

A STUDY ON EFFECTIVENESS OF FRINGE BENEFITS ON EMPLOYEE PERFORMANCE IN MANUFACTURING INDUSTRY

Submitted in partial fulfillment of the requirements for the award of

Master of Business Administration

by

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SCHOOL OF BUSINESS ADMINISTRATION

SATHYABAMA

**INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE
Jeppiaar Nagar, RAJIV GANDHI SALAI, CHENNAI - 600 119**

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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **SAHAYA SAHANA F (39410177)** who have done the Project work entitled '**A STUDY ON EFFECTIVENESS OF FRINGE BENEFITS ON EMPLOYEE PERFORMANCE IN MANUFACTURING INDUSTRY**' under my supervision from January to March.

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DECLARATION

I **SAHAYA SAHANA F (39410177)** hereby declare that the Project Report entitled **‘A STUDY ON EFFECTIVENESS OF FRINGE BENEFITS ON EMPLOYEE PERFORMANCE IN MANUFACTURING INDUSTRY’** done by me under the guidance of **Mr.JOHN PAUL M MBA,MHRM, M.Phil,(Ph.D)** is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

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SAHAYA SAHANA F

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ABSTRACT

Fringe benefits in recent times had focused on maintaining or improving the quality of employee and providing a level of protection and financial security for workers and for their family members. This is because the success and the survival of any organization are determined by the way the workers are compensated. In spite of this there is still some debate over fringe benefits on whether they facilitate in employee performance and do benefits impact on an organization's ability to attract, retain and motivate employees leading to productivity and improved organizations performance.

The purpose of this study was to determine the effectiveness of fringe benefits on employee performance. The study was guided by the following research objectives: to highlight the fringe benefits to the employees, to explain to management the advantage of fringe benefits, to identify the relationship between fringe benefits and employee performance, to determine the impact of fringe benefits on employee performance.

A descriptive research design was adopted for this research. The population of the study was employees of manufacturing industry. The researcher used convenient sampling technique to draw a sample size of 160 respondents. The data is collected using structured questionnaire developed by the researcher specifically for this study. A set of descriptive statistics including pie chart and frequency tables were used to present the results of the study.

The research result showed that fringe benefits as an incentive significantly affects employees morale, productivity and enhancing employees performance towards organizational tasks. This study helped to know about the effectiveness of fringe benefits that leads to improving employee performance in an organization and relationship between fringe benefits and employee performance.

And finally that the future researchers should conduct more study on the issue of effectiveness of fringe benefits on employee performance in order to facilitate of this intricate concept.

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CHAPTER -1

INTRODUCTION

1.1 INTRODUCTION

Fringe benefits are the additional benefits offered to an employee above the stated salary for the performance of a specific service. In the current competitive business environment, the organizations are facing a lot of challenges and among these issues are: getting right employees, retaining them, ensuring their commitment, and productivity. In addition, today the benefit of human resource is measured to be one of the most important advantages of any organization; and in order to acquire the results with the highest efficiency and effectiveness from human resource, motivation of employee is very essential. In fact, employees will do their work when they feel or hope that their hard work are to be rewarded by their managers. Employee commitment, productivity and retention issues are emerging as the most critical challenge on the management of workforce in the immediate future. In this regard, organizations have recognized employee fringe benefits to be a significant element that influences the success of an organization. Fringe benefits are forms of indirect compensation given to an employee or group of employees as a part of organizational membership. Fringe benefits as that part of the total reward package provided to employee in addition to base or performance pay. Fringe benefits focus on maintaining or improving the quality of life for employees and providing a level of protection and financial security for workers and their family members. Like base pay plans, the major objective for most organizational fringe compensation programs is to attract, retain and motivate employees. Some of the fringe benefits examples are retirement or pension plans, medical insurance, educational reimbursement, paid vacation, medical leave, housing accommodation, life insurance and use of company car. Fringe benefits increases economic security of employees, motivates employees, and in doing so, improve workers retention across the organization. The benefits offered to employees gives them a great tool to achieve the best possible business results. Fringe benefits have been identified as one of the effective ways management may adopt for attracting and retaining personnel for motivating them

to higher performance. As a result which an organization can create a satisfying and motivating work environment is by providing benefits for its employee.

1.2 TYPES OF FRINGE BENEFITS

- ❖ Health insurance
- ❖ Life insurance
- ❖ House allowance
- ❖ Retirement plans
- ❖ Paid time off
- ❖ Paid medical leave
- ❖ Pension schemes
- ❖ Paid vacation
- ❖ Employee discounts
- ❖ Educational assistance
- ❖ Flexible work arrangements
- ❖ Transportation facilities
- ❖ Profit sharing
- ❖ Career guidance
- ❖ Over time pay
- ❖ Medical care
- ❖ Training benefits
- ❖ Maternity leave
- ❖ Performance bonus at the end of the year
- ❖ Increased annual leave
- ❖ Achievement awards
- ❖ Gratuity
- ❖ Professional development benefits

1.3 REASONS FOR PROVIDING FRINGE BENEFITS

Every organization should consider most important components of running a successful business is keeping employees happy and providing them with fringe benefits to maximize their productivity. It play a vital role in the level of employee performance.

BETTER JOB PERFORMANCE OF EMPLOYEES

By offering fringe benefits employees would be more dedicated and loyal to their organization. As a result they should be willing to work harder which can lead to greater productivity, higher quality and more profitability.

MINIMIZE EMPLOYEE TURNOVER RATE

It is difficult for a company to make serious progress when employees are constantly coming and going. When this happens it becomes difficult for the organization to retain top talents and the overall talent level will lack. Fortunately offering fringe benefits is often enough to make employees stick around for the long run. By investing in the employees it shows that the company believe the employees and value their job performance. This can help you build a strong team of professionals that will stay for years.

INCREASE PRODUCTIVITY

The acquisition of talented, skilled, experienced and dedicated workers will help to create a strong foundation for business. If a company wants to recruit these individuals it is important to have some fringe benefits that differentiate the business from the rests. Rather than offering the bare minimum give to the employees benefits like paid vacations and holidays, health plans and retirement plans to make the company more attractive. Most of the employees are can't focus towards work because they are worried about things at home. These includes paying medical bills, giving their children the best facilities and more. Offering benefits to employees helps relieve their stress and also they perform better when provided benefits.

BETTER EMPLOYEE MORALE

Another importance of offering fringe benefits is the boosting of employee morale. By understanding and addressing the needs of employees its likely that employees will be dedicated and take their jobs and duties more seriously. Showing that the company care about the workers is a natural way to increase their loyalty and often to get their best work in return. By providing adequate

benefits can help to keep the employees happy and motivated and this would increase productivity and profitability of the organization.

HEALTHIER EMPLOYEES

Offering some types of health plan and sick leave then the workforce should be in relatively good health. If your employees have solid health insurance plan in place there is a better likelihood that they will have regular checkups and take preventative medical steps which should help in ensuring they don't take many sick days. By offering sick leave, workers who are sick and may be contagious won't infect others. This may result in a healthier workforce.

RECRUIT THE BEST TALENT

Many of the best employees believe an employer must deliver important benefits or they won't even consider the position. These employees feel that they are protected from the financial problems that can result from illness or injury and that they will have guaranteed income on retirement.

RETAIN TOP TALENTS

Fringe benefits provide employees remain financially stable in the case of illness or injury. When employees get medical and disability insurance as well as some form of a retirement savings plan companies are more likely to retain those top talent employees. Along with this employees tend to be more productive and would give their best efforts when they believe they are compensated appropriately.

PROMOTE LOYALTY

Just like engagement loyalty is intangible yet can make a huge difference. Fringe benefits aid companies in fostering a loyal relationship with their employees which can help businesses stay afloat amid the intense fight for talent and build up a positive reputation to attract the best staff and produce positive results. Fringe benefits are a more cost-effective and possibly more genuine way for companies to win the hearts and loyalty of their employees. When organization provide fringe benefits to their employees that suit them employees are less likely to search elsewhere for a job.

SATISFACTION

Fringe benefits satisfy worker and employees and they would be more productive and perform well on the job. It reduces stress and maintains peace of mind. They would be more satisfied when they know that they and their family members are covered in benefits provided by organization. This will help to create a dedicated and stable workforce.

EMPLOYEE ENGAGEMENT

With the right employee benefit scheme employees are more likely to show higher productivity and job satisfaction as they feel they are valued by their employer. They are also likely to show better attitudes and motivation and take more initiative as well.

TO IMPROVE HUMAN RELATIONS

Improving human relation is a process of addressing the needs of the employees and satisfying them. Fringe benefit satiates employee's economical, social and psychological needs.

1.4 ADVANTAGES OF FRINGE BENEFITS

- ❖ Fringe benefits motivate the employee. Motivation leads to more work in lower time frame saving the cost of an organization and engage the employees towards the company goals.
- ❖ The health of the employees is assured. Healthy employees are productive in their work.
- ❖ It reduce employee turnover and absenteeism.
- ❖ Fringe benefits makes employees are happy, healthy and engaged this may result in more productive and increase the efficiency and improve the performance of the employees.
- ❖ Boost employee's morale and pride in the company.
- ❖ Fringe benefits shows the caring approach of the employer towards the employees. It increases the self- image of the organization.
- ❖ To provide qualitative work environment and work life.

- ❖ Due to education support the knowledge base of the employee increases. The employer can give the employees the task related to newer skills acquired by them. This lets the employer earn from no additional cost of hiring new people.
- ❖ It creates a culture of work commitment and the employees are work with full enthusiasm.
- ❖ Fringe benefits could be a great indicator of job satisfaction and employee retention.
- ❖ Getting fringe benefits like job training and educational assistance will give new skills that can be put to work in a own vocation and can lead to promotions, higher salaries, and better paying posts down the road.
- ❖ It helps the betterment of employees and also improves industrial relation.
- ❖ For employers fringe benefits translate into happier and more productive employees and a better reputation among employees who may be considering working for the firm.
- ❖ For employees fringe benefits can translate into substantial cost savings, more cash for retirement and even healthier lifestyles.
- ❖ It can help employees feel that their hard work is being recognised, improving their self-esteem and sense of self-worth.
- ❖ Fringe benefits have been proven to alleviate some of the most common causes of stress among employees such as health care, financial security.

1.2 INDUSTRY PROFILE

1.2.1 EVALUATION OF MANUFACTURING INDUSTRY

Manufacturing was an ancient Indian art. Today it is more science and business. Modern definition of manufacturing is it is the production of finished goods from raw materials using a combination of labour and machines. Manufacturing involves highly systematic division of labour and assembly lines for the fabrication of products and is usually done on a large scale. The biggest and largest manufacturing industries are those that make automobiles, aircraft, and ships, consumer electronics, consumer nondurables, computers, communication, equipment, food, chemical, textiles, steel, heavy machinery, leather, rubber, and metal goods; gems and jewellery; and petroleum products. A long list, but yet not a complete one. Through most of human history, people themselves made the things that they needed. But when they craved goods with some refinement, they went to artisans. Artisans soon started specialising in particular crafts, and they took apprentices under them. Thus, the guild system developed, and artisans passed on their skills to their students. The system continued for much of the period before the mid-1750s, when the First Industrial Revolution began. Inventions, particularly the steam engine and the power loom, played a major role in the development of manufacturing. The increased efficiency in the use of steam power and water power shifted manufacturing from the hands of craftsmen to machines, and factories began to come up, with textiles as the biggest manufacturing industry. The development of steam power marked the transition of fuel from wood to coal. Later, coal gave way to coke, which speeded up iron production. During the Second Industrial Revolution (1840-1910), steam-run ships, rail transport, and machinery were increasingly used. The time taken to transport raw material to factories decreased, and worker productivity (and wages) increased. Large-scale production reduced the cost of goods, and they became cheaper and more available to consumers. The advantages of the Industrial Revolution, which started in England, spread to the rest of Europe, the US, and Japan. The next major milestones in the development of manufacturing over several decades were the widespread use of electricity for industrial use, the perfection of the assembly line at the Ford Motor Company, and the making of interchangeable parts. Factories began to be built where electricity was available,

though they had other major considerations in choosing locations availability of cheap transport, with a harbour and railroad, and cheap labour. Manufacturing, therefore, developed in cities and major towns. Today, globalisation has carried manufacturing forward (though it has also brought challenges such as the need to reduce production costs and improve competitiveness). So has the advent of information technology, the Internet, modern telecommunication systems, and more efficient means of transport, such as the container ship. Experts predict that the next revolution in manufacturing will be spurred by the increasing demand for customised products and smart devices, and be transformed by the development of technology, including the Internet of Things, Big Data, cloud computing, 3D printing, and nanotechnology. Manufacturing produces two types of goods: one, goods that are used as raw materials for the production of more refined products, and two, goods that are to be sold direct to consumers. Manufacturing industries may work under two types of economies: a socialist economy in which the production, labour, and sale of goods are controlled by the state, and a capitalist economy where private investors hold management reins, with some government control.

1.2.2 CHALLENGES OF MANUFACTURING INDUSTRY

- ❖ Manual handling and safety
- ❖ Skilled labour shortage
- ❖ Maintaining the right inventory levels
- ❖ Robotics and automation change
- ❖ Navigating changing laws
- ❖ Consumerism trends
- ❖ Global competition
- ❖ Environmental concerns

1.2.3 LATEST TRENDS AND GROWTH IN MANUFACTURING INDUSTRY

INFORMATION TECHNOLOGY

The first major trend in manufacturing industry is the increased use of information technology. Numerous examples of information technology exist in the domain of manufacturing including its support of digital control systems, asset management

software, computer aided design, energy information systems and integrated sensing.

MODELING AND SIMULATION

The major trend in manufacturing industry is the use of modelling and simulation across the product life cycle which may include the development of products, processes, plans or supply chains. In contrast to information and technology which primarily drives speed, efficiency and quality control in production. Modeling and simulation approaches are frequently used to move quickly from the design to production stage.

INNOVATION OF GLOBAL SUPPLY CHAIN MANAGEMENT

Over the past two decades several trends have led to more complicated supply chains among them increasing demand for high technology goods, globalization, decreasing logistics and communication costs and growth of ecommerce. The management of these supply chain is enabled by advances in information technology such as enterprise resource planning software and radio frequency identification technology in logistics. As supply chains have globalized and become more complex business executives have become more concerned with the associated risks. Innovative supply chain management reduces the time to fulfil customer orders. For example while a typical product might be manufactured in a day or two passing that product through supply and distribution chains often takes a month or two. Thus improving the organization and structure of the supply chain can matter more than increasing efficiency within the factory. If manufacturing begins to move toward more distributed, decentralized production, supply chain management and innovation will matter even more.

