

News

Recognising achievements crucial to boost employee morale: Study

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A study conducted by TJinsite, research and knowledge arm of TimesJobs.com, revealed that nearly 45% of the organisations give monetary reward to achievers. Salaries are the delivery mechanism. About half of those surveyed said that the performance and time on the job determined the salary at any position. This was lower than average in the IT industry.

In the highly competitive IT industry, competitive pay structure for the job determined the pay scale or range for a job in the organisation. About 15% used the incentive of no caps on the salary for a superior performer.

The basic principle behind the concept of rewards and recognition in a performance management process is that all behaviour is governed and controlled by the consequences. These consequences can be both informal (as in public recognition) and formal (as in an award) and positive for achievers or negative (for underperformers).

However, with changing market dynamics and increasing competition employers are thinking beyond the obvious compensatory benefits. While this is a hygiene factor that needs to be addressed, there is scope for much more important areas considering an individual's growth aspirations. It is equally important to have transparent and process driven feedback system to assess employees' performance and relative grading in order to bring out the best in them", articulated Nikul Shah, President Global HR & Corporate Services, Omnitech InfoSolutions Ltd, in an exclusive conversation with TJinsite (knowledge and research arm of TimesJobs.com).

Interestingly, the course of action followed when the performance is below expectations. Reward strategies are focused on non-monetary, softer aspects for under/non-performers. According to TimesJobs.com survey, underperforming employees are rehabilitated by providing them with training (35%) or by mutually defining an improvement plan, pointed out the TimesJobs.com survey. In, only a very low percentage of organisations, about 10% are fired. About 20% of the organisations assign them to a different role.

However, a more sustainable and long-lasting solution to this challenge is provided by a continuous monitoring and feedback system provides the solution to this challenge. Industry experts feel that an ongoing constructive feedback helps employees know well-in-time where they stand and how to improve in a collaborative and encouraging manner.