

REWARD SYSTEMS AS DRIVERS OF EMPLOYEE MOTIVATION AT NCC LTD

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ABSTRACT: This research delves at the incentive programs implemented by NCC Ltd., a prominent Indian infrastructure and construction firm, to maintain employee motivation. In this study, we compare the efficacy of monetary and non-monetary incentives. Financial incentives come in many forms, including compensation structures, bonuses, and incentives based on performance. Praise, chances to further one's career, and a supportive work environment are all examples of non-monetary benefits. The research draws on data collected from both operational and managerial staff in addition to popular ideas of employee motivation. Despite the high levels of stress, the results demonstrate that employees are more invested, produce more, and are more loyal to their employer when they have a well-designed compensation plan. In order to achieve its long-term goals of motivation and performance, NCC Ltd can utilize the study's findings to improve its compensation system by closing the gap between employees' expectations and their current rewards.

Keywords: *Reward Systems, Employee Motivation, Financial Rewards, Non-Financial Rewards, Employee Engagement, Organizational Commitment, Incentives,*

1. INTRODUCTION

In today's competitive business world, firms know employee motivation is key to long-term success and performance. Incentive programs improve productivity, innovation, and staff retention by changing workplace behavior. These strategies should motivate employees, make them feel valued, and link their aspirations with the company.

Monetary and non-monetary rewards systems motivate people to perform and enjoy what they want. Nowadays, salaries, bonuses, and performance-based incentives help workers pay their costs. Modern companies motivate workers with autonomy, advancement, public appreciation, and flexible schedules in addition to money.

Maslow's Hierarchy of Needs, Herzberg's Two-Factor Theory, and Expectancy Theory explain how incentive programs motivate employees. These beliefs say financial incentives, psychological contentment, and success inspire workers. To keep participants engaged, incentive programs should contain internal and external features.

Job satisfaction and fairness indicate a good award system. When awards are fair, straightforward, and proportional to accomplishment, employees work harder. However, biased, unrecognized, or inconsistent systems undermine work and confidence. Establishing fair, inclusive, and coordinated reward systems with clear success criteria is essential.

As firms adapt to employee needs and new technology, reward systems are crucial. Comprehensive and intentional reward plans can motivate, raise productivity, and improve

workplaces. Leaders who value employee loyalty and long-term success should grasp incentive program psychology.

2. LITERATURE SURVEY

Dawson, P., & Krishnan, V. (2025): In their 2025 study, Dawson and Krishnan evaluate incentive schemes that include autonomy, developmental feedback, and recognition. Their research shows that rewards that consider current and future potential inspire people more than productivity alone. Supervisors' emotional intelligence determines whether employees regard rewards as controlling or helpful, affecting the system's success. Consistent reward distribution and emotional bias prevention are emotional regulation benefits. When their abilities, advancement, and big achievements are recognized and rewarded, employees feel appreciated by their employers. Integrated frameworks helped employees link their daily work to their career goals, according to the study. Clarity and direction from this relationship boost motivation. Transparent award systems remove envious and uncertainty, boosting team morale, according to the writers. In conclusion, Dawson and Krishnan found that explicit developmental reinforcement, transparency, trust, and appreciation boost motivation in full reward systems.

Leung, C., & Pereira, D. (2024): The practice of employees nominating and rewarding reliable, creative, or helpful coworkers is studied by Leung and Pereira (2024). According to their study, peer-generated praise has a particular emotional impact because it comes from coworkers who appreciate your daily efforts. Managers may ensure nominations are based on talents, not popularity, by retaining emotional intelligence. Emotional control helps avoid fights and disappointment if some employees aren't chosen. Not only managers but also coworkers who acknowledge them increase self-esteem. The method's emphasis on understanding and helping improves working relationships. Workers are more likely to be polite when nominated by their peers because they know their coworkers will notice and appreciate it. This method improves team culture and lowers hierarchy obstacles, according to the authors. When peers recognize employees' efforts, psychological safety increases. Leung and Pereira say genuine, positive feedback and trust are the major motivators of peer-nominated presents.

