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Influence of Reward & Recognition on Employee Engagement in Pharma Industry of Bangladesh

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Abstract:

The Pharmaceutical sector is one of the most technologically developed and knowledge-based sectors in Bangladesh that has been struggling to enrich its contribution to the overall economic development of the country since the early 80s. A number of scientific, social, economic and environmental factors affect the prospect of the pharmaceutical industry in Bangladesh. Since the industry is knowledge driven, the prime focus of all organizations is on the development and engagement of its people which is regarded as one the most important resources. Retaining and engaging efficient and experienced workforce through offering effective reward & recognition package is very crucial to the overall success of the organization. The present study is an attempt to determine the impact of reward & recognition on employee engagement and to make recommendations to the policy makers of the organization regarding the strategies to improve employee engagement based on the research findings. The study utilized a quantitative research design on 100 randomly selected employees as research participants of different levels of the organizations in Bangladesh Pharmaceutical Industry. Self-administered questionnaires were designed to address all necessary components of the constructs for collecting feedback of the respondents. The statistical analysis shows that reward & recognition is significantly correlated with employee engagement of Bangladesh Pharmaceutical Industry. Implications of the study for managers and policy makers in context of human resource practices have also been discussed. Limitations and guidelines for future research are also provided.

Keywords: Reward, recognition, employee engagement, pharmaceutical industry

1. Introduction

In today's business world, leaders and managers are always in pressure to identify what makes the employees of their organizations contented to 'go the extra mile' to provide excellent service. They are concern about Organizational Behavior (OB) to explore how employees act in organization, how they behave in organizational settings towards achieving its goals and what are the interfaces between employee behavior and the organization. In present situation it is important for the organizations to be able to gain a sustainable competitive advantage through engaging and utilizing its people and also addressing various concerns of the employees. In this aspect, reward & recognition has become an important part of management in organization, especially when the company is concern about the employee engagement and its work environment. Reward & recognition has become now one of the major factors and powerful tools that will affect heavily on how the employee will engage in their work. The primary objective of providing Reward & Recognition is to encourage and motivate the employees to do their best to achieve desired goals. Reward & Recognition should be closely aligned with organizational strategies that could be designed to faster innovation to provide unique products or services. Rewards may be monetary, or non-monetary. Monetary rewards include cash bonus, stock awards, company paid perks, profit sharing, commissions etc. Non-monetary rewards are comprised with the form of recognition including compliments, flexible timing, ceremonial awards, better designation, away day and small trinkets such as mugs, t-shirts, souvenir etc. Rewards & Recognition are considered very useful to reinforce good performance through increasing engagement. An appropriate and thoughtful design of reward mix can be very effective in providing optimal motivations which drives towards employee engagement.

2. Problem Statement

Employee engagement has emerged as a leadership tactic and philosophy which is big concern for every organization because of their increasing awareness in managing their human resources in such a way that can contribute to the business performance. Interest in the current study revolved due to lack of practical and theoretical research on the areas of employee engagement and its determinants such as reward & recognition. In the current business environment, the organizations are focusing towards employee engagement as a promising strategy to increase organizational efficiency. Due to its increasing importance, there is need of empirical research on employee engagement particularly pharmaceutical industry of Bangladesh. A good number of studies were conducted to perceive the impact of reward &

recognition on different dependent variables such as employee satisfaction, employee retention and even on employee motivation in the field of organizational behavior, but very few research activities were done on employee engagement most of which were done on the service industry, a few of them were covered manufacturing sector but still there is scarcity of similar research in the area of pharmaceutical industry of Bangladesh.

3. Research Objectives

The main objective of the study is to gain better understanding regarding the impact of reward & recognition on employee engagement in the pharmaceutical sector of Bangladesh. To do so the study set some specific objectives as under:

- To identify the current status of reward & recognition programs at the pharmaceutical sector of Bangladesh.
- To understand the influence of reward & recognition to employee engagement at the pharmaceutical sector of Bangladesh.
- To suggest what can be done to achieve optimum level of engagement using reward & recognition programs for the betterment of both the organization and employee.

