Employee Motivational Aspects Among IT Professionals in Sri Lanka - Rewards Recognition & Retention

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Abstract- Employee Motivational Aspects among IT Professionals in Sri Lanka (Rewards Recognition & Retention) is much related topic to current Sri Lankan economic context where the country is on a rapid development stage of the IT Sector. For this sector the most important resource is the human resource. Retention of this key asset in the organization has been a contemporary issue for most human resources managers who are employed in these companies in Sri Lanka. There have been very few researchers done in terms of “Motivation” of the IT sector employees, their skill levels and their expectations from the current employers in the industry in terms of Rewards & Recognition. Hence this study was conducted bridge this gap & to identify & recommend few best practices to current & future HR managers who will be in charge of IT Sector in Sri Lanka

Index Terms- Employee Motivation, IT Sector, Rewards, Recognition, Retention, Sri Lanka

I. INTRODUCTION

Background to IT Industry Workforce Sri Lanka
The IT workforce in Sri Lanka grew by nearly 10,000 over the two years from 2004. Nearly 14,500 IT workers are required in the pasted (2007-2008) years which has now increased significantly more in this year.

There was a demand for 7,672 IT workers in 2007. A total of 5,755 graduates are needed in 2007 but only 2,216 IT Major graduates were added to the workforce in the mention year. Programming/Software Engineering is the largest job category with 27% of the overall workforce.

Testing and Quality Assurance engineers have increased from 4% of the total workforce in 2004 to 13% in 2006, the largest increase across all job categories. The overall attrition rate for the IT workforce has doubled from 6.6% in 2004 to 13% in 2006. Today it’s even more.

The starting salaries of an IT worker is approximately Rs. 10,000 to 20,000 across all job categories, but with experience his capacity to earn increases at a higher rate if employed in the IT sector.

The overall IT workforce grew by around 20% year-on-year over the 2006-2008 years. That is a growth of nearly 10,000 IT professionals. IT sector can be further categorized into following sub categories.

1) IT Companies
2) Non IT companies
3) Government Sector

IT Jobs were classified into thirteen high-level categories according to their most dominant job function.

The thirteen Job Categories are:
1) Business Analysis and Systems Integration
2) Systems and Network Administration
3) Programming and Software Engineering
4) Database Administration and Development
5) Digital Media and Animation
6) Project and Programme Management
7) Testing & Quality Assurance
8) Sales and Marketing
9) Technical Support

10) Technical Writing  
11) Web Development  
12) Management Information Systems/IT Management  

**Rising demand of IT Work Force**  
As per the graph shown below, this shows that Programming/Software Engineering (28%), Testing & Quality Assurance (21%) and Technical Support (13%) are the job categories in high demand.  
These are also the categories that have the largest communities in the current IT workforce.  
**Figure 1 Demand for IT professionals by Job Category**

1.2.3 Demographics of the IT workforce: young and educated  
**Figure 2: Overall IT workforce growth trend 2003 – 2008**
The IT workforce grew by 9,841 across the IT, non-IT and Government sectors to stand at 30,120 as at the end of 2006.

The workforce in the IT sector increased by 4,222 (122 short of expectation) and the non-IT sector grew by 5,409 (169 short of expectation) over the two years from 2004.

The Government sector (Ministries, Departments and Corporations) lagged behind with a growth of only 210 over the same period (633 short of expectation).

**An educated workforce**

Around 43% of the workforce has a IT degree or above qualification

Over 80% of the workforce has an IT qualification. In the Government sector this has dropped down to 63%. In the IT and non-IT sectors the IT qualified workforce stands at 83% and 82% respectively. In the overall workforce, 43% have a degree or a higher qualification in IT.

Of all the graduates with an IT degree or above, 61% are employed in the IT sector while 35% are in the non-IT sector with the Government employing only 4%. Another 11% of the overall IT workforce has a degree or above qualification but not related to IT. However, they are employed in IT jobs across the three sectors. In other words more than half (54%) of the workforce has a degree or above qualification.

1.2.5 **IT workforce by level of experience**

**Figure 3: Workforce gaining in experience**

Experience is the most look forward qualification in this sector. This was the major consideration in the recruitment process. Experience level of the overall workforce seems to be increasing.

Nearly a three quarter (72%) of the workforce has less than five years of experience. At the same time 84% of the workforce has at least one year's experience. It appears that new entrants are attracted mainly to the IT sector.

Female representation keeping steady Just over a fifth (21%) of the overall IT workforce is female.
II. IDENTIFY, RESEARCH AND COLLECT IDEA

Statement of the Problem & Importance of Study

In IT industry most of the companies are projects based organizations. These projects are high technical based complex systems. (E.g.- Developing of complex software, ERP systems, web base multi access systems, High complex networks etc.) The success of these projects depends on the successful performance of the IT employees who handle these projects. Most of these huge projects fail due to following reasons,

1. Employees leaving organizations leaving the projects uncompleted.
2. Key staff is been headhunted by competitor organizations and other companies.
3. Lacks of knowledge and experienced workers available for doing specific unique work.
4. Knowledge workers are migrating to other countries for better prospects.
5. Rapidly evolving technology as a result motivation and commitment to the job becomes a key necessity to become a good professional.

