



## **An Examination Of The Impact Of Leadership Style On Employee Satisfaction In British Airways**

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### **Abstract:**

*This paper seeks to investigate the role played by leaders through rewards in the process of motivating employees towards their work efficiency to achieve organizational goals. The study explored factors determining rewards and their impact on employee work efficiency and endeavors to influence the British Airways for a consideration of a more systematic and structured approach to acknowledge employees' efforts which would in turn flourish high performance culture.*

*The study also attempted to examine the relationship between rewards and employee motivation and the effects of biographical variables on work efficiency.*

*Descriptive statistics based on frequency tables and graphs were used in the study to provide information on demographic variables. The results are analyzed in terms of descriptive statistics followed by inferential statistics on the variables. The study revealed multiple factors affecting employee work motivation and performance which have got their own unique approach, significance and contribution towards motivation and performance that elevate and maximize organizational progress.*

*A quantitative methodology was used for the study and questionnaire method was used as the measuring instrument. This is because the nature of study involves the measurement of leadership influence on employee satisfaction, which is better suited for quantitative methods of data collection. The study is about the behavior of employees of British Airways, and this can be achieved most efficiently by the answers of a well-crafted questionnaire. The four independent variables of reward included: payment, promotion, recognition, benefits and the dependent variable was employee work motivation/ efficiency. The results indicate that there is a statistical significant relationship between all of the independent variables with dependent variable employee work motivation/ efficiency, all the independent variables have a positive influence on employee work motivation/efficiency and result also showed that among four independent variable promotion was most important and more influential variable. The present study revealed that management can make use of different tactics strategies and policies to motivate employees in work settings, but different tactics, strategies and policies would have a different motivational impact on diverse people.*

*The present study was conducted with these hypotheses:*

*H1: Leadership styles are directly linked with the employees' job satisfaction*

*H2: There is a positive relationship between the reward system and employees' job satisfaction*

*H3: There is not only one universal reward strategy that remains always effective.*

## 1. Introduction

The purpose of this study is to explore and assess the leadership styles in group with Human Resource Management and provide a meaningful string to it. It further helps to explore and understand the leadership strategies and management techniques that serve to provide better result for the concerned organization through increasing the employees' motivation and retention. The report includes the study, evaluation and then analysis of the subject matter and discusses in detail the related parameters.

This research is based on the idea to understand systematically the utilization reward in order to understand the stakeholders responsible for the reward system and also study the stages related to reward system in order to identify and manage the reward system that could motivate the employees and in turn it could raise the level of employees' job satisfaction and benefit system for the retention of employees. However since the scope of research is limited to an academic level, it is deemed feasible to select a business organization to carry research out on. In this document we will try to design a researchable area of study which is found by identifying space between the literature that will allow us to technically identify the course of study we are about to make.

Every company has some form of Reward Systems. Reward systems are often used as a management tool for achieving desirable objectives. One of the most common purposes is to motivate and increase employees' performance efficiency to benefit the organization. This can be achieved through monetary and non-monetary rewards. Monetary rewards can be either short term incentives in form of bonuses based on one year's performance or long term incentives based on performances on a time period greater than one year. A third type of reward is the salary increment. The non-monetary part includes rewards such as developing possibilities, promotion and extra vacation day. But the most significant factor is that different group of people are motivated through employing different reward strategies.

### *1.1 Background Study of British Airways*

On the basis of area of selection we see that leaders through human resource management and administration management play a vital role in controlling the benefit and reward system and creating retention. HRM is a significant area of research in management and business in the past years to develop findings focused on organizational development. Past researchers have developed a mutual finding that there is plenty of

scope of improvisation in the field of HRM. Since there is great diversity in the concept based on the prevailing conditions and scenarios, there is need for diverse study that is divided on the basis of this diversity hence making practical and logical findings.

### *1.2 Aims and objectives of the study*

The research concept is based on identification of the relationship between leadership and employees' job satisfaction in British Airways. Human resource management and administrative leadership management which overlook the importance of employee reward and benefit system. Secondly the aim of the research is identification of these policies practically implemented in our organization of interest, British airways, to make critical and valuable findings on our management research area.

