

**PERCIEVED RELATIONSHIP BETWEEN NON-FINANCIAL  
REWARDS AND EMPLOYEE MOTIVATION: SPECIAL  
REFERENCE TO FINANCIAL INSTITUTES OF KANDY DISTRICT**



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## ABSTRACT

The objective of this study is to investigate the Relationship between Non-financial Rewards and Employee Motivation of financial institutions in Kandy district. The study variables consist of both dependent variable and independent variable, with Recognition, Personal Growth, Job Enrichment, Responsibilities and Working Conditions being the independent variable and Employee Motivation being the dependent variable. Proportionate Stratified Random Sampling method is adopted to arrive at sample size of 358, out of 5164 employees who are working at the financial institutions of Kandy district. A questionnaire is designed using Five-Point Likert Scales and distributed to the employees of the financial institutions to obtain responses to the independent variable (Non-Financial Rewards) and to the dependent variable that is Employee Motivation. In accordance with literature review and findings, there is knowledge gap regarding the relationships and between Non-financial Rewards and Employee Motivation of employees of the financial institutions.

According to descriptive analysis, level of non-financial rewards and employee motivation are high level in financial institutions. Based on result of the correlation analysis, there is a significant relationship between non-financial rewards and employee motivation. As per the regression analysis, there is a significant effect of non-financial rewards on employee motivation are high level in financial institutions in Kandy district.

Based on the study results, researcher recommends to maintain the highest levels of non-financial rewarding system to upgrade the motivation of the employees by conducting performance review in order to enhance the competency level from time to time. Therefore, maintaining a high level of Non-Financial Rewards will be an advantage to raise the employee motivation and it leads to improve overall performance of the financial institutions in Kandy district.

**Keywords:** *Non-Financial Rewards, Employee Motivation*

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