

PREFERENCES FOR PERFORMANCE BASED EMPLOYEE REWARDS: EVIDENCE FROM SMALL BUSINESS ENVIRONMENTS

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ABSTRACT

Rewarding and motivating employees is extremely important to organizations because employees are a critical resource for success. The primary objective of this study was to determine if there are gender based employee preferences for performance rewards in small business environments. The study was conducted using surveys provided to employees and supervisors at small business establishments in Western New York State. The employee survey asked subjects to rank motivational items, situational reward/consequences, and social and economic aspects of work environments based on their preferences. The survey provided to supervisors asked them to rank the same items based on what they thought their employees would prefer. The results of the study indicated that there was no significant difference between male and female employees in terms of reward and motivational preferences. However, there were differences between what supervisors thought employees wanted and what employees actually valued. This study included results from 135 employee and 28 supervisor surveys were distributed, with 100 (74%) employee and 18 (64%) supervisor surveys returned. The results of this study indicate that social rewards were more valuable than economic rewards that would be valuable to small business owners and managers to develop programs to reward and motivate their employees.

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KEYWORDS: Small Business, Rewards, Gender, Employee, Manager

INTRODUCTION

Employees are a critical resource for small business owners and managers. They need to be motivated and rewarded so they recognize how vital they are to the organization. This in turn will inspire employees to contribute to the company's ability to grow and expand; increasing retention and decreasing turnover. However, small businesses typically have limited resources for providing incentives and performance rewards for their employees. The opportunity for an employee's advancement may also be constrained in a small business because there is typically no organizational chart or corporate ladder to climb.

The combination of a small business owner's limited resources and their dependence on highly motivated employees makes it extremely important that the employer provide incentives and rewards that the employee values. Understanding gender influences in this respect can assist in developing reward and incentive programs that are of value to the employee. According to Thomas (2009), extrinsic rewards; such as salary is a significant motivator for workers. In the same thread, unfair salary can be a strong demotivator to employees. There have been several studies conducted over the past 50 years that explored the differences between male and female perceptions regarding work satisfaction, work-related rewards and values (Kovach, 1995; Marini, Fan, Finley, and Beutel, 1996; Mottaz, 1986; Ross and Mirowsky, 1996; Schul, Remington, and Ben, 1990). This topic was first considered due to the increase in the number of females in the workforce during the post-World War II era. During the feminist movement of the 1960's and 1970's, the driving force behind these studies was the lower-paying positions afforded to most females. As women continued to attain higher level positions and commensurate higher pay, the

focus shifted to potential differences in leadership styles of female managers in contrast to their male counterparts, as well as motivational factors for female employees as compared to those for males. The primary objective of this study was to determine if there are gender based employee preferences for performance rewards in small business environments.

All of the studies referenced focused on larger companies or specific sectors of industry. There is limited research that looks at how gender influences employee preferences for performance rewards and motivational incentives in the small business environment. In addition, the information available is not current with the most recent studies occurring during the late 1990's. Since small business as a vital part of the United States (US) economy, additional current data to assist small business owners and managers related to reward programs is needed. The remainder of the paper is organized as follows. In section one, we discuss the relevant literature. Section two discusses the data and methodology utilized for the survey, data collection and data analysis. Section three presents the survey results. The paper closes with a discussion of some organizational implications related to employee rewards.

LITERATURE REVIEW

In evaluating intrinsic and extrinsic rewards, organizations need to understand that “to change employees’ behavior and motivate them to improve their performance, you must influence their perception of how you reward them for their behavior and performance” (Bragg, 2000). The relationship between what employees (of either gender) value and consider motivational versus what supervisors believe should motivate the employee is also important to consider. Kovach (1995) compared results of three surveys distributed to industrial employees concerning employee and supervisory rankings of ten motivational items. This study was originally conducted in 1946, repeated in 1981, and conducted again in 1995. Differences were noted in the rankings for employees between 1946 and 1995, as shown in Table 1. In 1946, US citizens had recently experienced a depression and war. In 1995, after 35 years of relative prosperity, the list of what workers wanted from their work had changed significantly.

