

PERFORMANCE-LINKED REWARDS AND MOTIVATION AT SHOPPERS STOP

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ABSTRACT: This paper examines the relationship between individual performance results and business awards to determine how performance-based rewards motivate employees. Employees are more engaged and dedicated when they perceive their hard work is being rewarded through promotions, bonuses, or incentives customized to their strengths. Rewards carefully linked to performance promote growth and goal-oriented behavior. This encourages workers to work harder. Performance-based pay schemes boost organizational success, employee retention, and work satisfaction by rewarding employees for meeting goals.

Keywords: *Performance-Linked Rewards, Employee Motivation, Organizational Commitment, Incentive Systems, Productivity Enhancement, Job Satisfaction,*

1. INTRODUCTION

Modern human resource management relies on performance-based awards to connect employees' efforts with company goals. In a world of rapid technological change and rising competition, organizations need motivated, talented workers. Commissions, bonuses, incentives, and merit-based remuneration are performance-linked. These methods use the direct link between employee efforts and quantifiable results to drive people to exceed expectations. This method aims to create an environment that encourages achievement, efficiency, and hard effort.

Motivation greatly affects how employees react to performance-based rewards. Employee behavior is determined by internal and external rewards, as well as labor duration, intensity, and kind. Extrinsic incentive comes from money, but intrinsic motivation comes from fulfillment and personal growth. Performance-based incentives are used by many companies to motivate workers and

boost company performance. Job environment and personality type affect motivation and incentives in a complex web.

Performance-based incentives can boost employee engagement, thus a fair and transparent reward system is essential. Workers are more likely to work harder and feel appreciated when they are paid well. Establishing clear performance goals and evaluation criteria will help your staff view you as fair. A well-designed reward system can affect performance, accountability, and organizational goals.

2. LITERATURE SURVEY

Hughes, R., & Menon, A. (2025): Hughes and Menon (2025) examine how performance-based awards can boost workplace morale by linking effort to quantifiable results. Research shows that honouring important accomplishments makes people more devoted to their jobs. Leaders can decide whether monetary, recognition-based, or developmental

incentives align with their beliefs by analyzing employees' reactions.

Dawson, L., & Rahman, S. (2025): Dawson and Rahman (2025) examine how performance-based rewards might motivate learners and performers. They found that awards that address short-term and long-term skill development make employees feel appreciated. Emotionally intelligent people can tell if their staff are more productive when driven to collaborate or compete. If they can control their emotions, managers can give helpful feedback on employees' work without discouraging them.

Martinez, L., & Chowdhury, S. (2024): Martinez and Chowdhury (2024) examine how performance-based rewards motivate workers. By addressing personal and business goals, this is achieved. Their research shows that rewards tied to goals assist employees emotionally. These goals may include earning more, becoming recognized for one's skills, or having more options. A boss that is emotionally intelligent can recognize employee tiredness and change treatment. The best leaders can retain emotional stability and act compassionately and fairly in difficult situations. Leaders increase employee loyalty by offering professional development.

Olsen, P., & Dutta, K. (2024): Olsen and Dutta (2024) analyze how motivational messages affect performance-based reward reactions. Executives who reward staff as part of a wider goal rather than as specific tasks encourage them, according to their research. Understanding their emotional state as a leader can help them evaluate the team and justify the award criteria. Emotional management helps leaders stay upbeat and decreases employee anxiety while discussing job difficulties.

Keller, M., & Jain, R. (2023): Keller and Jain's 2023 paper analyzes how moral leadership improves performance-based rewards. Honest, sincere, and fair leaders are better trusted by employees for compensation decisions, according to paper. Emotionally intelligent people can predict how reward decisions affect employee morale. Even under pressure to perform well, emotional control allows people to act honestly.

Vandenberg, S., & Pillai, T. (2023): Vandenberg and Pillai (2023) examine how CEOs see performance-based remuneration during organizational change. Their research shows that managers who openly link rewards to growing goals encourage personnel. Emotionally intelligent leaders can spot performance standard concerns.

