



**THE IMPACT OF FINANCIAL AND NON-FINANCIAL
INCENTIVES ON EMPLOYEE JOB SATISFACTION LEVEL WITH
SPECIAL REFERENCE TO IT SECTOR OF INFOPARK, KOCHI**

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Abstract

The goal of the study is to uncover differences in employees' attitudes regarding job satisfaction and incentives based on different demographic parameters and to examine the impact of monetary and non-monetary incentives on job satisfaction level among employees of infopark Kochi's IT industry. 100 employees from various infopark kochi IT companies received the study's generated questionnaire. The SPSS version 21 program is used to analyze the researcher's data using a variety of methodologies. According to the analysis's findings, a person's attitude towards non-financial incentives has a greater influence on their level of job satisfaction than their attitude towards money incentives. The research is crucial in providing vital information for the administrative departments of various IT enterprises in the infopark

Kochi with regard to monetary and other incentives, and job satisfaction levels of particular demographic traits of employees such as gender.

Keywords: Job satisfaction, Financial incentives, Non-financial incentives, Infopark, Kochi

1. Introduction

Employees are considered as the backbone of every organization. It is important for an organization to keep its employees motivated and satisfied. Therefore, the organization who keeps the values of the employees will keep good care of them. Human resource is the factor which determines the uniqueness of the organization. To get maximum productivity and performance from the workforce it is important that today's organization should be more flexible in attracting, motivating, and retaining the employees. Motivation is a crucial part at the workplace and it can lead to the performance of the employees. Motivating your employees need to be a regular routine. Employees performance is determined by how well they carry out their job responsibilities and complete their assigned task. It is the caliber, quantity and productivity of their work. The strategies of motivation are the techniques that are used to encourage the employees to do their work more efficiently. The employee's caliber is also different from each other. Few of them may be self-motivated, but in cases of other employees they need more motivation to do their work. Improving the financial as well as the other incentives programs can increase the motivation and job satisfaction among the workers. Financial incentives are the powerful tool for motivating and boosting the employee performance. Bonus incentives for the performance level and periodic revision of the monetary benefits can be an effective tool. Proper training and development, employee rewards and recognition, learning opportunities, work life balance and various other incentive schemes makes the employees always motivated to work efficiently in their workplace. This will create a sense of belongingness among the employees towards the organization. Employees will be inspired to offer their talents and effort in order to achieve optimum productivity since they feel like they belong.

2. Scope of the study

A study examines how both incentives programs influence the degree of satisfaction with employment in the Infopark, Kochi IT sector. The study identifies disparities between certain demographic traits and employees' attitude towards various incentives programs and job satisfaction, as well as their impact on the monetary and non-monetary incentives offered by Infopark Kochi's IT division for job satisfaction.

3. Objective of the study

1. To determine the significance of financial incentives in increasing employee job satisfaction in the Info Park, Kochi, IT industry.
2. Determine the significance of non-financial incentive programmes to improve the Job satisfaction level in IT sector of Info Park, Kochi.
3. To determine the effect of financial incentives, non-financial incentives, and work satisfaction based on the demographics present in Infopark Kochi's IT sector.
4. To learn about the employee satisfaction, exist in the organization.

4. Review of Literature

Duchon (2000). Acknowledge that employees are composed of their mind and spirit, that they seek meaning and purpose in their work, as well as a need to connect to a community. Ensuring the value of their work in this way will inspire them to work hard in order to advance both their own and other people's development as well as sales performance.

Kuvaas and Dysvik (2009). Show the relevance of both intrinsic and extrinsic motivation. A quantitative methodology and approaches for gathering primary data were used in the research. The data were gathered via a closed-ended questionnaire, and both descriptive statistics and linear regression were applied. Based on the data, it is found that there is a significant and favourable association among both extrinsic and intrinsic drives and employee happiness, which assisted businesses in retaining their finest workers for a period of time. According to their research, both of these motivational variables are affective during difficult economic circumstances like the one we currently find our self in.

J S Adams (1963). The equity theory of motivation claims that the basis of a motivation is how fairly they see themselves to be in comparison to others. Therefore, a person's perception of

what is fair and unfair might influence his motivation, attitude and behaviour, all of which have a impact on his level of performance.