As a result IT firms had to bear huge loses both in time and in financial terms. It has been identified that motivation plays a key role in project staff retention as well as completing the projects successfully.

Objectives of Study

Once taking into consideration the above mention issue and the importance of study the author laid down following research objectives as mention bellow,

1. To do an overview study of the current IT workforce and its nature (various demographics factors, job market demand etc...) through various secondary data available.
2. To identify what factors which would motivates IT staff and what causes IT projects failure

Hypothesis to Be Tested

Author further wanted to test following hypothesis.

- H1 - Nonfinancial incentives/rewards are most appreciated than the financial incentives (rewards).
- H2 - Individual rewards and recognition motivates IT employees more than the general rewards and recognition.
- H3 - Challenging and interesting work causes job motivation.

Methodology

Method of Research Used – Author has included both qualitative and quantitative qualities to the questioner since the prime need was to gather both descriptive information and to test the hypothesis which was made in the research objectives.

Primary & Secondary data sources

Here the author has used both primary and secondary data collection methods. The secondary data sources were various publications which had been released in Sri Lanka especially from ICTA (Information Communication Technology Agency Sri Lanka). Primary data which was collected through the designed questioner was distributed among the sample frame.
The questioner was designed to support both qualitative and quantitative aspects of the collected data. This would increase the value of the collected data. MCQs were used to analyze the quantitative aspects while structured type questions were used to evaluate qualitative areas of motivational areas of IT professionals.

This primary data was used to test the three hypotheses. This required data is gathered under following areas,

1. Demographic data
2. Data relating to rewards factors
3. Data relating to recognition factors
4. Data relating to Motivational factors

III. WRITE DOWN YOUR STUDIES AND FINDINGS

Presentation of Results

It was found that IT employees are very serious about career growth opportunities. Rather than promotions they still want personal growth by enhancing their knowledge levels to do their present jobs well. (Through updating their knowledge and training opportunities, investing on knowledge management systems etc...)

When considering Maslow’s theory of Needs, starting with basic needs to self-actualization level, (The highest need in the hierarchy). HR managers’ effort should be to try and uplift the need level of their employees towards self actualization where they will be satisfied with the current employer.

Since the basic pay levels are high in most IT firms (The starting salary was 15,000-20,000) employees still clamor in achieving needs in the upper level of the hierarchy. Some IT firms have understood this very well where they provided activities like social dancing, yoga sessions to their employees. This is very important in providing the opportunity of maintaining a relax mind to the employees. This investment will return to the employees through increasing their thinking capacities. It’s a vital factor in innovative and quick problem solving in the day to day work which is the most important skill of an IT person.

Hypothesis 1

H1 - Nonfinancial incentives/rewards are most appreciated than the financial incentives (rewards).

According to the question “how do you like to be rewarded?”22% (n=19) of IT employees would like to receive appreciation both verbally and in writing from their employers and supervisors as rewards. Only 10% (n=9) stated salary increments. (Refer data presentation Question 04)

70 %( n=61) of the sample data would prefer having both financial and non-financial benefits as shown in the graph. It’s clear that they did not want only financial benefits. (Refer data presentation Question 5b)

Further regarding rewards Job Satisfaction, Trainings for professional development were chosen as the most preferred rewards factors where compensation (Bonus) Plans was not very much attractive variables to IT employees where they even gave a higher ranking to Intellectual Challenge and Creativity factor than financial incentives.
Considering above facts and figures, our conclusion is therefore that this hypothesis is true. Still financial (monetary) incentives plays vital role in IT organizations as a hygiene factor to keep employees satisfied with the job. It’s still a motivating factor which can’t be ignored or underestimated.

**Hypothesis 2**

**H2 - Individual rewards and recognition motivates IT employees more than the general rewards and recognition?**

In the author’s question regarding “rewards”, Over 80% of the sample wanted to receive rewards both in person and as a group. Only 19% mention that they would like to receive individual rewards. (Refer data presentation Question 02)

This shows that majority of the IT workers likes to be rewarded as a group. This is very important when it come to large projects where the project has been broken in to small groups. Success of these projects can significantly improve by recognizing and rewarding employees as a group.

In the author’s question regarding “recognition”, 18% (n=16) wishes to receive personal recognition from employers, 82% (n=71) of the sample preferred to receive recognition both person and as a group. This trend is seen in all the companies participated. (Refer data presentation Question 08)

According to facts given above the second hypothesis can be rejected in order to develop an alternative hypothesis which is,

- **H20 - General (Both Individual and team) Rewards and Recognition Motivates IT Employees More Than the Individual Rewards and Recognition.**

It’s a well-known fact that IT employees are not well recognized for what they do and their achievements. This study shows that 57% (n=50) of the sample felt that to some extent they receive enough recognition for work they do. 7% (n=6) said they do not receive enough recognition and 17% (n=15) were not happy with the recognition that they receive. (Refer data presentation Question 09)

Study shows that in the current context, employers do make some effort to give due recognition to their employees which is an essential factor in making IT staff satisfied with present job.