1.2.4 MANUFACTURING INDUSTRY AND INDIAN ECONOMY

The manufacturing sector played a stellar role in economic growth and development of a country. The share of manufacturing in GDP is therefore a basic indicator of the significance of the sector in a country's economy. In the recent period manufacturing holds a share of 14% in India's GDP. The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 5% during FY16 and FY20 as per the annual national income

published by government of India. In October 2020 India's manufacturing sector recorded improvement for the third consecutive month with businesses growing production to the greatest extent in 13 years in the middle of robust sales growth. PMI fell from 58.9 in October 2020 to a three month low of 56.3 in November 2020 signifying strong growth in the manufacturing sector. Indian manufacturing sector's contribution to GDP moved from 16% to 18.32% in last 10 years.

1.2.5 PROBLEM FACED IN MANUFACTURING INDUSTRY

- ❖ Forecasting demand for products
- ❖ Lack of finance
- ❖ Increasing ROI
- ❖ Scarcity of raw material
- ❖ Managing sales leads
- ❖ Erratic power supply
- ❖ Improving efficiency at manufacturing plants
- ❖ Low production
- ❖ Multiplicity of taxes
- ❖ Trade facilitation issues
- ❖ High input cost
- ❖ International tariff
- ❖ Strikes
- ❖ Stiff competition

1.2.6 FOREIGN DIRECT INVESTMENT IN MANUFACTURING INDUSTRY

Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached USD 89.15 billion between April 2000 and December 2019. To further boost FDI, earlier in September 2019, government of India slashed the base corporate tax rate from 25 percent to 15 percent for new manufacturing firms incorporated after October 1, 2019 and starting operations before March 31, 2023. The rationalization of tax rates makes India a highly competitive investment destination when compared with other Asian countries. India's huge domestic market, comparatively lower labour costs, improving infrastructure, presence of special economic zones and integrated industrial zones across the country, targeted incentives, and business-friendly policies are some of the factors

attracting a number of foreign companies to start production in India. According to the United Nations Conference on Trade and Development (UNCTAD), India ranked among the top 10 recipients of Foreign Direct Investment (FDI) in South Asia in 2019, attracting US\$ 49 billion and 16% increase from the previous year.

1.3 NEED FOR THE STUDY

Fringe benefits are non pay benefit received by employees such as housing, transportation, pensions, health insurance discounts on company products. This benefits are extra income to the employee and often satisfy the needs and wants that were not satisfied by salaries or wages. This goes a long way in enhancing employee's performance. Most benefits plans do not allow the workers to make choice of his or her preferred range of benefits. Generally benefits are offered on a take it or leave it basis. Fringe benefits were introduced by employers of labour on the sincere beliefs that employees where entitled to share in the prosperity of their organizations. Many of the organizations do not care about providing medical allowance, health protection benefits, house allowance etc., and this has affected their employees adversely leading to high labour turnover, absenteeism, late coming etc., Employees will like to remain in an organizations where their services can take care of their financial needs. Hence if an organization does not offer such fringe benefits their workers are likely to find working other organization. When these scenarios are evaluated that organizations that pay adequate attention to fringe benefits seem to perform better.

To choose such a study topic basically means to strengthen the understanding about the subject matter of fringe benefits its impact and different types of fringe benefits that positively impact on employee's job performance. The need to conduct the research is to highlight effectiveness of fringe benefits on employee performance.

1.4 SCOPE OF THE STUDY

- ❖ The research measures the performance of employees.
- ❖ Defines and analyses the effectiveness of fringe benefits on employee performance.
- ❖ Fringe benefits versus employee performance

- ❖ How the fringe benefits influence and motivate the employee performance.

1.5 OBJECTIVES OF THE STUDY

1.5.1 PRIMARY OBJECTIVES

A study on effectiveness of fringe benefits on employee performance.

1.5.2 SECONDARY OBJECTIVES

- ❖ To highlight the fringe benefits to the employees.
- ❖ To explain to management the advantage of fringe benefits.
- ❖ To identify the relationship between fringe benefits and employee performance.
- ❖ To determine the impact of fringe benefits on employee performance.

1.6 LIMITATIONS OF THE STUDY

- ❖ The analysis of the present study has been carried out based on the information has been collected from the manufacturing industry.
- ❖ The study is an opinion survey caution may have to be exercised while extending the result to other areas.
- ❖ Due to time constrict only 160 numbers of respondents were considered.
- ❖ The result fully depends on the information given by respondents which may be based.

CHAPTER-2

2.1 REVIEW OF LITERATURE

FRINGE BENEFITS ON EMPLOYEE PERFORMANCE

Ekwochi Eucharika Adaeze, Nwudugbo Pascal Chukwuma, Okoene Christiana Nnenna (2018) found that when worker rewards are adjusted to the large essential goals of the company, there is a same expansion in profitability. This calls for changes at work puts that guarantee that persevering workers are to perform better. Keeping up solid worker relations in an organization is an essential for authoritative achievement. One method of keeping up great and sound worker relations in an company is by connecting worthwhile advantages to each work and assignment conveyed out by each employee in that company. Employee benefits which are the different non-wage pay gave to workers notwithstanding their ordinary wages or compensations can't be over looked by the the board of an association. Since the human asset of an organization is the most esteemed asset. This current time is profoundly serious and associations paying little mind to estimate innovation and market center are confronting representative maintenance challenges. To beat these limitations a solid also, positive relationship and holding should he made and kept up among workers and their organization. To accomplish hierarchical objectives, organization should plan different systems to fulfill employees, and spot different motivators for them to profit frond, consequently enhancing themselves and expanding hierarchical execution. On the off chance that employees are not happy with their work or work place, they will in general put little endeavors at work or move to other company with better work bundles. This can cost an organization so much, particularly if they are losing a key and very capable staff to a contender. In perspective on the discoveries, it tends to be presumed that worker benefits technology and market center are confronting worker maintenance challenges. It very well may be presumed that fringe benefits essentially influences organization performance.

Oguejiofor, Chinyere J, Umeano Ngozi E (2018) found that retirement benefits unequivocally affected employees responsibility giving more young employees a convincing motivation to proceed working for their boss and urging more seasoned

employees to resign on a convenient premise, accordingly inferring that retirement benefits emphatically influence employee performance.

Omotayo Adewale OSIBANJO, Adenike Anthonia ADENIJI, Hezekiah Olubusayo FALOLA, Princess Thelma HEIRSMAC (2014) concluded that Managers should guarantee that rewards conveyed to employees are dynamic and continually rethought to guarantee their straight forwardness and decency to all employees in order to keep on having their devotion, responsibility and unwaveringness, which is the significant drive for keeping mollified and fulfilled employees, consequently evading turnover however guaranteeing maintenance of energetic employees.

Abdul Hameed, Muhammed Ramzan, Hafiz M.Kashif Zubair, Ghazanfar Ali, Muhammed Arslan (2014) in their research study remuneration is vital for the presentation of the workers. In this manner they are very significant for the company as well. The motivation behind this exploration is to gauge the effect of remuneration on employee performance.

Lucia Feraro-Banta, Shirin Al Shaikh (2017) says that are viable device in estimating the performance of employees. There is extensive connection between the status and the degree of viability of compensation pay and benefits on the performance of workers.

Mashal Ahmed and Abu Bakar Ahmed (2014) says that remuneration causes a company to pull in and hold profoundly serious employees which are viewed as essential assets in getting upper hand. Consequently, Indirect Compensation affect the performance of employees. Organization should give the fundamental consideration to the Indirect Compensation, as this will assist with boosting the confidence of employees which will thus bring about higher profitability.

Jooyoung Kwak ,Eungkyoon Lee (2009) fringe benefits shift as far as the idea of the compensation packages and worker benefits which perpetually rely upon work market influences, administrative impact, labour management relations, and worker's guild impacts, the legitimate and administrative structure, industry rivalry, government/organization arrangements, areas, capabilities and level of yield. The difficulties confronting the Organized Private Sectors (OPS), the casual private

area in the work market in one hand and the public authority services, organizations and on the other hand are different and critical in the assurance and plan of the reward system.

A. Bhavani shree, T. Bharathi, S. Manjunath (2016) remuneration and benefits join together to frame an entire money related and non-financial offers given to any employee during the term of the business. Assembling structure has begun cutting an extremely alluring pay and benefits to hold the workers for a significant stretch of time. The organization made some significant strides regarding pay and benefits that have helped the employees besides as bosses as far as monetary advantages for the businesses. At long last it tends to be inferred that Compensation and Benefit is most significant key capacity of the organization to draw in the best ability, hold the best ability and to improve employee performance.

IBOJO. Bolanle Odunlami, ASABI. Oludele Matthew (2014) the Food and Beverage Industry in the Manufacturing Sector is one of the crucial areas requiring the development and advancement of Nigerian economy, consequently, it is fundamental for company to set out on successful compensation approaches that will project and improve employees performance. employees are essential piece of the HR management. It is consequently imperative to say that compensation benefits are an issue that is basic and essential for the running and the performance of the company. All the more along these lines, it is the heart beat of the organization. There is a critical connection between great working condition and employees performance. This shows that great working condition depends on employee performance. All the more thus, there is a critical connection between great government assistance administration and employee execution. Beside this, there is a critical relationship between compensation the board and improved profitability, and likewise, there is a huge connection between employee compensation and retainment of staff, in this way requiring the need to have successful compensation strategies to hold individuals from staff.

Payam Gohari , Akram Ahmadloo , Majid Bakhtiari Boroujeni , Seyed Jafar Hosseinipour (2013) in their study presumed that for various classifications of sexual orientation, age, work insight, work position, status and qualification of the

workers, there are no distinctions among their execution. Consequently, the segment components acquired this investigation don't have any relationship with the execution and truth be told, they don't change the employees performance levels in a huge way.

Ajila, Cand, Abiola, A (2004) 'Influence of Rewards on Workers Performance in an Organization' offers experimental confirmation for hierarchical elements (authoritative culture and authoritative responsibility) as the most grounded relates of work performance among staff in private college libraries than mental elements (work inspiration and confidence). This infers that the corporate culture or an association and faculty's relationship with such association assume prevailing part in work force's improved occupation execution than remunerations and individual self-evaluation. Likewise, the examination loans hypothetical help to the surge of studies that hypothesized that employee performance is central to hierarchical endurance.

Ifediniru K. U (2012) in the study titled 'A survey of the effect of benefits on employee performance in the hospitality industry' ; A case study of Sofitel De Moorhouse, Ikeja Lagos concluded that effect of fringe benefits found with Sofitel De Moorhouse, Ikeja Lagos it improves employees performance. The findings showed that monetary and non- monetary benefits given to the employee is a great instrument for increase employee productivity.

FRINGE BENEFITS ON EMPLOYEE MORALE

Chukwuma Stephen Chukwudumebi and Kifordu A.A (2018) in their study reveal that there is a strong relationship between fringe benefits and staff productivity as cash bonuses served as the best incentive towards productivity especially when such bonuses were made subject to performance. An association also exist between fringe benefits and welfare matters as respondents for instance, admitted that canteen services Saves stress and time that one would go through looking for lunch outside, enhancing good health for job performance and as such, it is seen as an effective welfare weapon for higher productivity. Supplementary pay is not only of significant benefit to the individual staff but also to management, the firm, other corporate bodies, government and the society at large at large. Fringe benefits has effects on workers motivation as end of year

and other bonuses for instance are said to increase employment stability and highly motivates workers towards higher productivity.

B. F. Kiker and Sherrie L. W. Rhine (1987) findings indicated fringe benefits can motivate the employees than wages, salaries and rewards. Human resources and work market investigators by and large have disregarded significant parts of complete pay. The explanation behind this disregard scarcity of information on benefits by people it is clear anyway that is ought to be complete remuneration not only wages that is likened to minor efficiency in examining equilibrium states of work market conduct.

FRINGE BENEFITS ON EMPLOYEE ATTITUDE

Kratika Sharma, Nitin Jaiswal (2018) established that security benefits added to worker self-advancement consequently reasoning that business security benefits positively affect employees.

R.Saranya (2017) has proposed in her study workers today are extraordinary. They are not the ones who don't have great freedoms close by. When they feel disappointed with the current boss or the work, they switch over to the another job. The main components for employee maintenance are giving acceptable benefits to the workers. Financial benefits are quick neglected, so association can have a go at something that will remain for eternity. Incidental advantages make up a huge segment of pay bundles paid to workers, however their effect on employee's work fulfillment still can't seem to be given a lot of consideration. Incidental advantages can influence work fulfillment opposingly. Incidental advantages are less taxed than compensation; they can be bought less expense through business than if purchased available. Incidental advantages are frequently attractive bits of compensation thus increase employee satisfaction.

Neelam Bari, Uzma Arif, Almas Shoaib (2013) Suggested that companies that only have cash incentives must also introduce nonmonetary benefits to their performance incentive systems to increase the motivation level of employees.

William A Schiemann (1987) found in his study the connection among advantage and compensation strategy and practice and various perspectives and practices that influence profitability. It is obvious from the exploration examined that pay and

benefit strategy can sizably affect worker turnover, inspiration, execution, and mentalities. In any case, due to changing worker and business needs, combined with stale prize frameworks and obsolete advantage plans, most remuneration/advantage programs are a long way from ideal and practically all projects will go through considerable upgrade in the following decade.

DYNAMIC OF FRINGE BENEFITS

Dr.Geeta Bansal (2013) findings indicated an organization which takes satisfactory consideration of its Human Resources will be sufficiently compensated in terms of more prominent profitability, reliability and entire some stock of future work. The accompanying attributes should be available in an benefits plan:

- ❖ It should be appealing enough for hiring and motivating
- ❖ Reward execution of individuals and groups
- ❖ Incentivize Individual learning
- ❖ Focus on short also, long haul profit
- ❖ Address individual requirements.
- ❖ Have the option to make do with flexibility tops what's more, box in business cycle and execution.
- ❖ Fringe benefits should encourage lifestyle of employees.

William T Alpert, Stephen A.Woodbury (2000) researchers indicates the significance of assessing how work furthermore, compensation are influenced by the interest and supply powers that lead to increments in willfully gave periphery benefits. If the expansion in nonwage benefits is the consequence of either an increment in employee interest for incidental benefits or a diminishing in the expense of benefits, business may increment and the compensation rate may decline. All the more significantly, business impacts are vague even at the point when legitimately commanded incidental advantages are included. Certainly, compensation continuously fall when legitimately required fringe benefits are expanded.