B.F Skinners (1953). Reinforcement theory contends that employees will repeat behaviours that resulted in favourable outcomes while refraining from repeating behaviours that resulted in undesirable outcomes. It follows that an organisation can encourage employee activity that can result in positive outcomes and dissuade behaviour that resulted in poor outcomes. Training and staff development can help with this.

Ferris, Hochwarter, and Wright's (2019). In their article, the authors defined motivation as a collection of empowering factors that are generated both from inside and outside of a person's own self and are used to start and define work-related conduct.

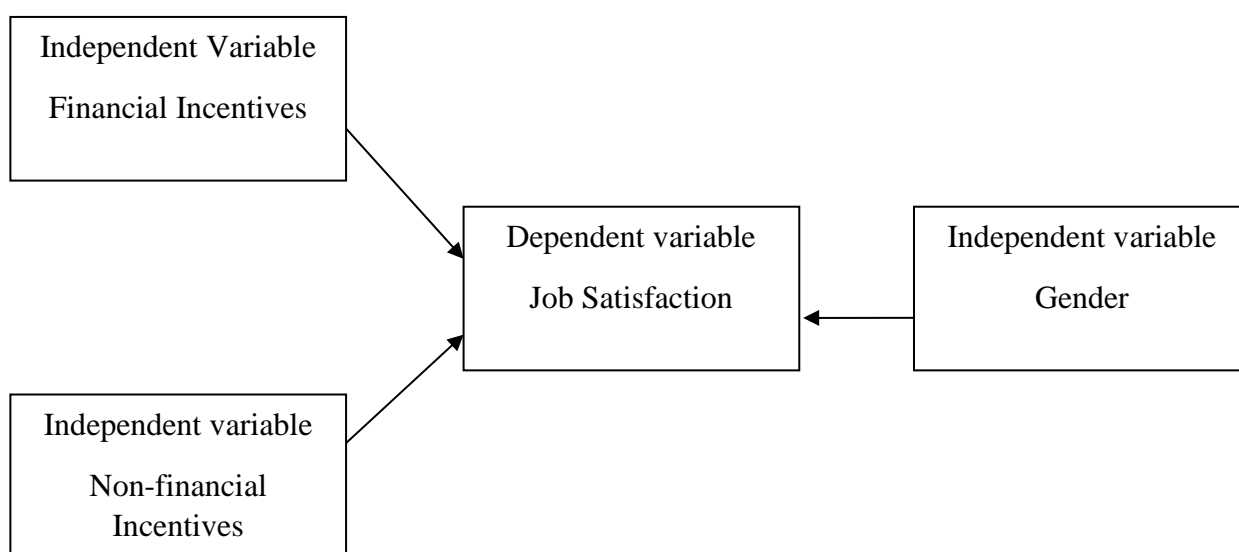
Tsvangirai and Chinyamurindi (2019). In his article connected workplace surveillance to employee motivation. It concludes that management's efforts to increase employee motivation will immediately and favourably affect the operation of the company. On the other hand, the application of surveillance in the workplace without adequate supervision may adversely impact worker inspiration and participation.

Parker (2003). Recognition is the organization's expression of gratitude for a task completed by a team or team member. The two main goals of appreciation are to encourage the employee or team to maintain or repeat the action and to encourage other employees to imitate it. The majority of team recognition programmes encourage regular appreciation of organisational accomplishments as a time set aside to recognise the accomplishment of critical corporate goals. This is done to increase or serve as a reminder of the value of the organization's internal goals.

Herman Aguinis, Harry Joo, Ryan K. Gottfredson (2013). Define monetary rewards as a very effective predictor of employee motivation and performance that can have a significant impact on firm-level performance. Money rewards, however, don't always produce these desired results. In addition to maintaining fairness in the reward system, using both monetary and non-monetary awards, timely employee rewards, performance-based rewards, and precisely defining and measuring performance will help employees to perform better.

5. Theoretical Framework

The study is centered on how monetary and non-monetary incentives affect how satisfied people are with their jobs. The relationship between the dependent and independent variables is demonstrated by the theoretical framework.



