

AN EXAMINATION OF EMPLOYEE PERKS AND THEIR IMPACT ON PRODUCTIVITY

Ashwani Sethi¹, Amit Tuteja²

^{1,2}Guru Kashi University, Talwandi Sabo

ABSTRACT

It is essential for a firm to have good employee relations in order to succeed. Employee relations in an organisation may be maintained by tying financial rewards to each and every job and task that an employee does for the company. It is impossible for the management of a business to overlook the importance of employee benefits, which are the different non-wage compensations that are given to employees in addition to their earnings or salary. In today's competitive environment, firms of all sizes, technological capabilities, and market emphasis are struggling to keep their best employees. Workers and their employers must have a strong and positive bond to overcome these constraints. Employees should be encouraged to do their best by giving them with enticing employee incentives like as performance bonuses, Christmas bonuses, study allowances, and leave allowances, etc. in order to strengthen this good connection. A company's greatest asset is its people, and motivating and persuading them to carry out their duties is an ongoing process.

Keywords: employee relations, employee perks, productivity

I. Introduction

An organization's success depends on its ability to maintain excellent employee relations. Maintaining a positive work environment by rewarding employees for their efforts is one approach to keep things going smoothly in the workplace. Organizations should not overlook employee perks, which are non-monetary compensations given to workers in addition to their pay or salaries, as human resources are the most important asset of a firm. Competition in today's world is fierce - regardless of the size of the company, the technology used, or the market emphasis (Lindsay, *et al.* 2018). To overcome these limitations, a strong and good interaction and bonding between employees and their companies is needed. In order to maintain this strong and pleasant connection, workers should be encouraged to put in their best effort by giving them with enticing employee incentives such as performance bonuses and Christmas bonuses, as well as study allowances and leave allowances. It is essential to influence and persuade the most important aspect of any organization—the people—to do their duties.

There are a number of ways in which a business may achieve its goals, including making its people happy and putting in place incentives for them to take advantage of. People prefer to put in less effort at work or leave for companies offering greater benefits if they are dissatisfied with their jobs or workplaces. This may be quite costly for a company, especially if a key member of their team leaves for a rival.

II. Research questions

The following research questions were formulated by the researcher in order to meet the study's stated objectives:

- What are the First Bank Uyo's staff perks?
- What steps are taken to design employee benefit policies, and what considerations are taken into account when these policies are planned and implemented?

- Is there a correlation between your job performance and the benefits you receive from your employer
- What new employee benefit packages, in light of global best practises in technology and human resources, do you believe will boost productivity at your business?

III. Research hypothesis

Ho: Employee perk packages have no major impact on employee productivity.

Hi: Employee perk packages have a substantial impact on employee productivity.

IV. Literature review

In this chapter, the researcher will analyse current literature on employee benefits and narrow it down to the effects it has on employee productivity and performance in a firm. Employee benefits, relations, and productivity are examined, and prior and new studies on employee relations and its impact on productivity are effectively explained and expressed.

V. Research methodology

This chapter focuses on the research approach. There are several procedures, techniques, and methodologies used in the collection and analysis of data, which are shown or described below. The study location, the study population, sampling strategy, sampling plan, sample size, procedures and data collection method, primary data are provided in the following order:

VI. Theoretical framework

Employee benefits and job performance are discussed briefly in this section, which summarises significant points in the theoretical discussion on the subject. Literature evaluations that focus on employee benefit packages and how these fringe benefits contribute to the overall productivity of employees in a firm will be included wherever available.

Organizational goals theory

Some major patterns in pay for employees continue to be impacted by a variety of factors regardless of legislation's overall impact on salary. One of these developments is matching compensation to the company's objectives. Pay parity, greater pay, and a more personalised compensation plan are among the other options. The Reinforcement hypothesis is one of the many hypotheses that support this argument, which has been identified.

