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ENHANCING THE IMPORTANCE OF NON-MONETARY APPRECIATION ON EMPLOYEES PERFORMANCE IN BANKING SECTOR

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Abstract

Introducing the theme of human effort motivation is both painless and demanding an act; it is simple for its universality and worldwide acceptance and fairly demanding for feasibly the same reason too. The comfort with which human effort motivation affects humanity is possibly the reason for its complication as a subject. The present study focuses on the phenomenon of appreciation and its possible impact on human motivation to the whole effort. Neuroscience points that, human brain has divided into several regions and they are each responsible for performing various functions. In the centre, the brain sits the reward pathway, which is responsible for leading our feelings of motivation, appreciation, reward and behaviour. Hence, this region of brain that we get an idea of rewards and appreciations that are part of the environment we are working in.

Keywords: Motivation, non-monetary rewards, lower-level employees.

Introduction

“Incentive” plays the key role of motivator in any kind of organization be it production or service sector. It can add to the efficiency level of any employee and create a desire amongst the employees to give their best to the organization by putting in more energy and working with better accuracy. These concepts of “incentive”, “reward” and “recognition” can be aptly applied to any sector be it production or service sector or otherwise banking as well.

Thus, any factors existing in the organization that could affect the performance of the employees cannot be ignored. It is

important for any organization to concentrate on such factors like ability, opportunity and appreciation which affect employee performance. Here, these three factors can be explained as ‘Ability’ being the function of improving educational qualifications of an employee, inculcating skills in him or imparting training and experience to the employee. This will give an employee a wider vision to expand his knowledge base. Similarly, ‘Opportunity’ basically refers to the basic necessary resources and infrastructure like technology and data base required in performing any particular job. Whereas, ‘Appreciation’ is the reason behind the

performance of the human resource provided the rest of the conditions are satisfied.

Within organizational psychology, appreciation connects with rewards and is found to have the common impact of reinforcement. As per the essential extrinsic classification, recognition falls in the essential category of job associated factors. A look at the definitions of extrinsic and essential rewards is imperious at this stage to comprehend the nature of recognition. Extrinsic Reward is defined as a reward, which is external to the behaviour being appreciated, or which is perceived by the subject as not being logically or essentially connected with the thing being appreciated.

As indicated in the earlier section on 'spheres of appreciation', work was identified as one of the chief sources of recognition for the human beings. It is now imperative to describe the different modes of recognition at work, that is, what are the ways one can receive recognition at work environment. Structural rewards are allocated on the basis of the relationship in the organization; everyone receives these appreciations simply by being an employee of the organization. These appreciations are discussed on the basis of the length of service or seniority in the system. It is said that these appreciations are more effective in holding participants within the organization rather than initiating encouraging behaviours from them. Individual appreciation however are administered in relation to the individual effort and performance. These appreciations may differ for different individuals as they are based upon the quality and quantity of individual work and contribution. Appreciation also falls in the two categories of structural and individual; although employees are recognized monetarily also (through bonuses, allowances etc), these are not under the attention of the study.

Non-Monetary Appreciation

Motivating employees can be challenging for any business owner or manager. In some industries, monetary rewards are enough to get the most out of employees, while in other industries, other types of incentives may be more effective. Differences between monetary and non-monetary incentives are simple to distinguish, in some respects, but their impacts on an employee's performance can be somewhat more difficult to measure.

Implementing a non-monetary reward program can build loyalty, culture, and communication between internal networks while it reduces conflict and conflict-related competitiveness between management and staff-all at little cost to the company. In some cases, events, conference bookings, the printing of certificates (or ordering of plaques) and scheduling time off for deserving staff can be planned and executed outside of staff time. Providing avenues for employee loyalty, respect, communication and recognition has become a hallmark for the best companies that employees can work for, but you don't have to be the biggest fish in the pond to stand out as one of the most sought-after employers out there.

Source of Appreciation

The source of appreciation is thus an important condition for employees in respecting the recognition that is received. Foa and Foa's (1974) resource theory suggests that the value of a resource is influenced by the people involved in the exchange of that resource. This is basically true for the centering rewards like love, status and information. That is to say the person involved in conveying appreciation plays an important role in determining employee's perception of recognition. Various sources of recognition in a work setting might be the top managers, the senior, assistants, the peers and other stakeholders like the shareholders, customers, clients etc.

Types of Non-monetary Appreciation

Security of Service: Job security gives immense motivation to human resources. If an employee has a secured job, he will put utmost hard work to accomplish the aims and goals of the organization. It also helps because he has a security of job hence he is away from mental tension and can perform his best for his organization.

Appreciation or Recognition: The appreciation or recognition is also a form of non- financial motivation and satisfies the ego needs of the workers. At times praise turns out to be more effectual than any other incentive. In the response of praise or in the expectation of getting praise and recognition employees will attempt to provide their best of abilities for the organization.

Suggestion Scheme: The managers/superiors have to gaze to the fore to ask for proposals as well as invite idea and plans from the

subordinates, which will induce a feeling of partaking and contribution among the workforce. This task can be attained by various articles written by the workforce of an organization to improve the work culture and surroundings which can be published in various magazines of the company. This will surely motivate the employees and make them feel valued in the organization and they keep on searching for different inventive ways which can be applied for development of the firm. This eventually facilitates in growing of business and adapting new means of working.

Job Enrichment: Job enrichment is another non- monetary reward wherein the work of an employee can be enriched. This includes increase in responsibilities, giving away the employee an important designation, increase in substance or type of the job. With the help of this way of rewarding employees, capable workers can get demanding and tough jobs in which they can show their value.

