

## Effects of Non-Pecuniary Rewards on Employee Delight

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### ABSTRACT

This study aims to understand that what makes an employee delighted within an organization? What are the needs and desires of employees related to workplace ergonomics? This needs to be studied that monetary benefits, being researched by various researchers have shown a significant impact on delighting employees and these non-pecuniary act strongly in gratified employees from their jobs. In order to find out that the non-pecuniary and their impact on employee, a sample of employees, working at different organizations in Karachi were asked to fill a questionnaire consisting of the non-pecuniary variables that delight them the most. The survey enabled us to explore an employee delight model and its determinants, and then this employee delight model was tested on 300 employees working at different organization. The results of this research showed that the variables used in model are not necessary in delighting the employees at workplaces. The variables that effects employee delight most includes workplace ergonomics, appreciation, flexible working hours, tools and equipment ,effective Interpersonal skills and entertaining activities.

**JEL. Classification:** O15; J24; E24; J28; J33.

**Keywords:** Employee Delight, Job Satisfaction, Effective Interpersonal Skills, Non-Pecuniary Benefits.

### 1. INTRODUCTION

Employees are the most essential resource of an organization, and its success mainly depends upon its employee's satisfaction; therefore, make employee's gratified with their career is the responsibility of an employer (Cowan 2009). There are many reasons as to why employees became discouraged and switch their jobs; this includes workplace stress, lack of communication, and limited opportunity for growth which ultimately result in higher turnover rates in the organizations. Organizations also have to look for the betterment of their employees (Nguyen and Leclerc 2011). Employees workplace involved higher levels of conflicts, lack of employees' sovereignty, less efficient response in work create a critical situation for organization to meet the organizational challenges (Chamberlain and Hodson 2010). Therefore, a question arises that how can organizations expect continual devotion from its employees for the longer period of time. The answer is Employee Delight to satisfy the employees at their workplaces

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(Gruber 2011). Delighting employees is not an easy job as it requires efforts from employers. Monetary benefits are one way for employee retention, but other than non-monetary benefits also have an impact in delighting employees at their workplaces (Hasan et al. 2010). The basal intention of this research study is to identify that the non-pecuniary rewards could have an impact on delighting employees at their organizations (Day 2011).

### **1.8. Organization of paper**

Section 1 about introduction section 2 literature review in detail section 3 is about theoretical framework section 4 research methodology section 5 testing of hypothesis section 6 findings and section 7 is about conclusion and suggestions in this paper.

## **2. LITERATURE REVIEW**

There are various researches are being conducted to look for ways through which employees could be satisfied and retained. Besides working on the needs of consumers, companies also have to look for the interest of their employees, as they play a crucial role in making a business to reach new dimensions. An Employee Satisfaction is considered important because an organization's productivity depends on it. If an organization's employees are satisfied they would produce good results on time and helps to increase profits (Werlinger et al. 2009). In service industry, the quality of services provided by employees could grow a business; service quality measures the successful level of on time services delivered to the expectations of employees.

Besides better packages, good working environment, employee delight could also be achieved through easy way in location and sustainable construction of buildings, appropriate construction of the offices gives pleasant environment and urges the employee to work in an efficient manner (Sangeetha and Mahalingam 2011). On the other hand, poor environment in the offices may cause the health related problems and affect the productivity of the employee at workplace. There is need to design and plan the office with pleasant environment in a strategic manner through which employee get motivated and pay worthy attention towards the assigned work (Smith and Pitt 2011).

The effective and luxurious workplace environment leads towards the improvement in productivity from employees, if a person has the furnished and fully equipped workplace this may result the job satisfaction (Brocke and Sinnl 2011). This workplace should be safe from the politics and also, harassment. Privacy and freedom of working is also a very important part of creating employee delight.

Harassment at workplaces and acts of bullying is considered unacceptable. Harassment at work includes aggressive and threatening behavior towards employees. Bullying is one kind of harassment and is considered an intolerable and non-courteous act and non-respectable as well in the research of Roscigno et al. (2009) identified bullying as a major social problem, especially at workplaces as well, and it is based on power differentials, racial and cultural differences etc and other practices as well. These practices hinder employee's productivity and demoralize them, under these situations, an open and free communication environment among the employees and with those above they act as a mean to encourage and motivate the employees (Tiku and Pecht 2010). The friendly communication at workplaces get the workers better informed and they feel like a part of a family and this is showed in their work as well, in the form of their dedication towards the work. Effective communication at workplaces in this era especially in the achieving of tasks is necessary for the growth of any business (Burt and Davies 2010).