6. Research Design

The study was developed for exploring the attitude of respondents about the monetary and non-monetary benefits programs that contributes to their job satisfaction level among the employees of info park, Kochi. The study involves 100 employees working in Infopark Kochi is taken as sample.

The survey, which has three parts and a total of 28 questions, was created in order to create an investigation that is appropriate for the study's objectives. Six questions about the attitudes of employees towards their demographic information, such as name, gender, age, occupation, income, educational background, and experience, are included in the study's first section. The second part contains six questions dealing with attitude of employees in terms of the factors such as financial incentives which is considered most important by the respondents. The third section of the questionnaire asks eight questions about employees' attitudes towards non-

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financial incentives. Seven questions make up the fourth section, which was created to figure out how satisfied the employees are with their jobs.

An assessment of the respondents' level of agreement or disagreement with a statement related to the study was requested. Each sentence is rated on a 5-point Likert scale, with 1 denoting 'strongly agree', 2 denoting 'agree', 3 denoting 'neutral', 4 denoting 'disagree', 5 denoting 'strongly disagree'. In the months of February and March 2023, 100 people participated in the survey-based study. In SPSS version 21, the study's data are analysed using a variety of methods.

To assess a set of scale items one-dimensionality, we use Cronbach's alpha. It's a measurement of how closely all the elements of your scale are related to one another. In actuality, it merely involves adjusting the average correlation between each variable and its neighbours. Nunnally (1978) suggested using a 0.7 rule of thumb. One expected to see 0.8 cited as a minimal alpha

Analysis parts	Cronbach Alfa Reliability Coefficient	No: of items
Financial Incentives	.813	6
Non-Financial Incentives	.880	8
Job Satisfaction	.873	7

more recently.

A reliability analysis is carried out as part of the research to determine the validity. Table 1 displays the results of the survey's Cronbach Alpha calculations for each section and overall. According to the Cronbach Alpha results, the survey form and all of its components are sufficiently reliable.

Table 1: Reliability Coefficients

7. Research Hypothesis

1. H1: There is a significant relationship between the financial incentives and job satisfaction level of employees used in the IT sector of Infopark, Kochi.
H0: There is no significant relationship between the financial incentives and job satisfaction level of employees used in the IT sector of Infopark, Kochi.
2. H2: There is a significant relation between the non-financial incentives and job satisfaction level of employees used in the IT sector of Infopark, Kochi.
H0: There is no significant relation between the non-financial incentives and job satisfaction level of employees used in the IT sector of Infopark, Kochi.
3. H3: Monetary incentives have a greater impact on job satisfaction than non-monetary ones in the Infopark, Kochi.
H0: Non-monetary incentives have a greater impact on job satisfaction than monetary incentives in the Infopark, Kochi.
4. H4: Attitude of employees in Infopark, Kochi have a significant difference relating to their gender in respect of monetary incentives.
H0: Attitude of employees in Infopark, Kochi have no significant difference relating to their gender in respect of monetary incentives.
5. H5: Attitude of employees in Infopark, Kochi have a significant difference relating to their gender in respect of non- monetary incentives.

H0: Attitude of employees in Infopark, Kochi have no significant difference relating to their gender in respect of non- monetary incentives.

6. H6: Attitude of employees in Infopark, Kochi have a significant difference relating to their gender in respect of Job satisfaction.

H0: Attitude of employees in Infopark, Kochi have no significant difference relating to their gender in respect of Job satisfaction.

8. Data Analysis and Interpretation

Table 2: Demographical profile

Demographic profile	N=100	%
Gender		
Male	43	43
Female	57	57
Marital Status		
Married	15	15
Singles	85	85
Educational Qualifications		
Bachelor's Degree	52	52.0
Master's Degree	45	45.0
Diploma Courses	3	3.0
Income Level per Month		
Less than 25000	51	51.0
25000-35000	24	24.0
35000-45000	16	16.0
45000-55000	7	7.0
above 55000	2	2.0
Age		
18-25	68	68