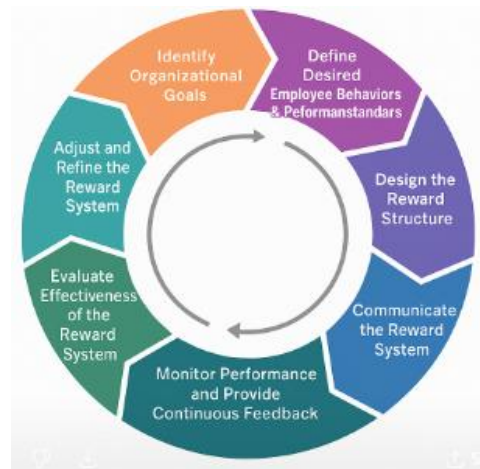
Vargas, J., & Nolan, S. (2023): Vargas and Nolan (2023) study growth-path reward systems during specific developmental stages. They found that incentives for training, skill development, and leadership preparation inspire employees. Emotionally self-aware managers are less likely to feel depression and better able to support their workers through growth challenges. When things take longer than expected, emotionally healthy leaders can offer constructive criticism. When progress and perks are transparent, workers feel more empowered. Growth-path systems appear to be more successful and safer than traditional corporate ladder-climbing strategies. These rewards help people focus, learn, and set long-term goals, say the authors. They urge employees to take ownership of their development by taking additional courses or being certified. Development-linked reward schemes excite people because they help them focus on the future, improve their skills, and build order, according to Vargas and Nolan.

Henderson, C., & Varma, N. (2022): Henderson and Varma (2022), who investigate achievement-milestone incentive systems in service and retail firms, found that rewarding learning and performance goals increases employee engagement. Their research reveals that frequent praise for excellent customer service, immaculate attendance, or big quality audit improvements boosts employee confidence. Empathizing with employees helps managers understand their priorities. To look fair, emotional regulation ensures that praise is given regularly and without bias. Reframing long-term goals as shorter, more achievable milestones motivates and inspires employees. Employee success can be tracked and self-regulated via milestone incentives. The authors believe applauding consistent effort rather than extraordinary results boosts morale during stressful times.

Schwartz, M., & Patel, R. (2021): Schwartz and Patel's 2021 spot-recognition incentive systems reward excellent service and problem-solving immediately. Researchers showed that speedy recognition had a larger emotional impact when workers could directly link the reward to their effort. Managers with empathy may put themselves in their employees' position and find the right phrases to thank them. Controlling your emotions makes it easier to deliver real, calm praise, which builds trust. After receiving immediate praise, employees are more motivated to work hard. Spot incentives reduce weariness by acknowledging emotional labor in the present. These advances boost agility by allowing staff more room to handle unexpected situations, the authors suggest. Teammates feel good and perform better when they casually celebrate daily triumphs. Schwartz and Patel's motivation theory centers on emotional reinforcement, sincerity, and immediacy.

Gupta, A., & Rosario, J. (2021): Gupta and Rosario (2021) explore skill-badge reward systems, where employees can show off their skills with physical or virtual badges. The research indicated that badges help workers recognize their development and take pleasure in their work. Managers with emotional intelligence can help employees find badges that match their skills and motivate them when things get tough. Emotional control guides employees through advancement challenges. Badges that show progress or new information make employees proud. This strategy promotes amicable competition and education. Even when employees know the skills, symbols promote transparency, the writers say. The study shows that badge systems help new hires learn planned lessons. Gupta and Rosario say competency badges show development, proficiency, and appreciation.

3. STEPS FOR REWARD SYSTEMS AS DRIVERS OF EMPLOYEE MOTIVATION



Identify Organizational Goals

It is important for the organization's strategic goals to be clearly stated before starting to work on a pay system. These goals are the basis for figuring out the kinds of behavior and achievement that should be rewarded. When workers know that their pay is in line with the company's goals, they are more motivated and committed, and they feel like they have a stronger sense of purpose.

