



Examine the Influence of Fringe Benefits on Job Satisfaction

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ABSTRACT

This research investigates the influence of fringe benefits on the levels of job satisfaction and engagement. The multinational explosives corporation encounters difficulties in establishing suitable remuneration for job worth as a result of divergent compensation packages in different nations. Data was collected using a survey research design and a questionnaire. The research revealed a notable association between job satisfaction and engagement, whereby individuals reporting higher levels of satisfaction also exhibited greater levels of engagement. Nevertheless, the relationship between job satisfaction and remuneration exhibited a statistically significant but weak correlation. Similarly, the association between engagement and fringe benefits also demonstrated a statistically significant but weak correlation.

Introduction

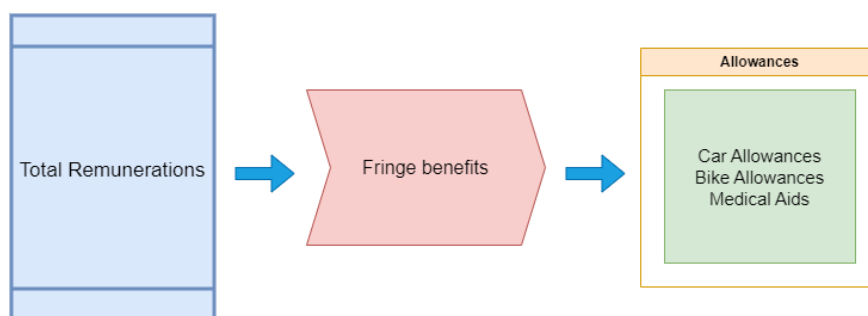
Perquisite benefits, commonly referred to as fringe benefits or perks, encompass supplementary advantages and privileges that employees obtain in addition to their standard salary and compensation packages. The benefits encompass various aspects such as flexible work schedules, employer-provided health insurance, retirement plans, vacation allowances, employee discounts, gym memberships, and additional perks. The impact of perquisite benefits on job satisfaction is considerable and can affect multiple facets of an employee's overall satisfaction with their job. There are several manners in which perquisite benefits can impact an individual's level of job satisfaction. Motivation and engagement are two key factors that play a crucial role in individuals' academic performance and overall success. Perks can serve as a motivational instrument by offering employees incentives and rewards in recognition of their efforts. When employees experience a sense of appreciation and recognition through various incentives, such as bonuses or rewards based on performance, they tend to exhibit higher levels of motivation, engagement, and job satisfaction. The achievement of work-life balance can be facilitated by the provision of advantageous benefits, such as flexible work schedules, remote work opportunities, or ample vacation time. The provision of autonomy for employees to effectively balance their personal obligations with their professional duties has been found to have a positive impact on stress reduction and job satisfaction levels. Health and well-being initiatives, such as comprehensive health insurance coverage, wellness programmes, and on-site fitness facilities, have been found to contribute positively to employees' job satisfaction. When employees perceive a high level of support in managing their physical and mental well-being, there is a greater likelihood of job satisfaction. Enhancing Employees' Financial Security and Future Prospects: Various perquisite benefits, such as retirement plans, stock options, or profit-sharing programmes, have the potential to augment the financial security and future prospects of employees. The assurance that the organisation is addressing their long-term financial objectives can enhance job satisfaction and alleviate financial strain. The influence of perks on company culture and employee relations should not be overlooked. When organisations place emphasis on the establishment of a favourable and all-encompassing work environment through the provision of benefits such as team-building exercises, social gatherings, or programmes aimed at acknowledging employee achievements, it cultivates a feeling of affiliation and mutual trust among staff members, resulting in an elevated level of contentment with their job. Attraction and Retention: The provision of appealing perquisite benefits can significantly contribute to the attraction and retention of highly skilled personnel. In the contemporary labour market characterised by intense competition, individuals seeking employment frequently take into account the comprehensive remuneration package, encompassing supplementary benefits, as a crucial factor in their career-related choices. Employees who are provided with attractive incentives are more inclined to remain employed by the organisation and experience elevated levels of job satisfaction in comparison to their counterparts who have access to fewer benefits. It's important to note that while perquisite benefits can positively influence job satisfaction, they should not be considered in isolation. Other factors, such as job responsibilities, work environment, career growth opportunities, and leadership, also play significant roles in shaping overall job satisfaction. Organizations should aim for a holistic approach that combines meaningful work, a supportive environment, and attractive perquisite benefits to enhance employee satisfaction and engagement. The study evaluated how fringe benefits affect employee morale and productivity in oil corporations, specifically Shell Petroleum and Development Company Warri in Southern Nigeria. Fringe perks greatly impact employee morale and productivity. The study suggests expanding fringe benefits in private and public organisations to boost ability and success [1]. In Southern Nigeria's Shell Petroleum and Development Company Warri, the study examined how fringe benefits affect employee morale and productivity. Employee morale and productivity were strongly affected by fringe benefits. The report advises private and public organisations to boost fringe perks to boost performance [2]. Statistical tests, such as Pearson correlation and linear regression analysis, were applied to the data using SPSS version 26. Fringe benefits positively and strongly correlate with employee retention ($r = 0.556$; $p = 0.000$). Fringe benefits increase employee retention (Beta = 0.356; $p = 0.000$), according to regression analysis. Thus, the research hypotheses failed.

