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## MONETARY AND NON – MONETARY INCENTIVES - EFFECT ON JOB SATISFACTION OF THE EMPLOYEES AT WORK PLACE

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**Abstract:** Job satisfaction plays an integral part in every organization. Considering the fact that job satisfaction places an extremely crucial role in determining the success of any organization, every firm needs to understand and implement those factors that lead to job satisfaction. Two factors that highly affect the job satisfaction of the employees at the workplace are Monetary and Non – Monetary Incentives. Both help an employee determine his value in the organization. However, while designing an incentive one might get confused as to which benefits and incentives, they should pay more attention to. The paper discusses incentives and their impact on an organization. It further goes in detail to explain the various types of monetary and non – monetary incentives available at the workplace and discusses their relationship with job satisfaction both in the short and long run. It also highlights the benefits that both the employees and organizations get with the implantation of these incentives. The study aims to understand the relationship between job satisfaction and incentives and which incentives among monetary and non – monetary incentives have a higher effect on employee performance level.

**Keywords Used** – Job satisfaction, organization, monetary incentives/financial incentives, non – monetary incentives/ non – financial incentives, benefits, employees, recognition, pay, training, relationship, growth, extrinsic and intrinsic motivation, performance.

### I. INTRODUCTION

Job satisfaction has become an integral part of every organization. It is one of the key factors that helps in determining the success of any organization in the long run. Employees of an organization need to be happy and content in order to perform their best and give fruit full results. Their commitment to accomplishing the organizational goals helps the organization grow and prosper. Hence, every firm needs to have an efficient HRM team that could ensure that employees are giving the right kind of rewards for their efforts. Job satisfaction leads to employee enrichment and increases employee engagement levels. Hence, employees tend to get involved with the firm and are willing to work efficiently to bring effective results. It leads to an increase in the financial performance of the firm in the long run and since the employees provide better services, customer satisfaction, and loyalty rate also increases drastically. Therefore, job satisfaction is a very essential requirement for every firm.

Research has shown that while few firms consider financial incentives as the motivating factors for employees, others consider non – financial incentives. There has always been an ambiguity among the people as to whether non – financial or financial incentives are more useful to the firm. Most of the investigations show that the non – financial incentive affects the job satisfaction level among the employees in the long run. According to (Abdullah, 2013) non-monetary incentives tend to create a positive impact on the firm in the eyes of the employees. These incentives allow the employees to work at the full potential level and but the organization goal above their own.

Other investigations showed that employee satisfaction is directly linked to financial incentives. The financial incentive has a strong impact on the firm's turnover. Pay satisfaction is said to be extremely important. (Pouliakas, 2010) had mentioned in his research that one should pay employees a fair amount. While providing a bonus or a fair increment in the pay, one should either make a decent and fair increase in the pay or should not increase the pay at all. Employees are never set to be satisfied with a small increase in pay. Pay is considered an extremely essential part for every firm and also at times considered as deciding factor for whether an employee wants to work in the organization at all or not. Hence incentives have to be followed with complete sincerity and it is extremely important to define the critical relationship between both financial and non – financial incentives.

### **Job Satisfaction**

Job Satisfaction is a unitary concept and it refers to the overall contentment one gets from their job orientation at the workplace. It refers to the fact that one is satisfied with the kind of work environment he/she is working in. Job satisfaction has many dimensions to it. Job satisfaction can be assessed through many direct and indirect ways. Direct ways would include having to approach the employees and asking them straightforward questions such as “Are you satisfied with the kind of work you're doing”, “are you satisfied with the job” and many more. Indirect ways through which one could assist if an individual is dissatisfied or satisfied with his job is by looking at his/her performance level, his interaction and attitude towards his peers and employees, his review about the firm he working in, or whether he would recommend his friends to apply for the job (Arne L. Kelleberg, 1977).

