

Reward Management

Unit 8

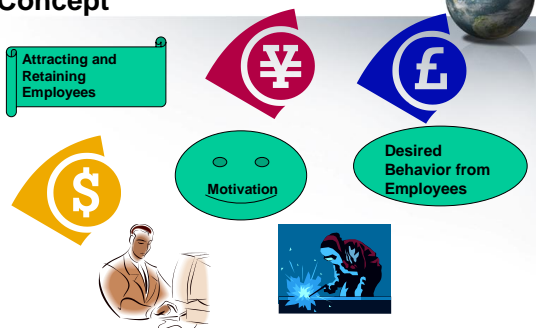


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Reward / Compensation: Concept



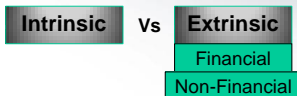
Reward / Compensation: Concept

• “Organizations distribute a large number of rewards to their members every day. Pay, promotions, fringe benefits and status symbol are perhaps the most apparent but certainly not all of the important rewards” Lawler III, 1977

• The most obvious reward employees get from work is pay... However, rewards also includes promotion, desirable work assignments, host of others less obvious pay-offs – a smile, acceptance by a peer, a covert or overt implication that you are doing a good job, or a kind word of recognition --- DeCenzo and Robbins, 1993



Types of Rewards / Compensation



Qualities of Effective Reward / Compensation Management

- Ensuring that rewards are valued
- Equitable Distribution
- Linking rewards to performance
- Flexibility
- Visibility
- Costs
- Using team rewards for interdependent jobs