When it comes to employee rewards since 35% (n=31) was not quite happy with the rewards that they receive and they thought it’s not adequate. Employers need focus on their rewards schemes further because they might lose their key people due to this dissatisfaction. Only 09% (n=8) felt that they do receive the due rewards. (Refer data presentation Question 03)

2% of the sample did not had an idea about their rewards at all

(Even though some companies had rewards schemes some employees was not aware about it. The rewards scheme need to be properly communicated to the employees. To motivate employees, the scheme needs to address the performance criteria of employees. (Whether it’s individual or group rewards)

**Hypothesis 3**

**H3 - Challenging and interesting work causes job motivation.**

Challenging and interesting work were found to be an equally motivating factor compared to Pay benefits to the participants. Participants did not mention that pay benefits would motivate them to do a better work. This would be another area to study when it comes to IT employee motivation. (Refer data presentation of Question 11).

IT employees gave the highest ranking for interesting challenging work when it comes to present job satisfaction. It can be clearly vied as a job retention factor and a motivator for IT employees. (Refer data presentation of Question 16). This strengthens the third hypothesis where it says “Interesting challenging work causes job motivation”. 

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Author’s conclusion is therefore that this hypothesis is true. “A challenging and interesting Work is an important factor for IT-professionals to be motivated and to perform a good work”.

IT employees also have some concern about stability of the organization that they work for. The knowledge and the skill component of an IT employee give him a demand in the job market where he/she is easily shift companies for better working environment. The study shows that employees gave a higher ranking towards following, than financial incentives and bonus schemes (Refer data presentation of Question 01).

- Job satisfaction
- Training for professional development
- Creativity aspects

However the need of the financial incentives depends on the current salary and the company benefits scheme. HR managers need to link their nonfinancial incentive scheme to increase creativity aspects of the company employees.

**Conclusion**

- In a time like this, (where our country is liberated and united once again) IT sector been the fifth largest exporter has far more miles to go in the present and in future. The sector is expanding very fast at the moment. The whole industry is depended on its IT staff and their level of commitment to the job. There for motivating, recognizing and rewarding IT-professionals have become a much more needed issue which has a significant importance.

- There is no set of clearly identifiable factors which keeps employees happy about their work. The task, skill, both internal external factors, variables such like changes in the economic direction, changes in living styles, social factors, individual goals, psychological and physiological needs and many other factors may have a bearing to employee motivation.

- Since most IT projects are expensive and there is no specific product to show until it’s been developed (highly risk involve work). These are critical reasons as to why we need to keep IT employees motivated until the project is been completed and has been delivered to the customer.

- Therefore retaining the key people of the company for long time gives IT companies the needed competitive advantage over others. This is where employee motivation, rewards and recognition have the most important role to play. It was clear from this study that many IT companies has identified this aspect and have work for it at the present.

- The study pointed out the fact that rewards and recognition can bring about employee job satisfaction via individual and personal growth, increased creativity, career development opportunities etc.

- Since the IT industry and the environment are not in a stable conditions the participant’s ideas and their feedback to this study may be emotional. Their feedback would have been different if this study has been done about 8-10 back where the industry was booming.

- In this study there were two hypothesis which were turn out be true (hypothesis 1 and hypothesis 3). Hypothesis 2 were replaced by an alternative hypothesis according to the data which the author gathered. (Please refer the Presentation of the Results section “Heading 10”)
**Recommendations**

1. It’s recommended to the employers to dedicate more time to rethink about the organizations compensation, training, rewards and recognition methods where majority of employees felt they would do a better job if they are better motivated.

2. It’s also highly recommended that the employer appreciate the employees work by simple forms of (“A Thank You Note”, “Project Completion Party”, “Wishes for Job Well Done” etc.). This is where technical managers especially line managers in the IT sector need improve their leadership/people management skills to manage their HR assets better.

   - In current scenario most of the line/project managers thinks only about the project that he/she is working where “people” element is neglected.

3. According to analysis results of the Question 13 it was found that only 39% of the IT employees were fully self-motivated to do better job. This indicates HR managers need to work towards addressing these issues because demotivated employees surely reduce productivity of the company.

4. Another important factor which was found out was the developing team of a software component is not given the due recognition to their work. This is where the final credit of all the hard work is been given to the marketing team or the project manager who handled the project. (Usually final presentation of a complete system is been done by above mention parties).

   As a result the due recognition is not given to the developing team. This study clearly shows that most of the software developers were not satisfied with the recognition levels that they receive by the employer. As a result they were willing to accept jobs for better working environment. Management need to give serious attention to these issues because developing team acts as the heart of any IT company.

5. Employers’ further need to change their organizations to increase creativity aspects of the employees where it will drive IT employees to reach over and above their potential capacities to serve their companies better. Proper work life balance is important in this regard.

**Further Research**

During this study author felt following area are important to do further research,

1. What motivates Females to select selecting IT as their careers. (The gender ratio/gap in IT industry is very high when compared with other industries)

2. The compensation package which an IT employees expect from an employer in different levels of the career. (eg- from junior programmer to senior software engineer)
IV. GET PEER REVIEWED

Here comes the most crucial step for your research publication. Ensure the drafted journal is critically reviewed by your peers or any subject matter experts. Always try to get maximum review comments even if you are well confident about your paper.

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VI. CONCLUSION

A conclusion section is not required. Although a conclusion may review the main points of the paper, do not replicate the abstract as the conclusion. A conclusion might elaborate on the importance of the work or suggest applications and extensions.