Arleen Leibowitz (1983) disclosed in his study 'Fringe benefits in employee compensation' that the more practical models of work supply should join fringe benefits as a component of the remuneration for work and recognize expressly

that hours worked react to the intermittence in pay plans due to giving fringe benefits just to full-time employees. The outcomes introduced here show that employees do compromise compensation for the choice to get benefits. Definitely this alternative influences long periods of work as well.

Nkiru Peace Nwakoby, Daniel Chi Jnr. Chukwurah (2020) concluded that remuneration programs like instructive expenses, transport recompense, leave benefits, awards expenses, and so forth, which influences worker fulfilments.

FRINGE BENEFITS ON JOB EFFECTIVENESS

Udey, Franca U (2020) in their study 'Institutional emolument/fringe benefits and job effectiveness of lecturers in public tertiary institutions in cross river state, Nigeria identified that institutional remittance/benefits advantages essentially identifies with lecturers work viability. That, when lecturers are compensated or roused adequately particularly regarding staff improvement, payment, incidental advantage, proficient development and advancement, it would upgrade their work viability as far as relationship with understudies coaching/exhortation, class participation, address conveyance, understudy assessment, individual appearance and expert balance.

Adleke Ololade Aminat (2010) in study titled 'Exploration of the implications of monetization of worker's fringe benefits in a nigerian higher institution' concluded Low wages, absence of status, financial state of the country, degree to which employees curious requirements are met, employees non-interest in choices that influence them, value in the benefits framework, helpless states of administration and late pay of salaries are discovered to be factors influencing employee responsibility. These elements, thusly influence the performance of workers towards work. Job fulfillment is viewed as the feeling of prosperity, nice sentiment and positive mental express that arise in an officeholder specialist when he acquired reward subsequent upon his work execution, compatible or practically with his normal fair reward. It is just a mollified cow that gives milk, so satisfied employee will accomplish more work.

Dr. Sarika Suri (2016) research indicates In the present globalized world, associations are confronting changes produced by expanded rivalry,

consolidations and acquisitions, moving business sectors and changing worker socioeconomics. Consequently, it is urgent for association to plan their serious and advantages plans to draw in and hold suitable ability, expand return on human resources and increment workers' work fulfillment. Remuneration is an incredible communicator of authoritative objectives and associations reward workers for commitments that are steady with hierarchical objectives. People are normally disposed to perform better when they see that they will get adequate installment or gets back from their endeavors. A successful pay the board finds some kind of harmony among pay and work, accordingly affecting hierarchical adequacy.

FRINGE BENEFITS ON PRODUCTIVITY

Iyida M.N (2012) has suggested in this study 'The effect of increase in wage and fringe benefits on the productivity of workers in Nigeria', expansion in worker's wages and incidental advantages improved the profitability of workers in Nigeria. More so, there is need for professional stability since it is a key human need: for some individuals it is more significant than one or the other compensation or headway. The public authority should try to utilize monetary benefits framework since it propels workers. In expanding pay rates of employees in the public help government ought to keep away from use of unpretentious methods like over the top duties, the dubious contributory annuity and public wellbeing plan and end up reclaiming the addition in compensation of employees. The adaptation of incidental advantages in the government common assistance ought to be stretched out to both state and neighbourhood government workplaces, since profitability and administration conveyance influence both the state and nearby government staff to join the administrative administrations. Government ought to likewise not pitch the expansion in wages and incidental advantages to people in general to lessen significant expense of living.

Dong Ug Kang, Gun Jea Yu, Sang Jik Lee(2016) in their study 'Disentangling the effects of the employee benefits on employee productivity' suggest that the benefits positively affect employees profitability through the work typified impact, like unwaveringness for the firm or worker commitment. Subsequently, employer need to focus closer with respect to why as it were the work encapsulated impact is huge in clarifying the connection among benefits and fringe benefits. Thusly, the

work strategy and frameworks should be improved to upgrade the incorporeal impact. This impact additionally infers that organizations need to realize how to work, oversee and improve benefits programs to construct great worker relations.

Sumithra Sreenath, P. Arathy Mohan and M. P. Lavanya (2019) in the study titled 'Employee benefits and its effect on productivity' at semcon India private ltd india, Bangalore concluded that benefits and appreciation would more be able to persuade employees at the work places. Providing fringe benefits thus the company can create the choices for the improvement of the employees and they also concluded that there is a solid connection between fringe benefits and profitability.

Baughman, R., D. DiNardi and D. Holtz-Eakin (2003) in their study found that Family-strong business benefits have gotten progressively well known as a business reaction to the expanding workforce support of ladies, and the resulting need to adjust work and everyday life. Employer who offer adaptable debilitated leave and kid care help experience quantifiable decreases in turnover. Bosses who offer advantages like adaptable booking approaches and child care likewise seem to counterbalance part of the expense of these advantages by paying lower section level wages than do their rivals.

FRINGE BENEFITS ON EMPLOYEE COMMITMENT

Soon Yew .Ju, Laikuan kong, Zaliha Hj Hussin, Kamaruzaman Jusoff (2008) recommended that both compensation and fringe benefits were having critical and positive relationship with authoritative responsibility and fringe benefits having higher relationship as contrast with obligatory advantages. When workers got more benefits, their association responsibility will in general be higher. Accordingly the businesses ought not just give compulsory advantages as needed by the law, yet additionally give and additionally improve the fringe benefits to reinforce the workers' authoritative responsibility, inspiration, efficiency and better performance.

Olumide Ayeniyo (2015) recommend that to establish a work space that urges individuals to stay with their company, the employer need to survey their benefit packages, occasionally to urge workers to be considerably more dedicated to their work. The employer should guarantee that benefits are equipped towards the

necessities of workers and that reward conspires by and large are obviously and noticeably connected to employee performance.

Khalizani Khalid, Khalisanni Khalid (2012) disclosed in their study wages and benefits are play vital role to motivate the workers to be focused on the work. In this study, the greater part of respondents were happy with the wages and benefits that given by the company. They are fulfilled in light of the fact that the wages and advantages that given by the employer are identical with their instruction level, business evaluation and length of administration. The after effect of this research will give proposal to the company on how and what to do to be serious in the market and in overseeing human resources. This should be possible through intermittent expansion in the workers compensation and the employer additionally should think about sort of benefits that workers generally liked at current circumstance to hold workers and by implication representatives likewise will be more focused on the work. This framework should support the workers since they are the motor and the oil that keeps the wheels of the organization performance.

FRINGE BENEFITS ON JOB SATISFACTION

Ali Erbas and Tugay Arat (2012) found that both monetary and non-monetary benefits are significant components of job satisfaction and employee performance.. Regardless, financial rewards are viewed as more significant as far as motivating workers to build their performance contrasted with non-money related rewards.

Maqsood Haider, Alamzeb Aamir, Abu-Bakr Abdul Hamid, Muhammad Hashim (2016) highlights the significance of non-monetary benefits for employee's work fulfillment that straightforwardly influence the organizational achievement. It has been discovered that alongside the significance of monetary benefits for example compensation, incidental advantages, rewards and extra security the workers additionally expect different non-monetary benefits for instance work acknowledgment, dynamic, and appreciation from the employer. The effect of non-monetary benefits are instrumental in improving the employee's assurance and improve their fulfillment level. non-monetary benefits as a supportive instrument to create employees job satisfaction. Fringe benefits are often desirable pieces of compensation packages and so increase job satisfaction.

Hina, Q., Zamir, S., & Nudrat, S (2014) in their study titled 'Impact of employee benefits on job satisfaction of teachers at higher level; revealed that Leave travel remittance, House recruiting, Covance stipend, Qualification recompense, Special obligation remittance, Pension advantage, Central opportune asset, General fortunate asset, Medical after retirement, Housing plans, Benevolent asset, Club enrollments, Health protection, Life protection, Performance reward, Outdoor clinical office, Medical help with grounds, Overtime strategy and Refreshment trips were not being given to most of the workers. Moreover there was genuinely no huge distinction among male and female representatives concerning general recompenses, retirement benefits, clinical office, workplace and transportation. There was likewise no critical distinction in the level of the work fulfillment of male and female representatives. The examination portrays 54% variety in work fulfillment is because of worker benefits given by the college the board.

Faheem Ghazanfar, Shuai Chuanmin, Muhammad Mahroof Khan, Mohsin Bashir (2011) research indicates that adaptable compensation (motivators, extra time and rewards) doesn't have huge effect in persuading the workers. But fringe benefits had a positive relationship with the work inspiration.

FRINGE BENEFITS ON EMPLOYEE'S LOYALTY

Purnama, M. S (2017) in his study the 'Effect of Direct and Indirect Compensation To Employee's Loyalty': Case Study At Directorate of Human Resources in Pt Pos Indonesia revealed that circuitous remuneration impacts employee's faithfulness than the immediate pay.

FRINGE BENEFITS ON EMPLOYEE MOTIVATION

Yousaf, S., Latif, M., Aslam, S., & Saddiqui, A (2014) that monetary variables incorporate monetary rewards like compensation, rewards, fringe benefits motivating employees. health and disaster protection are huge components that influence inspiration of employees performance in a company. The significance of a spurred labour force can't be disparage in boosting the authoritative exhibition. Other than the monetary prizes, the employees anticipates acknowledgment and appreciation for his endeavors and commitment. cash is positioned top as a persuasive factor in making worker inspiration since it fulfills the What Motivates

Employees basic necessities along side accomplishment of force and Motivation satisfies belongingness needs. and yet the non monetary prizes are similarly significant in upgrading Performance Evaluation of worker inspiration. The effect of non monetary benefits is instrumental in improving the employee good Employees anticipate acknowledgment and support for Motivation as a device for profitability. Few company offer both monetary and non monetary rewards to encourage their labour force. That is the reason the worker is less to leave the company.

Wood A.T. (1974) estimated that keep an employee in an organization, it is important to fulfill their requirements. It should be paid a serious compensation and given different benefits Not with standing, fulfilling a worker doesn't ensure that he will be inspired to perform well at work. Let us, in this way, think about how benefits and inborn components relate to fulfillment from one viewpoint and compelling performance of employees. Providing benefits to the employee is important to pull in them to occupations and keep them happy with those positions. In any case, to utilize cash as a help of execution, the exhibition must be seen by the labourer as being instrumental to his getting the cash this is by and large cultivated by making pay dependent upon performance. As such, it isn't the cash in essence which persuades performance yet rather the manner in which it is directed. To utilize cash as an extraneous inspiration (or regulator) of conduct it must be managed unexpectedly. Nonetheless, we have seen that not exclusively are there numerous troubles in making such a framework work successfully, yet in addition such a framework diminishes inherent motivation. On the other hand, a framework for motivate workers, for example, participative administration which through cooperation and occupation amplification endeavors to inherent inspiration.

FRINGE BENEFITS ON EMPLOYEE TURNOVER

De Gieter, S., & Hofmans, J (2015) benefits administration is an interaction of planning and carrying out techniques to compensate employees reasonably with the objective to pull in, persuade and hold those workers that are accepted to encourage the acknowledgment of hierarchical objectives. reward plans operationalized as far as compensation raises, professional stability, advancements, more opportunity and openings, regard from partners, preparing

and improvement openings, higher obligations, acknowledgment, badge of appreciation.

CHAPTER-3

RESEARCH METHODOLOGY

Research methodology is the systematic, theoretical analysis of the methods applied to a field of study. It comprises the theoretical analysis of the study of methods and principles associated with a branch of knowledge. Typically, it encompasses concepts such as paradigm, theoretical model, phases and quantitative or qualitative techniques.

3.1 RESEARCH DESIGN

Descriptive method

3.2 SAMPLING METHOD

3.2.1 CONVENIENCE SAMPLING METHOD

A convenience sample is one of the main types of non-probability sampling methods. A convenience sample is made up of people who are easy to reach.

3.3 SOURCES OF DATA

3.3.1 PRIMARY DATA

Primary data was collected through questionnaire

3.3.2 SECONDARY DATA

The secondary data was collected from the following sources

- ❖ Company manuals
- ❖ Journals
- ❖ Magazines
- ❖ Websites

3.4 STRUCTURE OF QUESTIONNAIRE

A study on effectiveness of fringe benefits on employee performance in manufacturing industry. With reference to the employee with the help of structured

questionnaire. The data was collected through the questionnaire which consists of a total number of 25 questions.

3.5 SAMPLE SIZE

Sample size – 160

3.6 PERIOD OF STUDY

The duration of study is for 3 months

3.7 HYPOTHESIS / ANALYTICAL TOOLS USED

In this research the tools such as simple percentage analysis, Anova and chi-square are used for data analysis

3.7.1 PERCENTAGE ANALYSIS

It refers to a special kind of ratio. It is used in making comparison between two or more series of data. Percentage analysis is used to determine relationship between the series of data. Finding relative difference becomes easier through percentage analysis.

Percentage = $(\text{No of respondents} * 100) / (\text{Total no of respondents})$

3.7.2 ANOVA TEST

The one way analysis of variance is used to determine whether there are any statistically significant differences between the means of three or more independent groups.

3.7.3 CHI-SQUARE TEST

The chi-square test is an important test among the several tests of significance developed by statisticians. It is a non-parametric test, it can be used to determine if categorical data shows dependency or the two classifications are independent. It can also be used to make comparison between theoretical population and actual data categories used.

The difference between each observed frequency and each expected frequency is computed. The differences are squared difference.

