit of output.
- 2) Individual performance-related pay schemes.
- 3) Group-related performance-related pay schemes.
- 4) Knowledge contingent pay.
- 5) Commissions.
- 6) Profit-related pay.
- 7) Stock option plans.

Some examples of reward management include competitive base pay, bonuses, sick leave and vacation pay, profit sharing, company sponsored health plans, intrinsic rewards, and retirement plans.

An employee can earn a bonus at the end of a pay period on top of their base salary. Employees may also earn other tangible or monetary rewards separate from their pay check. This can include additional paid time off, company lunches or gift cards

The most effective types of rewards vary but often include recognition and appreciation, performance-based bonuses, and opportunities for career growth and development. These rewards tend to motivate employees, boost morale, and drive performance.

COMPONENTS OF TOTAL REWARDS :

Uncovering the Key Elements of a Comprehensive Total Rewards Package, the components of the Total Rewards Model typically include base salary, bonuses, benefits, work-life balance, career development opportunities, and recognition programs.

BENEFITS OF REWARDS:

Having a good reward system helps keep employees happy, loyal to the company, and eager to move up the ladder. Rewards, like public recognition and additional pay, motivate employees to work harder.

They provide both encouragement and recognition that can keep employees happy and increase workplace engagement. In an increasingly competitive market, reward systems can also help organisations to differentiate themselves from their competitors in the hunt for top-quality staff.

Performance-based rewards are an incentive that employees receive based on their work-related contributions to the company rather than their time with the company. Performance-based rewards can take many forms, including stock options, bonuses, and salary increases.

Barriers in reward systems:

- Rewards not understood by people.
- Rewards not linked to company's business.
- Rewards not linked to employee performance.
- Rewards not linked to the job to be performed.
- Rewards not linked to the labour market.
- Rewards not linked to individual employee needs.

What are the best practices for designing and implementing a performance-based reward system?

- 1) Define clear and relevant criteria.
- 2) Choose appropriate and meaningful rewards.
- 3) Communicate and involve your employees.
- 4) Monitor and evaluate the results.
- 5) Adjust and improve the system.
- 6) Follow ethical and legal standards.

What is the role of reward in addiction?

The term reward system describes a group of structures that are activated by rewarding or reinforcing stimuli, such as addictive drugs or alcohol. When the brain is exposed to a rewarding stimulus, it reacts by increasing levels of the neurotransmitter dopamine.

Three components of reward :

Here we briefly highlight findings on three dissociable psychological components of reward: 'liking' (hedonic impact), 'wanting' (incentive salience), and learning (predictive associations and cognitions).

Types of Reward:

Intrinsic rewards and extrinsic rewards are the two main reward systems, each with a different psychological method of achieving organizational goals and receiving reinforcement.

Intrinsic rewards:

Intrinsic rewards are internal, personal, and self-rewarding. This type of reward is independent of outside forces or social obligations.

Extrinsic motivation:

Extrinsic motivation is a motivation that is driven by external rewards. These can be tangible, such as money or grades, or intangible, such as praise or fame.

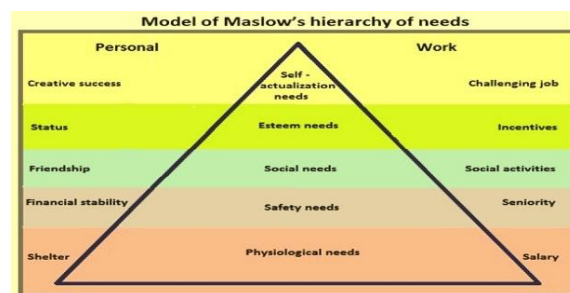
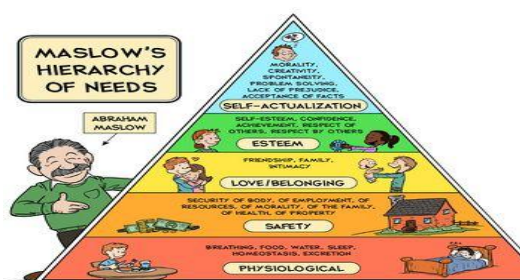
Reward power disadvantages:

It can cost the organization money.

If a reward is based on performance, other employees may become demotivated.

Rewards can lose power over time.

Maslow's hierarchy of needs examples:



Maslow's hierarchy of needs are Physiological needs, Safety needs, Social needs, Esteem needs, Self-actualizations needs. Creative success is linked to highest need of human being and appreciation is the fruit of his work. Reward is the highest need of human being.

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