McAllister, J., & Bhatia, P. (2022): McAllister and Bhatia (2022) examine how growth-oriented achievement recognition motivates. Employees are happier when praised for their consistent development, adaptability, and hard work rather than their major achievements. Emotionally intelligent directors can spot small signs of staff development.

Singh, P., & Lambert, R. (2022): Singh and Lambert (2022) examine whether performance-based rewards and psychological safety work. Transparent, non-punitive rewards motivate people to perform at their best, they discovered. Leadership that is emotionally aware is more likely to recognize and address weaknesses. Maintaining emotional control is essential for objective, fair, and beneficial comments.

Gupta, A., & Rosario, J. (2021): Gupta and Rosario's 2021 paper shows that skill-based performance-based compensation

systems motivate workers. Their research shows that employees are pleased of themselves when rewarded for good performance. Emotionally intelligent leaders help their people choose jobs that allow them to pursue their goals. Maintaining emotional control during coaching sessions is essential for skill acquisition. Seeing their advancement symbol makes workers more proactive.

3. STEPS OF PERFORMANCE-LINKED REWARDS



Step 1: Set Clear Performance Objectives

Setting performance goals is the first stage in creating a performance-based payment system. Documenting each position's expected results, key performance indicators, and objectives helps people understand their roles. These goals must align with the company's broader goals to ensure each employee's success.

Step 2: Communicate Expectations

After setting goals, staff must know their responsibilities. This involves sharing the performance evaluation standards, objectives, and goals. Be straightforward and tell your personnel how they will be judged to build trust.

Step 3: Continuous Monitoring & Guidance

Monitoring must continue during performance to preserve progress. Frequent reviews, performance dashboards, and feedback meetings are the best ways to track employee performance.

Step 4: Evaluate Performance Objectively

Performance must be evaluated fairly and methodically after the evaluation time. Businesses should use assessments, scorecards, 360-degree feedback, and rating systems to assess employee performance.

Step 5: Decide Reward Based on Achievements

Awards should be based on individual performance following work evaluation. Opportunities for professional development, higher salary, stock options, profit sharing, promotions, incentives, and other success rewards are examples. Employee salary should reflect reliability, innovation, leadership, teamwork, and performance.

Step 6: Communicate Results & Reward

Organizations must disclose award results. Employees must receive honest performance evaluation and understand their rewards. Recognizing outstanding achievement boosts productivity and morale.

Step 7: Review, Improve & Realign

assess incentive structure efficacy. Businesses should assess if their rules motivate workers and boost production. The process is constantly changed by testing it against industry norms, requesting comments, and comparing it.

4. PERFORMANCE-LINKED REWARDS AND MOTIVATION

Reinforcement Theory (B.F. Skinner)

Reinforcement Theory states that actions' outcomes impact their future behavior. Rewarding employees with incentives, recognition, bonuses, or professional progress helps them sustain good work habits. Success-based awards strengthen the link between hard work and outcomes.

Expectancy Theory (Vroom)

Expectancy Theory holds that people are driven by their belief that their hard work and success are closely related to their rewards. When companies set clear pay standards and promise to evaluate their work, employees are more motivated. When they believe that (1) their performance will improve (expectancy), (2) their exceptional work will be acknowledged and compensated (instrumentality), and (3) the reward they are assured has personal significance, people are more likely to work harder.

Goal-Setting Theory

To drive employees to do great work, goal-setting theory suggests setting clear, comprehensive, and challenging goals.

When firms link rewards to quantifiable goals, employees are more motivated, focused, and committed to succeeding. Performance-based incentives ensure that workers' work goals match company standards. A clear goal makes jobs easier.

Equity Theory

Equity theory focuses on fairness and balance in company compensation. Employees compare themselves to coworkers by checking performance and salary records. Performance-based compensation that is fair, transparent, and merit-based motivates, retains, and pleases employees. When their labor is recognized and evaluated honestly, people feel appreciated.