Define Desired Employee Behaviors and Performance Standards

After goals have been set, companies have to be very clear about the behaviors, skills, and success results that employees must show. To do this, you need to list the skills you need to be successful and set performance standards that can be measured. The employees can focus on tasks that will be recognized and rewarded once clear standards are set.

Design the Reward Structure

During this phase, the company sets up a structured system of incentives that may include intrinsic motivators, perks that don't cost money, and financial incentives. A fair pay system takes into account the needs of employees, the company's mindset, and the duties of the job. When workers think that their incentives are fair and useful, they are more likely to put in more effort.

Communicate the Reward System Clearly

To make sure that workers understand how the reward system works, it's important that there is clear communication about it. Explaining the reasons for recognizing certain achievements, the ways that incentives are gained, and the things that are awarded are all part of this. When there is clear communication, employees are more driven because it builds trust and lets them know that their hard work will be noticed.

Implement the Reward System

The goal of this phase is to make sure that the company as a whole uses the reward system in the same way. Authorities are expected to make sure that awards are given out fairly and without any kind of bias. When workers get rewards on time and consistently based on how well they do their job, they are more likely to do what is expected of them or do it even better.

Monitor Performance and Provide Feedback

To make sure that the reward system is encouraging the right behaviors, it is important to regularly evaluate employee success. When employees get continuous and constructive feedback, they can improve or keep up their work. This ongoing support makes sure that workers stay focused on their goals and motivated to reach them.

Evaluate the Effectiveness of the Reward System

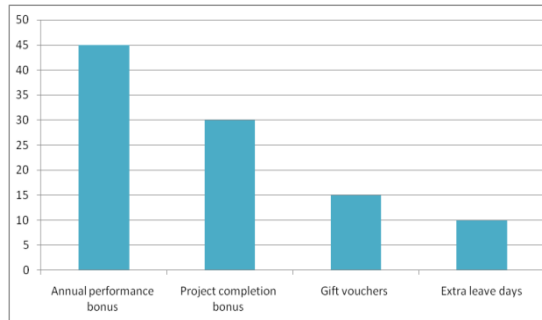
Companies need to check their reward systems on a regular basis to see if they are working as planned to get things like higher productivity, higher happiness, or better employee retention. Evaluation can show where there are holes, inefficiencies, or results that were not expected. This makes sure that the reward system stays useful and has a positive effect on drive.

Adjust and Refine the Reward System

Depending on the results of the review, changes may need to be made to the system to make it work better. It's possible that this would mean changing the criteria for incentives, making communication better, or changing the rewards. Refinement is a key part of keeping people motivated over the long term because it makes sure that the system adapts to the changing needs of the business and the workers' needs.

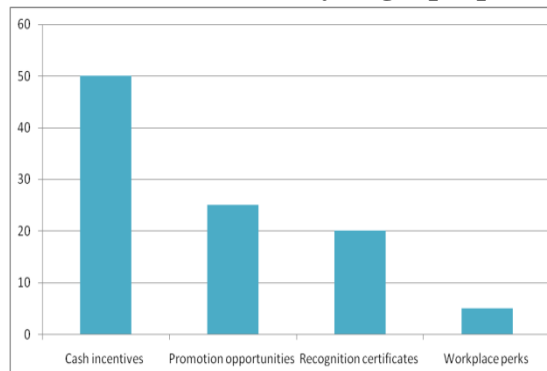
4. DATA ANALYSIS AND INTERPRETATION

1. Which award from NCC Ltd. has made you more motivated?



INTERPRETATION: The results show that the best incentives are annual performance bonuses (45%) and project completion bonuses (30%). Non-cash rewards, like gift vouchers (15%) and more vacation days (10%), are not used as much, which suggests that they do have an effect on employee motivation.