4. Literature Review

4.1. Reward

According to Oxford Dictionary, reward definition is 'A thing given in recognition of service, effort, or achievement'. This reward serves organizations for many purposes. Reward serves organization to build a better employment deal, hold on to good employees and reduce employee turnover. There are two types of Rewards: Extrinsic rewards or Financial rewards: concrete rewards that employee receives such as Salary, Bonuses, Promotion and Gifts. Intrinsic Rewards or nonfinancial rewards: tend to give personal satisfaction to individual such as Information / feedback, Recognition, Trust, empowerment (Mesep, 2016).

Reward is the general term that refers to all forms of payment toward the employees at all organizational levels and arising from employment in an organization (Armstrong & Murlins, 2012). It is a system set up by an organization to pay for performance and motivate employees or individuals or group levels for their positive contributions to the growth of the organization. It can also be seen as the procedures, rules and standards associated with allocation of benefits and compensation packages to the employees of an organization. Rewards are intended to motivate certain behaviors and must be linked with an equitable strategy and performance management plan. If the reward plan is seen to be unfair and unrealistic, for instance, promotion on the basis of favoritism may have a negative effect as a motivator. Reward is the major link in the exchange process between individual worker's performance and the organizational performance as a whole. Employees contribute many resources to the organization in the form of time, effort, knowledge, skills, creativity and ability. In return, the organization rewards them with both tangible and intangible forms. Some elements of reward system include pay raises, bonuses, company automobiles, vacation benefits, well furnished offices, jobs with higher responsibilities, sense of worth, recognition, health insurance plans, club privileges, child care support, job autonomy, wall plaques, non-verbal signals such as smiles, profit sharing, incentive plans, developmental feedback and so on (Omolawal, Samuel, Bawalla, Oluwatoyin, 2017). Maloney and McCarthy (2013) defined a reward system as 'the combination of financial and non-financial elements used by an organization to compensate employees for their time, effort and commitment at work'. Armstrong (2012) identifies the main goals of reward is to attract qualified, skilled employees to the organization, to retain employees and to motivate employees to deliver higher accomplishments. To identify the type of reward system that enhances work performance at the work place organization should form a mixture of financial and non-financial incentives. Financial rewards involve monetary forms of payments by the employer either directly or indirectly. Non-financial rewards involve the non-monetary forms of incentives which are also important in driving towards employee motivation (Kalaiselvan, 2009).

4.2. Recognition

Recognition is a process of timely acknowledgement of employee's action or behavior, giving an employee a certain status within an organization which can be expressed in various ways such as emotional, intangible, symbolic, or a tangible form of award. This reward is a very vital factor for employee motivation and job satisfaction. Employee recognition can play a very vital role to make him courageous and enthusiastic towards work in the organization. Maslach et al. (2001) have acknowledged that a lack of rewards & recognition lead to employee burnout, while appropriate recognitions and rewards lead to employee engagement. A review of the various literatures dealing with employee recognition reveals that employee recognition is equally important for both organizations and individuals. Although the idea of employee recognition has received the most attention from motivation theorists (Hertzberg 1966; Maslow 1943), the importance of employee recognition has been acknowledged by various writers on the topics identity at work (Brown, Kirpal and Rauner 2007), employee engagement (Armstrong 2010), total reward (Manus and Graham 2003), total quality management (Hale and Maehling 1992), organizational health (Grawitch, Gottschalk and Munz 2006) and social capital (Baker and Dutton 2007). Recognition is the first and foremost a constructive response; it is also a judgement made about a person's contribution, reflecting not just work performance but also personal dedication and engagement (Brun and Dugas, 2008). Lastly, recognition is all about acknowledgement of the dedication and hard work of the individuals and teams within your organization.

Although employee recognition is sometimes characterized as 'non-financial' or 'non-monetary' forms, according to Silverman (2004), this does not necessarily mean that the recognition provided by the organization should have no

financial value, it simply means that whatever is given, it should not be just money. Many non-financial or non-monetary employee recognition awards, including merchandise and travel vouchers, have a financial value, a symbolic value (appreciation) and an informational value (positive feedback on their performance) (Long and Shields 2010). This is consistent with Brun and Dugas (2008) who observe that, for the recipient, 'recognition represents a reward experienced primarily at the symbolic level, but may also take on emotional, practical or financial value'.

