

The Impact of Financial Rewards on Work Motivation of Operational Level Employees in Manufacturing Sector

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In any organization, financial rewards play a significant role in boosting and sustaining the work motivation of employees, which ensures the level of employee performance ultimately. However, the direct effect of financial rewards on work motivation of various types of employees is widely studied and reported. Such empirical evidence and theoretical explanations are inconsistent in extant literature. Therefore, it remains yet to be investigated further across different domains in the corporate atmosphere.

Thus, this study was conducted to assess the impact of financial rewards on work motivation of operational level employees in manufacturing sector. The current study was carried out as a cross sectional, quantitative field study among a sample of 400 operational level employees randomly selected from four manufacturing organizations in Sri Lanka. The primary data was collected via a standard questionnaire which was reported as valid and reliable in previous studies. It is found that financial rewards have a significant positive association ($r = 0.680$) with the work motivation of operational level employees in manufacturing. Further, findings reveal that 46.3% variation in employee work motivation is significantly affected by financial rewards. Moreover, financial incentives are found to be the most influential type of reward in determining the work motivation of operational level employees. Hence, it is recommended to manage and manipulate financial rewards properly to motivate them which in turn will positively produce effects on individual performance.

Key words: *Financial rewards, Operational level employees, Work motivation*