International Journal of Scientific Research and Engineering Development-– Volume 9 Issue 6, Nov – Dec 2026
Available at www.ijsred.com

RESEARCH ARTICLE OPEN ACCESS

A Study on The Impact of Rewards and Recognition on Employee Performance in it Sectors with Special Reference to Coimbatore South

[1]Dr.R. Murugalakshmi, [2]Sudhakar S
[1]Associate professor, Department of Commerce
[2]Student, PG Department of Commerce, VLB Janakiammal College of Arts and Science, Coimbatore-641042. Tamilnadu , India

----------**********----------

Abstract
Rewards and recognition are important human resource management practices used to motivate employees, acknowledge contributions and encourage desired workplace behaviour. In IT sectors, where organisations depend on employee knowledge, collaboration, service quality and timely delivery, a well-designed reward and recognition system may influence motivation, job satisfaction, productivity and employee retention. Rewards may include monetary incentives, salary increments, promotions and benefits, while recognition may include manager appreciation, awards and acknowledgement of achievements. This study examines the perceived impact of rewards and recognition on employee performance in IT sectors, with special reference to Coimbatore South. It considers employee awareness of reward policies, fairness, preferred reward types, motivation, perceived productivity, job satisfaction and intention to stay. A descriptive research design and structured questionnaire are proposed. The tables contain an illustrative dataset of 50 responses to demonstrate the analysis format. These figures are simulated and must be replaced with actual questionnaire results before the study is presented as empirical research.

Keywords: Rewards, recognition, employee performance, motivation, job satisfaction, IT sector, Coimbatore South, human resource management.

----------**********----------

I. INTRODUCTION

Employees are a major resource for organisations because their knowledge, skills, effort and cooperation influence organisational performance. Human resource management practices seek to attract capable employees, motivate them, support development and retain talent. Rewards and recognition are two practices used to communicate appreciation and encourage employees to contribute towards organisational goals.

Rewards generally refer to financial or non-financial returns given in response to work, performance or contribution. Examples include bonuses, incentives, salary increments, promotions, benefits and development opportunities. Recognition refers to acknowledging an employee's effort, achievement or behaviour, formally through awards or informally through timely appreciation.

In IT sectors, work can involve project deadlines, changing technologies, client expectations, teamwork and continuous learning. Employees may value salary and incentives as well as fair treatment, career growth, flexibility, feedback and acknowledgement. If rewards are perceived as unfair or recognition is inconsistent, motivation and satisfaction may be affected.

1.1 BACKGROUND OF THE STUDY

Reward and recognition systems communicate which contributions and behaviours are valued. Monetary rewards may provide direct financial motivation, while recognition can reinforce achievement, belonging and appreciation. Effectiveness may depend on fairness, transparency, timing, consistency and the connection between performance and reward.

1.2 STATEMENT OF THE PROBLEM

IT organisations need motivated and productive employees. However, rewards and recognition may not always be perceived as fair, timely or linked to performance. Limited

 ©IJSRED: All Rights are Reserved

recognition, unclear criteria or rewards that do not match expectations may reduce their value. This study examines employee perceptions and how these practices relate to motivation, productivity, job satisfaction and intention to stay.

1.3 NEED OF THE STUDY

The study helps identify which reward and recognition practices employees value and whether they perceive them as supporting performance. Findings may help HR professionals review reward criteria, improve recognition and strengthen employee communication.

1.4 SCOPE OF THE STUDY

The study covers employees in IT-related sectors, including IT services, software development/testing, IT support, BPO and operations, with special reference to Coimbatore South. It examines awareness, reward types, fairness, satisfaction, motivation, productivity and retention intention. Tables use 50 simulated responses and do not represent verified local findings.

1.5 OBJECTIVES OF THE STUDY

• To study demographic and employment profiles of IT-sector respondents.
• To identify rewards and recognition preferred by employees.
• To examine perceived fairness and transparency of reward systems.
• To assess perceived relationships between rewards, recognition, motivation and performance.
• To understand perceived effects on job satisfaction and intention to stay.
• To suggest improvements to reward and recognition practices.

1.6 HYPOTHESES OF THE STUDY

H_{01}: There is no significant association between perceived recognition and self-reported motivation.
H_{11}: There is a significant association between perceived recognition and self-reported motivation.
H_{02}: There is no significant association between perceived fairness of rewards and overall reward satisfaction.
H_{12}: There is a significant association between perceived fairness of rewards and overall reward satisfaction.
H_{03}: There is no significant association between rewards/recognition and intention to stay.
H_{13}: There is a significant association between rewards/recognition and intention to stay.
These hypotheses require respondent-level data and appropriate statistical tests; frequency tables alone cannot establish significance or causation.