APPENDIX

Appendix A: Analysis of the Data & the Distributed Questioner

ACKNOWLEDGMENT

The preferred spelling of the word “acknowledgment” in American English is without an “e” after the “g.” Use the singular heading even if you have many acknowledgments.

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[8] Make Their Day! Employee Recognition That Works by Cindy Ventrice
[9] Fundamentals of Organization Behavior by Dubrin,
AUTHORS

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Appendix A: Analysis of the Data & the Distributed Questioner

Sampling and Selection
Out of total population of 44000 (approximate figures) IT employees in Sri Lanka sample including 170 IT employees are selected. To represent this sample out of total population of 144 IT related companies 10 companies were selected. Questioners were then sent to these selected organizations.
Following companies actively participated in the study by filling out the questionnaires.

Data Collected
Table 1: Distribution of Questionnaires

<table>
<thead>
<tr>
<th>Company</th>
<th>Amount of Employees</th>
<th>Questionnaires Sent</th>
<th>Questionnaires Received</th>
<th>Response Rate %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) ICTA</td>
<td>60</td>
<td>30</td>
<td>15</td>
<td>50%</td>
</tr>
<tr>
<td>2) IRON ONE TECHNOLOGIES</td>
<td>50</td>
<td>20</td>
<td>08</td>
<td>40%</td>
</tr>
<tr>
<td>3) UCSC</td>
<td>40</td>
<td>20</td>
<td>11</td>
<td>55%</td>
</tr>
<tr>
<td>4) EPIC</td>
<td>50</td>
<td>25</td>
<td>10</td>
<td>40%</td>
</tr>
<tr>
<td>5) PWC</td>
<td>30</td>
<td>30</td>
<td>14</td>
<td>47%</td>
</tr>
<tr>
<td>6) DUO SOFT</td>
<td>60</td>
<td>45</td>
<td>29</td>
<td>64%</td>
</tr>
<tr>
<td>Total</td>
<td>290</td>
<td>170</td>
<td>87</td>
<td>52%</td>
</tr>
</tbody>
</table>

Author intended to collect 170 questionnaires, the Total Response Rate will be then 52%
Table 2: Demographical Data

<table>
<thead>
<tr>
<th></th>
<th>1)ICTA</th>
<th>2)IRON ONE TECH</th>
<th>3)UCSC</th>
<th>4)EPIC</th>
<th>5)PWC</th>
<th>6)DUO SOFT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GENDER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>12</td>
<td>07</td>
<td>08</td>
<td>7</td>
<td>11</td>
<td>22</td>
</tr>
<tr>
<td>Woman</td>
<td>03</td>
<td>01</td>
<td>03</td>
<td>03</td>
<td>03</td>
<td>07</td>
</tr>
<tr>
<td>Total Respondents by Company:</td>
<td>15</td>
<td>08</td>
<td>11</td>
<td>10</td>
<td>14</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total Respondents:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>87</td>
</tr>
</tbody>
</table>

| **AGE**       |        |                |        |        |       |            |
| 18-25         | 03     | 07             | 02     | 05     | 02    | 12         |
| 26-35         | 10     | 01             | 09     | 05     | 09    | 17         |
| 36-45         | 02     |                |        | 01     |       |            |
| 46-55         |        |                |        | 01     |       |            |
| 56+           |        |                |        | 01     |       |            |

| **EDUCATION** |        |                |        |        |       |            |
| G.C.E A/L or G.C.E O/L | 01 | 02 | 03 |       |       |            |
| University graduate | 09 | 08 | 06 | 08 | 07 | 22         |
| Master or doctoral graduate | 05 | 03 | 03 |     | 02 |            |
| Other         | 01     | 02             | 01     | 02    | 02    |            |

| **YEARS OF EMPLOYMENT WITH THE COMPANY** |        |                |        |        |       |            |
| Below 1 year | 04     | 06             |        | 02     | 03    | 07         |
| 1-2 Years    | 03     | 02             | 04     | 05     | 04    | 11         |
| 2 years      | 03     |                | 01     | 01     | 03    | 04         |
| 3 years to 5 years | 04 | 04 | 02 | 04 | 05 |             |
| Above 5 years | 01     |                | 02     |       |       | 02         |

<p>| <strong>CURRENT POSITION</strong> |        |                |        |        |       |            |
| Manager        | 07     | 02             | 02     | 02     |       |            |
| Software Developer | 01 | 06 | 03 | 06 | 02 | 15         |</p>
<table>
<thead>
<tr>
<th>Position</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware and System Specialist</td>
<td>01</td>
</tr>
<tr>
<td>Administrative Staff</td>
<td>01</td>
</tr>
<tr>
<td>Other</td>
<td>03</td>
</tr>
<tr>
<td><strong>OTHER SPECIFIED</strong></td>
<td></td>
</tr>
<tr>
<td>Business Analysts</td>
<td>01</td>
</tr>
<tr>
<td>Project Officer</td>
<td>02</td>
</tr>
<tr>
<td>Director IT</td>
<td>01</td>
</tr>
<tr>
<td>IT Security Managers</td>
<td>01</td>
</tr>
<tr>
<td>IT Consultants</td>
<td>02</td>
</tr>
<tr>
<td>Software QA staff/Engineer</td>
<td>01</td>
</tr>
<tr>
<td>Software Architects</td>
<td>02</td>
</tr>
<tr>
<td>Networks &amp; System Administrator</td>
<td>02</td>
</tr>
<tr>
<td>Web Designers</td>
<td>02</td>
</tr>
</tbody>
</table>
Hypothesis 1

H1 - Nonfinancial incentives/rewards are most appreciated than the financial incentives (rewards).