### **Importance of Job Satisfaction**

Job Satisfaction is a must for the employees to perform well in the organization. It impacts an employee's motivational level and also helps determine the company's turnover in the long run. Looking after the employee's needs and satisfaction is a must for the overall efficiency and smooth function of an organization. Job Satisfaction plays an important role in implying the Organization's performance and success (Bashir, Liao, Zhao, Ghazanfar, & Khan, 2011). Employee satisfaction leads to employee enrichment which affects employee retention, customer loyalty, productivity, and profitability. (Markos, S. &. 2010). Workforce helps to determine the future of the organization. It is extremely important to make sure that these assets are taken care of. Organizational growth is highly dependent on the retention of the right kind of employees. The health of an organization is highly dependent on the health of the employees. Job satisfaction leads to job engagement and increases the employee's dedication and commitment to the organization. Their morale towards the organization increases to a great extent. Hence, the employees are encouraged to focus on their career development within the same organization and prevent them from leaving the firm for a better offer in the future. It helps to ensure the maximum workforce. It also helps to establish a strong relationship among co-workers and helps to ensure a cohesive working environment. The negativity and role conflicts in the workplace can get easily eliminated and it can help establish a sense of togetherness among people. Job satisfaction helps in reduce absenteeism among employ and allows one to eliminate lethargic attitude among the employees. Job satisfaction allows them to keep a hold of their crucial and high valued employees and prevent them to lose them to their competitors in the market (Terera, S. R. 2014). On an overall basis, one can say that job satisfaction indicates the development of the organization and provides them a competitive advantage over other organizations in the market (Rane, D. B. 2011).

### **Incentives**

Incentives are important to initiate job satisfaction among employees. They ensure to increase the motivational level of the employees and create a sense of belonging within them. The incentives can be divided into monetary and non – monetary incentives and each of them is important. There has always been a conflict as to which incentives have a greater impact on the employee's enrichment level and while few studies suggest monetary incentives others say that non – monetary incentives are the most important, The modern organization is highly dependent on Incentives. Individuals do respond to incentives and through research, it has been inferred that the respond occasionally varies with respect to the kind of incentives provided. Infact, it has been proven that the incentives are the most important factors and they tend to mold the behavior of the people in the future. It helps to shape their attitude towards the organization and its people to a great extent (W. Bentley MacLeod, 2001).

### **Impact of Incentives**

The incentives have a huge impact on the workers' performance level and motivation. They ensure that the employees have both intrinsic and extrinsic rewards to perform well. With more incentives, the employees are internally and externally motivated to perform better and start enjoying doing their work in the long run. Hence, it can be said that the overall job satisfaction depends on how the incentives are being provided to the various employees ensuring equality and unbiased behavior (Falola, H. O. 2014)

## **II. RESEARCH OBJECTIVES**

The main objective of this paper is to identify whether non – monetary or monetary incentives promote job satisfaction among the employee. Both monetary and non - monetary incentives are said to be important to motivate the employee and increase their performance level in the organization. Therefore, is it is very important to understand the relationship between them. The main objective of this study is to critically investigate how these two moderators affect job satisfaction and which incentives have a higher effect on the job satisfaction level of the employees.

## Research Questions

- How do the monetary incentives affect Job Satisfaction?
- How does non – monetary incentives affect Job – Satisfaction.?
- Which incentives (Monetary or Non – Monetary Incentives) provide a higher level of satisfaction to employees?

## Research Gap

While going through many research papers, one could conclude that while few research papers supported the use of Financial incentives for increasing job satisfaction, other papers supported Non - Financial incentives. Hence it is very difficult to decide one particular type of incentive that could contribute to employee enrichment and increase job satisfaction level among the employees.

## III. LITERATURE REVIEW

Markos, 2010, mentioned in his paper that for any organization to perform well in the market, employee engagement is a big requirement. Employee engagement is dependent on factors like job satisfaction and employee commitment. Sorrauren (2000) described factors on which job satisfaction depends like the work-life, environment of the workplace, financial and non – financial incentives, career opportunities, growth, and development facilities being provided, reward system followed. (Friedlander, 1963) aimed to explain why job satisfaction is necessary for any type of firm. It also focused on finding the factors which play an essentially important role in motivation and how these factors affect different employees on the basis of age, experience, salary, and occupational patterns. In (Rane, 2011), the necessity of job satisfaction was highlighted with respect to the current dynamic market situation. With an increase in the competition in the markets employee satisfaction and retention have become extremely important. In order to face the current situation, incentives are extremely important to make sure that the employees are happy and content and are giving their best performance at the workplace in order to meet the goals of the organization. They have also mentioned the various techniques that one can adopt in order to enhance the performance of the organization.