Environment/reinforcement theory

Individuals can be inspired by their work environment if it is correctly constructed according to this principle, according to (de Soto, *et al.* 2018). The exterior environment of a company, rather than interior variables such as thoughts and sentiments and other cognitive behaviour, should be the primary focus of employers. Employees who do well are more likely to perform well again if they are rewarded for their hard work, which has a direct impact on pay management because of this.

Types of employee benefit plans

According to (Tetiana, *et al.* 2018), the following are common employee benefits most employers offer employees in an organization:

•Base wage

A worker's base salary is the amount of money they get from their employer for their labour. The worth of the labour or talents is reflected in the base salary, which normally overlooks differences in pay across employees (Ashraf, *et al.* 2020). Engineers and scientists often have pay scales based on their level of education and experience, although this isn't uncommon in other fields. Changes in inflation, changes in the cost of living, or changes in what other employers are paying for the same work can all lead to base salary modifications on a regular basis.

•Incentives

Performance-based compensation can also be rewarded through incentives. An employee's performance can be measured in a variety of ways, including the success of a team, an individual, an individual's team, the whole company, or any combination of a person and a team. Incentive compensation is also known as variable compensation. Objectives of performance might be anything from reducing costs to increasing volume and quality to increasing revenue and profit.

The goal of long-term incentives is to direct employees' efforts toward a long-term outcome. Professionals at the top of a business are typically given stock ownership or incentives in order to encourage them to focus on long-term goals like market share or return on net assets. Coca-Cola recognises "major contributors" who have had a significant impact on the company's performance by awarding them stock options (Alawamleh, *et al.* 2020). All workers at Microsoft, Pepsi, Wal-Mart, and Proctor & Gamble are given stock options. Having a stake in the firm is seen as a way to foster a sense of ownership among employees. Employees will act as though they own the company.

Merit compensation is not the same as incentives. Incentives, on the other hand, impact performance by promising monetary rewards for future behaviour. Merit, on the other hand, is based on a person's prior achievements. The difference lies in the passage of time. Prior to the performance, incentives are presented; merit pay, on the other hand, is rarely revealed in advance.

- Medical Insurance: Employer-provided medical insurance helps to defray the expenses of medical care, including doctor visits, surgical procedures, prescription medications, and hospital stays. There may also be dental and optical care included in a company's total benefits plan (Mujan, *et al.* 2019). Individual parts may also be available. In many cases, the employee's family members are also covered under the policy.
- Disability Insurance: In the event that a worker is unable to perform the duties of his or her job due to illness or accident, disability insurance will make up for the missed wages. Short-term disability and long-term disability are the two primary forms of disability insurance.

- Retirement benefits: Retirement benefits are monies set aside to provide people with a pension or income at the conclusion of their job. Defined benefit plans and defined contribution plans are two typical types of retirement plans that meet the bill here.
- Life Insurance: In the event of an employee's death, his or her family is protected by life insurance. In one lump sum, policyholders get these advantages.
- Paid time off: Employees accrue paid time off while they are at work. Holidays, vacation time, and sick days are among the most popular forms of paid time off offered to employees.
- Fringe benefits: In order to recruit and retain exceptional personnel, a variety of non-cash rewards are employed. Benefits like as tuition aid, child care perks, non-production benefits, and flexible medical or child care spending accounts are referred to as "peripheral" benefits.

Study area

Uyo, Nigeria's AkwaIbom state, is the site of this investigation. The high literacy rate in this area is one of the primary reasons for selecting it for the survey since it ensures that survey participants can provide correct responses to the survey's questions.

VII. Research design

With the informal research approach, the results were more accurate and uninfluenced. As a result of the researcher's desire to determine the relationship between one variable and another, alternative research designs had to be discarded in favour of the more casual approach, which proved to be the most accurate. Based on a wide range of approaches, processes, and sample plans, the researcher chose the study design.

Research population

First Bank – Uyo workers and customers are included in the study's total population. Twenty people work for the company.