Table 1: Results of Study Surveying Employee Rankings of Ten Motivational Items (1946 and 1995)

1946	1995
1. Job Security	1. Good Working Conditions
2. Good Wages	2. Job Security
3. Good Working Conditions	3. Good Wages
4. Full Appreciation of Work	4. Full Appreciation of Work
5. Promotion & Growth in the Organization	5. Personal Loyalty to Employees
6. Personal loyalty to employees	6. Promotion & Growth in the Organization
7. Interesting work	7. Interesting Work
8. Tactful Discipline	8. Tactful Discipline
9. Feeling of Being in on Things	9. Feeling of Being in on Things
10. Sympathetic Help with Personal Problems	10. Sympathetic Help with Personal Problems

This table shows a comparison between the 1946 and 1995 surveys. The data from 1946 reports “job security” as most important to employees, where the 1995 survey reports that employees rank “good working conditions” as most important to their job satisfaction.

As part of the same survey, supervisors were asked to rank the list of job rewards as they believed the employees had ranked it. There was virtually no change in the responses from the 1946, 1981, and 1995 surveys. The supervisor rankings were:

1. Good wages
2. Job security
3. Promotion and growth in the organization
4. Good working conditions
5. Interesting work
6. Personal loyalty to employees
7. Tactful discipline

8. Full appreciation of work done
9. Sympathetic help with personal problems
10. Feeling of being in on things.

Based on the responses from the supervisors and employees, it was clear that there was a significant disconnect between what employees valued and what supervisors believed employees valued. It appeared that rewards and incentives supervisors offered did not correspond with what workers desired. Kovach (1995) also looked at several subgroup comparisons, including male versus female responses. He found that there was no significant statistical difference in the ranking of rewards found between men and women. In terms of the actual ranking of values, females ranked “full appreciation of work” in first place while men ranked it in second place. “Sympathetic help with personal problems” was ranked seventh by females and tenth by males. The author suggested that female employees may place greater importance on interpersonal relationships and communication than male employees. The conclusion drawn by Kovach (1995) was “Employee motivation is a key factor in determining long-term employer success levels. Yet, ironically enough, it is an area overlooked by many organizations . . . in most organizations, the time to address this issue was yesterday” (p. 107).

Schul, Remington, and Ben (1990) examined potential gender differences in an industrial sales force and the relationship between a set of supervisory behaviors (i.e. reward and punishment behaviors) and three key performance outcomes: job satisfaction, organizational commitment, and work motivation. Work motivation was analyzed in terms of extrinsic and intrinsic motivation. The influential factors for extrinsic motivation included money, promotions, and praise from a supervisor. Intrinsic motivation came from the satisfaction a person gets from the task itself, or in completing the task successfully. Schul et al. (1990) found that for both males and females, supervisory contingent reward (CR) behavior positively affected job satisfaction and organizational commitment. Supervisory CR behavior consisted of giving praise, recognition, and acknowledgement to employees based on effective performance of the task. CR behavior positively influenced females’ extrinsic work motivation, but had no effect on either the male salespeople’s extrinsic work motivation or the intrinsic work motivation of either gender.

According to Schul et al. (1990) non-contingent reward behavior had no effect on male or female salespeople’s job-related outcomes. This type of behavior (granting of approval and recognition without making it contingent on performance) was not viewed as overly negative by either male or female respondents. The authors also found that contingent punishment positively influenced male salespeople’s extrinsic and intrinsic work motivation, while it had little effect on females. However, supervisory non-contingent punishment negatively influenced male salespeople’s job satisfaction, work motivation and organizational commitment, with only limited effects on female salespeople’s work-related attitudes. The authors believed that when a manager exhibits arbitrary behavior (non-contingent reward and/or punishment), the employee’s identification with the job, relationships with people on the job, and the organization were weakened. Ultimately, the study conducted by Schul et al. (1990) identified more similarities than differences among male and female industrial salespeople in terms of how they respond to supervisory reward and punishment behavior.

