

Exploring the Interplay of Recognition and Rewards, Career Growth Opportunities and Employee Engagement on Employee Retention in Sales Job

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Abstract: *This study investigates the impact of Recognition and Reward Systems, Career Growth Opportunities, and Employee Engagement on Employee Retention in sales roles. With high turnover rates in sales positions, understanding the factors influencing retention is critical for organizations seeking to maintain a stable workforce. The research reveals that Career Growth Opportunities and Recognition and Reward Systems are the most significant drivers of employee retention. When employees perceive clear career advancement paths and receive consistent recognition, their commitment to the organization increases. The study also finds no significant gender-based differences in the perceptions of engagement, career growth, or retention, suggesting that retention strategies can be standardized across the workforce. Although Employee Engagement shows a positive correlation with retention, its direct influence is not statistically significant, indicating a more indirect role. The model highlights that while Career Growth Opportunities and Recognition and Reward Systems play key roles in retention, other factors may also affect employee retention, warranting further exploration. The study emphasizes the need for organizations to integrate career development and recognition systems into comprehensive retention strategies to address turnover challenges in sales roles.*

Keywords: Employee Retention, Recognition and Reward Systems, Career Growth Opportunities, Employee Engagement, Retention Strategies, Organizational Performance

I. INTRODUCTION

Employee retention has become a critical area of focus for organizations, especially in industries where turnover rates are high and roles are demanding, such as sales. High employee turnover in sales roles not only disrupts business continuity but also impacts customer relationships, team dynamics, and overall organizational performance Al-Suraihi, W. A., Samikon, S. A., Al-Suraihi, A. H. A., & Ibrahim, I. (2021). Retaining skilled and motivated sales employees requires more than just competitive salaries; it demands a comprehensive approach that prioritizes recognition, rewards, career development, and employee engagement. These elements collectively shape an employee's work experience and influence their decision to stay or leave the organization.

Recognition and reward systems are essential in acknowledging employees' contributions, fostering a sense of value and appreciation within the organization. Such systems, when implemented effectively, can significantly enhance morale, motivation, and loyalty. Similarly, career growth opportunities provide employees with a sense of purpose and direction by enabling skill development and professional advancement. Employees who perceive clear and attainable career paths are more likely to remain committed to their organizations.

Employee engagement, on the other hand, is a multifaceted concept that reflects the emotional, cognitive, and behavioural commitment of employees to their work and workplace. Tithy, S. M. (2024). Engaged employees are typically more productive, innovative, and aligned with organizational goals. However, the role of engagement as a direct or indirect factor in retention varies across job contexts, particularly in sales roles, where high-pressure environments, targets, and performance expectations can impact engagement and, consequently, turnover rates.

Understanding the interplay between recognition and rewards, career growth opportunities, and employee engagement is critical for developing effective retention strategies, especially in the context of sales. Sales roles are unique due to their performance-driven nature and the frequent need for interpersonal skills, resilience, and adaptability. Taylor, A., Jossberger, H., & Gruber, H. (2024). This research aims to explore the relationships between these key factors and employee retention, identifying the extent to which each factor influences retention outcomes in sales roles.

By analysing these dynamics, the study seeks to provide valuable insights for organizations to design targeted and impactful retention strategies. These strategies can help address turnover challenges while fostering a stable, engaged, and high-performing sales workforce. The findings will contribute to the growing body of literature on employee retention, emphasizing the importance of multidimensional approaches tailored to the specific challenges and opportunities within sales roles

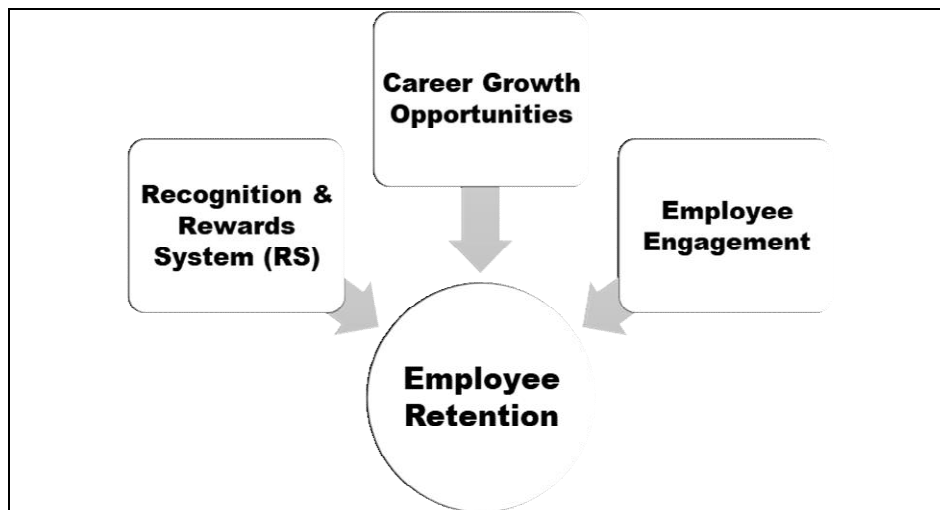
Objectives:

- To analyse the relationship between Rewards and Recognition systems, employee engagement, career development opportunities and employee retention in sales roles.
- To analyse the impact of Rewards and Recognition systems, employee engagement and career development opportunities on employee retention.

Hypothesis:

- Ho: There is no significant relationship between Rewards and Recognition systemspractices with employee retention.
- H1: There is significant relationship between Rewards and Recognition systemswith employee retention.
- Ho: There is no significant impact of Rewards and Recognition systems, employee engagementand Career Growth Opportunities on Employee retention.
- H1: There is significant impact of Rewards and Recognition systems, employee engagement and Career Growth Opportunities on Employee retention.

Conceptual framework:



II. REVIEWS

Brun, J. P., & Dugas, N. (2008). This study emphasizes how recognition satisfies employees' psychological needs for esteem and belonging, thus improving morale and reducing turnover. Recognition is particularly beneficial in sales jobs, where target-driven environments can cause stress, as employees feel appreciated beyond their performance metrics.

Lawler, E. E., & Porter, L. W. (1967). They found that reward systems aligned with performance metrics significantly boost motivation and productivity. For sales employees, performance-based incentives not only enhance motivation but also foster loyalty, contributing to individual and organizational success.

Deci, E. L., Koestner, R., & Ryan, R. M. (1999). The study examines the effects of extrinsic rewards on intrinsic motivation. The study underscores those non-monetary rewards, like praise and recognition, are effective in promoting job satisfaction and reducing turnover. For sales roles, public recognition for achievements strengthens intrinsic motivation, fostering long-term job satisfaction.

Jiang, Z., Xiao, Q., Qi, H., & Xiao, L. (2009), their study suggests that tailored rewards that consider individual sales targets, client interactions, and achievements significantly enhance performance and retention, especially for sales employees who have unique motivational factors.

Markova, G., & Ford, C. (2011), in their paper examines the impact of non-monetary rewards on knowledge workers, providing insights into how intrinsic motivators contribute to retention and performance concepts that can be applied to sales professionals, who often thrive on achievement-based recognition.

III. RESEARCH METHODOLOGY

Source of Data:

Primary data was collected using a questionnaire from the respondents and the secondary data were collected from various internet sources, journals magazines etc.

Sampling Design

Convenience sampling technique was used in the study to ensure the availability of respondents and 45 respondents were taken from various sales positions working in different companies in Cochin.

Statistical Tools Used:

Statistical tools used in the study are percentage analysis, t-test, coefficient of relations, regression analysis etc.

IV. ANALYSIS AND INTERPRETATION

Demographic profile of the respondents

		Frequency	Percent
Gender	Female	14	31.1
	Male	31	68.9
	Total	45	100.
Age	below 30	8	17.8
	30-40	19	42.2
	40-50	7	15.6
	above 50	11	24.4
	Total	45	100.
Education	below graduation	13	28.9
	Graduation	20	44.4
	Above Graduation	12	26.7
	Total	45	100.
Experience	below 5	10	22.2
	5-10	19	42.2
	above 10	16	35.6
	Total	45	100.

Interpretation:

Gender: There are more male respondents (68.9%) than female respondents (31.1%).

Age: The majority of respondents fall in the 30-40 age group (42.2%), followed by those above 50 years old (24.4%).

Education: The majority of respondents have a graduate level of education (44.4%).

Experience: Most respondents have 5-10 years of experience (42.2%) or more than 10 years (35.6%).

Reliability statistics

Variables	Cronbach's Alpha	No. of Items
Employee Engagement(EE)	.762	6
Career Growth Opportunities (CO)	.856	5
Rewards and Recognition System (RS)	.871	4
Employee Retention (ER)	.840	4

Interpretation:

The scales for **Career Growth Opportunities (CO)**, **Rewards and Recognition (RS)**, and **Employee Retention (ER)** have very good to excellent reliability, while **Employee Engagement (EE)**, with a Cronbach's Alpha of 0.762, is also reliable but slightly lower in consistency compared to the others.