On the other hand, if calculated value is less than the tabulated value then the hypothesis is accepted.

$$\text{Chi-Square} = [(O - E)^2 / E]$$

Where O = Observed frequency

E = Expected frequency

CHAPTER-4

DATA ANALAYSIS AND INTERPRETATION

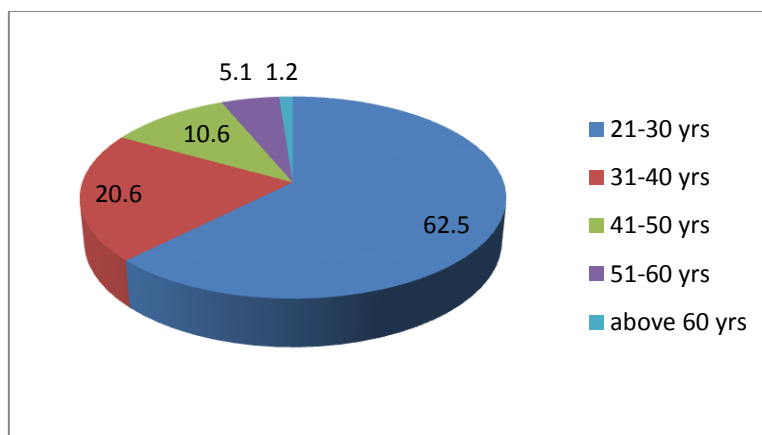
4.1 PERCENTAGE ANALAYSIS

4.1.1 DISTRIBUTION OF RESPONDENTS REGARDING AGE

TABLE 4.1.1 AGE OF THE EMPLOYEE

SERIAL NO	AGE	NO.OF RESPONDENTS	PERCENTAGE
1	21-30 yrs	100	62.5
2	31-40 yrs	33	20.6
3	41-50 yrs	17	10.6
4	51-60 yrs	8	5.1
5	Above 60 yrs	2	1.2
6	TOTAL	160	100

CHART 4.1.1 AGE OF THE EMPLOYEE



INTERPRETATION

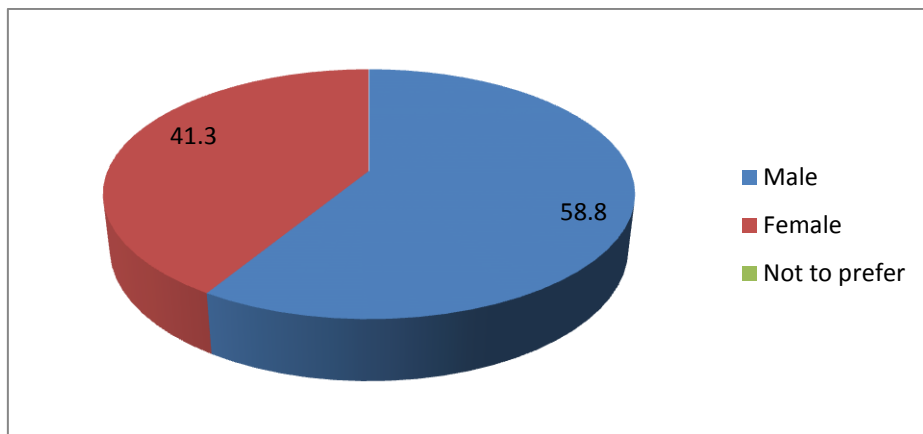
From the above table it is interpreted that from 100% of respondents 62.5% of the employees belong to the age group of 21-30 years. 20.6% of the employees belong to the age group of 31- 40 years. 10.6% of employees belong to the age group of 41-50 years. 5.1% of the employees belong to the age group of above 51-60 years. 1.2% respondents are belong to above 60 years.

4.1.2 DISTRIBUTION OF RESPONDENTS REGARDING GENDER

TABLE 4.1.2 GENDER OF THE EMPLOYEES

SERIAL NO	GENDER	NO.OF RESPONDENTS	PERCENTAGE
1	Male	94	58.8
2	Female	66	41.3
3	Not to prefer		
4	TOTAL	160	100

CHART 4.1.2 GENDER OF THE EMPLOYEES



INTERPRETATION

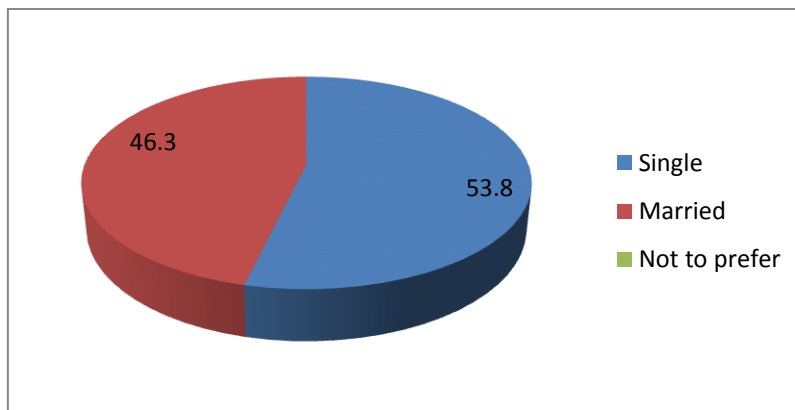
From the above table it is interpreted that from 100% of the respondents 58.8% of the employees are male and 41.3% of the employees are female. Majority of employees are male from the data been collected.

4.1.3 DISTRIBUTION OF RESPONDENTS REGARDING MARITAL STATUS

TABLE 4.1.3 MARITAL STATUS OF THE EMPLOYEES

SERIAL NO	MARITAL STATUS	NO.OF RESPONDENTS	PERCENTAGE
1	Single	86	53.8
2	Married	74	46.3
3	Not to prefer		
4	TOTAL	160	100

CHART 4.1.3 MARITAL STATUS OF THE EMPLOYEES



INTERPRETATION

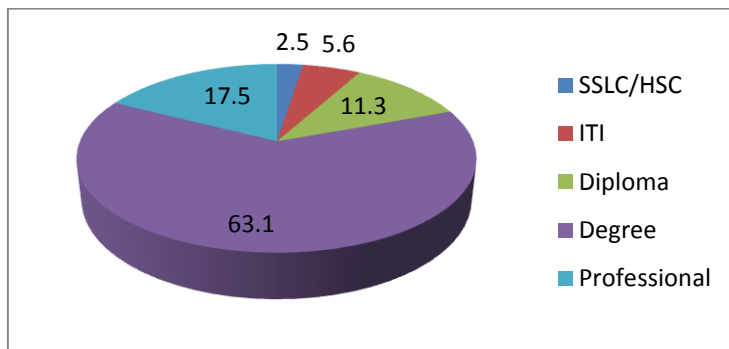
From the above table it is interpreted that 46.3% of employees are married and 53.8% of employees are unmarried.

4.1.4 DISTRIBUTION OF RESPONDENTS REGARDING QUALIFICATION

TABLE 4.1.4 EDUCATIONAL QUALIFICATION

SERIAL NO	QUALIFICATION	NO.OF RESPONDENTS	PERCENTAGE
1	SSLC/HSC	4	2.5
2	ITI	9	5.6
3	Diploma	18	11.3
4	Degree	99	63.1
5	Professional	30	17.5
6	TOTAL	160	100

CHART 4.1.4 EDUCATIONAL QUALIFICATION



INTERPRETATION

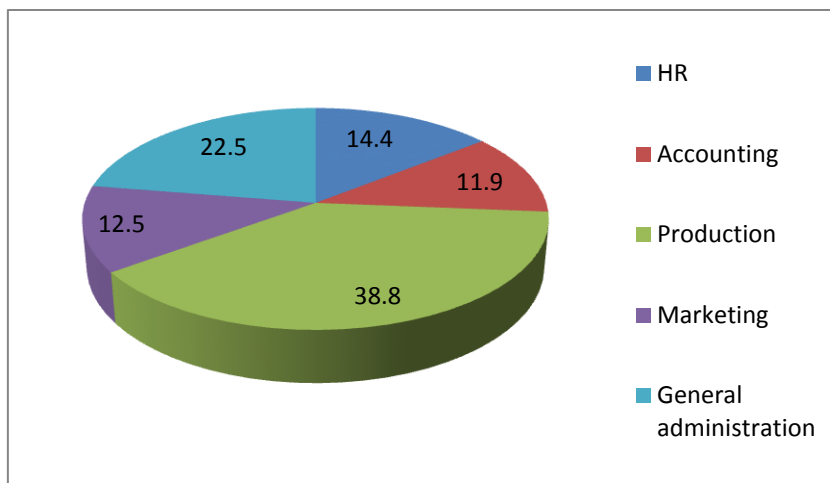
From the above table it is interpreted that 2.5% of employees are from SSLC/HSC. 5.6% of employees are from ITI. 11.3% of employees are from diploma. 63.1% of employees are from degree. 17.5% of employees are professional.

4.1.5 DISTRIBUTION OF RESPONDENTS REGARDING DEPARTMENT

TABLE 4.1.5 DEPARTMENT OF THE EMPLOYEE

SERIAL NO	DEPARTMENT	NO.OF RESPONDENTS	PERCENTAGE
1	HR	23	14.4
2	Accounting	19	11.9
3	Production	62	38.8
4	Marketing	20	12.5
5	General administration	36	22.5
6	TOTAL	160	100

CHART 4.1.5 DEPARTMENT OF EMPLOYEE



INTERPRETATION

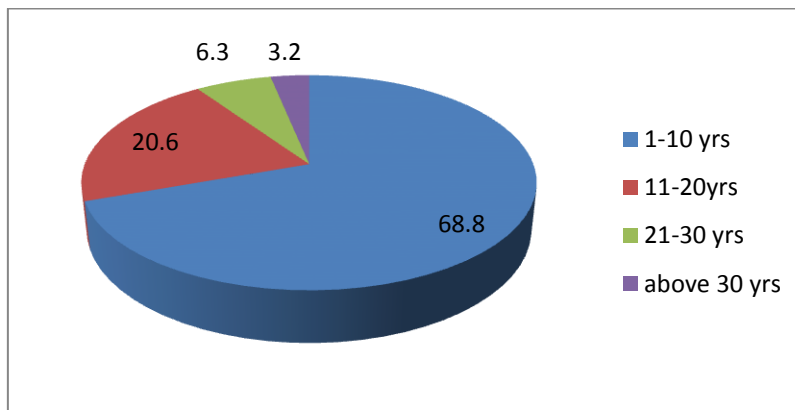
From the above table it is interpreted that 14.4% of respondents are HR. 11.9% of respondents are from accounting department. 38.8% of respondents are from production department. 12.5% of respondents are from marketing department. 22.5% of respondents are from general administration.

4.1.6 DISTRIBUTION OF RESPONDENTS REGARDING YEAR OF EXPERIENCE

TABLE 4.1.6 YEAR OF EXPERIENCE OF THE EMPLOYEE

SERIAL NO	YEAR OF EXPERIENCE	NO.OF RESPONDENTS	PERCENTAGE
1	1-10 yrs	110	68.8
2	11-20 yrs	33	20.6
3	21-30 yrs	10	6.3
4	Above 30 yrs	5	3.2
5	TOTAL	160	100

CHART 4.1.6 YEAR OF EXPERIENCE OF THE EMPLOYEE



INTERPRETATION

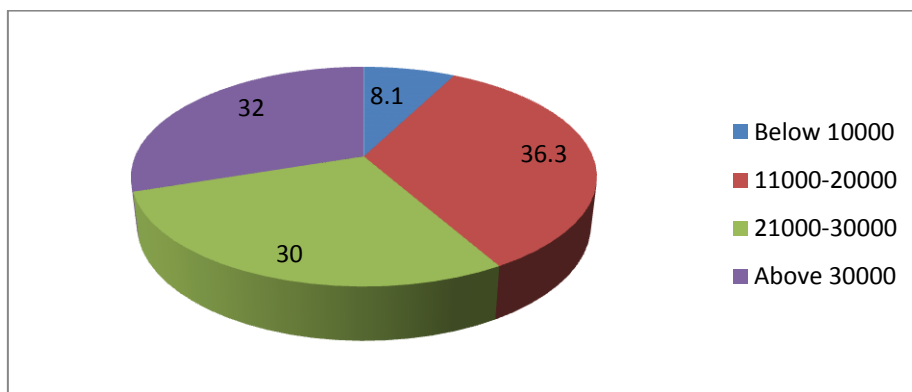
From the above table it is noted that 68.8% of employees had 1-10 years of experience. 20.6% of employees had 11-20 years of experience. 6.3% of employees had 21-30 years of experience. 3.2% of employees had above 30

4.1.7 DISTRIBUTION OF RESPONDENTS REGARDING MONTHLY INCOME

TABLE 4.1.6 YEAR OF EXPERIENCE OF THE EMPLOYEE

SERIAL NO	MONTHLY INCOME	NO.OF RESPONDENTS	PERCENTAGE
1	Below 10000	13	8.1
2	11000-20000	58	36.3
3	21000-30000	30	30
4	Above 30000	32	25.6
5	TOTAL	160	100

CHART 4.1.7 MONTHLY INCOME OF THE EMPLOYEE



INTERPRETATION

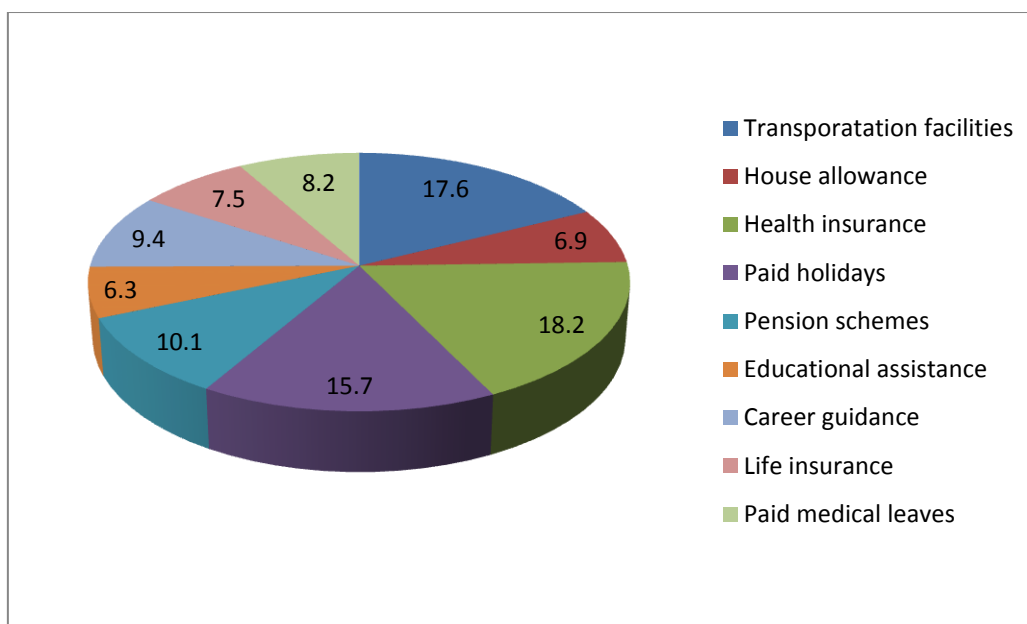
From the above table it is noted that 8.1% of respondents are earned below 10000 salary. 36.3% of respondents are earned 11000-20000 salary. 30% of respondents are earned 21000-30000 salary. 25.6% of employees are earned above 30000 salary.