Mottaz (1986) conducted a study that focused on the following related issues: (a) the extent that men and women differ in overall work satisfaction, (b) possible gender differences in perceived work rewards, (c) possible gender differences in work values, and (d) possible gender differences in the determinants of work satisfaction. Based on his study, Mottaz (1986) concluded that there was no significant difference between men and women in their rating of overall work satisfaction. With regard to work related values, men assigned greater importance to promotional opportunities while women regarded task involvement along with friendly and supportive supervision as more important. He also found that there was a difference in the determinants of work satisfaction for men and women. For men, task autonomy was a significant predictor of overall work satisfaction; for women friendly and supportive relationships with

supervisors were significantly more powerful determinants. However, he qualified the results of his study with the following statement, “It is clear that the pattern of gender differences in work is considerably influenced by the type and sample studied and the area of work considered” (p.374).

Ross and Mirowsky (1996) conducted a study to examine interpersonal work rewards as potential alternatives to economic rewards. The purpose of the study was to determine if the theory of compensating differentials, which was used to explain why women choose jobs that pay less, was valid. The theory suggested that subjective utility, measured as psychological well-being and personal control of earnings, was greater for men, whereas interpersonal rewards were of greater importance for women. The researchers tried to understand if non-economic rewards, rather than earnings, contributed significantly to the work satisfaction of women, knowing working women earn approximately 70% of the salary of working men. According to the theory of compensating differentials, the employer must offset the negative effect of working conditions with sufficient pay to make the overall utility of the job positive for men. However, because women were willing to accept lower paying jobs, it was believed that these jobs must offer benefits other than high pay. It was concluded that men must value money more than women if the theory is true. However, the results of the authors’ study did not support the theory of compensating differentials. Their study found that men and women valued pay equally highly, and that men and women agreed on the characteristics of a good job. Both men and women ranked the feeling of accomplishment, high income, chance for advancement, job security, and short working hours identically (most to least preferred). They also concluded that women value money slightly more than men, not less; men value fewer work hours slightly more than women, not less. Ross and Mirowsky (1996) concluded that although women did not value economic rewards less or noneconomic rewards more than did men, women get economic rewards less and noneconomic rewards more than men do. Compared to men, women received more appreciation for their work and more recognition from others while getting lower earnings.

Marini, Fan, Finley and Beutel (1996) conducted a study to explore the premise that males and females differed in the rewards they sought from work and these differences in job values had implications for gender differences in occupational attainment. In their study, Marini et al. (1996) examined gender differences in the job values of US high school seniors from 1976 to 1991. Based on the research, the authors found that intrinsic rewards were the most important job attribute for both sexes. Neither sex sought to maximize extrinsic rewards, including earnings, irrespective of other job attributes. One of the gender differences noted was that intrinsic, altruistic, and social rewards of work were valued more highly by young women than by young men. Females attached greater importance to jobs that provided an opportunity to be helpful to others, and jobs they felt were worthwhile to society, than did males. The authors also found a significant gender difference in the importance of social rewards. Females placed a higher value on a job that provided an opportunity to make friends, and a job that permitted interaction with many people, than did males.

Marini et al. (1996) also found that young men attached greater importance to leisure-related aspects of jobs than young women did. Young men preferred jobs that left plenty of time for non-work-related activities; jobs that offer more than two weeks vacation, jobs with an easy, slower pace, and jobs with minimal supervision by others. The studies regarding motivational factors and potential differences for female and male employees have produced mixed results. Some of the studies found virtually no difference based on gender (Schul et al., 1990; Ross and Mirowsky, 1996). Other studies found that women tended to be more socially oriented with regard to rewards and incentives, while men tended to be more interested in power, status, autonomy, and leisure time (Mottaz, 1986; Marini et al., 1996). The somewhat inconsistent results of the studies may be based on several factors, including the type of participants in the study (high school students, professionals, blue or white collar workers), and the type of industry studied (industrial sales force, universities, health care, public grade schools, law enforcement, factories, financial services, banking). The results also varied based on the time period in which the

studies were conducted (from 1976 through 1996). Cultural changes during these time periods may have significantly influenced the results of the studies.