Given the above explanation, the aim of the study will be achieved through the following objectives. Following are the aims and objectives of our research:

- To identify importance of rewards and benefits under the umbrella of strategic leadership.
- To evaluate and explore different leadership approaches in context of employee satisfaction.
- To discuss and ascertain the impact of leadership styles regarding employee satisfaction

## **2. Literature review**

This will assist to explore and research the present phenomenon. This literature review provides a thematically ordered and deep analysis of different topics that were considered important to understand the relationship between rewards and employees' motivation. First, some basic information about leadership, its styles and leadership management, then information related to rewards is provided and three different perspectives introduced that exist in the reward literature. These three perspectives are then discussed in detail in the second to fourth section. This includes an analysis of motivation theories that play an important role in rewarding employees. The fifth section covers different aspects of rewards for employees. Finally, a summary and evaluation is provided.

### *2.1 What is Leadership*

The literature about leadership reveals that without knowing specifically about leadership it is not possible to prepare leaders. Furthermore, leadership is entitled with an influential male which handle and guide his sub-ordinates for the completion of task (Baker, 1997). Moreover, practically it is grounded on these aspects: the way, the reason and the desire to perform and devotion towards the task Frank and Porter (1997). Generate the context for change, recognize the potential threats, control the distress of the work, sustain attention, give the sense of ownership to the subordinates and bottom up leadership are the six principles given by Heifetz and Laurie, (1997), which assist in bringing change and sustaining it in an organization by the leader. Charismatic, traditional and bureaucratic are the three forms of leadership suggested by Stewart, (1997). The recent form of leadership which is also practical is mostly the mixture of three to meet the challenges of the market.

### *2.2 Leadership and Employees motivation*

Armstrong (2008) dignifies the role of employee motivation by providing research on organizations to make strategic policies. The study defines ways how leaders need to develop motivation using number of strategies depending on the prevailing attitudes. A leading management should have psychometric sense that understands employee attitudes and in reply develop policies that remove frustration. The links are identified by the leadership managers which cause employee frustration. By pointing out of these markers goals can be achieved through rewards, praise, motivation and increase in self esteem.

Another aspect of employee management according to Mumford et al. (2010) is managed by effective leadership management as we approach to British airways. It focuses how short term HR management and strategic leadership management should focus on keeping employees into confidence and their retention. According to Achua & Lussier (2009) leadership theory includes two basic types of approaches: transactional and transformational.

### *2.3 Leadership management:*

Leadership management as we have understood is the core of organization in terms of order, discipline, regularity and consistency. No organization can work until its work

force is made stable, moralized, productive, motivated and trained. It is sheer necessity of an organization to have a strategic leadership management: strategic in the sense that it should work with a foresight, an obligation in the supreme favor of the organization. An unstable organization would be a result of un-strategic policies, biased decisions and unordered leadership structure. In the following, we will study how strategic administrative management is mandatory for a company.

To narrow our research, we will only focus on leadership management of British Airways.

#### *2.4 British airways employee management:*

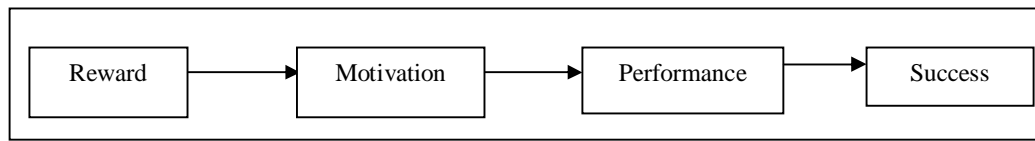
British airways case study defining the role of employee management and strategic leadership defines how strategies are designed in the favor of employees and virtually in organizational betterment. According to annual report from British airways leadership development program focuses on employee contentment. It focuses on developing leaders who are trained based on the internal experience gained through application of variety of leadership management strategies.

According to study by Dhingra (2008), practical research study showed that British airway had a comfortable work place for employees. Direct communication and transformational leadership is employed to stimulate honesty and hard work. British airways aim to achieve highest employee satisfaction through encouragement and rewards, recognitions and benefits.

#### *2.5 Reward System*

Employees often receive rewards in addition to their base salary depending on their achieved results, performance, competence, or skill acquisition. Employees often receive rewards in addition to their base salary depending on their achieved results, performance, competence, or skill acquisition. Rewards have many aims as Among others they shall reduce time, and cost and improve quality (Tinnirello 2001); they shall reward people for the value they created (Armstrong & Murlis 2004) and they shall help communicate the company's values and expectations (Armstrong 2002). Rewards cannot directly affect success. The direct affect of rewards is on employees' motivation. Two types of motivation exist: Intrinsic and extrinsic motivation. Intrinsic motivation is "self-generated" and means employees are motivated work because of the work (Armstrong

2002:56). Extrinsic motivation is generated by external stimulus such as rewards (Armstrong 2002).