4.1.8 DISTRIBUTION OF RESPONDENTS REGARDING FRINGE BENEFITS GIVEN TO EMPLOYEES IN ORGANIZATION

TABLE 4.1.8 FRINGE BENEFITS GIVEN TO EMPLOYEES IN ORGANIZATION

SERIAL NO	FRINGE BENEFITS	NO.OF RESPONSES	PERCENTAGE
1	Transportation facilities	28	17.6
2	House allowance	10	6.9
3	Health insurance	29	18.2
4	Paid holidays	24	15.7
5	Pension schemes	16	10.1
6	Educational assistance	10	6.3
7	Career guidance	15	9.4
8	Life insurance	12	7.5
9	Paid medical leaves	1	8.2
10	TOTAL	160	100

CHART 4.1.8 FRINGE BENEFITS GIVEN TO EMPLOYEES IN ORGANIZATION



INTERPRETATION

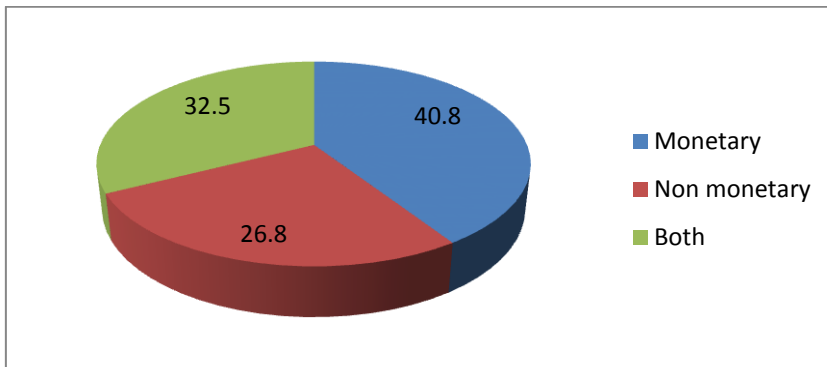
From the above table it is interpreted that 17.6% of respondents are says transportation facilities can be offered by their company. 6.9% of employees are says house allowance. 18.2% says health insurance, 15.7% says paid holidays. 10.1% says pension schemes, 6.3% says educational assistance, 9.4% says career guidance, 7.5% says life insurance, 8.2% says paid medical leave.

4.1.9 DISTRIBUTION OF RESPONDENTS REGARDING BENEFITS FORM

TABLE 4.1.9 BENEFITS FORM

SERIAL NO	BENEFITS FORM	NO.OF RESPONDENTS	PERCENTAGE
1	Monetary	68	40.8
2	Non -monetary	41	26.8
3	Both	51	32.5
4	TOTAL	160	100

CHART 4.1.9 BENEFITS FORM



INTERPRETATION

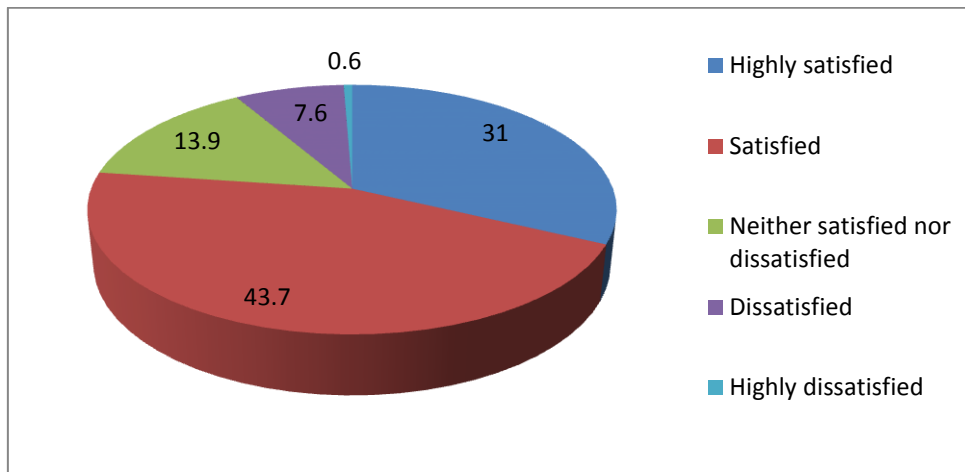
From the above table it is interpreted that 40.8% of respondents says monetary form, 26.8% respondents says non -monetary form. 32.5% respondents says both.

4.1.10 DISTRIBUTION OF RESPONDENTS REGARDING SATISFACTION WITH FRINGE BENEFITS

TABLE 4.1.10 SATISFACTION WITH FRINGE BENEFITS

SERIAL NO	SATISFACTION WITH FRINGE BENEFITS	NO.OF RESPONDENTS	PERCENTAGE
1	Highly satisfied	55	31
2	Satisfied	70	43.7
3	Neither satisfied nor dissatisfied	22	13.9
4	Dissatisfied	12	7.6
5	Highly dissatisfied	1	0.6
6	TOTAL	160	100

CHART 4.1.10 SATISFACTION WITH FRINGE BENEFITS



INTERPRETATION

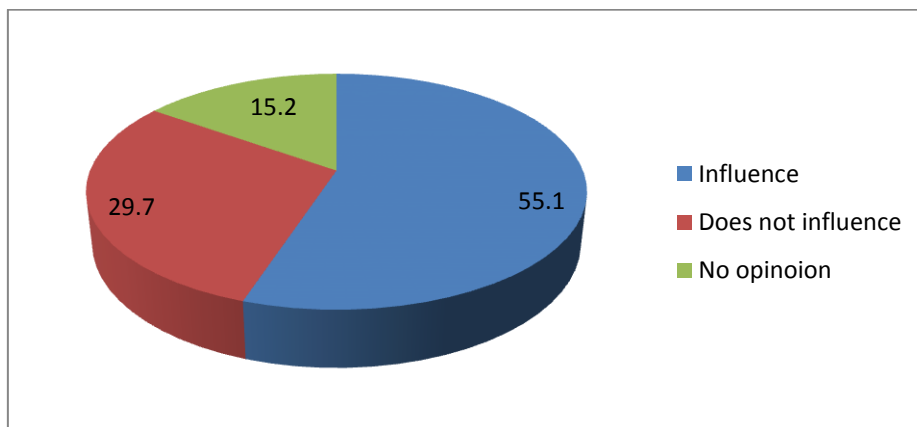
From the above table it is interpreted that 31% of respondents says highly satisfied, 43.7% says satisfied, 13.9% says neither satisfied nor dissatisfied, 7.6% says dissatisfied, 0.6% says strongly dissatisfied.

4.1.11 DISTRIBUTION OF RESPONDENTS REGARDING BENEFITS INFLUENCE EMPLOYEE PERFORMANCE

TABLE 4.1.11 BENEFITS INFLUENCE EMPLOYEE PERFORMANCE

SERIAL NO	FRINGE BENEFITS INFLUENCE EMPLOYEE	NO.OF RESPONDENTS	PERCENTAGE
1	Influence	85	55.1
2	Does not influence	46	29.7
3	No opinion	29	15.2
4	TOTAL	160	100

CHART 4.1.11 BENEFITS INFLUENCE EMPLOYEE PERFORMANCE



INTERPRETATION

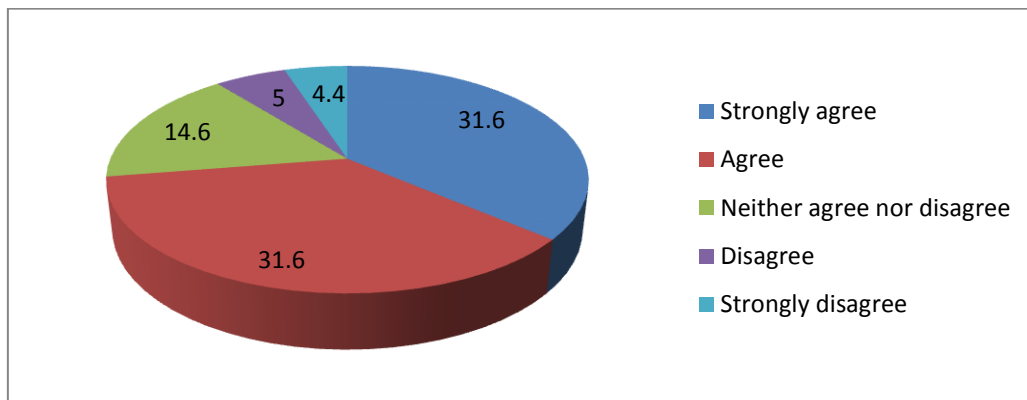
From the above table it is interpreted that 55.1% of employees says influence, 29.7% says does not influence. 15.2% says no opinion.

4.1.12 DISTRIBUTION OF RESPONDENTS REGARDING FRINGE BENEFITS CAN BE GOOD INSTRUMENT OF MOTIVATION

TABLE 4.1.12 FRINGE BENEFITS CAN BE A GOOD INSTRUMENT OF MOTIVATION

SERIAL NO	FRINGE BENEFITS CAN BE A INSTRUMENT OF MOTIVATOR	NO.OF RESPONDENTS	PERCENTAGE
1	Strongly agree	50	31.6
2	Agree	72	31.6
3	Neither agree nor disagree	23	14.6
4	Disagree	8	5
5	Strongly disagree	7	4.4
6	TOTAL	160	100

CHART 4.1.12 FRINGE BENEFITS CAN BE A GOOD INSTRUMENT OF MOTIVATION



INTERPRETATION

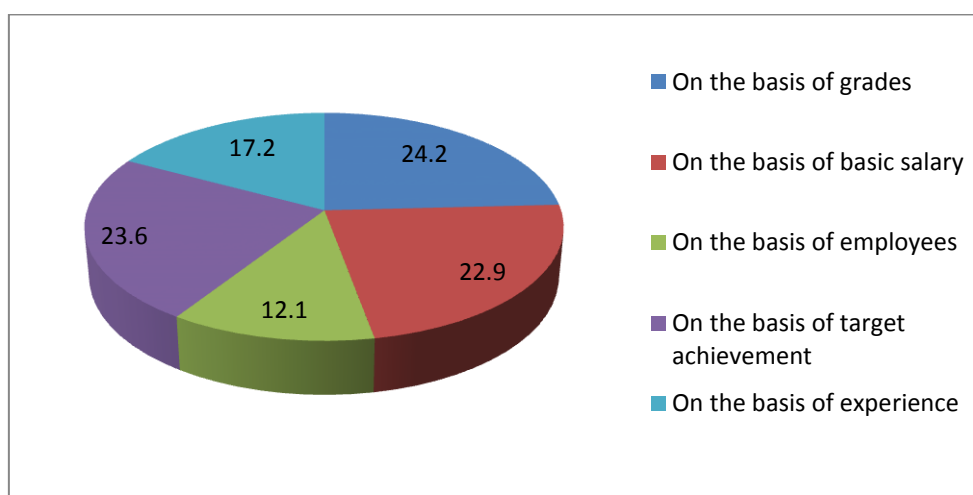
From the above table it is interpreted that 31.6% of respondents says strongly agree ,45.6% says agree, 14.6% respondents says neither agree nor disagree ,5% and 4.4% respondents disagree and strongly disagree respectively.

4.1.13 DISTRIBUTION OF RESPONDENTS REGARDING ALLOCATING BENEFITS BETWEEN LEVEL OF EMPLOYEES

TABLE 4.1.13 ALLOCATING BENEFITS BETWEEN LEVEL OF EMPLOYEES

SERIAL NO	ALLOCATING BENEFITS BETWEEN LEVEL OF EMPLOYEES	NO.OF RESPONDENTS	PERCENTAGE
1	On the basis of grades	38	24.2
2	On the basis of basic salary	35	22.9
3	On the basis of employees	19	12.1
4	On the basis of target achievement	37	23.6
5	On the basis of experience	31	17.2
6	TOTAL	160	100

CHART 4.1.13 ALLOCATING BENEFITS BETWEEN LEVEL OF EMPLOYEES



INTERPRETATION

From the above table it is interpreted that 24.2% of respondents says on the basis of grades, 22.9% respondents says on the basis of basic salary and 12.1% of

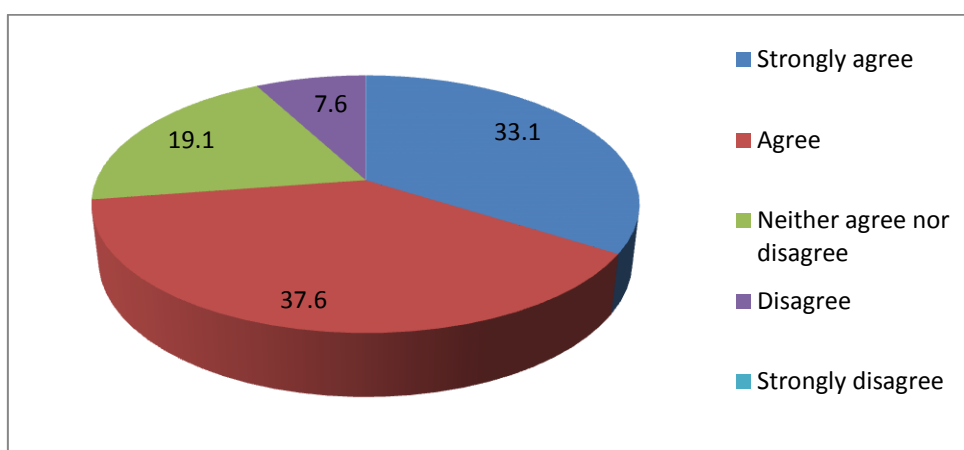
employees says on the basis of employees.23.6% of respondents says on the basis of target achievement,17.2% respondents says on the basis of experience.