As can be determined from the existing literature, not only have the studies of gender influences on reward and motivational preferences provided mixed results, but there is a notable lack of recent research in this area, limiting the applicability of early research in today's workplace. Further, the subjects used in the research were primarily from large companies or institutions. It is not clear if the results and conclusions presented in these studies will hold true in the small business environment. All of the studies referenced focused on larger companies or specific sectors of industry. There is limited research that examines how gender influences employee preferences for performance rewards and motivational incentives in the small business environment. In addition, the majority of information available is not current. While small business is a vital part of the US economy, more current data to assist small business owners and managers with reward programs for their employees is needed. It is clear that additional research is needed in the area of gender preferences for rewards in the small business environment. Since the resources available to small businesses are more limited than for larger organizations, a better understanding of the effect of gender on reward and incentive preferences may assist with the development of a targeted and effective reward and incentive program for employees.

DATA AND METHODOLOGY

The primary objective of this study was to ascertain if gender influenced employee preferences for rewards and motivational incentives in the small business environment. For this research study, small businesses consisted of businesses of 250 or fewer employees. A secondary goal was to determine whether or not managers and supervisors of small businesses understand what their employees' value in terms of rewards and incentives. Data analysis was completed utilizing averages, rankings, and two-sample t-tests.

Data was collected through the use of surveys provided to males and females employed by small businesses in Western New York State. The surveys were distributed utilizing two methods; an e-mail link allowing the subject to complete the survey on-line and a hard copy given directly to subjects, collected, and returned to the researcher. No information was requested that would denote subjects' personal information, both methods assured the anonymity of the subjects. Two separate surveys were used, one for employees and another for supervisors. The surveys were divided into four sections: (a) general demographic information, (b) ranking of job reward factors using the survey employed by Kovach (1995), (c) situational ranking of reward/consequences, and (d) scalar ranking of responses to work related statements. The purpose of the sections was to determine the subject's general preferences regarding performance rewards and the work environment. Although the surveys were very similar, the survey provided to the employee was answered from the employees' perspective (i.e. what the employee preferred).

The surveys provided to the supervisors were answered based on what the supervisor believed the employee preferred. The use of two types of surveys allowed comparison between what employees preferred and what supervisors thought the employees wanted. The first section of the supervisor survey (general demographics) provided information about the subject's sex, age range, and the number of employees at the respondent's company. Subjects working at companies with more than 250 employees were excluded from the survey because they were deemed to work for medium or large size corporations, which is outside the scope of this study. This section also provided for determining if gender influenced preferences for rewards and incentives. The second section of the survey asked respondents to rank job reward factors based on importance to the employee, or based on what the supervisor thought would be most important to their employees. This portion of the survey was based on studies conducted previously (Kovach, 1995). The purpose of this section was to compare the results to the previously published study

and confirm the validity of the results to the current work climate. The third, or situational, section of the study provided specific work-related examples of positive and negative situations, and asked the subject to rank the suggested rewards and consequences, respectively. This section was intended to provide preference data on identifiable rewards for a particular situation to determine if gender influenced the type of reward or consequence preferred. The final section of the survey provided statements about the work environment and asked the subject to rate the degree to which they disagreed or agreed with the statement. The statements were directed towards the social and economic aspects of the work environment to determine if there was a preference based on gender.

RESULTS

A total of 135 employee and 28 supervisor surveys were returned to the researchers. After initial review of the submitted surveys was completed, 100 (74%) employee and 18 (64%) supervisor surveys were determined to be complete and usable for this research paper. The remaining surveys were deemed unusable due to missing information or multiple answers (where one answer was requested). The employee respondents were 55% female and 45% male, while the ratio for supervisors was 50% female to 50% male. The ages ranged from 18 – 69 years old for the employees and 40 – 69 years old for supervisors. While the sample sizes are too small to make statistically sound judgments, several insights can still be gained. The data was analyzed in a similar manner as the 1946 data to allow for comparison.