The questions relating to this hypothesis

| Question 04: | How would you like to be rewarded when you have done a good work (what would you like to receive as a reward)?

Table 3: Question 04

<table>
<thead>
<tr>
<th>STATEMENT</th>
<th>1)ICTA</th>
<th>2)IRON ONE</th>
<th>3)UCSC</th>
<th>4)EPIC</th>
<th>5)PWC</th>
<th>6)DUO SOFT</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Appreciation for work</td>
<td>02</td>
<td>14</td>
<td>01</td>
<td>13</td>
<td>03</td>
<td>27</td>
<td>02</td>
</tr>
<tr>
<td>2. A Paid Vacation Trip</td>
<td></td>
<td>01</td>
<td>12</td>
<td>01</td>
<td>09</td>
<td>01</td>
<td>10</td>
</tr>
<tr>
<td>3. Bonus Financial Benefits</td>
<td>02</td>
<td>14</td>
<td></td>
<td>02</td>
<td>18</td>
<td>02</td>
<td>14</td>
</tr>
<tr>
<td>4. Give Feedback for Improvement</td>
<td>01</td>
<td>07</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Salary Increments</td>
<td></td>
<td>02</td>
<td>25</td>
<td></td>
<td></td>
<td>06</td>
<td>21</td>
</tr>
<tr>
<td>6. Better Performance Appraisals Alien to Work Done</td>
<td>01</td>
<td>07</td>
<td>01</td>
<td>12</td>
<td></td>
<td>01</td>
<td>07</td>
</tr>
<tr>
<td>7. More Authority and Decision Making</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Promotions</td>
<td>01</td>
<td>07</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NO ANSWERE</td>
<td>07</td>
<td>47</td>
<td>O3</td>
<td>38</td>
<td>06</td>
<td>54</td>
<td>04</td>
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<tr>
<td>TOTAL</td>
<td>15</td>
<td>100</td>
<td>08</td>
<td>100</td>
<td>11</td>
<td>100</td>
<td>10</td>
</tr>
</tbody>
</table>

“F” – Frequency,”%” – Percentage

Table (1 – 22% (n=19) of IT employees would like to receive appreciation both verbally and in writing from their employers and supervisors. A wide majority still wanted financial benefits 10% (n=9) and salary increments 09% (n=8) as rewards for their work done. (More weight is given to the nonfinancial factors like recognition) 35% (n=41) of the employees did not answered the question. Reasons may be because it’s a structured type question. Promotions, paid vacations and feedback for their work were also most preferred ones. One or two participants had mention that team party was also preferred rewards factor.

Question 06:-
Arrange the following recognitions in order of your preference from 1 to 10, *(where 1 represents the best type of recognition and 10 represent the least best type of recognition: )*

**Variables**
- F1 - Time off with Pay
- F2 - Lunch “on the house”
- F3 - Thank You Note
- F4 - Full appreciation of work done
- F5 - Certificate for outstanding service or ideas
- F6 - Development Opportunities
- F7 - Employee Award
- F8 - Team-of-the-Month Award
- F9 - Years of Service Awards
- F10 - Other

**Figure 4: Question 06**

![Question 06 Graph](image_url)

**Table 1**

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>F1</th>
<th>F2</th>
<th>F3</th>
<th>F4</th>
<th>F5</th>
<th>F6</th>
<th>F7</th>
<th>F8</th>
<th>F9</th>
<th>F10</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICTA</td>
<td>82</td>
<td>91</td>
<td>55</td>
<td>28</td>
<td>35</td>
<td>30</td>
<td>46</td>
<td>72</td>
<td>91</td>
<td>83</td>
</tr>
<tr>
<td>IRON ONE</td>
<td>30</td>
<td>52</td>
<td>45</td>
<td>27</td>
<td>43</td>
<td>22</td>
<td>23</td>
<td>20</td>
<td>32</td>
<td>14</td>
</tr>
<tr>
<td>UCSC</td>
<td>73</td>
<td>73</td>
<td>55</td>
<td>33</td>
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<td>41</td>
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<td>69</td>
</tr>
<tr>
<td>EPIC</td>
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<td>60</td>
<td>96</td>
</tr>
<tr>
<td>PWC</td>
<td>82</td>
<td>84</td>
<td>77</td>
<td>33</td>
<td>53</td>
<td>40</td>
<td>51</td>
<td>71</td>
<td>91</td>
<td>49</td>
</tr>
<tr>
<td>DUO SOFT</td>
<td>103</td>
<td>162</td>
<td>152</td>
<td>72</td>
<td>112</td>
<td>89</td>
<td>103</td>
<td>134</td>
<td>135</td>
<td>104</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
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<td><strong>532</strong></td>
<td><strong>451</strong></td>
<td><strong>224</strong></td>
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<td><strong>305</strong></td>
<td><strong>405</strong></td>
<td><strong>467</strong></td>
<td><strong>415</strong></td>
</tr>
</tbody>
</table>

*(Graph):-
Lowest total points were (F6) Development Opportunities while highest total points were (F2) Lunch “on the house” which is the least preferred variable.*
(F5) Certificate for outstanding service or ideas, (F6) Development Opportunities were other forms of recognition which IT employees gave a higher ranking for their preference.

