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## **A STUDY ON EMPLOYEES PROMOTION AND REWARD POLICIES AT AAVIN PRODUCTION PLANT SALEM**

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### **Abstract**

*Employees promotion reward policies play a crucial role in shaping organizational culture, employee motivation, and overall productivity. This study delves into the various dimensions of promotion reward policies, examining their impact on employee satisfaction, retention, and organizational performance. Through a comprehensive literature review and empirical analysis, this research seeks to identify the key factors influencing the design and implementation of promotion reward policies. Additionally, it aims to explore the relationship between promotion reward policies and employee engagement, career advancement opportunities, and organizational justice. By shedding light on best practices and potential pitfalls, this study offers valuable insights for HR practitioners and organizational leaders striving to optimize their promotion reward strategies for enhanced employee satisfaction and sustainable growth.*

**Keywords:** *Employee engagement, Career advancement opportunities, Organization justice, Potential pitfalls.*

### **INTRODUCTION**

Promoting employees shows employees that you value them while also setting up the company for future success. Selecting the best employees for promotions requires careful thought, consideration and planning. In this article, we discuss the importance of promotions, the different methods of promoting employees and when and how to promote employees. Promotions give your best employees a reason to stay with you. By recognizing their talent and providing them with a new challenge, they may be content and uninterested in exploring other employment opportunities. Also, a promotion may make them more loyal to your company, which also decreases the likelihood they will leave.

### **OBJECTIVES OF THE STUDY**

- To study the employees' promotion and reward policies at Aavin production plant.
- To evaluate existing promotion and reward policies at Aavin Production Plant, Salem.
- To identify employee perceptions and satisfaction levels regarding current policies.
- To identify the training needs of employees for professional development.

### **NEED OF THE STUDY**

- Examining employee satisfaction through surveys, leadership development opportunities facilitated by promotion policies and performance feedback system.
- Considering external factors such as market dynamics and regulatory changes is also important to ensure the organization remains competitive and attractive to talent.

- The study would explore the broader implications of the policies on organizational culture and long-term sustainability, providing valuable benchmarks against industry best practices.

### SCOPE OF THE STUDY

The scope of the study involves a thorough examination of the employees' promotion and reward policies at the Aavin production plant in Salem. This investigation will encompass an in-depth analysis of the existing policies, focusing on the criteria and processes for employee promotions, as well as the frameworks for recognizing and rewarding employees. The study aims to provide insights into the fairness, transparency, and effectiveness of the current promotion and reward mechanisms. It will explore how these policies align with employee performance, job satisfaction, and overall organizational objectives.

### LIMITATION OF THE STUDY

- Limited access to detailed information about Aavin's promotion and reward policies due to confidentiality agreements or corporate policies.
- Variability in the availability and completeness of data related to employee promotions and rewards within the organization, potentially affecting the comprehensiveness of analyses.
- The narrow focus on Aavin production plant in Salem as a case study may limit the generalizability of findings to other organizations or industries.

### REVIEW OF LITERATURE

**Siddhartha & Lusyana (2023)** Working behaviour of employees is relating to perceptions of employees in perception of work environment, team work, role need to be performed. The leadership of any organization may not influence perception of employees without knowing what is needed by employees. Workplace satisfaction can be provided through understanding the motivation is inside employees. The perception of the hotel employees towards their reward system of the one and two star rated hotels is negative.

**Ayesha Binte Safiullah (2022)** From this study it can be inferred that it is not just one factor, for example it is not just monetary rewards which motivate an employee, though monetary compensation is the physiological factor to the employees. This essentially says that the employees need to be motivated with the content of their job. That is the employees in any organization need to be constantly provided with opportunities for learning new skills so that they do not feel monotonous. They should be motivated to use the acquired skills on their job. The organizations need to provide challenging opportunities to the employees.

**Pinto & dos Santos (2021)** Every employee needs a good salary package along with other benefits such as bonuses, allowances, medical claims, etc. But with the corona infection everywhere, the created lockdown situation is making the work progress slow and hard for the employees. Employees are working through internet calls and online video conferences for completing their projects and employees are losing interest because of working in a home environment. But still, the firm is doing its best to provide monetary and non-monetary rewards to keep the employees motivated. Employees are credited with their agreed salaries to their bank accounts to keep the continuous flow of work.