Sample size and technique

The census sampling approach was employed to sample respondents for this study, hence all 25 participants were included. Because the population is so small, this is the case. The researcher used the census sample method since the study's population was small and all respondents could be surveyed. Consequently, the study was completed effectively (Bao, *et al.* 2022). This study utilised all 25 participants.

Data collection method

Employer benefit was evaluated using both quantitative and qualitative data. Thus;

- Primary data
- Secondary data

Primary data

The questionnaires were used to collect primary data during the study. Direct interviews with Merchant Bank employees were also used by the researcher to gather primary data. Interviews and questionnaires are two tools that may be used to gather data. But in this situation, questionnaires were employed instead. It was decided to employ questionnaires rather than face-to-face interviews since respondents were unwilling to divulge sensitive information.

As a result, respondents preferred filling out questionnaires because they felt more at ease disclosing personal information. There were two types of questions. Open-ended and closed-ended surveys were used in this study (Kazekami, 2020). Due to the fact that respondents would be constrained in their replies, closed-ended questionnaires were selected. Another benefit of closed-ended questions is that they allow respondents to see all possible replies. Open-ended inquiries, on the other hand, necessitated that respondents select their preferred replies.

Secondary data

Secondary data was also employed to collect data in order to improve the study's credibility. The researcher gathered secondary material from the bank's periodicals, the internet, libraries, and the bank's Employee Information Brochure during the study process.

VIII. Data analysis

For this portion of the study, the goal is to gather as much information as possible in order to make an informed conclusion. Statistical analysis was performed on the data that was gathered by the researcher (Lipczynska, Schiavon, & Graham, 2018). Data will be presented in basic forms such frequency tables, bar charts and pie graphs for simplicity of understanding. SPSS was utilised by the researcher to perform data analysis. In order to make sense of the information gathered, further explanations were provided as appropriate.

IX. Limitation

Some of the people that responded were really helpful, especially when it came to providing data. However, the researcher had a difficult time with certain respondents, especially when it came to providing them with information that they thought was critical to their success.

X. Results

Initial Bank Plc, Uyo branch's staff perks and incentives were the study's first target. The findings of the investigation show that the bank's workers are receiving the fundamental perks they are entitled to. The bank's different perks are solely available to the bank's permanent employees, and contract and casual employees are not eligible for them. Paid time off, vehicle loans, Christmas bonuses and performance bonuses are among the employee perks that were found in the report.

In terms of the study's second goal, researchers discovered that the human resources department of the company draughts employee benefit policies and programmes (Lazear, 2018). Having a department dedicated to monitoring and caring for the well-being of employees is an indication that a business has one in place. As a result of the

bank's HR department, employee benefit plans are developed and executed to meet the needs of employees while also increasing output.

Employee perks were shown to have a significant impact on productivity, according to the findings of the study (Aboelmaged, 2018) . According to the findings, employees who receive greater wages and benefits put in more effort and are more willing to go the additional mile for their employers. As a result of greater salary, respondents said they would be more productive.

XI. Conclusion

First Bank Nigeria PlcUyo branch personnel were the focus of the study, which examined the impact of employee perks on productivity (Choudhury, Foroughi, & Larson, 2021). Employee productivity is driven by financial incentives, according to a recent research. The study concluded that workers in Nigeria are motivated mostly by money since they are willing to quit their existing positions in quest of higher salaries elsewhere.

XII. Recommendations

The following recommendations are meant to assist management in developing an effective employee motivation policy. In order to encourage employees, managers should regard their overall well-being as a crucial consideration. Motivating employees to perceive themselves as a vital part of the company is essential (Lazear, 2018). As much as feasible, people should be involved in the decision-making process when they are directly affected by it.

In addition, the following ideas should be taken into consideration:

- There should be consideration given to employees who are due for advancement.
- Pay packages should be examined on a regular basis.
- Establish a single norm of fairness for everyone.
- It's important to reward people based on their real performance.

XIII. References

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