T test based on gender

		Levens'		t- test		
		F	Sig.	T	Df	Sig.
EE	Equal	1.875	.178	-.103	43	.918
	Unequal			-.093	20.319	.926
CO	Equal	4.903	.032	-.046	43	.963
	Unequal			-.040	18.694	.969
RS	Equal	1.397	.244	-1.812	43	.077
	Unequal			-1.571	18.677	.133
ER	Equal	.625	.433	.504	43	.617
	Unequal			.452	19.879	.656

Interpretation:

The above table shows the independent sample t test and the p-value of the variables are greater than 0.05, indicating no significant difference in EE, CO, RS and ER between the male and female.

Correlation

		EE	CO	RS	ER
EE	Pearson Correlation	1			
	Sig. (2-tailed)				
CO	Pearson Correlation	.447**	1		
	Sig. (2-tailed)	.002			
RS	Pearson Correlation	.654**	.412**	1	
	Sig. (2-tailed)	.000	.005		
ER	Pearson Correlation	.296*	.662**	.457**	1
	Sig. (2-tailed)	.048	.000	.002	

Interpretation:

Employee retention (ER) is significantly influenced by both career growth opportunities and (CO) and recognition and reward system (RS).

Regression

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
1	.707 ^a	.500	.463	.68051	.000
a. Predictors: (Constant), RS, CO, EE					

Interpretation:

This adjusts for the number of predictors in the model and reflects a slightly lower explanatory power (46.3%).

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.126	.618		1.822	.076
	EE	-.260	.201	-.195	-1.291	.204
	CO	.618	.127	.612	4.878	.000
	RS	.348	.155	.333	2.244	.030
a. Dependent Variable: ER						

Interpretation:

Career Growth Opportunities and Rewards and Recognition Systems are significant influencers of Employee Retention and Employee Engagement, while showing a negative relationship, does not have a significant effect on retention in this model.

V. DISCUSSIONS

The study reveals that Career Growth Opportunities (CO) and Recognition and Reward Systems (RS) play a pivotal role in influencing employee retention in sales jobs. These factors emerge as significant predictors, indicating that when employees perceive clear pathways for career progression and receive consistent recognition for their efforts, they are more likely to remain with the organization. Interestingly, the analysis highlights no significant gender-based differences in perceptions of Employee Engagement (EE), Career Growth Opportunities, Rewards and Recognition, or Employee Retention, suggesting that these factors resonate equally across male and female employees. This uniformity underscores the potential of standardized retention strategies that can effectively address diverse workforce needs. Additionally, while Employee Engagement (EE) does not show a statistically significant direct impact on retention in this model, its relationship with retention cannot be overlooked. Engagement might act as an indirect contributor by fostering a positive work environment and aligning employees' personal goals with organizational objectives. The model's explanatory power of 46.3% suggests that while CO and RS are crucial, other variables may also influence retention, warranting further exploration. Overall, the findings emphasize the need for organizations to prioritize career development opportunities and recognition systems as part of a holistic retention strategy to address turnover challenges in sales roles.

VI. SUGGESTIONS

To improve employee retention in sales roles, organizations should focus on strengthening Career Growth Opportunities by offering clear progression paths, skill development, and mentoring. Enhancing Recognition and Reward Systems, including personalized recognition and non-monetary perks, is also crucial for boosting employee

satisfaction and loyalty. While Employee Engagement indirectly influences retention, organizations can leverage it through team-building and alignment of personal and organizational goals. A holistic retention strategy combining development, recognition, and a supportive work environment is essential. Regular employee feedback and tailored strategies for sales roles, including performance-based rewards and stress management, will further support retention efforts.

VII. CONCLUSION

This study highlights the critical role of Career Growth Opportunities and Recognition and Reward Systems in driving employee retention in sales roles. Employees who perceive clear career progression and consistent recognition are more likely to stay with the organization. The analysis shows no significant gender differences in perceptions of Employee Engagement, Career Growth, or Recognition and Rewards, suggesting that retention strategies can be universally applied. While Employee Engagement does not directly impact retention, it may play an indirect role in fostering a positive work environment. The study suggests that while Career Growth Opportunities and Recognition and Reward Systems are key, other factors also influence retention, warranting further exploration. Overall, organizations should prioritize career development and recognition systems as part of a comprehensive retention strategy.

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