### RESEARCH METHODOLOGY

**Research design:** Descriptive method research design

**Sampling Techniques:** Simple random sampling

**Sample size:** The sample size is 139 respondents

**Tools used for analysis:** Simple percentage analysis, Chi-square, Correlation

### DATA ANALYSIS AND INTERPRETATION:

#### a) Simple percentage analysis

The analysis delves into respondent demographics, job satisfaction, and organizational perceptions. It reveals a male majority (51%) with a significant presence in the 25-30 age group (29%) and HSC-educated individuals (36%). Most respondents had 5-10 years of experience (35%) and earned above Rs. 25,000 monthly (39%). There's strong agreement on promotion criteria (85%) and satisfaction with rewards (87%). While many find reward policies fair (87%) and are content with promotion policies (47%), there's neutrality regarding working hours (41%) and training program effectiveness (46%). Improving aspects like working hours and training could enhance overall employee experience, despite generally high satisfaction with rewards and promotions.

b) **Chi-square analysis:** Relationship between gender and perception of promotion criteria..

Chi-square Test	Value	DF	p-value
Pearson	9.417 <sup>a</sup>	4	.051
Likelihood	9.564	4	.048
Linear-by-Linear	3.629	1	.057

**Interpretation:** There is no significant relationship between gender of the respondents and perception of promotion criteria.

c) **Correlation Analysis:** Relationship between educational qualification and equity of promotion and reward policies.

Correlation Test	Value	Approx. T	Approx. Sig.
Pearson's R	0.070	1.001	0.318
Spearman's $\rho$	0.081	1.160	0.247

**Interpretation:** There is no significant variable between educational qualification and equity of promotion and reward policies.

## FINDINGS

### a) Simple percentage analysis

The survey results depict a workforce where males comprise the majority at 51%, with the largest age group falling between 25-30 years (29%). Educational qualifications predominantly consist of HSC (36%), while a significant portion (35%) boast 5 to 10 years of work experience and earn above 25000 monthly (39%). Impressively, 85% perceive promotion criteria as transparent, and 87% are satisfied with reward systems. Recognition for commendable work, deemed promotion-worthy by 35% of respondents, underscores a desire for acknowledgment and advancement. Satisfaction levels vary, with 45% rating participation as good, and opinions on training programs split. Notably, 90% believe promotions are merit-based, and 40% strongly agree with the organization's work methods. Moreover, 60% express contentment with monetary benefits and medical/family welfare schemes. A majority (83%) received promotions in the last six months, and 88% are highly motivated by rewards. This comprehensive overview suggests a generally positive employee sentiment, highlighting areas of satisfaction and areas for potential enhancement.

### b) Chi-square test

There is no significant relationship between gender of the respondents and perception of promotion criteria.

### c) Correlation

There is no significant variable between educational qualification and equity of promotion and reward policies.

## SUGGESTIONS

- Introduce flexible work policies, such as remote work options or flexible scheduling, to accommodate diverse needs and preferences, including those related to age and family responsibilities.
- Establish regular performance feedback mechanisms, including 360-degree feedback processes, to provide employees with actionable insights for improvement and growth.
- Review and enhance the organization's benefits package to include a comprehensive range of benefits, such as health insurance, wellness programs, and financial assistance, to support employees' overall well-being.
- Implement initiatives to promote work-life balance, such as wellness programs, stress management workshops, and employee assistance programs, to support employees in managing their personal and professional responsibilities.

## CONCLUSION

The analysis of demographic characteristics, perceptions, and associations within the surveyed population sheds light on key factors influencing organizational dynamics. While the majority of respondents were male, the distribution across age groups, educational qualifications, years of experience, and income levels varied significantly, reflecting the diverse composition of the workforce. However, the findings also reveal discrepancies in perceptions, particularly regarding the

correlation between the belief in merit-based promotions and the perceived fairness of promotion and reward policies. Addressing these disparities requires a multifaceted approach, including further investigation into the associations observed and the implementation of targeted interventions to foster inclusivity, address employee concerns, and promote a more equitable workplace environment.

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