In order to ensure that these resources are used to their full potential one needs to analyze and see which factors motivate and drive the employees to give their best performance. (Falola, 2014). In his study, (Sarwar, 2013) explained the link between the reward and the job satisfaction dimension in the service sector particular. (Tessema, 2013; Tessema, 2013) went on to explain the 2 major incentives provided by firms – Monetary and Non – Monetary incentives. (Terera, 2014, pp. 5(1), 481) mentioned how job satisfaction and employee retention are linked together and help to determine the performance of an enterprise in the future. The study further elaborates on the factors that lead to employee satisfaction and how this can help in improving the employee retention scale of the firm.

According to (Abdullah, 2013) non-monetary incentives have a much stronger and direct influence on the employee performance level in a positive manner. (Appelbaum, 2000) also about the importance of monetary and non-monetary incentives that lead to job satisfaction. He said that income is a moderating factor in small businesses when it comes to job satisfaction. Through his survey in small business, he concluded that in small businesses although money is extremely important for meeting the psychological and security needs, the most important factor that leads to job enrichment is non – monetary incentives. (Cassar, 2018) indicated that in the corporate world the most essential thing is not the amount one earns but rather the stability of the income that one gets. He explains that the satisfaction one gets from performing their work efficiently and getting fruitful results is more than the money they receive. (Haider, 2015) also expressed his prominent views on the non-financial reward system and how it is important for one to focus on both the monetary and non-monetary incentives. (Fisher, 2015) focuses on explaining the importance of sustainable incentives and rewards that would create job satisfaction within an organization. There should be balance between both these factors. He went on to explain how reward and recognition go hand in hand and one is incomplete without the other. (Dzurandin, 2012) focused mainly on defining the relationship between cash and non – cash incentives and how they affect worker's performance and productivity towards the task allotted. (Morrell, 2011) investigations show that non – monetary incentives create a sense of belonging within the employees and also increase the intrinsic motivation within employees.

Despite the fact that non-monetary data is considered extremely important for employee satisfaction, many studies used terms like 'remarkable power to influence the social system' (Tang 2007) to describe the influence and strength of money and other monetary incentives. (Al-Belushi, 2017) performed a study in the Shinas College of Technology in Oman which showed that financial incentives have a huge positive impact on the employee's motivation and had a direct impact on employee performance. (Pouliakas, 2010) mentioned in the research paper investigates the importance of bonus and how bonus tends to have a detrimental impact on employee utility within the firm. (Pouliakas K. &, 2009) explained the importance of fixed – period bonuses and how they create a positive impact on the employees. Stringer, C. D. (2011) has defined the importance of pay satisfaction and how essential component it is for creating a sense of worthy feeling in the mind of the employees. It went on to explain the relationship between intrinsic and extrinsic motivation and how intrinsic motivation is required in order to create a positive impact on the job satisfaction level. In order to ensure that the employees feel included and respected by the organization, cash, and non – cash incentives should be provided on a regular basis (Kalleberg, 1977). (Clark, 2009) focused on defining the importance of fair wage and income.

(Olafsen, 2015) said that people often link employee motivation with money and is often a debated topic in the work organization. The research focused on investigating the relationship between pay and employee motivation. According to Weathington, B. L. (2006) research has explained both the monetary and non - monetary benefits that act as a great influence on employee motivation. The benefit that the employee gains depend on the relationship between the manager and the employee and also on the current situation at that particular point. (Solati, 2019) also went on to explain the reward system is one of the main management tools when it comes to increasing the efficiency of the employees within a firm.

Both financial and non – financial rewards are extremely essential and the rewards should be assigned to the employees according to their needs and requirement in that particular situation. While some get motivated by bonuses and money others get motivated by recognition and promotions. While few research support financial rewards, others support non – financial rewards. Eventually one can conclude that there is a strong relationship between both financial and non – financial rewards. This research aims at understanding the concept of the reward system and how it works in different environments and circumstances.