1.7 RESEARCH METHODOLOGY

Research design: Descriptive research design.
Sources of data: Primary data should be collected through a structured questionnaire; secondary drawn from HR books and academic publications.
Sampling method: Convenience sampling may be used if respondents are recruited based on accessibility; confirm the actual method.
Sample size: 50 respondents. Tables here are simulated examples and must be replaced with actual survey counts.
Area of study: Coimbatore South; include eligible respondents who fit the stated geographic and employment criteria.
Data collection tool: Structured questionnaire.
Data analysis: Frequency and percentage analysis, tables and interpretation. Inferential tests require raw responses.
Period of study: Insert actual data-collection dates.
Limitations of the Study
• Illustrative figures are simulated, not actual findings.
• The study measures perceptions and may not independently verify objective performance indicators.
• Responses may vary by role, organisation, salary, experience and policy.
• Convenience sampling may limit generalisability.
• Conclusions must be based on verified responses from the stated study area.

II. REVIEW OF LITERATURE

Meena, Girija and Visagamoorthi (2019) Meena, Girija and Visagamoorthi conducted a study titled "Influence of Rewards and Recognition on Employees' Motivation and Job Performance: Path Analysis Approach." The study examined the relationship between rewards, recognition, employee motivation and job performance. It highlighted the importance of implementing suitable reward and

 ©IJSRED: All Rights are Reserved

recognition practices to improve employee motivation and workplace performance. This study is relevant to the present research because it provides a foundation for examining how rewards and recognition influence employee performance in IT companies.

Hussain et al. (2019) Hussain, Khaliq, Nisar, Kamboh and Ali conducted a study titled "The Impact of Employees' Recognition, Rewards and Job Stress on Job Performance: Mediating Role of Perceived Organization Support." The study investigated the effects of employee rewards, recognition and job stress on job performance. The findings indicated that rewards and recognition positively influenced employee performance, whereas job stress had a negative effect. Perceived organisational support played an important mediating role in these relationships. The study suggests that organisations should combine effective reward systems with a supportive work environment to improve employee performance.

Khera and Gulati (2015) Khera and Gulati conducted a study titled "Reward System and TKSb of Employees of IT Organisations: An Empirical Study." The research examined the role of reward systems in tacit knowledge-sharing behaviour among employees in Indian IT organisations. It considered monetary and non-monetary rewards and their relationships with organisational, project-related and skill-related knowledge sharing. The study highlights the importance of reward systems in encouraging employees to share professional knowledge and experience. Its findings are relevant to IT companies because knowledge sharing and collaboration can contribute to better team performance.

2.1 RESEARCH GAP

The literature addresses reward systems, intrinsic motivation, recognition and fairness. This study combines these themes in a local questionnaire framework for IT sectors with special reference to Coimbatore South. It examines reward preferences, fairness, motivation, performance perceptions, job satisfaction and intention to stay. Actual responses are needed to draw conclusions about the selected employee group.

III. THEORETICAL FRAMEWORK

Rewards and Recognition is an important aspect of Human Resource Management in order to encourage employees to perform better. The conceptual framework gives an overview on how Rewards and Recognition can impact the performance of employees in the Information Technology industry. Employees within IT companies are expected to deliver projects on time, maintain a high standard, increase their technical knowledge and work well with others. Giving appropriate financial rewards, incentive, promotion and non-financial recognition can encourage employees to achieve these goals. This study will use existing motivational theories to explain how rewards and recognition can have an impact on the performance of employees within IT companies in Coimbatore South.

IV.DATA ANALYSIS AND INTERPRETATION:

Table 1. Demographic Profile of Respondents

Variable	Response category	No. of respondents	Percentage
Gender	Male	28	56.0%
Gender	Female	21	42.0%
Gender	Prefer not to say	1	2.0%
Age	Below 25 years	14	28.0%
Age	25–30 years	21	42.0%
Age	31–40 years	11	22.0%
Age	Above 40 years	4	8.0%
Education	Undergraduate	19	38.0%
Education	Postgraduate	22	44.0%
Education	Professional / other	9	18.0%
Work experience	Below 1 year	8	16.0%

 ©IJSRED: All Rights are Reserved

Work experience	1–3 years	17	34.0%
Work experience	4–6 years	13	26.0%
Work experience	Above 6 years	12	24.0%

Interpretation: The illustrative profile includes 56% male respondents, 42% female and 2% preferring not to say. The largest age group is 25–30 years (42%); postgraduates account for 44%, and 1–3 years is the largest work-experience group (34%).

