

A STUDY ON EFFECTIVENESS OF NON-MONETARY BENEFITS ON EMPLOYEE PERFORMANCE IN AN ORGANISATION

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ABSTRACT

Non-monetary benefits is a concept that has become an integral aspect of modern living of employees. Irrespective of the age, gender and designation all the employees are in the expectation of some or the other benefits from their employer. The work-life balance, additional leave, allowance, appraisals, recognition, schedule, utilities, and child care alternatives are all things that Indian businesses are seeking to provide. The objectives of this study is to find the different types of non-cash benefits being provided and to understand the level of job satisfaction among employee through non-monetary benefits. The study was analyzed by using IBM SPSS software the statistical tools used were correlation and chi-square. The sample size is of 105. To collect the data questionnaire with 5 Likert scale was used. According to the findings it is found that 16.2% of the respondents are strongly agreeing that non-cash awards engaging their better performance and 5.7% are strongly disagreeing.

Keywords: *Non-monetary benefits, Employee performance, recognition, appraisals, motivation.*

INTRODUCTION:

An organisation's most important asset is its employees, so the organisation's challenge is to increase employee performance and motivation. These kinds of significant rewards can keep employees connected and motivated to their job. The comfortable environment created by the organisation goes a long way in promoting employee engagement and engagement work conscientiously and honestly.

Employee performance is directly influenced by monetary rewards, and organizations also offer non-monetary incentives to employees to boost their motivation, which in turn will help them perform better and increase the company's productivity. Effective non-monetary rewards have the power to alter an individual's attitude in the workplace, resulting in a positive environment shift and improved employee performance. Employees become engaged and feel more committed to the organization when they have a positive attitude toward their work.

Effective performance has traditionally been viewed as the result of the collaboration between individual capability and inspiration, with evaluating performance and rewarding rewards at the forefront of firms' management of individual performance. The development of the organization is heavily influenced by employee performance. Employee performance is influenced by the type of reward policies offered by an organization. Employee performance is improved through a variety of means. One of the most important practices in human resources is the implementation of reward policies.

OBJECTIVES OF THE STUDY:

- To study the impacts of non-monetary rewards on employee performance.
- To identify different types of non-financial incentives offered to employees.
- To understand the level of job satisfaction among employee through non-monetary benefits.

LIMITATIONS OF THE STUDY:

- Sample size was limited to only 100 respondents.
- We did not have a direct conversation rather it happened in an online mode.

REVIEW OF LITERATURE:

AUTHOR	YEAR	FINDINGS
Linda O. Okereke, Baleche Asha	2022	This paper states that non-financial rewards such as employee appreciation flexible working hours and learning and development have a specific influence on employee achievement in the company. And they examine that staff work at Mount Meru Referral hospital in Arusha, Tanzania. Subsequent parallelism composition used to bring out the study. While the sample size is 188 people including 8 operators. The application of flexible employed hours is presently being applied at the hospital must be maintained to do the activity effectively.
Abdulkhaleq Nader Qader	2021	This study aimed to analyse the result of non-financial benefits and job surroundings on worker's job satisfaction. To realize the purpose of this, work the researchers used analytical descriptive approach and SPSS. The output indicates that there's an effective vital relationship between the variables involved, and it also says that non-financial benefits are absolutely related to with work performances. Additional findings from this study, which are related to previous findings from the many articles reveals that both work output and non-monetary rewards are correlated to each other.
Amar Kumar Chaudhary, Snigdha Ghosh	2017	The goal of the study was to determine how non-financial and financial incentives affected the agents at LIC of India. To highlight the variations in employee perceptions about job satisfaction and incentives. The outcome of this study reveals a striking similarity and also indicated that a substantial correlation between financial and non-financial rewards and improved work performance.

RESEARCH METHODOLOGY: Data was collected using questionnaire through electronic media with 5 point Likert scale, ranging between 1-5. The sample size used for the survey was

105. The statistical tool used was SPSS. And the tests used was descriptive analysis, correlation and chi-square.

DATA ANALYSIS AND INTERPRETATION

Table 1: MARITAL STATUS

SL. NO	PARTICULARS	FREQUENCY	PERCENTAGE OF RESPONDENTS
1.	Married	28	26.7%
2.	Single	77	73.3%
	Total	105	100%

INTERPRETATION: The above table and graph, it shows us that out of 105 respondents there are 26.7% of married respondents and 73.3% of them are single.

Table 2: It is good to give non-Monetary benefits to encourage employee performance

SL. NO	PARTICULARS	FREQUENCY	PERCENTAGE OF RESPONDENTS
1.	Strongly disagree	8	7.6%
2.	Disagree	4	3.8%
3.	Neutral	29	27.6%
4.	Agree	42	40%
5.	Strongly agree	22	21%
	Total	105	100%

INTERPRETATION: From the table and graph, it expresses that 21% of the respondents are strongly agreeing and 7.6% of them are strongly disagreeing the statement.

INFERENCE ANALYSIS

Analysis 1: Correlation

H₀: There is no significance relationship between non-monetary rewards and the quality of work in employees of an organization.

H₁: There is a significance relationship between non-monetary rewards and the quality of work in employees of an organization.

VARIABLES		QUALITY OF WORK
Non-monetary rewards	Pearson Correlation	0.154
	Sig (2-tailed)	0.117
The quality of work done in the recent and past as a result of non-monetary reward	Pearson Correlation	0.154
	Sig.(2-tailed)	0.117

Interpretation: Since the P value is greater than 0.05, H_0 is accepted at 5% level of significance, hence we can conclude that there is no significance relationship between non-monetary rewards and the quality of work in the recent and past as a result of non-monetary reward.

ANALYSIS 2: Chi-square test

H_0 : There is no significance association between age and income level of employees in an organization.

H_1 : There is a significance association between age and income level of employees in an organization.

		Age : * Income level Cross tabulation					Total	CHI-SQUARE	P-Value
		Income level							
		Below 20000	20000 - 40000	40000 - 60000	60000-80000	80000 & above			
Age :	below 25	42	22	6	0	0	70	58.657	0.000
	25-35	5	10	5	0	0	20		
	35-45	0	3	5	2	2	12		
	45-55	0	1	1	0	1	3		
	Total	47	36	17	2	3	105		

Interpretation: Since the p value is 0.000 which is less than 0.05, hence H_0 is rejected and H_1 is accepted with the chi-square value of 58.65 and can be interpreted as there is a significant association between age and the income level of the employee in an organization.

FINDINGS:

1. Out of 105 respondents, 48.6% are male and 51.4% are female.
2. The analysis reveals that, 66.7% of respondents are falling below 25 age group and 2.9% are between 45-55 age group.
3. 61.9% of the respondents are PG qualified and 3.8% are other Qualification.
4. It is found that 79% are having 0-5 year of experience and 1% are having 15-20 years of experience.
5. 12.4% of the respondents are strongly agreeing on their job responsibilities are interesting and encouraging because of non-cash benefits such as allowances, sick leaves, flexible working hours, etc. and 3.8% are strongly disagreeing.

CONCLUSIONS: Non-monetary rewards have great impact on employee performance in an organization. Different types of non-financial incentives offered to employees will motivate and increase their level of job satisfaction and increase their capacity and productivity. The monetary rewards can be replaced by moral incentives, it can cause and affect people to change the norms they perceive as bad or good decision. Extreme financial rewards can tempt people to get into unethical practices. But, not all employees will expect or be motivated through the non-cash rewards.

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