**Question 05b:-**

1. b )What type of invectives motivates you more

   - Financial
   - Non-Financial
   - Both

**Figure 5: Question 5b (Graph)**

![Graph showing the preference for financial and non-financial benefits](image)

(F5) Majority 70 % (n=61) of the sample data would prefer having both financial and non-financial benefits as shown in the graph.

**Question 01 (Graph):**

Arrange the following rewards in order of your preference from 1 to 10, where 1 represents the best reward and 10 the least best reward:
Figure 6: Question 01 (Graph)

**QUESTION 01**

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>F1</th>
<th>F2</th>
<th>F3</th>
<th>F4</th>
<th>F5</th>
<th>F6</th>
<th>F7</th>
<th>F8</th>
<th>F9</th>
<th>F10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)ICTA</td>
<td>81</td>
<td>87</td>
<td>91</td>
<td>21</td>
<td>64</td>
<td>63</td>
<td>88</td>
<td>52</td>
<td>68</td>
<td>90</td>
</tr>
<tr>
<td>2)IRON ONE</td>
<td>45</td>
<td>44</td>
<td>35</td>
<td>13</td>
<td>30</td>
<td>34</td>
<td>36</td>
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<td>19</td>
</tr>
<tr>
<td>3)UCSC</td>
<td>64</td>
<td>58</td>
<td>64</td>
<td>18</td>
<td>42</td>
<td>26</td>
<td>62</td>
<td>60</td>
<td>61</td>
<td>82</td>
</tr>
<tr>
<td>4)EPIC</td>
<td>64</td>
<td>59</td>
<td>49</td>
<td>14</td>
<td>40</td>
<td>25</td>
<td>69</td>
<td>45</td>
<td>57</td>
<td>67</td>
</tr>
<tr>
<td>5)PWC</td>
<td>96</td>
<td>97</td>
<td>87</td>
<td>40</td>
<td>60</td>
<td>52</td>
<td>69</td>
<td>39</td>
<td>56</td>
<td>104</td>
</tr>
<tr>
<td>6)DUO SOFT</td>
<td>136</td>
<td>140</td>
<td>124</td>
<td>80</td>
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<td>102</td>
<td>143</td>
<td>124</td>
<td>152</td>
<td>140</td>
</tr>
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<td>450</td>
<td>186</td>
<td>377</td>
<td>302</td>
<td>467</td>
<td>349</td>
<td>443</td>
<td>502</td>
</tr>
</tbody>
</table>

F1- Insurance Scheme  
F2- Pension or compensation (Bonus) Plans  
F3- Beneficial Loans  
F4- Job Satisfaction  
F5- Intellectual Challenge and Creativity  
F6- Trainings for professional development  
F7- Paid Vacations  
F8- Effective Performance Appraisal System  
F9- Participation in Decision Making  
F10- Other Best Rewards you have  
Receive…………………………………..

(Graph):- According to the analyses as shown in the graph F4-Job Satisfaction, F6- Trainings for professional development were chosen as the most preferred rewards factors. (This counts the minimum total points)  
Graph shows that Insurance Scheme, F2- Pension or compensation (Bonus) Plans was not very much attractive variables to IT employees (highest total points) where they gave a higher ranking to Intellectual Challenge and Creativity comparing.
Hypothesis 2

H2 - Individual rewards and recognition motivates IT employees more than the general rewards and recognition?

The questions relating to this hypothesis

<table>
<thead>
<tr>
<th>The questions relating to this hypothesis</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>8</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

Question 02 (Graph):
How do you wish to receive rewards from your employer?
To me personally
both in person and as a group/team

Figure 7: Question 02 (Graph)

<table>
<thead>
<tr>
<th>Companies</th>
<th>To me personally</th>
<th>Both in person &amp; group</th>
<th>Total Of record no</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICTA</td>
<td>4</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>IRON ONE</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>EPIC COMPUTERS</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>DUO SOFT</td>
<td>8</td>
<td>21</td>
<td>29</td>
</tr>
<tr>
<td>PWC</td>
<td>3</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>UCSC</td>
<td>2</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>TOTAL</td>
<td>17</td>
<td>70</td>
<td>87</td>
</tr>
<tr>
<td>PERCENTAGE</td>
<td>19%</td>
<td>80%</td>
<td></td>
</tr>
</tbody>
</table>

(Graph):-
Over 80% of the sample wanted to receive rewards both in person and as a group. Only 19% mention that they would like to go for individual rewards.
Question 03 (Graph):

3.) Do you feel that you have received enough rewards for the work you have done?

- No, not enough
- To some extent
- Yes, always
- Do Not Know

Figure 8: Question 03 (Graph)

(Bar Graph):

52% (N=46) of the sample felt that they have received rewards to some extent for their work performed. 35% (n=31) was not quite happy with the rewards that they receive and they thought it’s not adequate. Only 09% (n=8) felt that they do receive the due rewards while 2% did not had an idea about rewards at all.