Promotion Opportunities: Promotion is a very helpful and effectual device to boost the enthusiasm to perform in any firm. If the recruits are offered with the prospects for the progression as well as development, it will please and relax them and turn them into extra dedicated towards their workplace. The non-pecuniary means mentioned above can be structured successfully by paying proper attention towards the participation of recruits. A blend of fiscal and non- fiscal rewards helps collectively in bringing encouragement and eagerness to work in a firm.

Flexible Hours or Time Off: It's compulsory for recruits to abide by the superiors; however, if only superiors get all the say, employees will straight away sense the restriction. Personnel at any firm or organization need an area where they can discuss their viewpoints and thoughts, and also the autonomy to be flexible with the approaches they have to use to resolve divergence as well as tribulations. Flexibility can also be viewed in terms of working hours. The majority of the working populace has families or kids and bigger personal responsibilities. Liberty to perform their task at a pace in accordance with their convenience will let them handle all their responsibilities in time (both at house as well as at the place of work).

Recognition: Every person on earth wants to get the recognition, but still a number of personnel have not even given a pat on the

back or a handshake by their superiors. Recognition has various forms for example an unofficial admiration party for all the employees who have excelled in their respective works for a given month, employee of the month award, a letter or E-mail of appreciation, recognition for the work done in front of colleagues etc.

Training and Professional Development: Proper and timely training creates a room for the employees to rise and they don't feel trapped in a regular and sometimes monotonous work. The trained employees can now take and combat easily with much bigger challenge. Trainings provide a positive kind of strain, something that inspires personnel to force themselves to the extent which makes them pretty aware about their own strong and weak points. Trainings must always be in accordance with the job as well as career trail the worker desires to acquire or else, they would not be able to utilize the knowledge to the best. Hence before organizing training schedules skill assessment must be conducted.

Belongingness: Illness is just one of the smallest reasons for non-attendance in office. It is in fact clashes and politics at the place of work are some of the main reasons which generate a feeling of hatred in personnel about their workplace and restrict them coming to office. However the majority of recruits value the superior-subordinate relationship, it is also imperative to them that they can feel a sense of amity and belongingness.

Health Savings or Retirement Plan: Health benefits are often a major consideration for employees as they look at jobs on the market. Offering expanding or expandable health programs can go a long way to advancing the retention of those employees as they continue to provide value to the company. Health plan consultants can provide options for creating health plan tiers for long-time workers.

Staff Recognition Program / Event: Staff recognition continues to be one of the most overlooked reward methods. It's understandable, considering the dizzying pace that many companies need to maintain in order to remain competitive. But a recognition program does not need to be a formalized process. A well-implemented recognition of staff through informal praise or mention in a company newsletter can provide the same benefit without taxing the already-stretched workflow. If a more formal recognition plan is

warranted, a staff event (barbecue or social event with families) complete with verbal praise can close out the quarterly earnings, keeping the morale high enough to last through the next reporting period.

Contribution Program: Front-line employees know that it will be some time before they are able to sit at the table where key decisions are made. Management may recognize that it is the observations of those on the front lines who can report trends as they appear in the marketplace. Creating a contribution program for general staff and management to engage with each other can help to narrow the chasm that can lie between them. Successful examples of contribution programs include in-house lunches with both staff and management sharing the tables, where the needs of staff and the needs of management can be aired in a casual, relaxed setting.

Informal Contact among Staff: Set lunches between staff can be useful, but cannot be a constant. Companies with shoestring social budgets can choose more informal contact methods between management and staff. Management can opt for casual walk-throughs to engage in cordial conversations with individual staff members. Another practice is having management take small groups of staff for coffee outside of the office. This can help to ease out of the formality of the workplace while still allowing for the flow of needs and ideas.

Independence and Autonomy: Although this may be the most difficult element to implement, autonomy is seen as one of the strongest morale boosters among workers. An independent workforce can function with the creativity and flexibility of a contracted workforce, with all of the advantages of in-house staff. Regular "assignments" (jobs broken up into phases) can be treated individually and the goals and expectations for both the staff and the company can be laid out at commencement and completion of each assignment. This gives staff considerable opportunity for communication as it breeds creativity among the workforce.

Merits of Non-Monetary Appreciation

➤ These reward proposals can be related more to workers commitment as they can be coupled with important as well as desired behaviours and incorporated with an overall incentive matter.

- With non-pecuniary stimulus plans one can reward the employees almost in no time and without even submitting any requests with the payroll panel and waiting for the payment of monthly wages of the employee.
- Uncomplicated stuff such as a "thank you" well in time or little rewards in front of everyone at office are able to generate a zealous, hard-working group that is very much dedicated to rising and developing the corporation.
- By conducting proper reward and recognition programs by means of third party suppliers businesses will be able to preserve money on the cost of days out, trophies and vouchers.

Conclusion

Non-monetary incentives are effective to encourage workforce for their hard work by facilitating them with new prospects for training, elastic job schedules, improved work environments and sabbaticals. At the time of deciding incentives, organizations have to think about the recruits for the one the enticements are produced. Selecting a good equilibrium among non-monetary and monetary incentives is supposed to produce a better agreeable curriculum to deal with the assorted benefit as well as desires of human resources.

Though, money is not a big mode of motivation. When fundamental aspects like just and adequate pay are in place, the additional improvement in performance by providing with pecuniary spur is minimal, and non-pecuniary incentives subsequently turn out to be superior stimulus. These may include- "achievement, recognition, the intrinsic nature of the work itself, autonomy, opportunity for growth and advancement". As an example, 3M and Google offer free time to their human resources in order to make the employees to use up the office time on particular favourite assignment they are zealous to pursue.

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