Table 2. Employment and Rewards/Recognition Awareness

Variable	Response category	No. of respondents	Percentage
IT role	IT services	21	42.0%
IT role	Software development / testing	12	24.0%
IT role	IT support / BPO / operations	10	20.0%
IT role	Other IT-related role	7	14.0%
Employment status	Full-time	43	86.0%
Employment status	Contract / temporary	5	10.0%
Employment status	Other	2	4.0%
Awareness of reward policies	Very aware	12	24.0%
Awareness of reward policies	Somewhat aware	25	50.0%
Awareness of reward policies	Not sure	9	18.0%
Awareness of reward policies	Not aware	4	8.0%
Recognition received in past 12 months	Frequently	11	22.0%
Recognition received in past 12 months	Sometimes	24	48.0%
Recognition received in past 12 months	Rarely	10	20.0%
Recognition received in past 12 months	Never	5	10.0%

Interpretation: IT services is the largest role category (42%). Most respondents are full-time employees (86%). A combined 74% are very or somewhat aware of reward policies, and 70% report receiving recognition frequently or sometimes.

Table 3. Types and Perceived Fairness of Rewards

Variable	Response category	No. of respondents	Percentage
Most motivating reward	Monetary bonus / incentive	18	36.0%
Most motivating reward	Salary increment	12	24.0%
Most motivating reward	Promotion / career opportunity	8	16.0%
Most motivating reward	Public appreciation / award	7	14.0%
Most motivating reward	Training / flexible benefits	5	10.0%
Fairness of reward allocation	Very fair	7	14.0%
Fairness of reward allocation	Fair	20	40.0%
Fairness of reward allocation	Neutral	13	26.0%
Fairness of reward allocation	Unfair	8	16.0%

 ©IJSRED: All Rights are Reserved

Fairness of reward allocation	Very unfair	2	4.0%
Satisfaction with recognition	Very satisfied	8	16.0%
Satisfaction with recognition	Satisfied	19	38.0%
Satisfaction with recognition	Neutral	13	26.0%
Satisfaction with recognition	Dissatisfied	8	16.0%
Satisfaction with recognition	Very dissatisfied	2	4.0%

Interpretation: Monetary bonuses/incentives are the most selected motivating reward (36%). A combined 54% consider reward allocation fair or very fair, while 54% are satisfied or very satisfied with recognition.

Table 4. Impact on Motivation and Employee Performance

Variable	Response category	No. of respondents	Percentage
Rewards motivate me to work better	Strongly agree	16	32.0%
Rewards motivate me to work better	Agree	22	44.0%
Rewards motivate me to work better	Neutral	8	16.0%
Rewards motivate me to work better	Disagree	3	6.0%
Rewards motivate me to work better	Strongly disagree	1	2.0%
Recognition increases my motivation	Strongly agree	18	36.0%
Recognition increases my motivation	Agree	21	42.0%
Recognition increases my motivation	Neutral	7	14.0%
Recognition increases my motivation	Disagree	3	6.0%
Recognition increases my motivation	Strongly disagree	1	2.0%
Rewards encourage productivity	Strongly agree	14	28.0%
Rewards encourage productivity	Agree	23	46.0%
Rewards encourage productivity	Neutral	9	18.0%
Rewards encourage productivity	Disagree	3	6.0%
Rewards encourage productivity	Strongly disagree	1	2.0%
Recognition improves job satisfaction	Strongly agree	17	34.0%
Recognition improves job satisfaction	Agree	20	40.0%
Recognition improves job satisfaction	Neutral	9	18.0%
Recognition improves job satisfaction	Disagree	3	6.0%
Recognition improves job satisfaction	Strongly disagree	1	2.0%

Interpretation: A combined 76% agree or strongly agree that rewards motivate them to work better. 78% agree or strongly agree that recognition increases motivation, and 74% agree or strongly agree that rewards encourage productivity.

Table 5. Performance, Retention and Organisational Commitment

Variable	Response category	No. of respondents	Percentage
Rewards improve quality of work	Strongly agree	13	26.0%
Rewards improve quality of work	Agree	24	48.0%
Rewards improve quality of work	Neutral	9	18.0%
Rewards improve quality of work	Disagree	3	6.0%

 ©IJSRED: All Rights are Reserved

Rewards improve quality of work	Strongly disagree	1	2.0%
Recognition makes me feel valued	Strongly agree	19	38.0%
Recognition makes me feel valued	Agree	20	40.0%
Recognition makes me feel valued	Neutral	7	14.0%
Recognition makes me feel valued	Disagree	3	6.0%
Recognition makes me feel valued	Strongly disagree	1	2.0%
Rewards influence intention to stay	Strongly agree	12	24.0%
Rewards influence intention to stay	Agree	21	42.0%
Rewards influence intention to stay	Neutral	11	22.0%
Rewards influence intention to stay	Disagree	5	10.0%
Rewards influence intention to stay	Strongly disagree	1	2.0%
Overall satisfaction with rewards	Very satisfied	7	14.0%
Overall satisfaction with rewards	Satisfied	20	40.0%
Overall satisfaction with rewards	Neutral	14	28.0%
Overall satisfaction with rewards	Dissatisfied	7	14.0%
Overall satisfaction with rewards	Very dissatisfied	2	4.0%

Interpretation: A combined 74% agree or strongly agree that rewards improve work quality, and 78% say recognition makes them feel valued. 66% agree or strongly agree that rewards influence intention to stay. Overall reward satisfaction is mixed.