Question 05a (Graph):

5. a) Satisfaction with the Present incentive Scheme.
Figure 9: Question 05a (Graph)

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>Highly satisfied</th>
<th>Satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
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<td>5</td>
<td>1</td>
</tr>
<tr>
<td>IRON ONE</td>
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<td>1</td>
<td>1</td>
</tr>
<tr>
<td>UCSC</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>EPIC</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>PWC</td>
<td>0</td>
<td>1</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>DUO SOFT</td>
<td>4</td>
<td>7</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>TOTAL</td>
<td>8</td>
<td>24</td>
<td>35</td>
<td>20</td>
</tr>
</tbody>
</table>

(Graph):
Only 9 % (n=8) of the sample were highly satisfied to the incentive scheme. 28 % (n=24) were satisfied while 23 % (n=20) were dissatisfied with the current incentive scheme. Majority which is 40% (n=35) were neutral where they did not liked to give a straight answerer.
This reflects that the most Sri Lankan IT companies provide a fairly reasonable incentive scheme to their employees comparing to other industrial sector. Study shows that “incentives” as rewards does provide a fair amount of motivation to present IT employees in Sri Lanka.

Question 07a:-
7a) what is the best recognition you have received? ___________________________

After going through the respondents replies following factors were identified as the most needed form of recognition by the IT employees in the sample population,

 Appreciation
Employees mentioned that they would like to be appreciated by their management/supervisors for the work they have done by written or oral recognition. These appreciations can be in following forms,

I. Employee award, certificates for creativity, hard work etc.
II. Promotions, assigning more responsibilities.
III. Just a thanking note

✓ Many other employees mentioned that they would like to be appreciated by giving them training and development opportunities.

Question 07b (Graph):
7b) your company is eager (very keen) in recognizing and acknowledging employee’s work.

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree

Figure 10: Question 07b (Graph)

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
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<tbody>
<tr>
<td>ICTA</td>
<td>4</td>
<td>7</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRON ONE</td>
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<td>5</td>
<td>1</td>
<td></td>
<td></td>
</tr>
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<td>4</td>
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</tr>
<tr>
<td>EPIC</td>
<td></td>
<td>4</td>
<td>5</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>PWC</td>
<td>1</td>
<td>2</td>
<td>8</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>DUO SOFT</td>
<td>3</td>
<td>7</td>
<td>13</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>12</td>
<td>29</td>
<td>35</td>
<td>8</td>
<td>3</td>
</tr>
</tbody>
</table>

(Graph):-
40 % (n=35) gave a neutral as the answer. Others agreed that their companies are keen in recognizing and acknowledging employee’s work. [14 % (n=12) - Strongly Agree, 33% (n=33) Agree]
9 % (n=8) disagreed while 4 % (n=3) strongly did not agreed that their employers do not make enough attempt in acknowledging employee’s work.
Question 08 (Graph):-
8. How do you wish to receive recognitions from your employer?
   - To me personally
   - Both in person and as a group/team
   - Other

Figure 11 : Question 08 (Graph)

<table>
<thead>
<tr>
<th>Respondants</th>
<th>ICTA</th>
<th>IRON ONE</th>
<th>UCSC</th>
<th>EPIC</th>
<th>PWC</th>
<th>DUO SOFT</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>To me personally</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>16</td>
</tr>
<tr>
<td>Both in person and as a group</td>
<td>13</td>
<td>6</td>
<td>9</td>
<td>8</td>
<td>11</td>
<td>24</td>
<td>71</td>
</tr>
</tbody>
</table>

18% (n=16) wishes to receive personal recognition from employers, 82% (n=71) of the sample preferred to receive recognition both person and as a group. This trend is seen in all the companies participated.

Question 09 (Graph):-
9. Do you feel that you have received enough recognition for the work you have done?
   - No
   - Not enough
   - To some extent Yes
   - Always
   - Do not know
Question 09:

57% (n=50) of the sample mentioned that they felt to some extent they receive enough recognition for work they do. 7% (n=6) of the sample mentioned “NO”, 17% (n=15) were not happy with the recognition that they receive. 3% had no idea about recognition levels.

Question 15 (Graph):

15.) Do you believe Motivation is the most crucial factor to complete an IT Project successfully?
Not at all ( )
to some extent ( )
Yes always, finds it’s important ( )

53% (n=46) Agreed that motivation is the most crucial factor, while 42% (n=37) mentioned to some extent they believed motivation affect in completing a project successfully. 2% replied no to this question.
Question 13 (Graph):
13.) Are you motivated to do a good work?
   Not at all ( ) to some extent ( ) Yes always, try to ( )

Figure 14: Question 13 (Graph)

4% (n=4) of employees were not motivated at all. 57% (n=50) were motivated to some extend and 39% of the IT employees were motivated to do better work.
Hypothesis 3

**H3 - Challenging and interesting work causes job motivation.**

The questions relating to this hypothesis

| 11 | 14 | 15 | 16 | 17 |

**Question 11 (Graph):**

11. Arrange the following motivational factors in order of your preference from 1 to 10, (where 1 represent the best type of motivational factor and 10 represent the least best type of motivational factor)