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26-35	28	28
36-45	4	4
Experience		
0-1 Years	51	51.0
1-2 Years	24	24.0
3-5 Years	16	16.0
5-10 Years	7	7.0
More than 10 years	2	2.0

Table 2 describes about the profile of respondents in respect of gender, marital status, educational qualification, income per month, experience. It shows the frequencies and percentage. The table shows that the highest number of employees is female (57%). Majority of the respondents are single (85%) and 15% of the respondents are married. Most of the employees are qualified with bachelor's degree (52%). 45% of employees are post graduate and 3% are qualified in diploma courses. Majority of the respondents have less than 25000/- as their income per month 24% of employees have income level per month between 25000-35000 and 16% of employees have 35000-45000. 7% of employees have income level per month from 45000-55000 only 2% of employees have more than 55000 per month as income level. 68% of responders are between the ages of 18 and 25. The age range of 28% of the workforce is 26 to 35. 4% of the staff is between the ages of 36 and 45. More than 50% of the employees have experience up to 0-1 year. 24% of the workforce members have 1-2 years of experience. 7% of employees have experience between five and ten years, while 16% have experience between three and five years. Only 2% of employees have experience more than 10 years.

Table 3: Attitudes of the study's participants towards financial incentives

N=100	S.D	X
Salary payment and increment	1.02981	3.0100
Bonus according to performance level	1.02863	2.9500
Overtime payment	1.04538	2.9100
Transportation allowances	1.14221	2.7800
Adequate compensation on retirement	.93609	2.9500

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rewards for talented workers that perform well	1.00960	2.5300
Average attitude on financial incentives	1.031953333	2.855

The study's findings indicate that employees have a more positive attitude towards money incentives (2.855) than non-financial incentives (2.51125).

Table 4: Attitudes of the study's participants towards financial incentives

N=100	S.D	X
Benefits such as social security and health insurance.	.93609	2.3500
Opportunities for complaints and suggestions	.98658	2.5800
Office and infrastructure.	1.01797	2.2900
Annual leaves.	1.21983	2.6300
Health insurance covers whole family.	.98985	2.5000
Career and development.	1.02671	2.5800
Annual celebration for staff members that are creative.	1.04809	2.5500
Recognition and appreciation certificate for productive employees	.98365	2.6100
Average attitude on non-financial incentives	1.02609625	2.51125

The study's findings indicate that employees have a less positive attitude towards non-financial incentives (2.51125) than they do towards money incentives (2.855).

Table 5: displays the mean and standard deviation for job satisfaction.

N=100	S.D	X
How a supervisor treats their employees	.99549	2.3300

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Being able to communicate to the co workers	.99184	2.1900
The opportunity to perform tasks that utilize my talents and abilities	.96400	2.4000
The amount of work I do and my salary.	1.10184	2.9100
the ability to make my own decisions.	1.13280	2.6400
The working condition and environment.	1.05811	2.4600
I received honours for my efforts.	1.01797	2.7100
Average attitude on job satisfaction	1.037435714	2.52

The study's findings suggest that non-financial incentives are equivalent to and lower than the average level of work satisfaction.

Correlation analysis is utilised to assess the relationship between research participants' views towards both incentives and attitudes towards work satisfaction. The results are shown in below tables.

Table 6: shows the relationship between financial incentives and job satisfaction.

	Financial incentives	Job satisfaction
Financial incentive		
Pearson correlation	1	0.530
Sig. (2 tailed)		0.000
N	100	100
Job satisfaction		
Pearson correlation	0.530	1
Sig. (2 tailed)	0.000	
N	100	10

Note: *p<0.000

According to Table 6, there is a very significant and favourable correlation between financial incentives employed in Infopark Kochi's IT industry and employee work satisfaction (H1

accepted). As a result, it implies that employees will be more satisfied with their jobs if they have a good attitude towards financial incentives.

Table 7: shows relationship between non-financial incentives and job satisfaction.

	Non-Financial incentives	Job satisfaction
Non-Financial incentive		
Pearson correlation	1	0.776
Sig. (2 tailed)		0.000
N	100	100
Job satisfaction		
Pearson correlation	0.776	1
Sig. (2 tailed)	0.000	
N	100	10

Note: *P<0.000

The relationship between non-financial incentives used in Infopark Kochi's IT sector and employee work satisfaction is highly positive and significant, as shown in Table 7 (H2 accepted). It follows that the more positive an individual's mindset on non-financial incentives is, the better their job satisfaction remains.