The results of the employee ranking of job reward preferences based on importance are provided in Table 2. Employees (male and female), when totaled, ranked job security as the most important job reward and sympathetic help with personal problems the least important. Comparing male and female rankings, females noted “good working conditions” as most important and male respondents noted “job security as most important. Both males and females noted “sympathetic help with personal problems” as least important.

Table 2: Results of Survey of Employee Rankings of Ten Motivational Items Based on Importance

Total	Female	Male
1. Job security	1. Good working conditions	1. Job security
2. Good wages	2. Job security	2. Good wages
3. Good working conditions	3. Good wages	3. Promotion & growth in the organization
4. Full appreciation of work	4. Full appreciation of work	4. Full appreciation of work
5. Promotion & growth in the organization	5. Personal loyalty to employees	5. Good working conditions
6. Personal loyalty to employees	6. Promotion & growth in the organization	6. Interesting work
7. Interesting work	7. Interesting work	7. Personal loyalty to employees
8. Tactful discipline	8. Tactful discipline	8. Feeling of being in on things
9. Feeling of being in on things	9. Feeling of being in on things	9. Tactful discipline
10. Sympathetic help with personal problems	10. Sympathetic help with personal problems	10. Sympathetic help with personal problems

This table shows the results of the survey completed in 2011 by the researchers regarding the employee rankings of ten motivational items based on importance. 1=most important and 10=least important. Female respondents ranked “good working conditions” as most important, males reported “job security” as most important. Both males and females ranked “sympathetic help with personal problems” as least important as a motivational factor.

The results of the supervisors’ ranking of what they believe was most important to employees are presented in Table 3. The supervisors’ believed their employees would consider good wages to be most important and sympathetic help with personal problems least important. Comparing this to the results in Table 1, supervisors were incorrect in their ranking of what motivated employees in all areas except for the tenth ranking for males, “sympathetic help with personal problems”. However, when comparing male and female employees, their rankings were very similar. In evaluating the data from all of the survey questions, this held true; that male and females ranked items in a similar manner. This was not

what was expected when the research was begun; the researchers expected significant differences in male and female respondents. The differences between what the “employees”, as a whole, and what the supervisor “thought the employees wanted” was determined to be the difference in this research.

Table 3: Results of Survey of Supervisor Rankings of Ten Motivational Items Based on What They Believed Would be Important to Employees

Total	Female	Male
1. Good wages	1. Good wages	1. Good wages
2. Good working conditions	2. Full appreciation of work (tie with 1)	2. Good working conditions (tie with 1)
3. Promotion & growth in organization (tie with 2)	3. Promotion and growth in organization	3. Job security (tie with 1)
4. Full appreciation of work	4. Good working conditions	4. Promotion and growth in the organization
5. Job security (tie with 4)	5. Interesting work (tie with 4)	5. Feeling of being in on things
6. Personal loyalty to employees	6. Personal loyalty to employees	6. Personal loyalty to employees
7. Feeling of being in on thing	7. Job security (tie with 6)	7. Full appreciation of work (tie with 6)
8. Interesting work	8. Tactful Discipline	8. Tactful discipline
9. Tactful discipline	9. Sympathetic help with personal problems (tie with 9)	9. Interesting work
10. Sympathetic help with personal problems	10. Feeling of being in on things	10. Sympathetic Help with Personal Problems

This table shows the results of the survey of supervisor rankings based on what they believed would be important to employees. 1=most important and 10=least important. The “total” panel shows the “average” results from both male and female respondents. Supervisors reported in the survey that they thought “Good Wages” were most likely to motivate both male and female employees in the workplace.

Supervisors were asked to rank the same rewards based on what they believed their employees would want most. There were differences in the rankings between females and males as shown in Table 4. Both male and female supervisors believe a verbal thank you would be the most important to employees, and employee of the month would be the least important. The primary differences between male and female responses were in the middle rankings of the other rewards. Consequences based on a specific situation were ranked by employees. Males and females ranked the consequences identically.