4.1.14 DISTRIBUTION OF RESPONDENTS REGARDING FRINGE BENEFITS IMPROVED EMPLOYEE MENTAL/PHYSICAL HEALTH

TABLE 4.1.14 FRINGE BENEFITS IMPROVED EMPLOYEE MENTAL/PHYSICAL HEALTH

SERIAL NO	FRINGE BENEFITS IMPROVED EMPLOYEES MENTAL/PHYSICAL HEALTH	NO.OF RESPONDENTS	PERCENTAGE
1	Strongly agree	52	33.1
2	Agree	59	37.6
3	Neither agree nor disagree	30	19.1
4	Disagree	12	7.6
	Strongly disagree	7	4.4
5	TOTAL	160	100

CHART 4.1.14 FRINGE BENEFITS IMPROVED EMPLOYEES MENTAL/PHYSICAL HEALTH



INTERPRETATION

From the above table it is interpreted that 33.1% of respondents says strongly agree,37.6% employees says agree ,19.1% of respondents says neither agree

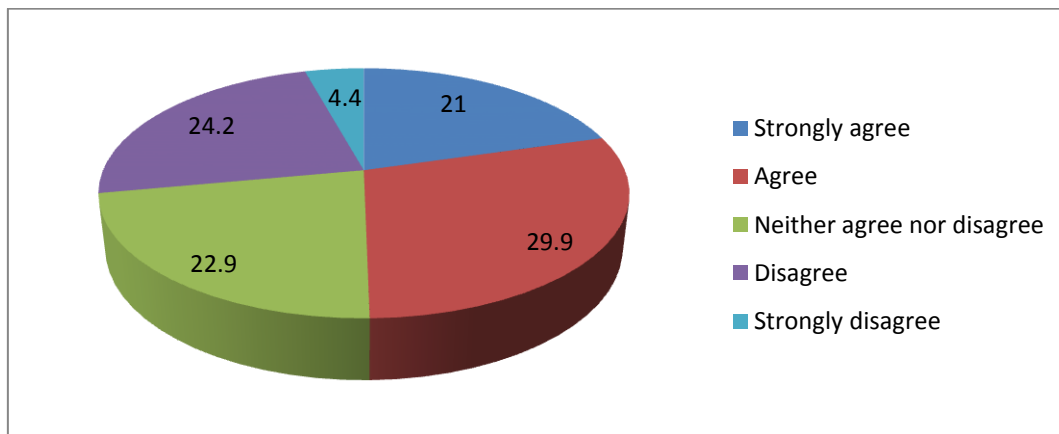
nor disagree and 7.6% of employees says disagree and 4.4% of employees says strongly disagree.

4.1.15 DISTRIBUTION OF RESPONDENTS REGARDING EMPLOYEE TURNOVER

TABLE 4.1.15 EMPLOYEE TURNOVER

SERIAL NO	EMPLOYEE TURNOVER	NO.OF RESPONDENTS	PERCENTAGE
1	Strongly agree	33	21
2	Agree	47	29.9
3	Neither agree nor disagree	36	22.9
4	Disagree	37	24.2
5	Strongly disagree	7	4.4
6	TOTAL	160	100

CHART 4.1.15 EMPLOYEE TURNOVER



INTERPRETATION

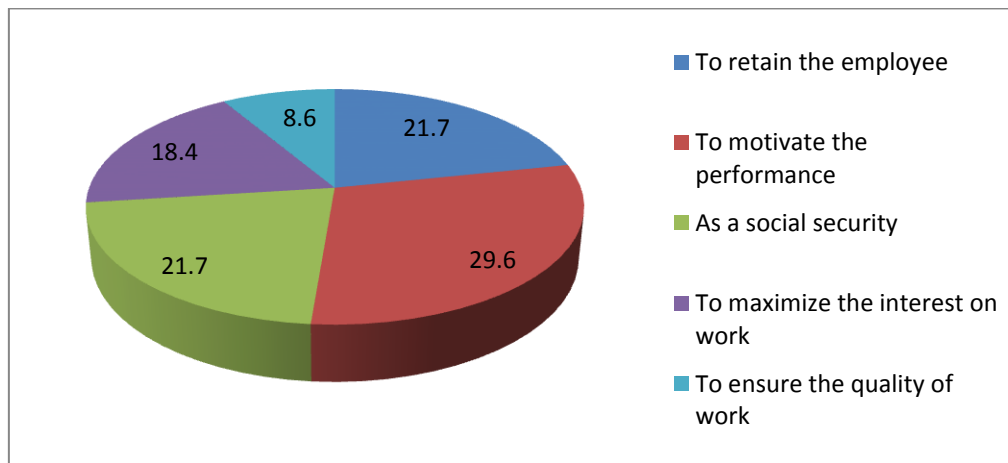
From the above table it is interpreted that 21% of respondents says strongly agree, 29.9% of respondents says agree, 22.9% of respondents says neither agree nor disagree, 24.2% of respondents says disagree, 4.4 % of employees says strongly disagree.

4.1.16 DISTRIBUTION OF RESPONDENTS REGARDING SIGNIFICANCE OF FRINGE BENEFITS

TABLE 4.1.16 SIGNIFICANCE OF FRINGE BENEFITS

SERIAL NO	SIGNIFICANCE OF FRINGE BENEFITS	NO.OF RESPONDENTS	PERCENTAGE
1	To retain the employee	32	21.7
2	To motivate performance	44	29.6
3	As a social security	33	21.7
4	To maximize the interest on work	38	18.4
5	To ensure the quality of work	13	8.6
6	TOTAL	160	100

CHART 4.1.16 SIGNIFICANCE OF FRINGE BENEFITS



INTERPRETATION

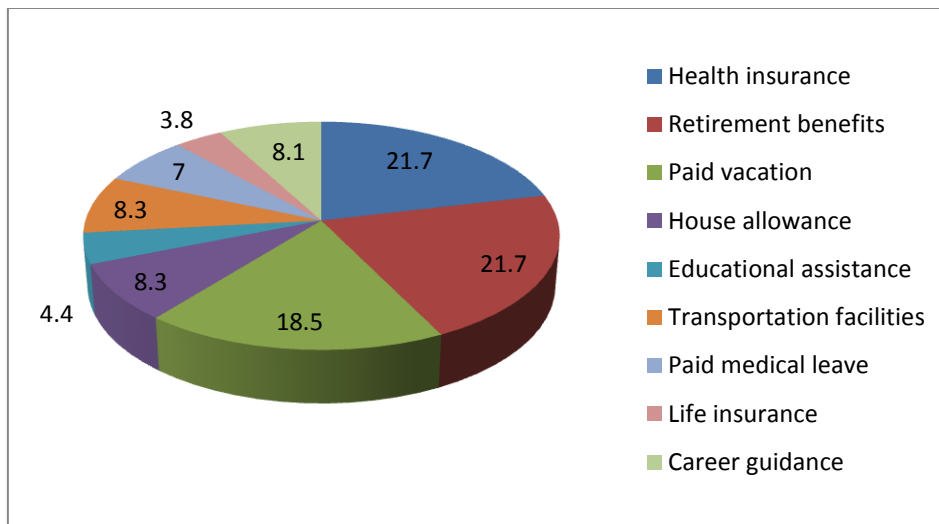
From the above table it is interpreted that 21.7% of respondents says to retain the employees and 29.6% of employees says to motivate performance. 21.7% of employees are says as a social security. 18.4% of employees are says to maximize the interest on work. 8.6% of employees says to ensure the quality of work.

4.1.17 DISTRIBUTION OF RESPONDENTS REGARDING MOST LIKEABLE BENEFITS

TABLE 4.1.17 MOST LIKEABLE BENEFITS

SERIAL NO	MOST LIKEABLE BENEFIT	NO.OF RESPONDENTS	PERCENTAGE
1	Health insurance	34	21.7
2	Retirement benefits	34	21.7
3	Paid vacation	29	18.5
4	House allowance	13	8.3
5	Educational assistance	7	4.4
6	Transport facilities	13	8.3
7	Paid medical leave	11	7
8	Life insurance	6	3.8
9	Career guidance	13	8.1
10	TOTAL	160	100

CHART 4.1.17 MOST LIKEABLE BENEFITS



INTERPRETATION

From the above table it is interpreted that 21.7% says health insurance, 21.7% like retirement benefits, 18.5% says paid vacation, 8.3% says house allowance, 4.4%

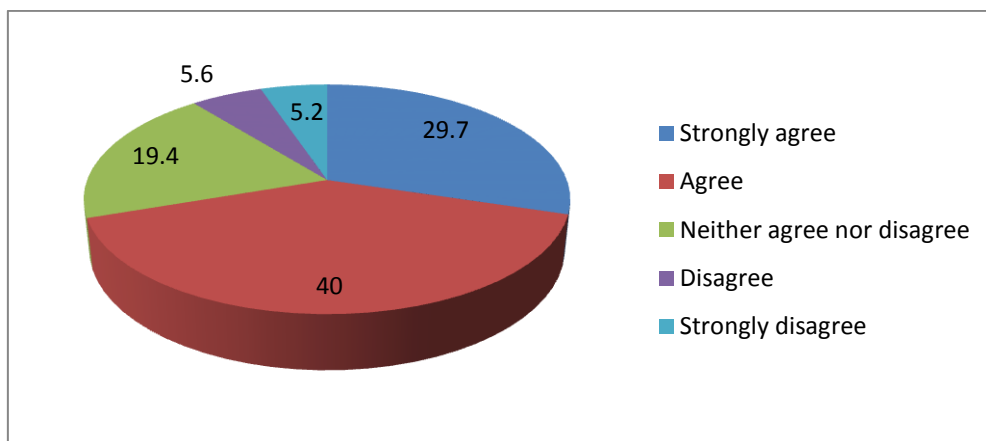
says educational assistance,8.3% says transportation facilities,7% says paid medical leave,3.8% says life insurance,8.1% says career guidance.

4.1.18 DISTRIBUTION OF RESPONDENTS REGARDING SOUND INDUSTRIAL RELATION

TABLE 4.1.18 FRINGE BENEFITS CREATE SOUND INDUSTRIAL RELATION

SERIAL NO	SOUND INDUSTRIAL RELATION	NO.OF RESPONDENTS	PERCENTAGE
1	Strongly agree	46	29.7
2	Agree	59	40
3	Neither agree nor disagree	29	19.4
4	Disagree	9	5.6
5	Strongly disagree	17	5.2
6	TOTAL	160	100

CHART 4.1.18 FRINGE BENEFITS CREATE SOUND INDUSTRIAL RELATION



INTERPRETATION

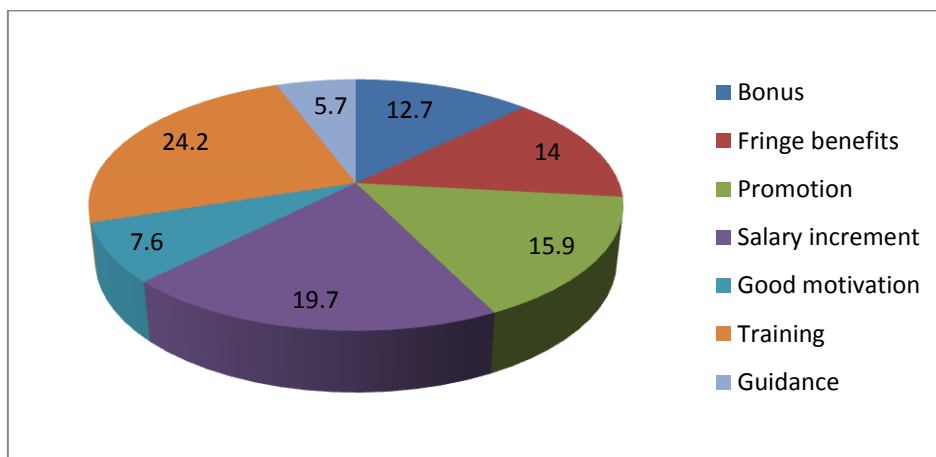
From the above table it is interpreted that 29.7% of respondents are says strongly agree.40% of employees says agree.19.4% of employees says neither agree nor disagree.5.6% of employees says disagree.5.2% of respondents says strongly disagree.

4.1.19 DISTRIBUTION OF RESPONDENTS REGARDING TYPES OF ENCOURAGE

TABLE 4.1.19 TYPES OF ENCOURAGE

SERIAL NO	TYPES OF ENCOURAGE	NO.OF RESPONDENTS	PERCENTAGES
1	Bonus	20	12.7
2	Fringe benefits	22	14
3	Promotion	30	15.9
4	Salary increment	38	19.7
5	Good motivation	25	7.6
6	Training	9	24.2
7	Guidance	16	5.7
8	TOTAL	160	100

CHART 4.1.19 TYPES OF ENCOURAGE



INTERPRETATION

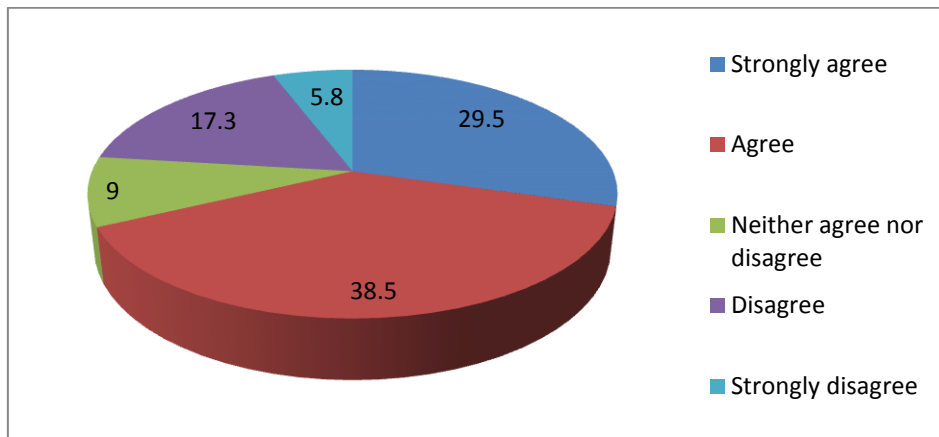
From the above table it is interpreted that 12.7% of respondents says bonus, 14% of respondents says fringe benefits, 15.9% of respondents says promotion, 19.7% of respondents says salary increments, 7.6% says good motivation, 24.2% of respondents says training, 5.7% says guidance.