**Figure 15 : Question 11 (Graph)**

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>F1</th>
<th>F2</th>
<th>F3</th>
<th>F4</th>
<th>F5</th>
<th>F6</th>
<th>F7</th>
<th>F8</th>
<th>F9</th>
<th>F10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)ICTA</td>
<td>102</td>
<td>82</td>
<td>50</td>
<td>60</td>
<td>83</td>
<td>103</td>
<td>60</td>
<td>82</td>
<td>79</td>
<td>87</td>
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<tr>
<td>2)IRON ONE</td>
<td>36</td>
<td>31</td>
<td>44</td>
<td>38</td>
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<td>3)UCSC</td>
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<td>4)EPIC</td>
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<td>5)PWC</td>
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<td>50</td>
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<tr>
<td>6)DUO SOFT</td>
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<td>195</td>
<td>168</td>
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<td>522</td>
<td>520</td>
<td>475</td>
<td>552</td>
<td>563</td>
</tr>
</tbody>
</table>

F1-Job Security & Company Image
F2- Promotion and career development
F3- Challenging and Interesting work itself
F4- Full appreciation of work done
F5- Pay and benefits
F6- Physical Environment
F7- Decision making & empowerment
F8- Flexibility & Relationships with co-workers
F9- Achievement
F10- Effective Performance Appraisals

(Graph):
(F4) Full appreciation of work done, (F5) Pay and benefits were the most preferred motivational factors which scored the minimum total points (Highest Rankings).
(F7) Decision making & empowerment, (F8) Flexibility & Relationships with co-workers, (F9) Achievement were the least preferred variables which scored the highest total points.
(F3) Challenging and Interesting work itself, (F6) Physical Environment was too considered as somewhat preferred variables of motivation.

Different motivational factors were chosen as most preferred variable by different companies,
Eg-ICTA employees ranked the (F6) Physical Environment as most preferred while Duo soft ranked (F7) Decision making & empowerment as the most preferred factor.

Question 12 (Graph):
12.) How does your employer, try to Motivate you to do a good work?

Not at all ( ) to some extent ( ) Yes always, try to ( )
Figure 16: Question 12 (Graph)

15% (n=13) of the sample data mentioned that their employer never try to motivate their good work. 63% (n=55) replied that employers make an effort to motivate them to some extend. 22% (n=19) stated employers do try to motivate them where possible. Majority of IT companies in Sri Lanka do try to motivate their employees.

Question 14:
14.) Would you do a better job if you were better motivated? ____________________
76% (n=66) out of 87 participants replied Yes. 24% (n=20) did not answered this question.
• Majority of IT employees would like to work better and productively if they are better motivated.

Question 16 (Graph):
16. Range the following the most important things for you, **staying with your current job** from 1 to 6, *(where 1 is the most important thing and 6 the least important thing :)*
Figure 17: Question 16 (Graph)

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>F1</th>
<th>F2</th>
<th>F3</th>
<th>F4</th>
<th>F5</th>
<th>F6</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) ICTA</td>
<td>48</td>
<td>49</td>
<td>54</td>
<td>51</td>
<td>20</td>
<td>48</td>
</tr>
<tr>
<td>2) IRON ONE</td>
<td>22</td>
<td>22</td>
<td>20</td>
<td>29</td>
<td>12</td>
<td>30</td>
</tr>
<tr>
<td>3) UCSC</td>
<td>33</td>
<td>49</td>
<td>18</td>
<td>39</td>
<td>30</td>
<td>49</td>
</tr>
<tr>
<td>4) EPIC</td>
<td>31</td>
<td>37</td>
<td>21</td>
<td>41</td>
<td>36</td>
<td>44</td>
</tr>
<tr>
<td>5) PWC</td>
<td>41</td>
<td>50</td>
<td>41</td>
<td>43</td>
<td>30</td>
<td>51</td>
</tr>
<tr>
<td>6) DUO SOFT</td>
<td>81</td>
<td>114</td>
<td>83</td>
<td>89</td>
<td>77</td>
<td>102</td>
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<td>237</td>
<td>292</td>
<td>205</td>
<td>324</td>
</tr>
</tbody>
</table>

**VARIABLE FACTORS**
- F1: Stability in my working life
- F2: Compensation and monetary rewards
- F3: Further training opportunities and higher education level
- F4: Promotion for higher position
- F5: Interest in the work I am performing
- F6: I see potential growth in the organization I work in

(Graph):

Highest total points which is the least preferred variable was (F2) Compensation and monetary rewards. What IT employees most liked was (F5) Interest in the work I am performing and (F3) Further training opportunities and higher education level. This data is a clear representation which is to say IT employees do not give much of concern to compensation and monetary rewards when it is to compare with career development.
Question 17 (Graph):-
17.) If another organization today offers you the same job you have today, would you accept that employment? Please state why you should accept or not accept that employment:

- I Accept
- I Do Not Accept

Figure 18: Question 17 (Graph)

(52% (n=45) Respondents were willing to accept the job. 47% (n=41) were not willing to accept the job. 1% of the sample were neutral to the question.

This is a clear indication where it reflects that most of IT employees would still go for a better job.