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# An Employee Perception of Reward System in a Manufacturing Company in Chennai

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**ABSTRACT:** The purpose of the study was to determine how Sarvam Safety Equipment Private Limited employees' opinions of reward management procedures affect their work output. The study looked into how employee performance was affected by monetary incentives, chances for training and growth, and recognition procedures. Data was gathered via self-administered questionnaires. Analysis was conducted using SPSS and a descriptive research approach, utilizing ANOVA and correlation. Tables and percentages were used to display the data. The results showed that the company had a good healthcare insurance plan and pension plan, demonstrating that financial incentives have a big impact on performance. The organization has a clear training strategy and reasonably competent staff, however the selection process for training was unfair. Performance and training impressions were found to be strongly correlated by Pearson correlation. Employee motivation and the work environment were both enhanced by recognition, which made it a strong indicator of performance. The study suggested adopting reward systems, allocating training equitably, and recognizing exceptional workers on a regular basis.

**KEYWORDS:** Employee Perceptions, Financial Rewards, Training and Development, Employee Recognition.

## I. INTRODUCTION

Employee engagement, retention, and workplace satisfaction all rise when workers are rewarded and acknowledged. Including a program for rewards and recognition increases retention, productivity, and engagement. According to one survey, the greatest incentive for employees to produce excellent work is personal acknowledgment. Initiatives for recognition make it very evident that worker contributions are valued. Employee motivation and attention are maintained when excellent performance is rewarded with appealing incentives. These initiatives promote goal-setting over a range of time periods. Launching such initiatives can improve productivity, boost retention, foster a great work environment, motivate employees, express gratitude, and promote competition. A proud corporate culture, employee engagement, teamwork, increased desirability to job searchers, better retention, and a more pleasurable work environment are all advantages of rewards and recognition programs.

Performance, engagement, and motivation are all impacted by how employees view rewards. Productivity and job satisfaction are increased by positive perceptions. Employers need to make sure that incentives are reasonable, significant, and consistent with workers' values. Employee perception describes how workers understand their surroundings, leadership, culture, and experiences, which influences their level of satisfaction and productivity. Feedback on corporate climate, culture, leadership, and employee happiness is gathered through a staff perception survey. This increases engagement by highlighting areas for development and strengths. The anonymous perception survey is one of the best techniques. Strategic decisions to enhance employee happiness and organizational outcomes are informed by these assessments of climate, leadership, communication, culture, values alignment, growth opportunities, recognition, and work-life balance.

## II. LITERATURE REVIEW

Using stratified random sampling, S. Fabiyola Kavitha (2018) investigated how HR practices and perceptions promote employees' job happiness. It is vital for businesses to create accurate perceptions in the minds of their employees since these impressions are shaped by organizational roles, leadership styles, and communication strategies. According to the survey, 38% of workers thought their workplace culture was good, while 12% said it was great.



Data confidentiality is under risk due to growing industry digitization, according to **L. Connolly and M. Lang (2018)**. Humans are the primary source of security breaches and the weakest link in the chain. Their study, which was based on qualitative interviews conducted in the United States and Ireland, discovered that while sociability and task-orientation have a negative impact on customer security behaviour, organizational culture characteristics like solidarity and people-orientation encourage information security compliance.

Few research examine job perceptions and behaviour as intervening variables in the perception-reward-performance relationship, according to **Walid El Leithy (2019)**. A framework linking perception and reward to work-related attitudes and behavior (as intervening factors) and performance (as a dependent variable) was created and tested in this study. Performance is correlated with both work attitudes and behaviour, according to structural equation modelling.

### III. METHODOLOGY

#### Research Design

The research design constitutes the blueprint for the collection, measurement, and analysis of data. Types include exploratory, experimental, and descriptive/diagnostic research designs. This study adopted a descriptive research design.

#### Sample Design and Population

A sample is a subset of the total population, referring to the techniques used in selecting items for the sample, i.e., sample size. The population covers 120 customers of Sarvam Safety Equipment private Limited at Chennai.

#### Sampling Method

Convenience sampling method was adopted.

#### Methodology of Data Collection

A descriptive research method was undertaken. It describes demographic characteristics and determines frequency of occurrence and variable relationships.