4.1.20 DISTRIBUTION OF RESPONDENTS REGARDING POSITIVE CORPORATE IMAGE

TABLE 4.1.20 FRINGE BENEFITS BUILD A POSITIVE CORPORATE IMAGE

SERIAL NO	POSITIVE CORPORATE IMAGE	NO.OF RESPONDENTS	PERCENTAGE
1	Strongly agree	46	29.5
2	Agree	60	38.5
3	Neither agree nor disagree	26	9
4	Disagree	14	17.3
5	Strongly disagree	14	5.8
6	TOTAL	160	100

CHART 4.1.20 FRINGE BENEFITS BUILD A POSITIVE CORPORATIVE IMAGE



INTERPRETATION

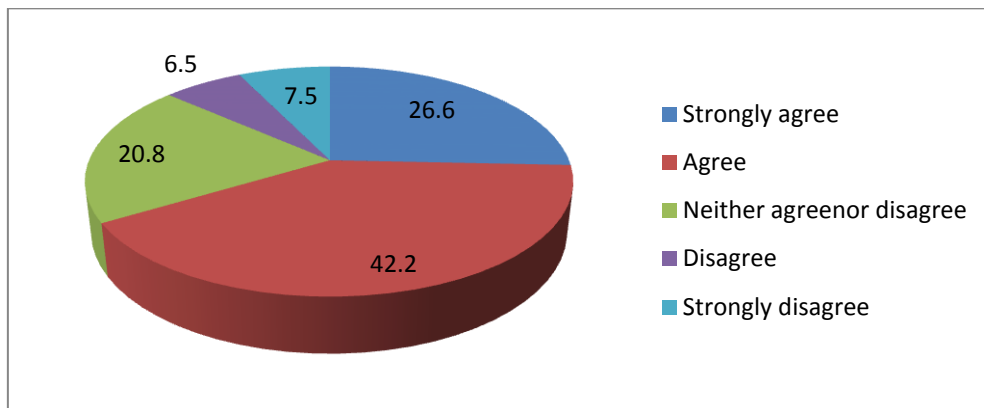
From the above table it is interpreted that 29.5% of respondents says strongly agree, 38.5% of employees says agree, 17.3% says neither agree nor disagree, 9% says disagree, 5.8% of respondents says disagree.

4.1.21 DISTRIBUTION OF RESPONDENTS REGARDING MORALE BOOST

TABLE 4.1.21 MORALE BOOST

SERIAL NO	MORALE BOOST	NO.OF RESPONDENTS	PERCENTAGE
1	Strongly agree	41	26.6
2	agree	65	42.2
3	Neither agree nor disagree	32	20.8
4	Disagree	10	6.5
5	Strongly disagree	12	7.5
6	TOTAL	160	100

CHART 4.1.21 MORALE BOOST



INTERPRETATION

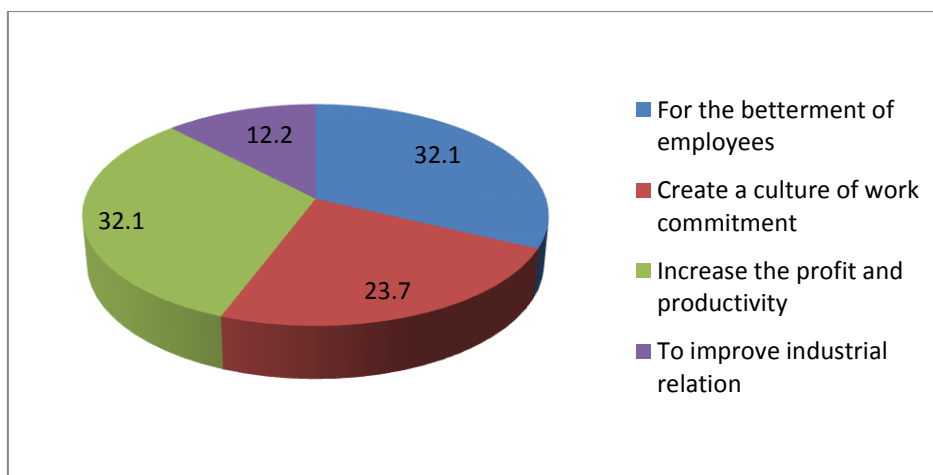
From the above table it is interpreted that 26.6% of respondents are says strongly agree,42.2% says agree,20.8% says neither agree nor disagree,6.5% of respondents are says disagree,7.5% says strongly disagree.

4.1.22 DISTRIBUTION OF RESPONDENTS REGARDING PURPOSE OF PROVIDING FRINGE BENEFITS

TABLE 4.1.22 PURPOSE OF PROVIDING FRINGE BENEFITS

SERIAL NO	PURPOSE OF PROVIDING FRINGE BENEFITS	NO.OF RESPONDENTS	PERCENTAGE
1	For the betterment for employee	50	32.1
2	Create a culture of work commitment	36	23.7
3	Increase the profit and productivity	50	32.1
4	To improve industrial relation	24	12.2
5	TOTAL	160	100

CHART 4.1.22 PURPOSE OF PROVIDING FRINGE BENEFITS



INTERPRETATION

From the above table it is interpreted that 32.1% of respondents says for the betterment of employees, 23.7% says create a culture of work commitment, 32.1%

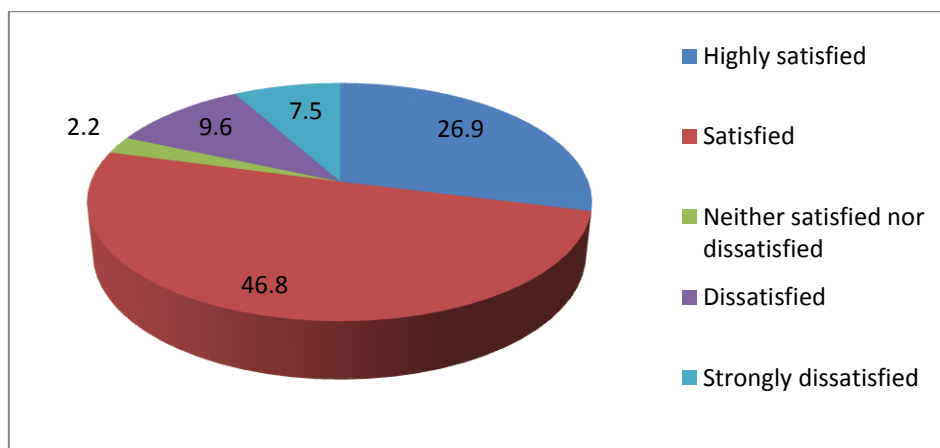
says increase profit and productivity,12.2% of respondents says to improve industrial relation.

4.1.23 DISTRIBUTION OF RESPONDENTS REGARDING JOB SATISFACTION ACCORDING TO THE FLOW OF FRINGE BENEFITS

TABLE 4.1.23 SATISFACTION TO THE FLOW OF FRINGE BENEFITS

SERIAL NO	JOB SATISFACTION TO THE FLOW OF FRINGE BENEFITS	NO.OF RESPONDENTS	PERCENTAGE
1	Highly satisfied	42	26.9
2	Satisfied	72	46.8
3	Neither satisfied nor dissatisfied	19	2.2
4	Dissatisfied	15	9.6
5	Strongly dissatisfied	12	7.5
6	TOTAL	160	100

CHART 4.1.23 SATISFACTION TO THE FLOW OF FRINGE BENEFITS



INTERPRETATION

From the above table it is interpreted that 26.9% of respondents are says highly satisfied,46.8% says satisfied,12.2% says neither satisfied nor dissatisfied,9.6% says dissatisfied,7.5% strongly dissatisfied.

4.2 ANOVA

Null hypothesis H0: There is no statistically significance difference between monthly income and allocating benefits between levels of employees.

Alternative hypothesis H1: There is statistically significance difference between monthly income and allocating benefits between levels of employees.

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.009	4	.252	.295	.031
Within Groups	133.463	156	.856		
Total	134.472	160			

INTERPRETATION

Significance level is 0.031 which is below 0.05 therefore there is statistically a significant relationship between the monthly income and allocating benefits between level of employees.

4.3 CHI-SQUARE

Null hypothesis H0: There is a no association between gender and job satisfaction according to the flow of fringe benefits

Alternative hypothesis H1: There is association between gender and job satisfaction according to the flow of fringe benefits.

Case Processing Summary

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
gender * are you satisfied with the job according to the flow of fringe benefits	161	100.0%	0	0.0%	161	100.0%

gender * are you satisfied with the job according to the flow of fringe benefits Cross tabulation

			are you satisfied with the job according to the flow of fringe benefits				Total
			highly satisfied	satisfied	neither satisfied nor dissatisfied	Dissatisfied	
gender	Male	Count	27	53	6	3	89
		Expected Count	26.0	53.1	6.6	3.3	89.0
	female	Count	20	42	6	3	71
		Expected Count	20.7	42.3	5.3	2.6	71.0
	not to prefer	Count	0	1	0	0	1
		Expected Count	.3	.6	.1	.0	1.0
Total	Count		47	96	12	6	161
	Expected Count		47.0	96.0	12.0	6.0	161.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.978 ^a	6	.986
Likelihood Ratio	1.332	6	.970
Linear-by-Linear Association	.283	1	.595
N of Valid Cases	161		

a. 6 cells (50.0%) have expected count less than 5. The minimum expected count is .04.

Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	.078	.986
	Cramer's V	.055	.986
N of Valid Cases		161	

INTERPRETATION

Since the p value is higher than 0.05, we accept the alternate hypothesis and reject the null hypothesis. Therefore there is an association between gender and job satisfaction according to the flow of fringe benefits.

Null hypothesis H0: There is no association between marital status and satisfaction of fringe benefits provided by the company.

Alternative hypothesis H1: There is association between marital status and satisfaction of fringe benefits provided by the company.

Case Processing Summary

	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
marital status * are you satisfied with fringe benefits provided by the company	161	100.0%	0	0.0%	161	100.0%

marital status * are you satisfied with fringe benefits provided by the company Crosstabulation

			are you satisfied with fringe benefits provided by the company				
			highly satisfied	satisfied	neither satisfied nor dissatisfied	dissatisfied	Total
marital status	Single	Count	54	15	19	0	88
		Expected Count	48.1	22.4	16.9	.5	88.0
	married	Count	34	26	12	1	73
		Expected Count	39.9	18.6	14.1	.5	73.0
Total		Count	88	41	31	1	161
		Expected Count	88.0	41.0	31.0	1.0	161.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	8.756 ^a	3	.033
Likelihood Ratio	9.154	3	.027
Linear-by-Linear Association	.938	1	.333
N of Valid Cases	161		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is .45.

Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	.233	.033
	Cramer's V	.233	.033
N of Valid Cases		161	

INTERPRETATION

Since the p value is less than 0.05 we accept the null hypothesis and reject the alternative hypothesis. Therefore there is no association between marital status and satisfaction with the fringe benefits provided by the company.

CHAPTER-5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 FINDINGS

- ❖ It is found that majority of 62.5% of the respondents belong to the age group of 21-30 yrs.
- ❖ It is found that majority of 58.8% of the respondents are male.
- ❖ It is found that majority of 53.8% of the respondents are unmarried.
- ❖ It is found that majority of 63.1% of the respondents are from degree background.
- ❖ It is found that majority of 38.8% of the respondents are from production department.
- ❖ It is found that majority of 68.8% of the respondents are have 1-10 years of experience.
- ❖ It is found that majority of 36.3% of the respondents are earned 11000-20000 as monthly income.
- ❖ It is found that majority of 18.2% of the respondents are says health insurance is offered by their company.
- ❖ It is found that majority of 40.8% of the respondents are says fringe benefits are provided by their company in a monetary form.
- ❖ It is found that majority of 43.7% of the respondents are Satisfied with the fringe benefits provided by their company.
- ❖ It is found that majority of 55.1% of the respondents are says that fringe benefits can influence the employee performance.
- ❖ It is found that majority of 45.6% of the respondents are agreed that fringe benefits can be a good instrument of the motivation.
- ❖ It is found that majority of 24.2% of the respondents are says that On the basis of grades the employer allocating different benefits between levels of employees.
- ❖ It is found that majority of 37.6% of the respondents are agreed that fringe benefits offered by the company have improved your physical and or mental health of the employees.
- ❖ It is found that majority of 29.9% of the respondents are agreed that fringe benefits reduce employee turnover.

- ❖ It is found that majority of 29.6% of the respondents are says that To motivate performance of employee is the significance of fringe benefits in a career.
- ❖ It is found that majority of 21.7% of the respondents like health insurance and retirement benefits.
- ❖ It is found that majority of 40% of the respondents are agreed that fringe benefits create and improve sound industrial relation.
- ❖ It is found that majority of 24.2% of the respondents are says that training encourage employee work.
- ❖ It is found that majority of 38.5% of the respondents are agreed that fringe benefits build up a positive corporate image.
- ❖ It is found that majority of 42.2% of the respondents are agreed that the employee benefits list is also considered by employers as a morale boost and statement of loyalty to valued employees.
- ❖ It is found that majority of 32.1% of the respondents are says that the company providing fringe benefits to the employee for the purpose of betterment for employee and Create a culture of work commitment.
- ❖ It is found that majority of 46.8% of the respondents are satisfied with their job according to the flow of fringe benefits.

5.2 SUGGESTIONS

- ❖ Management should continue to providing fringe benefits to its employees since it will help them create a sense of loyalty and encourage their productivity.
- ❖ Good retirement package will attract and retain employees and also improve their performance.
- ❖ Need to improvise employee recognition programs ,this will motivate employees thus enhancing their performance.
- ❖ Retirement benefits strongly influenced workers commitment giving younger workers a compelling reason to continue working for their employer and encouraging older workers to retire on a timely basis .Hence retirement benefits positively affect employee performance.
- ❖ Management should consider medical insurance as it has a positive relationship with performance.
- ❖ Management should always reward employees who have stayed beyond the closing time by giving them overtime pay.

- ❖ Annual leave should be made a priority for workers to make them rejuvenate and perform better.
- ❖ Managers must ensure that rewards are matched to employees needs and preferences.
- ❖ The employers should consider taking care of personal needs of employees like child care services to promote productivity of employees.
- ❖ The benefits administrated by the company should be done fairly all the time to ensure consistency and cultivate trust employees.
- ❖ Organizations should consider offering employees mixed financial and non-financial benefits to have double impact on their productivity.

5.3 CONCLUSION

Based on the research results of the effectiveness of fringe benefits in manufacturing industry it is concluded as follows: The research result showed that fringe benefits as an incentive significantly affects employees morale, productivity and enhancing employees performance towards organizational tasks. This study helped to know about the effectiveness of fringe benefits that leads to improving employee performance in an organization and relationship between fringe benefits and employee performance. From the analysis carried out it was found that welfare benefits contributes to the commitment of employees in their job. It was evident from the study that fringe benefits motivated, engaged, get employees committed and satisfied with their job which in turn impact on their performance to the organization.