Employee gratification can be measured through employee's aptitude at workplace, if an employee acquires certain skills and capabilities and has potential for achievement and knew the type of work very well that the organization wants from him or her, and then only he/she would be able to live in harmony.

Job security at office includes autonomy from all sorts of danger, risk and doubt. According to Chamberlain & Hodson (2010), venomous workplaces are a widespread social problem involving millions of workers worldwide. Working environments involved higher levels of conflicts, because of lacking in work autonomy. An organizational setback includes absenteeism, sluggishness, turnover, low morale, motivation, ineffective communication, and interpersonal relations with increased hostility and distrust. It is essential for an organization to control, magnetize, retain and effectively utilize the workers in the effective manner (Styvén 2009). This is necessary for the employers to make strategies in this regard.

In connection with this the Job security also means avoidance from unnecessary stress, aggression and assault at workplace. Schwe et al. (2010) mentioned that the homicide rate of U.S taxi drivers is very high. There is highest rate of violence, stress abuse and physical assault in Taxi driver job, although it is a biggest revenue provider to the local economy, once they were provide job security they can be produced more result.

As workplace environment has an impact on employee's performance so it is essential for organizations to provide them a pure workplace ambiance through which an employee may give maximum performance. Kapoor and Solomon (2011) investigated that the contemporary workplace now consisting of four different generations such as traditional workers, gender base employees, baby boomers and upcoming challenges inside the organization. Organization need to ensure that the workplace environment must be friendly and productive rather call the generation challenges.

Employee delight is also based on the necessary tools provided by the organization to accomplishments of tasks. Hensley and Utley (2011) identified their service reliability framework to classify technical tools used in services for better understanding of managers. There are various traditional and outdated tools used in services organizations. Zeffane (2010) came up in classifying tools within a service framework that considered subsystem reliability, system configuration and system reliability.

Chinese authors Miao and Kim (2010) stated that job satisfaction and employee performance, and their research discovered that the perceived organizational support and job satisfaction has significant relation to performance of employees in China. In this study, the selected participants were 130 employees, along with their 34 supervisors from two of the largest government owned enterprises. Psychological scales used to measures the satisfaction of job, and also identified the different aspects of citizenship behavior of organizations.

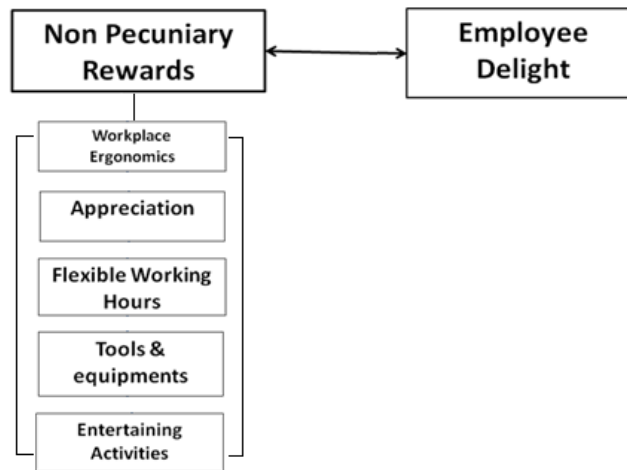
Hagen and Albrechtsen (2009) focused the importance of e-learning tools in improving the information security acquaintance, responsiveness and performance of employees that they act as an agent in releasing employee's problems.

The longer working hours of employee may also cause the job dissatisfaction and they remain in stress which results as low productivity. Employee performance can be improved providing flexible work timing and incentive based extra work hours. In UK, more than 40 percent of employees prefer variation in the work hours while majority prefer less work hours (Stewart and Swaffield 1997; Boheim and Taylor 2004). Several research studies explore that the hard working hours restrict the employee to increase their performance.

Therefore, it is the requirement of time to give the flexible working hours for raise in the productivity of employees (Ann and Carr 2011). An employer who consider the happiness and employee delight strategy will always grow and provided pride, courage and gratification to employees, in result it retain committed and loyal workforce.

### 3. THEORETICAL FRAMEWORK

From the detailed review of literature it is conceptualized that for this study following theoretical framework is necessary to meet the objectives.



#### 3.1. Hypothesis

To study the impact of non-pecuniary benefits on employee delight certain hypothesis are designed as followed:

H<sub>1</sub>: There is a significant relationship between non-pecuniary benefits and employee delight

H<sub>2</sub>: Proper workplace ergonomics leads to employee delight

H<sub>3</sub>: Appreciations from supervisor and flexible working hours have an impact on employee delight

H<sub>4</sub>: Effective Environment of Interpersonal relations and entertaining activities affect the employee delight

### 4. RESEARCH METHODOLOGY

#### 4.1. Method of Data Collection

The purpose of study was to find out the facts and effects of non-pecuniary rewards that urges the employee job satisfaction. On the other hand, the effect of non-pecuniary rewards such as workplace ergonomics, appreciation from superiors, flexible working hours, tools and equipment and entertaining activities, researchers have designed a questionnaire and ask questions from employee. The respondents were male & female, contractual & non contractual employees working at different positions in different organizations of Karachi. The sample size of this study was 300 and sampling methods is simple random sampling.