#### Sources of Data

**Primary Data:** Collected through questionnaires, processed, and tabulated using graphs and tables.

**Secondary Data:** Enables comparisons between series of data by converting them to a common base using percentages.

#### Tools Used

##### Chi-Square Analysis

A widely used non-parametric test describing the magnitude of discrepancy between theory and observation:

$$\text{Chi - Square} = \frac{\sum (oi - Ei)^2}{Ei}$$

Where oi= Observed frequency, Ei= Expected frequency

#### Correlation

The correlation coefficient (r) ranges from -1 to +1. A value of +1 indicates perfect positive correlation, -1 perfect negative, and 0 no correlation.

$$r = \frac{\sum XY}{\sqrt{(\sum X^2)(\sum Y^2)}}$$

#### ANOVA

ANOVA identifies differences between two or more means using significance tests by comparing between-group and within-group variations:

$$F = \frac{MST}{MSE} \quad \text{Where MST = Mean sum of squares due to treatment, MSE = Mean sum of squares due to error.}$$

#### Simple Percentage Analysis

$$\text{Percentage} = \frac{\text{No.of respondent}}{\text{Total respondent}} \times 100$$



## IV. DATA ANALYSIS AND INTERPRETATION

## CHI – SQUARE ANALYSIS

## NULL HYPOTHESIS

**H<sub>0</sub>:** There is no significance relationship between monthly income of the respondents and satisfaction with monetary benefits provided by the organisation.

## ALTERNATIVE HYPOTHESIS

**H<sub>1</sub>:** There is a significance relationship between monthly income of the respondents and satisfaction with monetary benefits provided by the organisation.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.324E2 <sup>a</sup>	16	.000
Likelihood Ratio	222.129	16	.000
Linear-by-Linear Association	100.665	1	.000
N of Valid Cases	120		

a). 15 cells (60.0%) have expected count less than 5. The minimum expected count is .82.

## RESULT:

The chi-square test results shows an asymptotic significance of 0.000, which is less than 0.05, indicating no relationship between monthly income and satisfaction with monetary benefits. Thus, the null hypothesis (H<sub>0</sub>) is accepted.

## ANOVA

## NULL HYPOTHESIS

**H<sub>0</sub>:** There is no significance relationship between years of experience of the respondents and satisfied working hour in organization.

## ALTERNATIVE HYPOTHESIS

**H<sub>1</sub>:** There is a significance relationship between years of experience of the respondents and satisfied working hour in organization

YEARS OF EXPERIENCE OF THE RESPONDENTS			Sum of Squares	df	Mean Square	F	Sig.
Between Groups	(Combined)		134.801	4	33.700	189.983	.000
	Linear Term	Unweighted	87.333	1	87.333	492.333	.000
		Weighted	128.151	1	128.151	722.447	.000
		Deviation	6.649	3	2.216	12.495	.000
Within Groups			20.399	115	.177		
Total			155.200	119			

**RESULT:**

The analysis shows a positive F-value of 189.983, leading to the acceptance of  $H_1$ . With a P-value of 0.000, which is less than 0.05, there is a significant relationship between the respondents' years of experience and their satisfaction with working hours. The results are significant at the 4% level.

**CORRELATION**

The table shows that the age of the respondents and medical and family welfare schemes provided by the company.

**Correlations**

		AGE OF THE RESPONDENTS	MEDICAL AND FAMILY WELFARE SCHEMES PROVIDED BY THE COMPANY
AGE OF THE RESPONDENTS	Pearson Correlation	1	.901**
	Sig. (2-tailed)		.000
	N	120	120
MEDICAL AND FAMILY WELFARE SCHEMES PROVIDED BY THE COMPANY	Pearson Correlation	.901**	1
	Sig. (2-tailed)	.000	
	N	120	120

**RESULT**

From the output the Correlation test, the value obtained is less than 0.01 interpreted that null hypothesis ( $H_0$ ) is accepted. Thus, there is a significant correlation between age of the respondents and medical and family welfare schemes provided by the company.

**V. SUGGESTIONS**

- To find out talented employees and involve in continuous learning process as Well as to give them environment for continuous learning process so that can update their knowledge and extra skills
- Provide opportunity within the organization for cross – training and career succession. People like to know that they have scope for career movement
- Give opportunity for higher studies. So, they can like their salary, career growth, span of control and promotion also.
- Mentoring and handholding all fresh entrants from day one is important Tasks during this period, they should be familiarized with the culture, vision and mission of the company.

**VI. CONCLUSION**

The study on the impact of promotion and reward policies on employee performance provides key insights into employee satisfaction, motivation, and performance improvement. Using survey and interview methods, the findings highlight both strengths such as high motivation and effective skill development and areas needing improvement, including fairness, transparency in decision-making, and career advancement opportunities. Recommendations include targeted recruitment, educational and skill development programs, improved reward and recognition systems, feedback



culture, and transparent decision-making. Implementing these strategies can enhance employee performance, satisfaction, and organizational success.

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