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APPENDIX-I

QUESTIONNAIRE FOR A STUDY ON EFFECTIVENESS OF FRINGE BENEFITS ON EMPLOYEE PERFORMANCE

1. Name:

2. Age:

a) 21-30 yrs () b) 31-40 yrs () c) 41-50 yrs () d) 51-60 yrs () e) 60-above

3. Gender:

a) Male () b) Female () c) Not to prefer ()

4. Marital status:

a) Single () b) married () c) Not to prefer ()

5. Qualification:

a) SSLC/HSC () b) ITI () c) Diploma () D) Degree () e) Professional ()

6. Department:

a) HR () b) Accounting () c) Production () d) Marketing () e) General
Administration ()

7. Year of Experience:

a) 1-10 yrs () b) 11-20 yrs () c) 21-30 yrs () d) above 30 yrs ()

8. Monthly income:

a) Below 10000 () b) 11000-20000 () c) 21000-30000 () d) above
30000 ()

9. Which of the following fringe benefits given to employees in your organization?

- a) Transportation Facilities ()
- b) House allowance ()
- c) Health insurance ()
- d) Paid holidays ()
- e) Pension schemes ()
- f) Educational assistance ()
- g) Career guidance ()
- h) Life insurance ()
- i) Paid medical leave ()

10. Benefits are provided in which form?

- a) Monetary ()
- b) Non-monetary ()
- c) Both ()

11. Are you satisfied with the fringe benefits provided by the company?

- a) Highly satisfied ()
- b) Satisfied ()
- c) Neither satisfied nor dissatisfied ()
- d) Dissatisfied ()
- e) Highly dissatisfied ()

12. Does the fringe benefits influence employee performance?

- a) Influence ()
- b) Does not influence ()
- c) No opinion

13. Do you agree that fringe benefits can be a good instrument of the motivation?

- a) Strongly agree ()
- b) Agree ()
- c) Neither agree nor disagree ()
- d) Disagree ()
- e) Strongly disagree ()

14. What is the criteria of allocating different benefits between levels of employees?

- a) On the basis of grades ()
- b) On the basis of basic salary ()
- c) At the option of employees ()
- d) On the basis of target achievement ()
- e) On the basis of experience ()

15. Do you agree that fringe benefits offered by the company have improved your physical and or mental health?

- a) Strongly agree ()
- b) Agree ()
- c) Neither agree nor disagree ()
- d) Disagree ()
- e) Strongly disagree ()

16. The fringe benefits given to the employees which reduce employee turnover?

- a) Strongly agree ()
- b) Agree ()
- c) Neither agree nor disagree ()
- d) Disagree ()
- e) Strongly disagree ()

17. Could you specify the significance of fringe benefits in your career?

- a) To retain the employees ()
- b) To motivate performance ()
- c) As a social security ()
- d) To maximize the interest on work ()
- e) To ensure the quality of work life ()

18. Which benefits do you like most?

- a) Health insurance ()
- b) Retirement benefits ()
- c) Paid vacation ()
- d) House allowance ()
- e) Educational assistance ()
- f) Transportation facilities ()
- g) Paid medical leave ()
- h) Life insurance ()
- i) career guidance ()

19. Do you agree that fringe benefits given to the employees that create and improve sound industrial relation?

- a) Strongly agree ()
- b) Agree ()
- c) Neither agree nor disagree ()
- d) Disagree ()
- e) Strongly disagree ()

20. Which type of things encourage your work?

- a) Bonus ()
- b) Fringe benefits ()
- c) Promotion ()
- d) Salary increments ()
- e) Good motivation ()
- f) Training ()
- g) Guidance ()

21. Is the fringe benefits build up a positive corporate image?

- a) Strongly agree ()
- b) Agree ()
- c) Neither agree nor disagree ()
- d) Disagree ()
- e) Strongly disagree ()

22. You can agree that the employee benefits list is also considered by employers as a morale boost and statement of loyalty to valued employees.

- a) Strongly agree ()
- b) Agree ()
- c) Neither agree nor disagree ()
- d) Disagree ()
- e) Strongly disagree ()

23. For what purpose the company providing fringe benefits to the employee?

- a) For the betterment of employee ()
- b) Create a culture of work commitment ()
- c) Increase the profit and productivity ()
- d) To improve industrial relation ()

24. Are you satisfied with your job according to the flow of fringe benefits?

- a) Highly satisfied ()
- b) Satisfied ()
- c) Neither satisfied nor dissatisfied ()
- d) Dissatisfied ()
- e) Highly dissatisfied ()

25. Could you provide any comments to induce the amount of employee satisfaction in term of fringe benefits.

APPENDIX – 2

A STUDY ON EFFECTIVENESS OF FRINGE BENEFITS ON EMPLOYEE PERFORMANCE IN MANUFACTURING INDUSTRY

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ABSTRACT

The purpose of this study was to determine the effectiveness of fringe benefits on employee performance. A descriptive research design was adopted for this research. The population of the study was employees of manufacturing industry. The researcher used convenient sampling technique to draw a sample size of 160 respondents. The data is collected using structured questionnaire developed by the researcher specifically for this study. A set of descriptive statistics including pie chart and frequency tables were used to present the results of the study. The research result showed that fringe benefits as an incentive significantly affects employees morale, productivity and enhancing employees performance towards organizational tasks. This study helped to know about the effectiveness of fringe benefits that leads to improving employee performance in an organization and relationship between fringe benefits and employee performance. And finally that the future researchers should conduct more study on the issue of effectiveness of fringe benefits on employee performance in order to facilitate of this intricate concept.

KEYWORDS: Employee performance, job satisfaction, compensation, employee motivation.

INTRODUCTION

Fringe benefits are the additional benefits offered to an employee above the stated salary for the performance of a specific service. In the current competitive business environment the organization are facing a lot of challenges and among these issues are getting right employees, retaining them, ensuring their commitment and productivity. In addition today the advantage of human resource is measured to be one among the foremost important advantages of any organization and so as to accumulate the results with the highest efficiency and effectiveness from human resource, motivation of employee is extremely essential. In fact employees will do their work when they feel or hope that their hard work are to be rewarded by their managers.

REVIEWS OF LITERATURE

Oguejiofor, Chinyere J, Umeano Ngozi E (2018) found that retirement benefits unequivocally affected employees responsibility giving more young employees a convincing motivation to proceed working for their boss and urging more seasoned employees to resign on a convenient premise, accordingly inferring that retirement benefits emphatically influence employee performance.

Abdul Hameed, Muhammed Ramzan, Hafiz M.Kashif Zubair, Ghazanfar Ali, Muhammed Arslan (2014) in their research study remuneration is vital for the presentation of the workers. In this manner they are very significant for the company as well. The motivation behind this exploration is to gauge the effect of remuneration on employee performance.

Nkiru Peace Nwakoby, Daniel Chi Jnr. Chukwurah (2020) concluded that remuneration programs like instructive expenses, transport recompense, leave benefits, awards expenses, and so forth, which influences worker fulfilments.

Kratika Sharma, Nitin Jaiswal (2018) established that security benefits added to worker self-advancement consequently reasoning that business security benefits positively affect employees.

OBJECTIVES OF THE STUDY

The primary objective of the study is to identify the effectiveness of fringe benefits on employee performance. The secondary objective of the study is help to highlight the fringe benefits to the employees, to recognize the connection between fringe benefits and employee performance and to explain the impact of fringe benefits on employee performance.

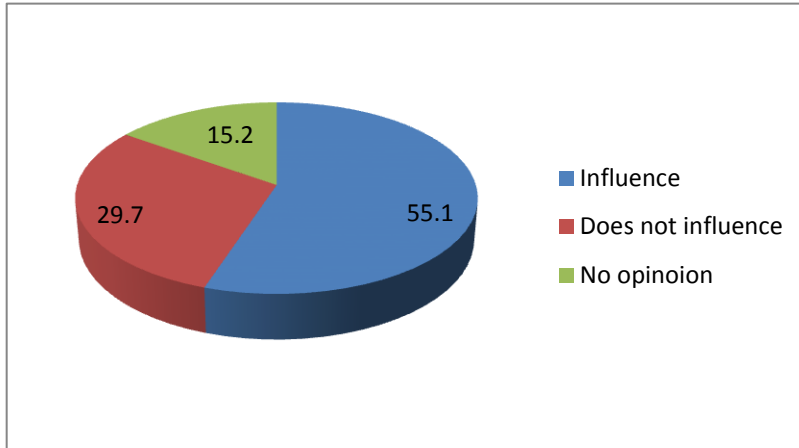
RESEARCH METHODOLOGY

Research methodology is the systematic, theoretical investigation of the strategies applied to a field of study. It includes the hypothetical examination of the research of techniques and standards related with a part of information. Ordinarily, it incorporates ideas like worldview, hypothetical model, phases and quantitative or subjective procedures. The research study adopted descriptive research design and convenience sampling method. A convenience sample is one of the fundamental kinds of non likelihood examining methods. A convenience sample is comprised of individual who are not difficult to reach. Both primary and secondary data sources are utilized in this research . The data collection was done through questionnaire method. Open ended and close ended type of questionnaire are asked to the respondents. This research study of this paper includes the sample size of 160.

DATA ANALYSIS AND INTERPRETATION

FRINGE BENEFITS INFLUENCE EMPLOYEE PERFORMANCE

SERIAL NO	FRINGE BENEFITS INFLUENCE EMPLOYEE	NO.OF RESPONDENTS	PERCENTAGE
1	Influence	85	55.1
2	Does not influence	46	29.7
3	No opinion	29	15.2
4	TOTAL	160	100

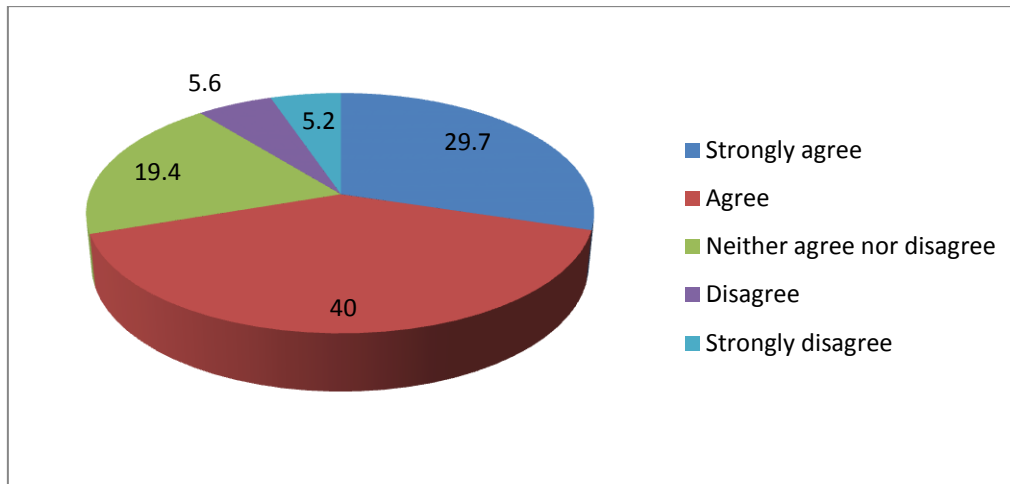


INTERPRETATION

From the above table it is interpreted that 55.1% of employees says influence, 29.7% says does not influence. 15.2% says no opinion.

FRINGE BENEFITS CREATE SOUND INDUSTRIAL RELATION

SERIAL NO	SOUND INDUSTRIAL RELATION	NO.OF RESPONDENTS	PERCENTAGE
1	Strongly agree	46	29.7
2	Agree	59	40
3	Neither agree nor disagree	29	19.4
4	Disagree	9	5.6
5	Strongly disagree	17	5.2
6	TOTAL	160	100



INTERPRETATION

From the above table it is interpreted that 29.7% of respondents are says strongly agree.40% of employees says agree.19.4% of employees says neither agree nor disagree.5.6% of employees says disagree.5.2% of respondents says strongly disagree.

RESEARCH HYPOTHESIS

ANOVA

Null hypothesis H0: There is no statistically significance difference between monthly income and allocating benefits between levels of employees.

Altenative hypothesis H1:There is statistically significance difference between monthly income and allocating benefits between levels of employees.

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.009	4	.252	.295	.031
Within Groups	133.463	156	.856		
Total	134.472	160			

INTERPRETATION

Significance level is 0.031 which is below 0.05 therefore there is satistically a significant relationship between the monthly income and allocating benefits between level of employees.

CHI-SQUARE TEST

Null hypothesis HO: There is a no association between gender and job satisfaction according to the flow of fringe benefits

Alternative hypothesis HI: There is association between gender and job satisfaction according to the flow of fringe benefits

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.978 ^a	6	.986
Likelihood Ratio	1.332	6	.970
Linear-by-Linear Association	.283	1	.595
N of Valid Cases	161		

INTERPRETATION

Since the p value is higher than 0.05, we accept the alternate hypothesis and reject the null hypothesis. Therefore there is an association between gender and job satisfaction according to the flow of fringe benefits.

Null hypothesis H0: There is no association between marital status and satisfaction of fringe benefits provided by the company.

Alternative hypothesis H1: There is association between marital status and satisfaction of fringe benefits provided by the company.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	8.756 ^a	3	.033
Likelihood Ratio	9.154	3	.027
Linear-by-Linear Association	.938	1	.333
N of Valid Cases	161		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is .45.

INTERPRETATION

Since the p value is less than 0.05 we accept the null hypothesis and reject the alternative hypothesis. Therefore there is no association between marital status and satisfaction with the fringe benefits provided by the company.

FINDINGS

The analysis of this study is carried out to show the relationship between fringe benefits and employee performance. The findings shows that over 55.1% respondents says does not influence and 15.2% respondents opted no opinion. For fringe benefits create sound industrial relation, 29.7% opted strongly agree,40% respondents opted agree,19.4% respondents are opted neither agree nor disagree,5.6% respondents are opted disagree,5.2% of respondents are opted strongly disagree. Anova and Chi-square tests are carried out for the analysis and the values are shown in the tables. From the anova test result shows that there is statistically a significant relationship between the monthly income and allocating benefits between level of employees. First chi-square test result shows there is an association between gender and job satisfaction according to the flow of fringe benefits. Second chi-square test carried out between marital status and satisfaction with the fringe benefits provided by the company and with the help of the result it is interpreted as we accept the null hypothesis and reject the alternative hypothesis.

CONCLUSION AND RECOMMENDATIONS

Management should consider medical insurance as it has a positive relationship with performance. Management should always reward employees who have stayed beyond the closing time by giving them overtime pay. Annual leave ought to focused on for workers to cause them to revive and perform better. Management should guarantee that benefits are coordinated to employee needs and inclinations. Organization ought to consider offering workers blended monetary and non-monetary advantages to doubly affect their profitability. Based on the research results of the effectiveness of fringe benefits in manufacturing industry it is concluded as follows: The research result showed that fringe benefits as an incentive significantly affects employees morale, productivity and enhancing employees performance towards organizational tasks. This study helped to know about the effectiveness of fringe benefits that leads to improving employee performance in an organization and relationship between fringe benefits and employee performance.

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