Table 4: Supervisors’ Rankings of Employee Rewards Based on What the Supervisor Thinks the Employee Would Want

Total	Female	Male
1. A verbal thank you	1. A verbal thank you	1. A verbal thank you
2. \$25 gift card	2. Recognition and/or praise in front of their co-workers	2. \$25 gift card (tie with 1)
3. Extra \$25 in their next paycheck (tie with 2)	3. Extra \$25 in their next paycheck	3. Extra \$25 in their next paycheck (tie with 1)
4. Recognition and/or praise in front of their co-workers (tie with 2)	4. \$25 gift card (tie with 3)	4. Recognition and/or praise in front of their co-workers
5. Employee of the month	5. Employee of the month (tie with 3)	5. Employee of the month

This table’s first column shows the reward that ranked highest as to what the supervisor expected that employees would want as their highest ranked reward. 1 is ranked as highest, 5 as least. The second and third columns, respectively, indicate what the supervisor ranked as highest to lowest by gender.

Supervisors ranked consequences for the same situation based on what they believed the employee would find most appropriate. The results of this ranking are noted in Table 5. Both male and female supervisors believed that “a private conversation between the supervisor and the employee” would be most appropriate. However, females ranked “you should do nothing” last whereas males ranked that option third. Males ranked “public reprimand (in front of co-workers)” as the least appropriate consequence.

Table 5: Supervisors’ Rankings of What Employee Thinks the Most Appropriate Consequence Would be Based on a Specific Situation

Total	Female	Male
1. Private conversation between you and the employee	1. Private conversation between you and the employee	1. Private conversation between you and the employee
2. One day suspension without pay	2. One day suspension without pay	2. Sarcastic comment about inability to be on time
3. Public reprimand (in front of co-workers)(tie with 2)	3. Public reprimand (in front of co-workers)(tie with 2)	3. You should do nothing
4. Sarcastic comment about inability to be on time (tie with 2)	4. Sarcastic comment about inability to be on time	4. One day suspension without pay
5. You should do nothing	5. You should do nothing	5. Public reprimand (in front of co-workers)(tie with 4)

This table shows what the supervisor believes the most appropriate consequence based on specific situation. This table’s first column shows the consequence that ranked highest as to what the supervisor expected that employees would utilize or expect as a consequence. 1 is ranked as most expected, 5 as least. The second and third columns, respectively, indicate what the supervisor ranked as highest to lowest by gender.

The degrees to which employees disagreed or agreed with statements related to the work environment are provided in Table 6. Two-sample t-tests were also completed comparing these same questions related to male and female responses to agreement or disagreement with the statements related to the work environment. The results are provided in Table 6.

Table 6: Employees Disagreement or Agreement with Statements Related to the Work Environment

Statement	Female	Male	t Statistic
I should be able to confide in my boss about personal and business issues	3.65	3.82	0.797
I would be willing to earn less money to take a job that offers more interesting work	3.53	2.53	-4.867***
If my boss would listen to my ideas, we could improve the way we do things around here	3.42	3.42	2.552*
Recognition from my boss for a job well done is important to me	3.96	4.40	.577*
My boss should leave his/her personal problems at home when he/she comes to work	3.16	4.07	4.338***
I will keep a job that I don’t like if I am making good money, rather than take a job where I don’t make as much money that I would enjoy more	2.98	3.29	1.611
My co-workers should leave their personal lives at home	3.18	3.60	2.199*
I can do my job better when my boss leaves me alone	3.55	3.64	0.592

*This table shows employee agreement or disagreement with statements related to their work environment. The “Female” and “Male” columns show the rate of agreement to the statement by gender. P(T<t)two-tail results: *p<.05, **p<.01, and ***p<.001.*

There were some significant differences between female and male responses, especially with regard to the supervisor leaving his/her personal problems at home. The results of supervisors’ responses to similar questions are made available in Table 7. All of the supervisors strongly agreed with the statement “I listen to my employee’s ideas, to improve the way the job gets done.” There were variations in how male and female supervisors responded to the other statements in the survey. Two-sample t-tests were also completed comparing these same questions related to boss/supervisor responses in regard to agreement or disagreement with the statements related to the work environment. The results are provided in Table 7.