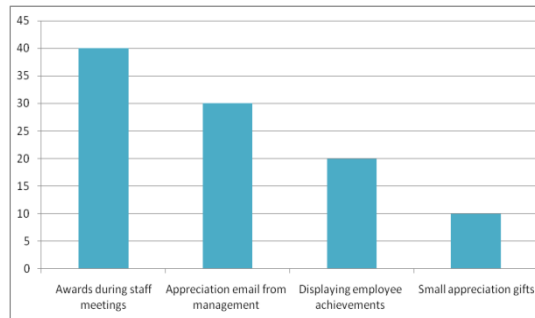
2. Which reward from NCC Ltd. is the best way to get people to work harder?



INTERPRETATION: The results show that employees strongly prefer cash incentives (50%), followed by the chance to move up in their careers (25%). This shows a clear desire

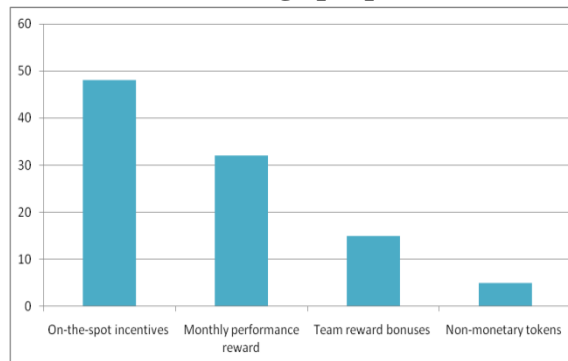
for job and financial advancement. Even though people appreciate them, recognition certificates (20%) and workplace perks (5%) don't have as much of an effect on their motivation.

3. What kind of praise from NCC Ltd. drives you the most?



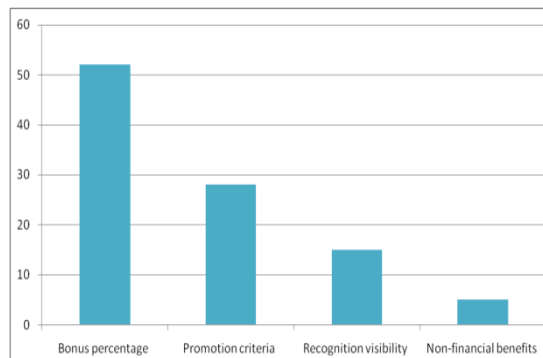
INTERPRETATION: The results show that employees value awards given at staff meetings (40%) and emails from management expressing thanks (30%) the most. They also like formal, visible recognition. Small gifts of thanks (10%) and showing off successes (20%) are not as well appreciated, which shows that they are secondary but helpful ways to show appreciation.

4. What NCC award works best to encourage people to finish their work on time?



INTERPRETATION: The study shows that workers strongly prefer timely and performance-based rewards, with 48% for on-the-spot incentives and 32% for monthly performance rewards. The effect of non-monetary rewards (5%) and team award benefits (15%) is not as strong, which means they don't have as much of an effect on motivating employees.

5. What part of NCC Ltd's incentive program has the biggest effect on how well you do your job?



INTERPRETATION: The results show that employees care most about the bonus percentage (52%), followed by clear criteria for promotions (28%). This shows that they want to grow professionally and financially. Non-monetary incentives (5%) and public praise (15%) have less of an effect on employee motivation.

5. CONCLUSION

To sum up, incentive systems have a big effect on how motivated employees are because they reward good behavior, recognize accomplishments, and make sure that each employee's work fits in with the company's goals. When rewards are fair, clear, and based on what workers need, they create an environment at work that encourages productivity, engagement, and morale.

Employees feel appreciated and motivated when they are given a reward system that includes both monetary incentives and non-monetary ones, such as meaningful appreciation, job development opportunities, and recognition. In the end, a well-thought-out reward system improves not only individual achievements but also the mindset of the company and its long-term success.

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