5. DATA ANALYSIS AND INTERPRETATION

1. Which performance-linked reward at Shoppers Stop motivates you the most?

S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Monthly performance incentives	42	42%
2	Target-achievement bonuses	31	31%
3	On-spot rewards	18	18%
4	Appreciation coupons	9	9%
TOTAL		100	100%



INTERPRETATION:People favor performance-based pay categories such as monthly incentives (42% of respondents) and target-achievement bonuses (31%). More attention is paid to appreciation vouchers (9% of the time) and on-the-spot prizes (18%) than informal recognition.

2. How does Shoppers Stop push you to sell more?

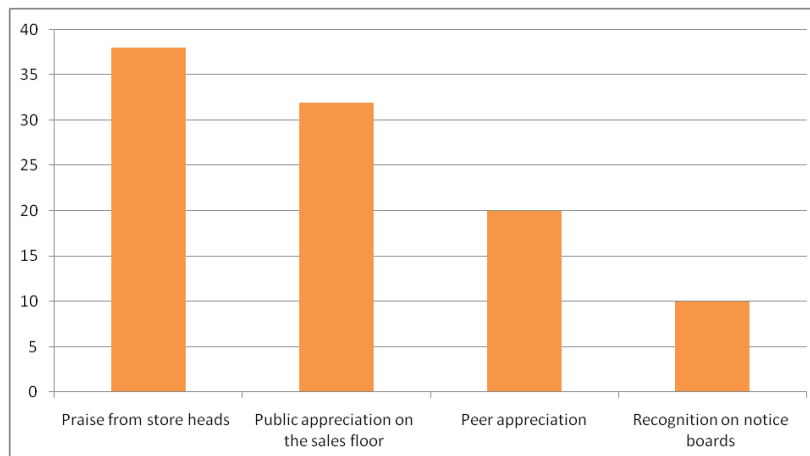
S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Clear daily/weekly targets	45	45%
2	Transparent reward structure	30	30%
3	Feedback from store managers	17	17%
4	Recognition in staff meetings	8	8%
TOTAL		100	100%



INTERPRETATION:Employees want a daily or weekly goal and open pay (30%) (45%). Research shows they value workplace openness and equity. Structured performance coaching outperforms store manager remarks (17%) and staff meeting appreciation (8%).

3. How does Shoppers Stop recognition boost your excitement?

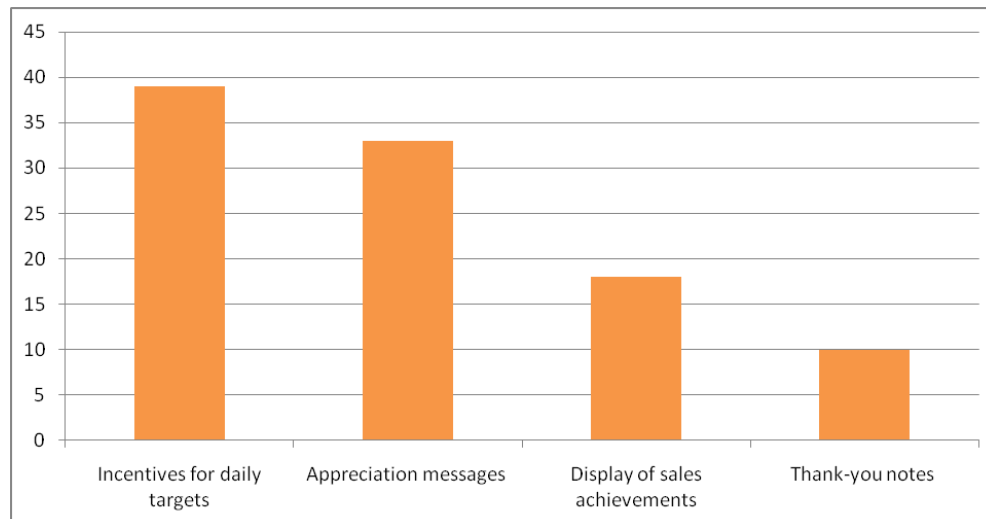
S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Praise from store heads	38	38%
2	Public appreciation on the sales floor	32	32%
3	Peer appreciation	20	20%
4	Recognition on notice boards	10	10%
TOTAL		100	100%