Table 7: Supervisors’ Disagreement or Agreement with Statements Related to the Work Environment

Statement	Female	Male	t Statistic
My employees should be able to confide in me about personal and business issues	4.56	4.56	0
I would be willing to earn less money to take a job that offers more interesting work	3.44	2.56	-2.971**
I listen to my employees ideas, to improve the way the job gets done	5.00	5.00	****
It is important to provide recognition to employees for a job well done	4.56	4.89	-1.604
My employees should leave his/her personal problems at home when he/she comes to work	3.89	4.11	0.970
Employees will keep a job they don’t like if they’re making good money, rather than take a job for less money, but they would enjoy it more	.67	4.33	0.031
Leaders/supervisors/bosses should leave their personal lives at home	3.44	4.33	2.359*
Employees do a better job when they have direct supervision from their supervisor/boss/leader	3.78	4.22	1.249

Note. Rating on a scale from 1 to 5 where 1 = strongly disagree, 2 = somewhat disagree, 3 = neutral, 4 = somewhat agree, 5 = strongly agree. Results shown are an average of the survey results. This table shows employee agreement or disagreement with statements related to their work environment. This table shows employee agreement or disagreement with statements related to their work environment. The “Female” and “Male” columns show the rate of agreement to the statement by gender. P (T<t)two-tail results: *p<.05, **p<.01, ***p<.001, and ****no variance in samples.

Table 8 provided a comparison between results obtained from the 1995 Kovach study and the surveys obtained in the surveys for this paper that noted the employee rankings of ten motivational items. The results present the response (1=most important and 10=least important). This provides a direct comparison from year to year.

Table 8 Results of Study Surveying Employee Rankings of Ten Motivators

1995	2011
1. Interesting work	1. Job security
2. Full appreciation of work done	2. Good wages
3. Feeling of being in on things	3. Good working conditions
4. Job security	4. Full appreciation of work
5. Good wages	5. Promotion and growth in the organization
6. Promotion and growth in the Organization	6. Personal loyalty to employees
7. Good working conditions	7. Interesting work
8. Personal loyalty to employees	8. Tactful discipline
9. Tactful discipline	9. Feeling of being in on things
10. Sympathetic help with personal	0. Sympathetic help with personal problems

Note: Adapted from “Employee Motivation: Addressing a Crucial Factor in Your Organization’s Performance” by K.A. Kovach, 1995, *Employment Relations Today*, 22, p. 93

Again, Table 9 provides results from the Kovach (1995) study and the research completed for this paper in 2011. Supervisors ranked “good wages” as what motivated employees in both research studies, with many of the factors being similarly ranked.

Table 9 Results of Survey of Supervisor Rankings of Ten Motivational Items Based on What They Believed Would be Important to Employees in 1995 and 2011

1995	2011
1. Good Wages	1. Good wages
2. Job security	2. Good working conditions
3. Promotion and growth in the organization	3. Promotion and growth in the organization (tie with 2)
4. Good working conditions	4. Full appreciation of work
5. Interesting work	5. Job security (tie with 4)
6. Personal loyalty to employees	6. Personal loyalty to employees
7. Tactful discipline	7. Feeling of being in on things
8. Full appreciation of work	8. Interesting work
9. Sympathetic help with personal problems	9. Tactful discipline
10. Feeling of being in on things	10. Sympathetic help with personal problems

Note: Adapted from "Employee Motivation: Addressing a Crucial Factor in Your Organization's Performance" by K.A. Kovach, 1995, Employment Relations Today, 22, p. 93

CONCLUSION AND DISCUSSION

The primary objective of this study was to determine if there are gender based employee preferences for performance rewards in small business environments. Based on the data collected, there was not a significant difference in preferences between males and females in small businesses. This conclusion was based on analyzing the data collected in terms of economic versus social rewards (or consequences). Economic rewards involved factors such as job security, good wages, promotion opportunities, monetary or gift card rewards, and suspension without pay (consequence). Social rewards included full appreciate of work done, personal loyalty to employees, interesting work, issues related to personal problems, and verbal or other non-economic recognition.