#### IV. RESEASRCH METHODOLOGY

Basic or fundamental research has been done with the available information on the net. The source of data collection is a secondary source. The data has been collected and compiled from the external source of information. Under the external source of information, the entire research had been done with the help of information and data available on electronic databases i.e. the computerized database. The research papers that have been published under the Google Scholars have been referred to conduct this study.

#### V. THEORITICAL FRAMEWORK

##### 1. Monetary Incentives

These incentives are those that can be measured easily in terms of their financial value. They involve the use of money as a source of motivation among employees. The aim of this incentive is to encourage its employees to work more and provide some sort of compensation to them for their performance and commitment towards their job. It is used as a form of appreciation. Monetary incentives are available in many forms such as – basic salary, bonus, profit sharing, insurance, traveling or educational incentives, salary package including various sorts of incentives apart from salary, performance-based salary. These financial incentive plans provided by the organizations have a direct and indirect impact on the organization's productivity and affect human resource management to a great extent (Falola, H. O. 2014).

##### 1.1 Types of Monetary Incentives

Monetary incentives are of two types – Direct and Indirect Monetary Incentives

Direct Monetary incentives are those that are usually given in the form of salary. It refers to the money given for the service provided by the employees to the organization. It includes options like wages, bonuses, merit pay, stock option, and profit-sharing. They are usually considered as a base payment (Solati, N., 2019). Few of the direct monetary incentives available are-

1. **Basic Pay** – It is the salary that is received by the employees for the work they. For many potential applicants, it's a deciding factor as to whether they would like to take a job or not hence it is an essential part of every organization, big or small. It also helps to determine whether the person will keep the job or not.
2. **Productivity Linked Wage Incentives** – This refers to wages being provided to the employees on the basis of their productivity towards the organization. It is a huge motivator for employees to work more and receive maximum productivity possible in order to earn more.
3. **Profit sharing** – The performance of the employees determines the share of profits of the organization for the employees.
4. **Stock option** – According to this scheme, the employees are given the option to buy the stock at price less than the market price. This incentive really motivates the employees as it creates a sense of ownership among them.
5. **Bonus** – It refers to pay given for the exceptionally good performance of the employees apart from the basic salary given. Most of the organization include Bonus to be a regular incentive provided periodically on the basis of the performance of the employees. It is a very important component and is said to enhance the utility derived from the employees within the organization (Pouliakas, K., 2010).

Indirect Incentives are termed as fringe benefits and are equally important as direct incentives. It includes facilities like health insurance, educational facilities (like discount in tuition fees), housing allowances, retirement benefits, company and club membership, loyalty cards membership (Solati, N., 2019). Benefits packages have become an important part of the potential applicants while making a decision of wanting to join the firm or not and also for the currently existing employees to continue with the job or not. Both direct and indirect incentives are teamed together to prepare a salary package to attract new employees and retain the existing ones. For an instant, with the medical and health industry being more expensive day by day, an employee must consider health insurance as one of his main priorities in the compensation package he gets from the organization. Therefore it is very important for the organization to evaluate the market and accordingly prepare a fair compensation package that gives importance to both direct and indirect incentives equally (Tessema, M. a., 2013, 01). It is important that the pay system followed is fair and equitable and representative of everyone in the organization. Although it might not lead to long term satisfaction, it still cannot be ignored (Tessema, M. a., 2013, 01).

## 1.2 Relationship between Job Satisfaction and Monetary Incentives

The relationship between Job Satisfaction and Monetary Incentives has always been an ambiguous topic and while few consider it a main determinant of job satisfaction others consider it of secondary importance. Either way, it is always taken into consideration. One thing that should be always remembered is that no matter what happens, at the end of the day most people work to earn a source of livelihood.