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Furthermore, the correlation test that looks at the attitudes of both incentives and job satisfaction reveals that non-monetary incentives have a greater effect on work satisfaction than monetary rewards. (H3 rejected).

Independent sample T-test is used to find out whether there is a gender-related difference in the study participants' financial incentives, non-financial incentives, and level of job satisfaction.

Table 8: Job satisfaction and incentives based on gender

Financial Incentives	n	X	t	p	Sig.
Male	43	3.0116	1.853	.067	0.049
Female	57	2.7368	1.775	.080	
Non-financial Incentives	n	X	t	p	Sig.
Male	43	2.4942	-0.194	.846	0.041
Female	57	2.5241	-0.186	.853	
Job Satisfaction	n	X	t	p	Sig.
Male	43	2.5449	.274	.784	0.210
Female	57	2.5013	.268	.789	

Note: *p<0.05

The attitude of workers in the Infopark Kochi IT industry towards the approved financial incentives in terms of gender is shown to be significantly different (H4 Accepted). The results show that female employees have a more favourable attitude towards financial incentives than

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male employees The attitude of workers in the Infopark Kochi IT sector towards non-financial incentives is shown to change significantly depending on the gender (H5 Accepted).

Employee attitudes towards non-monetary rewards are more favourable among women than among men. There was not a significant gender disparity in the attitudes of employees in the Infopark, Kochi IT industry towards job satisfaction (H6 rejected). Thus, the alternate hypothesis is accepted (H0 Accepted).

9. Findings

1. According to the study, the informants are satisfied with their job as their monetary benefits improve.
2. The study gives a conclusion that the non-monetary benefits also provided a job fulfillment for the respondents.
3. From the study, female employees are more attracted towards financial benefits.
4. According to the study, most of the employees are aged between 18-25 (68%) years and have experience of less than 2 years (75%).
5. According to the study, only 34% of the employees are satisfied with their salary payment.
6. Most of the employees in Infopark, Kochi are satisfied with rewards and recognition provided by the company for skillful employees (51%).
7. The majority of employees (51%) are able to utilize their own skills and competencies within the organization, according to the report.
8. The research claims that the majority of workers (59%) are very satisfied with the overtime payout.
9. The study also reveals that the informants are satisfied for the honor that they receive for their efforts.

10. Suggestions

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1. From the results obtained from the study it was observed that attitude towards non-financial incentive has stronger effect on job satisfaction. Thus, it is suggested to use more financial incentive programs to improve the job satisfaction level among employees.
2. As non-financial incentives are most enjoyed incentives by the workers, a whole day package outside India can also be introduced.
3. Changes in office infrastructure on a periodical basis will increase the work ability of the employees.
4. Opportunity of complaints and suggestions should be increased so that it creates a good atmosphere among employees.
5. Career and development opportunity should be provided at the higher level so that employee's turnover can be reduced.
6. Retention of employees will be aided by rewards for skilled workers who perform well.
7. Bonus according to the performance level will also upgrade performance of the employees.

11. Conclusion

The study identified the financial and non-financial incentives offered to Infopark Kochi's IT personnel. This study found that financial incentives had a major impact on workers than non-financial ones. In addition to those cash incentives, work satisfaction is correlated more with non-financial rewards. The study also shows that higher perceptions of financial incentives are associated with higher levels of job satisfaction. When compared to money incentives, the attitude towards non-monetary rewards has a higher impact on job satisfaction. Financial incentives are more appealing to female employees than to male employees.

12. Limitations of the study

1. Only 100 employees were included in the survey, even though there were more than 20000 people employed.
2. Some of the employees could not participate in the survey due to lack of time, unwillingness, work load etc.

3. The study will be generalized by including a larger population outside of Kochi and into other regions of Kerala, such as the Technopark in Trivandrum and the IT park in Kozhikode. However, due to time and money constraints, it was not practicable in our investigation.

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