It was found and recommended that managers and administrators of tertiary institutions should give convenient, operational, and attractive fringe perks as it appeared crucial in forecasting increased staff retention in Adamawa state[3]. This report finds that most Tanzanian employees are unaware of fringe perk packages. Local employees are negative, while foreign-owned employees are positive. The findings urge more research and practise [4]. Dissatisfied workers today are more likely to switch jobs. To keep them, companies should offer fringe benefits, which are less taxed and cheaper to buy through an employer [5]. One-third of private sector employees do not think awards and recognitions affect work performance, according to descriptive statistical research. Instead of seniority, reward talent and efficiency.[6]. Fringe Benefits is a comprehensive concept which include both monetary and non-monetary benefits derived from employment that doesn't constitute cash salary or wages and an employee get it in addition to regular salary or wages. The tax liability of salary is never being question. As long as employees are getting cash salary and allowances, it is easy to quantity taxable income. But however with corporation turning more and more towards non- cash benefits [i.e. fringe benefits] it become difficult to quantity taxable income of employees[7]. This study investigates the relationship between fringe benefits and employees job satisfaction. More specifically, following variables were taken as fringe benefits (i) Health Protection Benefits, (ii) Recreation Leaves, and (iii) Flexible Working hours. The primary data is gathered through questionnaire from the sample size of 200 respondents based on non-probability convenience sampling technique. The results were later analysed through exploratory factor analysis and multiple regression. This study showed positive and significant relationship of Recreation Leaves and Health protection benefits on job satisfaction whereas in case of flexible working hours, the relationship seems to be insignificant. Through results, it may be concluded that if a good number of leaves and a good health Protection plan is provided by the employer, the employees tend to be more satisfied and committed towards their job. Whereas, flexible working hours does not much contribute much towards their level of satisfaction towards job. This study might help employers in Pakistan to add commendable benefits programs to their schedule in order to retain their loyal employees and increase firm's productivity[8]. The study investigates the impact that fringe benefits have on job satisfaction and employee engagement at Sinapi Aba Savings and Loans Limited (SASL). Specifically, the study was to determine the impact of fringe benefits on employee engagement, to determine the impact of fringe benefits on job satisfaction and to gain better knowledge of the structuring of remuneration packages. The sample consisted of ten (10) branches of Sinapi Aba Savings and Loans Limited (SASL) representing 20.83% of the research branches. 300 questionnaires were distributed, 270 questionnaires were filled and returned for analysis which represents 90% of response rate of the sampled research population[9]. The primary aims of this research are as to assess the significance of fringe benefits in relation to employees, to examine the influence of fringe benefits on employee engagement, to investigate the effect of fringe benefits on job satisfaction, to enhance understanding of the design and composition of remuneration packages.

Problem Description

Determining the suitable remuneration for the intrinsic worth of labour poses additional challenges in the context of a multinational corporation. The complexity of this issue is further heightened when an organization's boundaries extend beyond national borders. Hence, it is imperative to align employee compensation with the prevailing market rates in each specific country, while also considering cultural variations when designing remuneration packages.

Job satisfaction is contingent upon the establishment of a harmonious balance between the interests of the employee and the organisation. The organisation depends on the manager to assess the worth of an employee's work and, with the organization's best interests in mind, determine the suitable compensation for said work. To ensure that the employee is provided with compensation that is both competitive in relation to other companies and commensurate with their job responsibilities, it is imperative for the manager to possess a comprehensive comprehension of the true worth of the work being performed.



Questionnaire

It is imperative to move beyond mere speculation in order to ascertain the influence of fringe benefits on job satisfaction and engagement. A frequently employed instrument for assessing the influence of fringe benefits on job satisfaction and engagement is a research survey. Locating a pre-existing questionnaire that encompasses questions pertaining to all three dimensions, namely job satisfaction, engagement, and fringe benefits, proved to be exceedingly challenging. Corporation, in order to ascertain their perspectives and viewpoints on the aforementioned topics.

The survey comprised four distinct sections.

- Section A pertains to the topic of job satisfaction.
- Section B focuses on the concept of engagement.
- Section C examines the aspects of fringe benefits and remuneration.
- Section D encompasses personal and demographic information.

Results and Discussion

Data collection

S. No	Fringe benefits influence employee	No of respondent	Percentage
1	Influence	20	67
2	Does not Influence	6	20
3	No opinion	4	13
4	Total	30	100

The level of correlation is made for various factors such as job satisfaction and engagement. It is found that fringe benefits have low to medium correlation on job satisfaction and engagement.

S. No	Engagement	Fringe Benefits	Remuneration
Job Satisfaction	High	Low to Medium	High
Engagement		Low to Medium	Low to Medium

Conclusion

Based on the statistical data, it can be inferred that the employees express a general satisfaction with the fringe benefits provided to them and the manner in which these benefits are integrated into the overall cost-to-company packages across various demographic regions. The employees exhibit a generally high level of motivation, accompanied by a satisfactory degree of job satisfaction and engagement. The area that necessitates further attention is the monetary aspect of the compensation package.

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