4.3. Employee Engagement

According to Kahn (1990) the employee engagement is 'the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances'. The cognitive aspect of employee engagement is concern about employee beliefs about the organization, its leaders and its work environment. The emotional engagement is concern whether the employees have positive or negative attitudes towards the organization and its leaders. The physical aspect of employee engagement is concern about the physical energies exerted by individuals to accomplish ultimate goals of the organization. Hence, according to Kahn (1990), employee engagement means to be psychologically as well as physically present when occupying and performing individual roles in an organizational. Employee engagement is measured by the amount of discretionary effort demonstrated by employees at work (Frank et al 2004. Truss et al (2006) stated that employee engagement is simply as a passion for work of employees, a psychological state to embrace with the three dimensions of engagement mentioned by Kahn (1990). Robinson et al. (2004) define employee engagement as 'a positive attitude held by the employee towards the organization and its value. An engaged employee is well aware of business context and works with associates to improve performance within the job for the benefits of the organization. The organization should require to develop and nurture employee engagement for maintaining a two-way relationship between employer and employee.'

According to Perrin's Global Workforce Study (Perrin 2003) engagement is the willingness and ability of the employees to help their company succeed, largely by providing discretionary effort on a sustainable basis. Employee engagement has become today an emerging concept in business, management, organizational psychology and human resource development fields (Wollard & Shuck, 2011). Swarnalatha and Suresh Krishna, (2013) defined employee engagement as the extent to which employees think, feel and act in ways that represent high levels of involvement towards their organization. An engaged employee is very enthusiastic to deploy his/her knowledge, skills and abilities to contribute for the success of his/her organization. In their study Swarnalatha and Suresh Krishna, (2013) further describe that the employee engagement and job satisfaction play an important role in the development of the morale of the employees. Oliver and Rothmann, (2007) have declared that engagement of the employees is a position in which the employee dedicates his or her best possible performance at work and is confident of his or her effectiveness. Karsnia (2009) has mentioned that employee engagement is a very significant business driver that has the capacity to impact on organizational overall success. The impact of effective employee engagement includes employee retention, business results and loyalty towards the organization. According to Wilson (2009) the term employee engagement is more than job satisfaction and high retention rate. An engaged employee is that who is fully energetic, emotionally connected with the organization in achieving organizational goals and objectives. Mone and London (2010) defined employee engagement is 'a condition of employee who feels involved, committed, passionate, and empowered and demonstrates those feelings in work behavior'. Literature shows that engaged employees help organizations in many ways such as increasing efficiency, improving customer satisfaction, enhancing productivity and reducing turnover rates. Managers and leaders of today's organizations intend to deploy workforce who are agile, enthusiastic, committed and willing to deliver greater return which are more than the expectations of the employer.

There are similar constructs related to employee engagement such as organizational commitment, job involvement, work engagement etc. Saks (2006) states that organizational commitment also differs from engagement in that it refers to a person's attitude and attachment towards their organization, whilst it could be argued that engagement is not merely an attitude; it is the degree to which an individual is attentive to their work and absorbed in the performance of their role. Job involvement is defined as 'a cognitive or belief state of psychological identification' (Kanungo 1982:342). Job involvement has been defined as the degree to which a person psychologically identifies or committed to his/her job (Kanungo, 1982a). It is also considered as an extent one is cognitively preoccupied with, engaged in, and concerned with one's present job (Paullay et al., 1994). Work engagement is an active, positive work-related state that is characterized by vigor, dedication, and absorption (Schaufeliet al., 2006).