Some studies say that Monetary incentives provide a short-term source of satisfaction and hence are not so powerful. Despite this, contradicting studies have proven that monetary incentives are extremely essential. For instant, a study was conducted by Deny (1980) where it was inferred that the employee's productivity had risen by 30 percent after the launch of various monetary incentives within the organization. In fact, the former CEO of Hicks Waldron had mentioned that from his life experience he had learned that people do those things for which they are paid, not those for which they are not (Aguinis, H., 2013). This all indicated that monetary incentives are a powerful tool. In reality, money is the main and primary objective for having to accept a job in the first place. People decide to join and work for someone based on the salary package they are provided with. Higher pay helps to retain individuals with high skills. Pay also helps to improve the quality of their lifestyle and improves the standard of living. They also use the monetary benefits for their personal growth and leisure activities which makes the employees happy and satisfied in the long run (Aguinis, H., 2013). For example, health insurance facilities enable the employees to remain healthy and focus more on their work, house allowances enable them to obtain higher standards of living, and high pay helps to focus on the overall development of themselves. Lack of money can be considered as a huge de-motivator among the employees. Therefore, one can say that money is not merely the compensation provided to the employees for their performance but is also considered as a source of identification of the worthiness and the value of the employee within the organization. Employees link their value in the workplace with the amount they are paid. It helps to achieve a sense of accomplishment and is often considered a source of pride among many (Solati, N., 2019).

While monetary incentives have so many advantages, there are few things that they cannot achieve. For an instant, monetary benefits do not lead to the development of an individual directly. According to Dierdorff & Surface, 2008, monetary benefits do not provide knowledge, skill, and abilities (KSA) development unless the employee spends the money he earns on training and educational program. Hence this might hamper the firm's productivity. Employees might have a high level of motivation, but if they do not have high KSA, then it would not lead to the growth of the organization. One cannot consider monetary incentives as an exclusive solution to job satisfaction. Only focusing on providing monetary incentives would not lead to job satisfaction as they wouldn't be any sort of job enrichment among the employees. Also, monetary benefits might not always initiate an ethical behavior towards their organization. For example, Aguinis, 2013 in his paper explained that Green Giant, the producer of frozen and canned vegetables asked his employees to take out the insects from the vegetable. He said for doing this they would be rewarded. The employees started putting more insects in the vegetables and then removed the same to earn more money (Aguinis, H., 2013). Hence, while monetary benefits are important the use of these incentives have a varied impact on different employees in the different organization (Aguinis, H., 2013).

## 2. Non – Monetary Incentives

Non-monetary incentives include those incentives which usually not related to pay. They aim at providing more empowerment and recognition to the employees at the workplace. Few examples of non-monetary incentives are promotions, paid leaves, recognition, opportunity to take part in decision making, letter of appreciation, certificates and trophies, office get-togethers, training and development programs, and special assignments. (Falola, H. O. 2014). These incentives help to establish a more participative role of the employees in the management. It creates a sense of authority and motivates the employees to give their best towards fulfilling the organizational goals. Non-financial rewards are non-cash rewards. This doesn't mean that the rewards given under this category do not have any financial value, they do have, it's just that they are not in form of money. (Silverman, M., 2004).

### 2.1 Types of Non-Monetary Incentives

There are various types of non - monetary incentives available. The non - monetary incentives include the following –

1. **Providing positive work culture** – Positive work culture is a must for the employees to work at their best abilities. Managers should be sweet and kind to the employees and should be fair. The employees should not have to face a biased and unworthy attitude from their peers. If the employees aren't happy with the workplace, either they might quit or not produce the required results. For example, Walt Disney World Company has initiated employee assistance centers in Walt Disney Park where they provide special facilities for the employees like discounts, child care facilities, bus passes, and many more. The aim is to make sure that employees are included to be a part of a secure environment and make sure their needs are taken care of properly (Rane, D. B., 2011).
2. **Employee recognition** – Recognition and appreciation of the employees for their inputs and efforts and time towards the organization is a must. It is the most powerful tool in keeping the employee's morale up and increasing their job satisfaction level. The survey conducted has shown that many employees consider recognition more important than the pay they get. In fact, their decision to continue working in the organization is dependent on the recognition they receive for their work. The employees need to be certain that the organization values their presence and this is possible largely through recognition.