*Figure 1: The relationship of Reward System*

Employees' motivation directly affects their performance. The higher the employees' performance, the more likely is organisational success. This relationship is illustrated in figure 1.1 and is widely accepted in the literature (e.g. Arthur 2001, Armstrong & Murlis 2004, Wilson 2003, and Rosenbloom 2001). While it is widely accepted *that* these four factors are linked, debate exists over *how* they are linked. This is particularly true for the relationship between rewards and motivation.

<b>Extreme Reward Opponents</b>	<b>Modest Rewards Opponents</b>	<b>Extreme Reward Proponents</b>
Rewards are not effective under any circumstances	Rewards may be effective but depend on the circumstances	Rewards are effective whatever the circumstances

*Figure 2: Table of the Three Perspectives of Reward*

Three perspectives were identified in the literature about how rewards affect motivation and hence reward practice (see *Figure 1.2* for illustration). First, "extreme" opponents of rewards argue that rewards negatively affect employees' motivation under any circumstances. Accordingly, the extreme reward opponents completely refuse the use of rewards. In contrast the "extreme" proponents of rewards argue, rewards positively affect employees' motivation under any circumstances. Accordingly, they advocate the use of one universal reward style and propose a best practice approach. Finally, "modest" reward proponents argue that the rewards "effect on employees' motivation may be both, positive or negative. The effect depends on some variable factors that lead to different "good practices" in rewarding but no "universally best practice" (Armstrong & Murlis 2004:xi).

### *2.6 Modest Reward Proponents*

The modest reward proponents argue that no “universally best practice” in rewarding exists (Armstrong & Murlis 2004:xi). They hold the view that all of the reward answers may be valid options depending on the circumstances (e.g. Deeprose 1994, McKeown 2002, and Wilson 2003). In contrast to the other two perspectives, the modest reward proponents consider more aspects in their arguments. They take into account more motivation theories and further factors that the two extreme reward sides ignore. This section analyses the perspective of the modest reward proponents in detail. First, the factors that influence the reward answers are analysed. Second, further motivation theories are covered. Then the six reward questions and possible answers are discussed. Finally, an evaluation and summary for all three perspectives is provided.

### *2.7 Extreme Reward Proponents*

Extreme reward proponents answer the first reward question positively, without any restrictions (e.g. Bragg 2000, Lewis 2000, and Knight 2002). Their arguments directly contradict the arguments of the reward opponents (see *Table 3*, p. 10). As a main justification for their perspective, extreme reward proponents quote expectancy and reinforcement theories and sometimes Taylorism. All three theories are motivation theories but in contrast to Herzberg’s theory, these three theories strongly support the use of rewards.

### *2.8 Reward Objective*

The second reward question is the question of “whom to reward?” The question leads to two sub-questions. First, “what type of employee is suitable for rewards?” and second “whom to reward in group-work?”

Usually reward literature focuses on employees in general (e.g. Hiam 1999, Arthur 2001, and Wilson 2003). This implies that all employees are suitable for rewards. Some authors such as Armstrong (2002) emphasise that certain types of employees need special consideration. For instance, sales staff and top managers are particularly predestined for rewards due to the nature of their job (Armstrong 2002). In addition, this kind of staff tends to have a high entrepreneurial personality (Armstrong 2002). Armstrong (2002) also mentions that employees need special consideration. However, he does not cover employees’ rewards any deeper. This is exemplary for all reward literature.

### 2.9 *Reward Extent*

The question of „how much reward“ in the sense of „how much of the final salary should be variable?“ is only relevant for incentives since recognition can be effective even with a very small cash-value (see previous section). Reward proponents agree that if an incentive should act as motivator it has to be significant (e.g. Armstrong 2000, Tinnirello 2001, and Harvard 2000). This can be explained by the expectancy theory, which states that an incentive has to be valuable enough to justify the effort (see *Table 5*, p. 15). In practice, rewards often are 2 or 3% of the base salary (Torrington et al. 2002). Torrington et al. (2002) state this is too little to motivate and too expensive for recognition. According to research, incentives need to be at least 5 to 7% of the yearly salary to be effective (Torrington et al. 2002). Lawler (in Armstrong 2000) suggests even 10 to 15% for excellent work. Aguanno (2003) adds that too small incentives do not motivate and might even be insulting. He continues that too large rewards create jealousy and make receivers think they are better than they actually are.