4.4. Impact of Reward and Recognition on Employee Engagement

Danish Rizwan Kaiser and Usman Ali (2010) argued that different dimensions of work motivation and satisfaction are significantly correlated and reward & recognition have significant impact on employee motivation. Padmakumar Ram and Prabhakar Gantasala (2011) showed that there is a positive impact of reward on employee performance. A number of scholars revealed that employee engagement influences organizational performance (Markos and Sridevi, 2010; Devi, 2017; Wellins and Bernthal, 2015:). Markos and Sridevi (2010) observed employee engagement as one of the significant factors of organizational performance. They stated that the more engaged employees are, the better the organization performs and has a positive influence on business results such as productivity, profitability, growth, employee retention, safety and customer loyalty. Devi (2017) showed the same observation and also recommended that organizations could improve various business functions by using employee engagement as a strategic tool. Wellins and Bernthal (2015) theorized that a positive work environment instigates employees to perform outstandingly through improving productivity, profitability, quality of products and services. Rahman (2016) discovered that employee engagement has greater impact on achieving company goals and objectives of Bangladeshi Banking sector. Abraham Susan (2012) in his

research mentioned about the improvement of employee engagement by the improvement of employee satisfaction. The research has shown that employee satisfaction is the key to employee engagement. It has also been shown that engaged employees perform exceptionally well in their job. Sundaray Bijaya Kumar (2011) observed that organizations with higher levels of employee engagement outperform their competitors in terms of profitability.

Fareed Zeeshan, Abidan Zain Ul, Shahzad Farrukh, Umm-e-Amen, and Lodhi Rab Nawaz (2013) stated that there is a positive relationship between rewards (extrinsic and intrinsic) and employee's job performance and job satisfaction. The study conducted by Hamid and Sadiqe, (2013) have mentioned that employee engagement is very essential for maximum utilization of its man power resources. Organizations failing to engage their employees cannot run for longer period of time with business viability. Sadiqe (2014) in his study on employee engagement has claimed that engaged employees care about products and services of the organization and also provide better customer services. Therefore, the organizations should have strategic plan to provide more monetary and non-monetary incentives to the employees in order to enhance the employee engagement with more satisfied customers that continuously improves the organizational performance.

From the literature review, it is observed that majority of researches have been conducted on importance and influence of employee engagement on organizations. Some of the researches have empirically tested employee engagement in manufacturing industry and also service industry. But in context of Bangladesh pharmaceutical industry, there seems to be dearth of literature about employee engagement and how it is impacted by reward and recognition. Therefore, there is need to study the term employee engagement in context of Bangladesh pharmaceutical industry. Thus, this study has made an attempt to empirically test the impact of reward & recognition on employee engagement at Bangladesh pharmaceutical industry.

5. Conceptual Framework of the Study

The review of the various literatures has uncovered developing following conceptual framework (Fig. 5.1) where Reward & Recognition is independent variable and Employee Engagement is dependent variable.

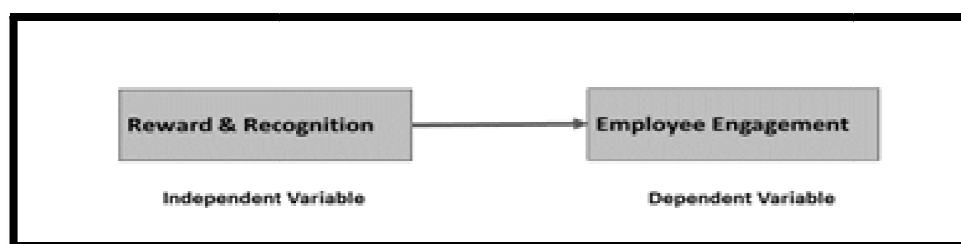


Figure 1: Conceptual Framework of the Study

6. Research Hypothesis

In order to achieve the objectives of the study, following hypotheses is formulated.

- H01: There is no significant impact of reward & recognition on employee engagement in the Pharmaceutical industry of Bangladesh.
- Ha1: There is a significant impact of reward & recognition on employee engagement in the Pharmaceutical industry of Bangladesh.

7. Research Methodology

7.1. Data Collection, Sampling and Study Population

The present study is mainly survey in nature. The primary data has been collected through using self-developed structured questionnaire and interview method. The use of questionnaire enabled the researcher to collect original information from a large population that is geographically dispersed which would not have been possible under other data collection methods (Kothari, 2009). The survey questionnaire was designed to collect input from 100 employees of the 10 (ten) Pharmaceutical companies in Bangladesh. The companies were selected according to the rank of the company shown in IMS (Intercontinental Marketing Services) health care report quarter 1, 2019 which is organized on the basis of the market share within the industry (fig. 7.1). The researcher considered the concentration ratio of the firms in selecting the sampling units. A Likert-type scale was used for survey items. The scale range was 1 = Strongly Disagree to 5 = Strongly Agree. The stratified random sampling was also used for selecting the respondents from the sampled organizations of the industry. The secondary sources of data used in the study includes books, internet search, company website, journals, annual report of the company, IMS health care report, DGDA, TAX authority and other regulatory bodies. The research also adopted a confidence level of 95% and the margin of error is 5% which is acceptable in social science research.