## 4.2. Sampling Technique

Simple random sampling technique has been used to collect the data for conducting this research. To approach the respondent, non-probability based sampling technique is used as per researchers convenience reach to the respondent.

## 4.3. Sample Size

We have selected about 300 employees of different designation employed at different organization was taken as a sample for this research. These respondents were both male and female, and they willingly fill out the questionnaire because it is related with their job

## 4.4. Instrument of Data Collection

The data collected was through questionnaire.

## 4.5. Statistical Technique

Technical analysis conduct on the basis of primary source of data via utilization of spread sheet and SPSS software. Regression Analysis is applied as a statistical testing. In order to find a relationship between both the variables that are independent to dependent variables, Regression Analysis works best as it includes the techniques for modeling and analyzing several variables.

## 5. TESTING OF HYPOTHESES

### 5.1. One Sample statistics

We applied One Sample Test on Employee Delight Analysis. The descriptive table shows 300 respondent's Mean, Standard Deviation and Standard Deviation Error against each delight factors. The categorization of delight factors was done as per their mean disperses.

As it can be seen from One Sample Statistics that all delight factors mean is between 2.33 to 2.64, which clearly suggests that all factors are not showing clear indication of employee delight. As per data analysis, ranking the delight's factors mean as to which factor shows the highest level of employee delight from delight model, Appreciation and Recognition has the highest level of mean ( $m=2.64$ ) but still not much high, and the workstation ambiance shows the least mean ( $m=2.33$ ) in delight factors.

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Workstation Ambiance	248	2.33	.537	.034
Appreciation and Recognition	248	2.64	.489	.031
Recreational Activities	248	2.44	.514	.033
Career Growth Opportunities	248	2.59	.517	.033
Improve Work Place Relationships	248	2.39	.504	.032
Autonomy at Workplace	248	2.40	.545	.035
Improvement in your work technology	248	2.48	.524	.033
Working Hours	248	2.42	.584	.037

## 5.2. One Sample Test

On Employee Delight data, one sample t-test' was applied and the test statistics shows the results. The 'df' column shows degrees of freedom. In this case, this equals the number of cases in each group minus 1. The Sig. (2-tailed) column shows a probability from t distribution with 299 degrees of freedom. As the value shown by all delight factors is insignificant, so we can conclude that our delight model is not affecting employees, and hence the non-monetary benefits offered at workplace is of little significance to employees.

One-Sample Test						
	Test Value = 3					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Workstation Ambiance	-19.512	247	.000	-.665	-.73	-.60
Appreciation and Recognition	-11.558	247	.000	-.359	-.42	-.30
Recreational Activities	-17.055	247	.000	-.556	-.62	-.49
Career Growth Opportunities	-12.525	247	.000	-.411	-.48	-.35
Improve Work Place Relationships	-19.136	247	.000	-.613	-.68	-.55
Autonomy at Workplace	-17.488	247	.000	-.605	-.67	-.54
Improvement in your work technology	-15.750	247	.000	-.524	-.59	-.46
Working Hours	-15.768	247	.000	-.585	-.66	-.51

## 5.3. Hypothesis Assessment Summary

It is concluded that the employee delight involved non-pecuniary benefits, could not bring fruitful results and the non-monetary factors could not delight the employees at large and the test done verifies it further.

## 6. FINDINGS

It is important here to understand that in this research work, other than finding the non-pecuniary benefits that could delight employees at workplaces. We worked on finding the impact of non-pecuniary benefits on employee delight and through responses of employees belonging to different organizations we found out that the impact is negative and non-pecuniary benefits do not have a large impact in delighting employees and employees are not in great need of these non-pecuniary benefits at their workplaces. But from our research findings we came to know that the impact of non-monetary benefits is not much high and just only increasing the non-monetary benefits could not drive employees for moving further and delighted from their jobs.

## 7. CONCLUSION AND SUGGESTIONS

From the research, it can be concluded that the non-pecuniary benefits do not have a large impact in delighting employees at workplaces. The Employee Delight Model that we framed consisted eight non-pecuniary variables, proved to be unsuccessful, as these variables do not really affect and bring contentment in the lives of employees and this model cannot be implemented in any organization for delighting employees

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