3. **Other incentives** - There are many ways to ensure employee recognition in the organization. Some ways mentioned are (Silverman, M., 2004)–
  - a. Dinner/informal parties with their peers and managers.
  - b. Praise - A simple thank you from the managers is more than enough to motivate the employees. You could also declare the employee as the ‘employee of the month/year’, have his name pinned on the notice board as a way of appreciating his hard work, a public appreciation in the team meeting.
  - c. Vouchers and Special facilities – Employees could also be recognized by providing them with vouchers like travel couchers, recreational activities vouchers like a spa day, cinema tickets, and all. They can also provide special facilities like ‘reserved parking privileges’, a cabin of their own in the office.
  - d. Awards and Certificates – Employees can also be recognized through special awards and certificates. They act as a sort of appreciation for the employees, say award for the best performer, best performing team.
4. **Employee Participation** – It is extremely important to include employees as a part of the decision making process. Having more and more employees engage in the decision-making and growth of the organization, improve their level of confidence, and also helps to develop their skills. The fact that they can contribute their ideas and suggestions, makes them more satisfied and accomplished. For instance, there is an annual idea exposition program organized within the departments of Sony Corporation, where the engineers and scientists share their current experiments and ideas (Rane, D. B., 2011). Employee participation leads to more and more innovations within the firm and provides a wider pool of ideas to choose from.
5. **Training and development** – Training and development programs initiate more and more workers to focus on developing their skills and inculcating new ones. This improves their efficiency and also helps the employees focus on personal and career development. These programs should be provided on a regular basis so that the employees become more capable and responsible. In Federal Express, the employees are provided 6 months of training before having to contact their first customers. Their performance is also reviewed every 6 months and the employees are accordingly provided training to improve their skills. This has ensured a high level of satisfaction among their employees and has resulted in a low turnover (Rane, D. B., 2011).
6. **Status** – The kind of status the employee has in the organization is a really important determinant of employee satisfaction. It is also a determinant of the authority and responsibility the employee has. Psychologically it helps to determine the self-esteem of the employee within the organization.
7. **Job security** – With time passing by Job Security has become extremely essential. Having to know that their job is secured creates a sort of certainty of income in the future and hence motivates them to perform with higher zeal. For many, the idea of having a secured job is more than enough for a high level of job satisfaction level.
8. **Reduce in the Stress Level** – An increase in the level of stress can deteriorate the health of the employees and can create immense dissatisfaction. Therefore, it is important that they do not have to face excessive stress in the workplace. One way of doing this is through job rotation as this would allow the employees to take part in a variety of jobs and work with a variety of people. This would make them active and more enthusiastic about the organization's mission (Rane, D. B., 2011).
9. **Flexible Work Hours** – Having to provide the employees with flexible work hours can also help to reduce the employee's stress level. This would allow the employees to balance their personal and professional life properly and hence while doing their work, they would entirely concentrate on their work without any disturbance (Rane, D. B., 2011).

## 2.2 Relationship between Job Satisfaction and Non - Monetary Incentives

Employees value the kind of work environment and the kind of work they are made to do. It is important for them to be convinced that the work they perform is meaningful and that they are valued for their work in the organization. It is only then that they are able to fully perform and give their mind and soul towards organizational success.

Non-Monetary Incentives are termed as a long-term source of satisfaction. Providing the right kind of non-monetary incentives like autonomy in decision making and recognition is very important. Lewis, (2013) mentioned that the implementation of non-monetary incentives create a positive change in the employee's behavior within the organization towards the other employees and also towards their work. It helps to improve their job performance. Non-monetary incentives are a must for the career and personal development of the employees. With efficient training being provided the employees are bound to develop their skills and achieve more. Under the non-financial rewards, employee recognition and efficient training have been identified as the most important factors for job satisfaction. It lead to the employees developing a sense of loyalty towards the organization (Haider, M. A., 2015). If these incentives are absent, it is going to directly affect the turnover of the firm. More and more valuable employees would not be satisfied with the firm and would resign and join another competitive firm. This would affect the firm's human resources and the risk of the firm's confidential information being released to the competitive firm will also increase. Non – Monetary incentives affect the employee's motivation level to a great extent.