Category/ Stratum	Concentration Ratio	Sampling Units Taken	Sample Size
1-20	88.98%	8	84
21-50	10.33%	1	10
51-150	0.69%	1	6
Total (150)	100%	10	100

Table 1: Sampling Plan
Source: Author and IMS, MAT-03/ 2019

7.2. Data Analysis

Data was analyzed using a mix of descriptive and inferential statistics using Statistical Package for Social Scientists (SPSS) software. Descriptive statistics were used to describe data in terms of frequencies, percentages and standard deviations. To test the nature and strength of relationships between the study variables, inferential statistics using multiple regression were conducted. The study used Pearson product moment correlation to test nature and strength of correlation. Adjusted R^2 was used to explain the amount of dependent variable that could be explained by changes in the independent variable while standardized beta coefficient indicated the direction of the relationship (positive or negative). The study hypotheses were tested at 95% level of confidence. The p-values were used to determine whether the hypothesized relationships were significant or not (p-value < 0.05 indicating significant influence).

7.3. Validity and Reliability

The research model in this study includes two reflective constructs namely reward & recognition and employee engagement. The main objective of questionnaire in research is to obtain relevant information in most reliable and valid manner (Hamed 2016). To evaluate whether the participants agree with the items and wording of the instrument in realizing the research objectives, face validity was used through using subject matter experts' viewpoints in respect of difficulty level of items, suitability and relationship between items and the main objectives of the instrument, ambiguity and misinterpretations of items and obscurity of the meaning of the words of the items in the instrument. The researcher also used content validity, the quantitative method, to evaluate whether a measure represents all facets of the construct including the clarity of items based on Content Validity Ratio (CVR). Using the formula of $CVR = (N_e - N/2)/(N/2)$, it was found that the CVR value of various items is bigger than .56. Hence, the items in the instrument is valid and accepted (Lawshe, 1975).

After the expert review of validity test the pilot study was conducted in order to confirm the reliability of the items. The pilot test seeks to answer the question, does the questionnaire consistently measure whatever it measures? Internal consistency reliability was used in order to test whether the questionnaire consistently measure whatever it measures. To test internal consistency, the results of Cronbach's alpha obtained for the constructs are shown below in Table 2 which was found from the pilot study.

Sl. No.	Variables/ Constructs	Number of Items	Cronbach Alpha
1	Employee Engagement	10	0.76
2	Reward & Recognition	10	0.82

Table 2: Pilot Study – Cronbach's Alpha

The results in Table 2 indicates that both variables had a relatively high reliability. For all constructs, Cronbach's alpha is more than 0.70 (Nunnally, 1978; George & Mallery, 2003). Hence, the Pilot Study meets the statistical requirements and instruments are reliable.

8. Results & Discussion

8.1. Demographic Characteristics

Demographic data provides the main attributes of the participating respondents as asked in the questionnaire of the instrument. These attributes include basic information about the respondents like age, gender, educational level, years of experience. It has been found that 76% of the total respondents are male whereas 24% of the respondents are female. Demographic analysis also shows that (Figure 2) most of the respondents were aged within 40 years which constituted 72%.

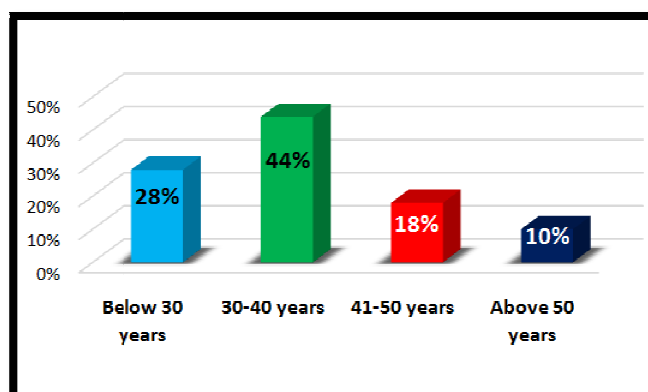


Figure 2: Age Range of the Respondents

The analysis also shows (Table 3) that 92% of the total respondents were advanced in education whose have graduate and above level degree. Total 64% were post graduate, 25% were graduate and 3% were doctorate degree holders. This is an indication that the industry has been deployed with highly educated staff members which are enabling the entire pharmaceutical sector as a knowledge-based industry.