INTERPRETATION: The research showed that sales floor (32%), and shop supervisor (38%), praise make workers happy. They want immediate praise from their leaders. The low percentages of friend commendation (20%) and notice board recognition (10%) suggest that indirect recognition is not effective.

4. Which Shoppers Stop reward encourages faster shopping and was founded on success?

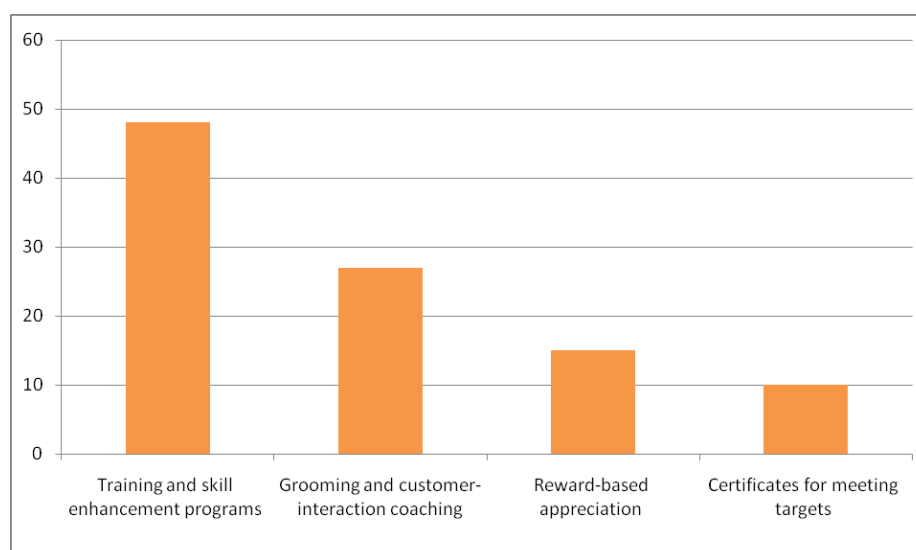
S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Incentives for daily targets	39	39%
2	Appreciation messages	33	33%
3	Display of sales achievements	18	18%
4	Thank-you notes	10	10%
TOTAL		100	100%



INTERPRETATION: The data show that employees like verbal praise and performance-based awards. Daily target rewards and letters of gratitude garnered 39% and 33% of the vote, respectively, as the most common employee recognition measures. Although thank-you notes (10%) and sales achievement displays (18%) are less popular, verbal praise or material gifts seem to motivate more.

5. Which Shoppers Stop program is most trusted in your field?

S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Training and skill enhancement programs	48	48%
2	Grooming and customer-interaction coaching	27	27%
3	Reward-based appreciation	15	15%
4	Certificates for meeting targets	10	10%
TOTAL		100	100%



INTERPRETATION: The most common growth initiatives are training and skill-improving (48%), grooming or customer-interaction coaching (27%). This shows employees' dedication

to professional development. Workers value learning over recognition. Only 10% of employees prefer incentives for meeting goals, whereas 15% favor rewards.

6. CONCLUSION

Finally, Shoppers Stop must create performance-based prizes to motivate employees by linking accomplishment, hard work, and physical recognition. When they collaborate and compete, receive cash incentives, development possibilities, and praise, and feel their hard work is recognized, employees are more productive and engaged. Employee morale and accountability enhance when performance targets are part of a reward scheme. This boosts business and client satisfaction.

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