The top three rankings for both males and females involved economic factors: good working conditions, job security and good wages for females; job security, good wages, and promotion and growth in the organization for males (shown in Table 2). Both females and males placed more socially oriented motivational items in the bottom half of the rankings.

Supervisors' ranking of what they believed would be important to employees was slightly different than the employee rankings. Job security, which was number one for employees, was tied for number four in the supervisor survey. Supervisors ranked good wages at number one. Good wages and good working conditions were in the top three rankings for both supervisors and employees. However, the results of the supervisors' survey were most likely skewed due to the small sample size.

A comparison of the employee rankings of ten motivational items from the Kovach (1995) study and this survey (2011) is provided in Table 8. The employee ranking of the top three items in 2011 was significantly different than the ranking provided in 1995, with job security ranked number one in the 2011 survey, and interesting work number in the 1995 survey. It is not clear if these results were due to the economic climate in 2011, following one of the deepest and longest recessions in the history of the United States, or if it was due to the subjects being employed in the small business environment.

The supervisor rankings of what they believed employees valued in 1995 and 2011 are presented in Table 9. As noted in the study by Kovach (1995) there was little change in the supervisor's perception of what

employees valued from their work between 1946 and 1995. This study provided similar results: two of the top three rankings remained unchanged between 1995 and 2011. The sample size for supervisors was very small for this study, however, the results indicated that although employee preferences changed, there continued to be a disconnect between what supervisors believed to be most valuable to employees, and what their employees desired.

The situational analysis revealed that males and females ranked their preferences for rewards and consequences identically. In both cases, social based rewards or consequences were ranked number one: “thank you from your boss” for the reward preference and “private conversation between the boss and the employee” for the consequence. Economic rewards (extra \$25 in your next paycheck) and consequences (one day suspension without pay) were ranked second. Both males and females ranked “Employee of the Month” last in the reward with “the boss should do nothing” last in the consequences situation.

Supervisors agreed with employees that “a verbal thank you” was an appropriate reward and that “Employee of the Month” would be least valuable. They also agreed with the consequence “a private conversation between the supervisor and the employee” being ranked number one. However, while female supervisors agreed that the option to “do nothing” should be ranked last in the consequences category, this consequence was ranked third by male supervisors. “Public reprimand (in front of co-workers)” was ranked last by male supervisors. The results indicated that male supervisors may be more reluctant to take consequential action against employees than female supervisors. This result may have been skewed by the small supervisor sample size.

Male and female employees generally agreed on social and economic work environments, based on the degree to which they disagreed or agreed with the statements presented in the survey. The only areas of significant difference were related to interactions with supervisors. The responses to these statements seemed to indicate that males’ expect their supervisors to be strongly focused on work-related issues and interactions, whereas females appeared to be more accepting of the social aspects of interactions with their supervisors. There was not a significant difference between male and female supervisor ratings of similar questions with the exception of the statement “Leaders/supervisors/bosses should leave their personal lives at home.” This correlated with the expectation of male employees to have their supervisors focus on work-related issues.

The study provided results that are useful to owners, leaders, and supervisors of small businesses. Generally speaking, both male and female employees were concerned with economic issues such as job security, good wages, and good working conditions. This may be a result of the current economic conditions. However, when discussing specific situational reward preferences, social rewards (thank you from the boss) consistently ranked higher than monetary rewards. This indicated that employees valued rewards that do not place an additional financial burden on the company.

It is important that supervisors develop a greater awareness of what employees want; they may be surprised to realize that actions can be taken to reward and motivate employees that have little or no economic costs. It is imperative that supervisors and organizations understand that what motivates one individual may not motivate another. They need to understand staff and their individual motivations. The results of this study demonstrated the need for future work. Some areas to consider include: Are the results of employee ranking of ten motivational items based on the small business environment, the current economic climate, or both? Are there significant differences between male and female supervisors’ perceptions of employee reward preferences? The sample size in this study was too small to adequately address this question.

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