Level of Education	Frequency	Percentage
Doctorate	3	3 %
Post Graduate	64	65 %
Graduate	25	27 %
Under Graduate	8	5 %
Total	100	100 %

Table 3: Education Level of the Respondents

Finally, Table 4 shows that 40% of the respondents had been employed for more than ten years, while 78% had been employed for more than five years. Only 22% of the respondents had been employed for 2-5 years since this study considered the employees having two years of continuous service in the existing organization so that they can be able to critically analyze and give relevant information for the study.

Years of Experience	Frequency	Percentage
Below 5 years	22	22%
6-10 years	38	38%
11-20 years	28	28%
Over 20 years	12	12%
Total	100	100%

Table 4: Years of Experience of the Respondents

8.2. Status of Reward & Recognition and Employee Engagement

In order to assess the status of reward & recognition and employee engagement at pharmaceutical industry of Bangladesh the respondent's feedback was analyzed using mean and standard deviation where the mean value indicates to what extent the sample group averagely agrees or disagrees with the different statements. The lower the mean, the more the respondents disagree with the statements. The higher the mean, the more the respondents agree with the statement. On the other hand, standard deviation shows the variability of an observed response from a single sample of the study (Marczyk, Dematteo and Festinger 2005).

	Mean	Std. Deviation	N
Employee Engagement	4.19	0.61	100
Reward & Recognition	4.24	0.65	100

Table 5: Descriptive Statistics of Reward & Recognition and Employee Engagement

The above Table 5 shows that mean value of employee engagement is 4.19 and standard deviation is 0.61 while the mean value of Reward & Recognition is 4.24 and standard deviation is 0.65.

8.3. Hypotheses Testing

- H01: There is no significant impact of reward & recognition on employee engagement of pharmaceutical industry of Bangladesh.

To test whether there is an impact of reward & recognition on employee engagement at pharmaceutical industry of Bangladesh, Simple Linear Regression analysis has been used where, reward & recognition has been taken as independent variable and employee engagement as a dependent variable.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.773a	0.587	0.582	0.23675

Table 6: Regression Analysis
a. Predictors: (Constant), Reward & Recognition

ANOVA a					
Model	Sum of square	Df	Mean square	F	Sig.
1 Regression	7.321	1	7.321	129.234	1.575b
Residual	5.577	98	0.058		
Total	12.898	99			

Table 7: ANOVA
a. Dependent Variable: Employee Engagement
b. Predictors: (Constant), Reward & Recognition

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 Constant	1.381	0.251		5.041	1.713
Employee Engagement	0.703	0.056	0.773	11.334	1.575

Table 8: Simple Linear Regression: Coefficients^a
a. Dependent Variable: Employee Engagement

From the above result since the correlation coefficient $R = 0.773$, the relationship between Reward & Recognition (RR) and Employee Engagement (EE) is positive and both variables change in the same direction. The coefficient of variation R^2 shows that 58.7% of the variation in the dependent variable (Employee Engagement) is explained by the independent variable (Reward & Recognition). The adjusted R^2 indicates the generalizability of the model. It allows generalizing the results taken from the respondents to the whole population. It is noticed that the value of the adjusted $R^2 = 0.582$ is close to the value of $R^2 = 0.587$. When the adjusted R^2 is excluded from R^2 the value stands for $(0.587 - 0.582 = 0.005)$. This amount of reduction means that if the whole population participates in the study and the model has been fitted then there will be 0.50% less variance in the outcome.