### 2.10 *Reward Time*

Gibson & Cohen (2003:123) emphasise that rewards should be given in a “timely fashion”. Orr (2004) clarifies this statement by saying rewards should be given directly after a goal was reached. In normal line work, goals are agreed and assessed usually once a year. Accordingly, incentives are given once a year (Torrington et al. 2002). In contrast, recognition might be given more frequently to employees (Garg & Rastogi 2006). This reminds employees of the overall goal (and incentive) and brings positive change into employees’ daily routine.

### 2.11 *Motivation and Job Performance*

According to Butkus & Green (1999), motivation is derived from the word “motivate”, means to move, push or persuade to act for satisfying a need. Baron (1983) defined motivation in his own right. He says that “motivation is a set of process concerned with a kind of force that energizes behavior and directs it towards achieving some specific goals. Many writers have expressed motivation is goal directed behavior. This objective nature of motivation is also suggested by Kreitner and Kinicki (2001, p. 162) put forward that motivation represents “those psychological processes that cause the stimulation, persistence of voluntary actions that are goal directed”.



In another terms, a motivated person have the awareness of specific goals must be achieved in specific ways; therefore he/she directs its effort to achieve such goals (Nel et al., 2001). It means that motivated person is best fit for the goals that he/she wants to achieve as he/she is fully aware of its assumptions.

### **3. Methodology**

The purpose of this research is to discover answers to questions through the application of the qualitative approach. The main aim of research is to find out the truth which is hidden and which has not beendiscovered as yet. As the whole research move around its aim and purpose therefore the aim on this research is to examine the role of reward system in increasing employees' efficiency in the organization. There are numerous techniques and tools for the collection of data but to select a specific tool for any research depends on the aim and objective of that research. After collecting data the next process in research is the analysis of that collected data. Besides selecting the tool for data collection it is also significant to select the appropriate analysis tools and techniques, this also depends on the research topic and its aims and objectives. According to Keller, (2000) the nature of research study should be considered while selecting the method, tools and techniques of research.

#### *3.1 Data collection Methods:*

Both primary and secondary data collection methods will be employed in this research to collect data from different resources. This primary and secondary data will be utilized to achieve the aim on this research study. To achieve the better and specific results on this research, it is necessary that the employed research methods should be in accordance with the research aims and objectives otherwise the whole research will be altered. For the collection on data, I will adopt survey method because surveys are considered as powerful tool for data collection (Doyle, n.d.).

After data collection proper analysis will be done to understand the data and to extract the needed information for the collected data. For the collection on data qualitative tools and techniques will be used. The qualitative data will be collected through interviews and questionnaire.

### 3.3.1 Primary data:

Primary data is attained at first hand; it is the data that has not already been achieved. (Kelly 2005). Moreover, the sources for primary data collection are interview, questionnaire, surveys, artefacts, images and the documents which are reported as the event or accident occur and also the direct quote from these documents (Williams, (n.d.). To collect the primary data for this research, the survey method through questionnaire and interviews from the HR officials and managers and IT department officials and managers could be taken to present the complete picture on HRM and its impact on IT. A specific and structured questionnaire will be used to collect data. The target group on the questionnaire will be HR managers, HR directors and HR professionals in companies.

### 3.3.2 Secondary data:

Data that has already been researched and worked upon is used as secondary data. The major characteristics on secondary data are that no new data exists and it is considered as back up data. The sources for secondary data collection include websites, journals, books reports, scholarly articles, and newspapers. Another major source for secondary data collection is internet, which is considered as an exclusive source itself (Ross, 2001)

## **4. Data Analysis, Results and Discussions**

### *4.1 Data Analysis*

Data analysis is an activity to work with data, in order to organize them, break them into manageable units, synthesizing them, searching for patterns and to discover what is to be learnt and what is to be shared (Bogdan & Biklen, 1998). The primary purpose on conducting this survey is to produce data that will help answer research questions. Once collected, the data will be collated, organized, summarized, and described. This procedure involves screening the collected data in terms on appropriate and inappropriate data and identifying the themes out the collected data that will illustrate important findings.

