

Impact of Reward System on Employee Motivation

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The reward is a valuable part of inspiring positive behaviors and cementing values in the organization. These rewards are the most essential thing for every organization, and reward is a huge part of motivating, retaining, and attracting employees. This study examined the impact of rewards on employee motivation in a leading organization in the wholesale and retail industry in Sri Lanka. Based on empirical evidence, there was a research gap of the impact of rewards on employee motivation in the wholesale and retail sector. Furthermore, based on literature findings, pay and benefits were considered financial rewards, and recognition, responsibility, and working environment were considered non-financial rewards. The sample size of the study was 82 the operational level employees in the leading organization in wholesale and retail industry. Simple random sampling was used to select the sample from the population. A standard questionnaire was used to collect data from the sample, which consists of questions based on the five-point-Likert Scale. The findings revealed that there is a significant positive impact of financial rewards and non-financial rewards on employee motivation, and there is a significant positive impact of reward systems on employee motivation. Based on those results, the study has provided some recommendations along with managerial implications for future developments.

Keywords: *Employee Motivation, Financial Reward, Non-financial Reward, Reward System, Wholesale and Retail Industry*

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