The analysis of variance (ANOVA) allows us to statistically test the null hypothesis. The above table shows the results of the ANOVA test, where the F-ratio = 129.234 and the p-value < 0.001, this result indicates that there is less than 5% chance that an F-ratio of this value would occur solely by chance. Since the p-value (< 0.001) is smaller than the significance level (0.05), the null hypothesis is rejected and the alternative hypothesis is accepted indicating that Reward & Recognition significantly affects employee engagement.

Furthermore, since $F = 129.234$, $P_Value = 0.000$, $R^2 = 0.587$ and adjusted $R^2 = 0.582$ the regression equation of this model equation $RR = \alpha + \beta_1 EE + \varepsilon$ stands for,
 $RR = 1.381 + 0.703 EE + \varepsilon$

The regression equation shows the linear relationship between reward & recognition and employee engagement. The intercept value explains the change in dependent variable (employee engagement) when the independent variable (reward and recognition) is zero. The value of α shows the change in dependent variable (employee engagement) in respect to independent variable (reward and recognition). In the above equation, the constant term is 1.381 which implies that the Employee Engagement remains at least 1.381 points irrespective of reward and recognition. It also reveals that 1-unit increase in such Reward & Recognition (RR) leads to Employee Engagement (EE) by 0.703 points. Reward & Recognition explains 0.703 (70%) on Employee Engagement, thus, reward and recognition somehow influence on employee engagement. The finding of the current study is consistent with previous research findings of Mesepy (2016), Hamid, Sadiq & Muzaffar (2015), Muthuveloo, Babous, Ping and Long (2013) where they found that reward and recognition had significant and positive impact on employee engagement.

9. Limitations of the Study

Every study has some limitations, lack of literature on the subject matter of employee engagement in context of Pharmaceutical industry of Bangladesh was the major limitation of the study. Findings of the study entirely depend on the accuracy of data collected through structured questionnaire. The pharmaceutical company is highly compliance and regulated industry which is steeped in bureaucracy and secrecy and yet access to reliable information is very much challenging. There will be reluctance in providing some information from some employees.

10. Conclusion

Employee engagement represents the level of commitment employees feel toward their employers and their jobs. The higher the level of engagement, the more likely an employee will go the extra mile to perform well and be an advocate for the company. In the present business scenario, where there is large scale competition in the market, it is important for the organization to implement effective HR policies for the survival and smooth functioning of the organization. Therefore, it is the responsibility of HR managers to motivate and engage the employees towards the organization in order to gain competitive advantages of the business. The present study provides essential inputs to the employers of the pharmaceutical companies as well as the managers to understand the importance of reward & recognition in engaging the employees. Although the present study was conducted at pharmaceutical companies of Bangladesh the impact of the study will be applicable on other industries as well. From the findings of the study it is clear that organizations can increase the engagement level of their employees by providing appropriate reward & recognition.

11. Recommendations

- The companies within the industry should maintain the employees to keep doing good at their work by providing an effective reward & recognition strategy. The better the reward & recognition in the organization the better the employee engagement that results better business performance overall.
- Organizations within the industry should take competitive rewards & recognition plan which will provide them with highly committed workforce and better retention.
- Enhance organizational capability and effectiveness through initiating strategic HR development programs. Also, training should be given for newly recruited employees in order to cope up with organizational processes within the quickest possible time with increased knowledge and skills.
- There should have a transparent and result oriented performance appraisal system for creating a performance-based culture.
- Employee engagement and satisfaction survey should be conducted periodically.
- Organize cultural programs for the entertainment of employees that reduces workplace stress and creates a healthy working environment within the organization.
- The study also recommended that organizations should provide career growth opportunities for their employees in attempts to enhance their retention and performance.
- Long term succession planning should be taken for key leadership positions of the organizational sustainability.

12. Future Research Implications

In Bangladesh context, there are very few researches on the concept of reward & recognition and employee engagement. Therefore, future researches can be conducted to investigate the relationship between reward & recognition and employee retention, recruitment, employer attractiveness and also employee engagement with other moderators. In addition to the structured questionnaire which has been distributed in this study, conducting face to face interviews with a reasonable number of respondents could be given some valuable information. Further it is also recommended to perform similar study in different organizations or manufacturing industries such as Food products, Beverages, Textile, RMG, tobacco, leather and related products.

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