Qualitative analysis was used in the present study for the purpose of analysis and presentation of results. Descriptive information based on frequency tables and graphs used to provide information on demographic variables. The descriptive information used

in the present study are based on tables of frequency distribution and graphical presentation for the responses of work motivation with respect to biographical information of the respondents.

#### 4.1.1. Rationale of Data Analysis Methodology

The survey was conducted, to have direct information of the work motivation and its determinants in the employees of British Airways. The quantitative data collection and analysis techniques were employed. The questionnaire was designed to gather statistical and quantitative data and results. This was done because statistics give direct information about the influences of different variables on a certain phenomenon.

#### *4.2 Findings*

The results of the descriptive analyses are presented first, followed by the inferential statistical analysis.

##### 4.2.1. Biographical Information of the Respondents (N=167)

		Frequency	%	Valid	Cumulative %
Valid	Female	9	5.4	5.4	5.4
	Male	158	94.6	94.6	100
	Total	167	100	100	

*Table 4.1: Frequency distributions of respondents with respect to their Gender.*

Table 4.1 indicate the gender allocation of the sample of respondents from the British Airways at which the research was conducted. As can be seen from the figure and table, the majority of the sample (n = 158) or 94.6% was male, while the remaining 5.4% (n = 9) comprised of female respondents.

		Frequency	%	Valid	Cumulative %
Valid	Single	69	41.3	41.3	41.3
	Married	98	58.7	58.7	100
	Total	167	100	100	

*Table 4.2: Frequency distributions of respondents with respect to marital status.*

As can be seen in table 4.2 that majority of the sample (58.7%) was married while 41% was single.

		Frequency	Perce	Valid	Cumulative Perce
Valid	20-25	7	4.2	4.2	4.2
years		28	16.8	16.8	21.0
	26-30	44	26.3	26.3	47.3
years		30	18.0	18.0	65.3
	31-35	20	12.0	12.0	77.2
years		38	22.8	22.8	100
	36-40	100	100	100	
years					
	41-45				
years					
	above				
45 years					
	Total				

*Table 4.3: Frequency distributions of respondents with respect to age.*

The age of the participants were divided into five groups, as table 4.3 show that majority of the sample (26.3%) were of age 31-35 followed by 22.8% who were from 45 & above , 18% were from 36-40,12% were of age 41-45,and only 4.2% were of age 20-25

	Frequency	Perce	Valid	Cumulative Perce
Valid 12 years of edu.	11	6.6	6.6	6.6
14 years of education	62	37.1	37.1	43.7
16 years of education	90	53.9	53.9	97.6
18 years of education	4	2.4	2.4	100
Total	167	100	100	

*Table 4.4: Frequency distributions of respondents with respect to qualification.*

The respondents' qualification level were categorized, their qualification levels were divided into four groups i.e. 6.6% were of 12 years of education, 37.1% were of 14 years of education, 53.9% were of 16 years of education and only 4 % were of 18 years of education. It shows that majority of the employees were post-graduate i.e. 53.9%.

	Frequency	Perce	Valid	Cumulative Perce
Valid less than 1 year	17	10.2	10.2	10.3
1 year - 5 years	72	43.1	43.1	53.3
6 years - 10 years	8	4.8	4.8	58.1
11 years - 15 years	19	11.4	11.4	69.5
16 years - 20 years	12	7.2	7.2	76.6
21 years - or longer	167	100	100	100
Total				

*Table 4.5: Frequency distributions of respondents with respect to experience.*

Frequency distribution of the respondents' experience level is shown in table 4.5 and also shown in figure 4.5, it can be seen that most of the respondents' experience level (43.1%) was 1-5 years followed by 23% who worked 21 years or longer.

#### *4.3. Results of the Work Motivation Questionnaire*

Descriptive statistics in the form of arithmetic means and standard deviations for the independent variables and dependent variable for the respondents were computed and presented in Table 4.6

Variables		
Payment	2.89	.65
Promotion	3.23	.64
Recognition	3.79	.62
Benefits	2.87	.63
Employee Motivation	3.77	.64

*Table 4.6: Descriptive statistics of rewards and employee work motivation*

Table 4.6 shows that the means for the payment, promotion, recognition and benefits ranged from a low of 2.87 to a high of 3.79. Results of the descriptive statistics in terms of arithmetic mean and standard deviation show that staff in the sample are relatively motivated, the mean values for all the variables are relatively high. Above mean values of independent variables and dependent variables show that they are motivated by the payment, promotion, recognition and benefits they receive and mean value for benefits compared to other variables' values shows that they are less motivated by the benefits they receive.