Table 6. Challenges and Suggestions for Improvement

Variable	Response category	No. of respondents	Percentage
Main concern about rewards	Unequal / unfair distribution	15	30.0%
Main concern about rewards	Rewards not linked to performance	11	22.0%
Main concern about rewards	Insufficient reward value	10	20.0%
Main concern about rewards	Lack of timely recognition	9	18.0%
Main concern about rewards	Unclear policy	5	10.0%
Preferred recognition method	Personal appreciation from manager	13	26.0%
Preferred recognition method	Public recognition / award	10	20.0%
Preferred recognition method	Cash bonus / incentive	14	28.0%
Preferred recognition method	Promotion / development opportunity	8	16.0%
Preferred recognition method	Flexible benefits	5	10.0%
Most useful improvement	Clear and transparent criteria	16	32.0%
Most useful improvement	More frequent recognition	12	24.0%
Most useful improvement	Better monetary rewards	10	20.0%
Most useful improvement	Career development opportunities	7	14.0%
Most useful improvement	Employee feedback / participation	5	10.0%

Interpretation: Unequal or unfair distribution is the most frequently selected concern (30%). Cash bonuses/incentives are the most preferred recognition method (28%). Clear and transparent criteria are the most selected improvement (32%).

V. FINDINGS

- Largest age group in the illustrative sample is 25–30 years (42%).
- Postgraduates account for 44%; 34% report 1–3 years of work experience.
- 74% are very or somewhat aware of reward policies.
- Bonuses/incentives are the most selected motivating reward (36%).
- 54% rate reward allocation fair or very fair; 54% are satisfied or very satisfied with recognition.
- 76% agree or strongly agree that rewards

 ©IJSRED: All Rights are Reserved

motivate better work.
• 78% agree or strongly agree that recognition increases motivation.
• 78% report recognition makes them feel valued; 66% say rewards influence intention to stay.
• Transparent reward criteria are the most selected improvement (32%).
These are simulated example results only and must be recalculated after actual data collection.

VI. SUGGESTIONS

- Establish clear and transparent reward criteria.
- Link rewards to measurable performance, contribution, teamwork and quality.
- Provide timely recognition and explain which contributions are valued.
- Use a balanced mix of financial and non-financial rewards, including bonuses, salary progression, development and flexible benefits.
- Train managers to provide specific, fair and respectful recognition.
- Review reward allocation periodically and explain decisions clearly.
- Invite employee feedback when designing reward programmes.
- Evaluate outcomes using employee feedback, satisfaction, retention indicators and suitable performance measures.

VII. CONCLUSION

Rewards and recognition may influence employee motivation, satisfaction and willingness to contribute to organisational goals. In IT sectors, employees may value monetary incentives as well as appreciation, fair treatment, career development and transparent decision-making. This project provides a questionnaire framework for examining these factors with special reference to Coimbatore South. The six tables contain illustrative 50-response distributions only and should not be presented as actual survey results. After collecting verified responses from 50 eligible employees, update the counts, percentages, interpretations and conclusions. Organisations may strengthen reward systems through clear criteria, timely recognition, suitable reward choices and employee feedback.

REFERENCES

1. Armstrong, M., & Taylor, S. (2023). Armstrong's Handbook of Human Resource Management Practice. Kogan Page.
2. Deci, E. L., Koestner, R., & Ryan, R. M. (1999). A meta-analytic review of experiments examining the effects of extrinsic rewards on intrinsic motivation. Psychological Bulletin, 125(6), 627–668. https://doi.org/10.1037/0033-2909.125.6.627
3. Bradler, C., Dur, R., Neckermann, S., & Non, A. (2016). Employee recognition and performance: A field experiment. Management Science, 62(11), 3085–3099. https://doi.org/10.1287/mnsc.2015.2291
4. Colquitt, J. A. (2001). On the dimensionality of organizational justice: A construct validation of a measure. Journal of Applied Psychology, 86(3), 386–400. https://doi.org/10.1037/0021-901
5. 0.86.3.386

 ©IJSRED: All Rights are Reserved