## VI. DISCUSSION AND FINDINGS

There has been a lot of ambiguity among people as to whether Non – Monetary incentives or Monetary incentives are more important from a job satisfaction perspective. While people consider money as an important deciding factor while choosing an occupation, it is often considered as a short-term source of satisfaction. Farnsworth (2019), said that financial rewards like bonus causes employees to focus on bringing better results. Hence, in a creative place, they tend to reduce the risk that the employees will like to take in order to perform better. Also, financial incentives create a sense of extrinsic motivation wherein the employees do the work with the aim of earning more, not because they are concerned about the organizational objectives. Financial incentives don't provide any sort of training to the employees which can help them upgrade their skills. Therefore, individuals are not able to focus much on improving their skills. Financial incentives may contribute towards making an individual self-reliant and independent and may provide them a good standard of living, but they do not create a sense of intrinsic motivation in the employees. The employees might work properly but they do not show any eagerness and interest in their work. It definitely helps make a decision as to whether to take a particular job or not, but it does not guarantee that the employees will continue to stay in the firm. Here, non – monetary incentives play an important role. It not only increases the level of satisfaction among employees but also contributes to a reduction in expenditure. Hence it provides a win-win situation to both the employer as well as the employees (Morrell, D. L. (2011). The advantage of non – monetary incentives over monetary incentives is that it provides a sense of intrinsic motivation to the employees. Here, the employees tend to perform their tasks with more zeal and energy and they feel successful once they accomplish the objectives. They develop a positive attitude towards the workplace and this pushes them to put forward their best work. They develop a sense of belonging and considered the organizational objectives more important than their own. Getting the right recognition and say in decision making makes the employees gain more knowledge and experience. If they provided with the right expertise and training then they are able to build their skills. Therefore, under non – monetary incentives employee recognition and employee training are considered the most important.

While both incentives are important, the effect non – monetary incentives have on job satisfaction is much more than monetary incentives.

## VII. CONCLUSION

Job satisfaction is a must for the organization to achieve its targeted goals in a sustainable manner. Employees' concentration towards the mission and vision of the firm increases and they work with a higher amount of determination and enthusiasm to achieve the objective in the shortest time span. They have a positive approach to feedback and are able to widen their knowledge and skills.

Both Monetary and Non – Monetary Incentives are complementary to each other. No organization can function only with Non - Monetary incentives or Monetary Incentives alone. Both the incentives should be provided in the correct balance to the employees. It is only then that firm will be able to benefit out if these incentives (Morrell, D. L., 2011). If the employees or the employer take these incentives for granted and try to misuse it, it will lead to no improvement. Therefore, there should be complete impartiality and stability while designing an incentive package. Both these types of incentives form important pillars for job satisfaction level at the workplace, but the level of satisfaction employees gets from Non – Monetary incentives are more because these provide inner motivation.

Non-Monetary incentives are a must for long term job satisfaction and provide them an appreciation for their work from the organization. It helps to build professional interpersonal skills and also increase the participation of the people in decision-making activities (Haider, M. A., 2015). Employees behavior towards its peers and the firm depends on how he or she is being treated at the workplace. If they feel excluded and discriminated against, they tend to be disappointed and do not give their best performance. They work for the money but show no enthusiasm to put in the extra efforts that could help the organization improve its efficiency. They consider the work as a burden. Therefore, non - monetary incentives are very important. It is only when they consider themselves as a part of the team, they will perform better. Non – monetary incentives make the employees feel like a part of the organization. They tend to work with enthusiasm and have fun doing their work (Rane, D. B., 2011).

## VIII. LIMITATIONS

The biggest limitation of the study was that it is purely based on secondary data. There has been no primary data collected to conduct the study. Therefore, it cannot be considered as competent and reliable data completely. The reason for not having to conduct primary research was the current pandemic – COVID – 19. The pandemic has affected the economy to a great extent, hence even if primary research would be done it would have not provided a fair conclusion since at this present extraordinary and discomfoting situation, for most of the employees the most important factor is job security. Hence, there would be no clear analysis regarding those incentives that affect the job satisfaction level of the employees at the workplace under normal circumstances.

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