Mean value for employee motivation is 3.77 which shows that employees of the commercial banks of Kohat, Pakistan are motivated overall.

#### 4.3.1. Determinants of Work Motivation

The survey respondents were asked the following question:

“What is your work motivation among the following variables?”

- Payment
- Promotion
- Recognition
- Benefits

The responses were recorded for the purpose of determining the relationship between rewards and employee motivation in British Airways. In order to find out the relationship between the different variables of rewards (Payment ,promotion, recognition ,benefits) with employee motivation., the relationship of independent variables with employee work Motivation were correlated and presented in the form of the frequency of responses in favor of each variable Table 4.

Variables	Frequency
Payment	43
Promotion	47
Recognition	36
Benefits	41

*Table 4.7: Correlation of Payment, promotion, recognition and benefits with work motivation.*

The results reported in the above table show that payment is significantly related with employee work motivation in British Airways as 43 out of 167 employees rendered the payment as a major influencing factor of their motivation. It means that increase or decrease in payment will bring corresponding change in employee work motivation.

Promotion variable of reward is also significantly related with employee motivation and play very important role in employee work motivation. As can be seen in above table, 47 out of 167 employees suggested promotion as their work motivation. A statistical significant relationship was also observed between recognition and work motivation as it was recorded as the influencing factor of 36 out of 167 employees.

Result reported in the above table show that benefits is also significantly correlated with work motivation of employees, 41 employees claimed that benefits was their influencing factor which support the hypothesis that benefits is significantly related with employee work motivation. The results reported in Table 4.7 show that all different variables of rewards namely payment, promotion, recognition and benefits are significantly related with employee work motivation in British Airways which means that if the reward offered to employees were to change, there would be a resultant change in work motivation.

#### 4.3.2. Work Motivation And Biographical Characteristics Of The Employees

To find the influence of the rewards like payment, promotion, recognition and other rewards on work motivation, the employees belonging to both the genders were asked the following question:

“Were you motivated by the rewards?”

The positive responses were recorded as the percentage of the total employees belonging to that particular gender. Here is the frequency table for positive work motivation:

Gender	Frequency	M
Male	93	58.86%
Female	4	44.44%

**\*\*  $P < 0.01$**

*Table 4.8: Differences In Employee Work Motivation Based On Gender.*

Results in above table show that there is a significant mean difference in the work motivation experienced by male and female employees. Females reported lower levels of work motivation as can be seen in above table, than males on the basis of rewards received.

From the data collected, it is found out that there were significant differences among groups on the basis of age. The result indicates that there are differences in the means, but it does not tell us which means are different from which others

Mean values of work motivation based on age.

Employees in the age group 31-35 reported the lowest levels of work motivation than employees in the other age groups. Employees in the age group 45 and above reported the highest work motivation.

Significant Mean differences in work motivation based on age .

There is a significant mean difference in the work motivation experienced by employees based on their age. The survey data provide strong evidence of a significant difference in the mean level between 31-35 and 45 & above Differences in work motivation based on experience. The survey data indicates that there were significant differences among groups on level of motivation on the basis of experience.

Mean values in work motivation based on experience

Those with 1–5 years' experience reported the lowest work motivation based on rewards compared to the other groups. Those with 16-20 years' experience in the indicated the highest work motivation compared to all the other categories of employees.

Mean differences in work motivation based on Experience

The survey data indicated significant differences in the work motivation levels of employees based on experience.

Differences in work motivation based on education level

Survey results indicated that there are significant differences among groups on the basis of education level.

Mean values in work motivation based on educational Qualifications



Those with education levels up to 12 years show low level of work motivation than other education levels. Employees with the 12 years educational level reported the lowest levels of work motivation than employees with 14 years education, 16 years education.67), 18 years education.

Mean differences based on qualification

The data shows that there is a significant mean difference in the work motivation levels of employees based on education level. In the collected data, there is a strong confirmation of a significant difference in the mean levels between 12 years and 16 years of education.

The following conclusions can be made by the above discussions:

- a) Female employees reported they were less motivated by rewards.
- b) Employees in the age group 31-35 showed low level of work motivation than employees in the other age groups. Employees in the age group 45 and above reported the highest work motivation relative to the reward they received.
- c) Married employees reported the lowest motivation based on rewards they received.
- d) Employees who had been working from last 5 years were less motivated.
- e) Employees with the 12 years educational level reported the lowest levels of work motivation than employees with other education level.

This section answers research question one: “*What is the current role and use of rewards in project teams?*”

Research uncovered that rewards are actually used in project management. The *Deutsche Gesellschaft für Projektmanagement e.V.* (German Society for ProjectManagement) found out that around 26% of project members get rewards (GPM 2005).

The study is based on the society’s members and is not representative for all employees. Still, it proves that employees are rewarded in at least some organisations. In addition, several case studies were analysed that prove that rewards are actually used in some organisations (see 6. *Verification of the Results / Case Studies Analysis*, p. 59). A few workshops offering information about rewarding employees also exist (e.g. BIA 2006, CETPA 2006, and EOGOGICS 2006). Hence, it seems certain that some employees get rewards, although the exact number is unknown.

The literature research has uncovered that the perceived role of rewards in project management does not differ significantly from rewards in line management. Project managers, wanting to reward their team, have two types of academic sources they can get information about rewards from: project management literature and reward literature.

As found out, three perspectives exist in the reward literature. In project management literature, predominantly the perspective of the extreme reward proponents or a very superficial view of the modest reward proponents is advocated. In any case, special project characteristics are not considered, except that milestones and the project's end are potential points in time to reward the team. Also further literature-research has found no evidence that project managers do consciously consider a project's characteristics as influencing factors for answering the reward questions. Therefore, it seems reasonable to conclude that the current role of rewards for project teams is similar to the role of rewards for line employees.

### **5. Findings and Conclusion**

The research study has shown that management can make use of different tactics strategies and policies to motivate employees in work settings, but different tactics, strategies and policies would have a different motivational impact on diverse people.

A motivation strategy may possibly have the power of enhancing motivation in one way and diminishing it in others. To make sure the success of motivational tools, it is important to consider the uniqueness of the situation and the diversity of the concerned group .It is the job of management to consider different alternatives according to situation.

This study highlights various aspects necessary for motivating employees to improve their performance. It is observed that there is direct and positive relationship between rewards and employee work motivation. It means that reward is directly proportion to employee work motivation. The change in rewards offered to employees necessarily changes the work motivation and performance of employees. Better the rewards, the higher the levels of motivation and greater levels of employee performance. To specify the nature of reward, it is recommended for human resource managers (HRM) to highlight the suggestions received from the employees of British Airways.

According to employees, the rewards were not appropriate to their needs. The rewards received from the organization were inadequate to their needs. Promotion process was observed to be very slow and the recognition was so informal that it was felt like unnecessary with no extrinsic forms. It was suggested that informal recognition should be changed to formal recognition.

The employees also observed that rewards are generally awarded to the employees at one level rather than according to the performances of the individuals.

Some of the employees had taken the slow rewards awarding activity in critical ways. It is observed that rewards should be awarded to deserving employees in no time. The prompt rewarding of employees may motivate them and improve their performance.

The intended reward should be awarded in a kind of ceremony to an employee and announced appropriately to motivate others. The lack of communication was seen as main barrier in employee's motivation. During interview sessions an employee complained about the lack of announcement of rewards on time, thus the motivation effectiveness suffers. It is suggested to communicate reward to employees in proper ceremony on time, so that they can be better motivated.

It is concluded that this research will result in findings that describe how efficient strategies employed by the leaders can result into proper structural organization. Employee satisfaction plays a vital role in the organizational orientation which directs it into the achievement of goals. It is also concluded through the literature review that the research objectives defined fall perfectly for the chosen organization due to the fact that quite a lot of data availability, its international stature and history related to employee management and leadership strategies. This research proposal not only defines the structure of possible research but also provide frame work for research that provides a link between the literature and data collected. Identification of gaps is shown through in depth analysis of the literature shows the strength of the proposed research objectives. It concluded that this research will deliver valuable findings if properly carried out.

#### **6. Suggestions for Further Research**

The results of this study suggest that Americans in service industries mirror the Australians in attitude toward employee pay systems. As Jacksonville lacks manufacturing environments, which was the cornerstone of Taylor's studies, it would appear useful to determine if these results are unique to service industry employees. Manufacturing environments are better able to track employee production than most service environments, and so pay systems may differ significantly.

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