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A Study On Employee Benefits At Novotel And Ibis Chennai Sipcot

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Abstract: This study examines employee benefits at Novotel and Ibis, two prominent brands within the Accor Hotels group, focusing on their impact on satisfaction and retention. Using surveys and interviews, the research reveals that while employees appreciate existing benefits like health care and work-life balance, there are notable gaps in career development and flexibility. Enhancing these areas could boost employee engagement and loyalty, benefiting overall organizational performance. Recommendations for improving benefits strategies are provided to better align with employee needs.

I. INTRODUCTION

Employee benefits are an essential aspect of compensation beyond wages and salaries, providing economic security and stability to workers. These benefits help employees manage uncertainties like unemployment, illness, and injury, and can protect the income and welfare of families. Unlike direct compensation, which influences an employee's standard of living, benefits protect that standard. Typically, benefits account for 30–40% of an employee's total compensation, making them significant in terms of job attractiveness and employee retention. While some benefits, such as Social Security, are mandated by law, others like health insurance and retirement plans can be discretionary.

1.1 Background

Employee benefits are crucial in shaping workplace culture and driving organizational success, particularly in the competitive hospitality sector. Novotel and Ibis, both part of the Accor Hotels group, offer a variety of benefits aimed at attracting and retaining a diverse workforce.

1.2 Objectives of the Study

This study aims to:

- Analyze the employee benefits packages at Novotel and Ibis.
- To understand the extent of awareness among employees, about the different benefits offered by the organization
- Assess employee satisfaction with these benefits.
- Examine the relationship between benefits and employee retention.

1.3 Need for the Study

As employee is a real power of an organization and directly he is related with productivity and profitability of the company, the company provides them with some benefits. These benefits act as a motivating factor in increasing productivity. This plays an important role in reducing absenteeism, employee satisfaction and retention. So employee benefits are directly related to organizational benefits.

1.4 Scope of the Study

This study is to analyze the benefits available for employees at Novotel and Ibis Chennai Sipcot, in order to know the availability of employees to the initiatives taken by the organization for their benefits and the level of employee satisfaction towards the initiatives and the impact of their employee benefits.

II LITERATURE REVIEW

Herzberg's Two-Factor Theory (1959) This theory posits that employee satisfaction is influenced by two categories of factors: hygiene factors and motivators. Benefits fall under hygiene factors, providing essential security and stability, thereby preventing dissatisfaction. By addressing employees' needs for financial security, health care, and work-life balance, organizations can enhance motivation and job satisfaction, leading to higher retention rates.

Baum (2015) indicates that organizations that offer comprehensive benefits packages—such as health insurance, retirement plans, and paid time off—are more successful in retaining employees. The hospitality sector, known for its demanding work environment, can benefit significantly from offering incentives that promote loyalty and reduce turnover.

Chiang and Birtch (2010) reveal that firms providing substantial benefits see improved employee performance and organizational commitment. Employees who feel valued through their benefits are more likely to engage positively with their work, leading to enhanced customer service and overall organizational success. This connection is particularly relevant in the hospitality industry, where employee interactions with customers directly impact business outcomes.

Miller (2017) underscores the importance of addressing work-life balance through wellness programs, remote work options, and personalized benefits. These modern approaches resonate with today's workforce, which increasingly values flexibility and well-being, making them essential for attracting and retaining top talent.

Accor (2019) emphasizes career development opportunities, employee well-being initiatives, and loyalty programs that encourage engagement. By creating a supportive work environment, Accor has been able to maintain high employee satisfaction and retention rates, showcasing the effectiveness of a robust benefits package in a competitive industry.

III METHODOLOGY

3.1 Research Design

This research is descriptive in nature where the data collected by means of structured questionnaire and analysis using Percentage analysis and measurement using Likert scale.

3.2 Sample Size

A sample size of 120 employees from both Novotel and Ibis from various departments was considered ensuring a diverse representation of roles and experiences and analysis of it by application of convenience sampling.

3.3 Data Collection Methods

Surveys: Distributed to all employees to quantify satisfaction levels with benefits.

3.4 Data Analysis

The tool of analysis used in the current study is:

3.4.1 Percentage Analysis:

Percentage analysis helps the researcher know about the responses given by the respondents. To calculate percentage divide the number of response by total number of respondents and multiply it by 100.

Question: Are you aware of the various employee benefits offered by Novotel and Ibis?

a) Yes b) No

Table No.1 Awareness of benefits offered by Novotel and Ibis

table no.1 graphical representation of awareness of various benefits available

Particulars	Yes	No
Respondents	99	21
Percentage (%)	82.5%	17.5%

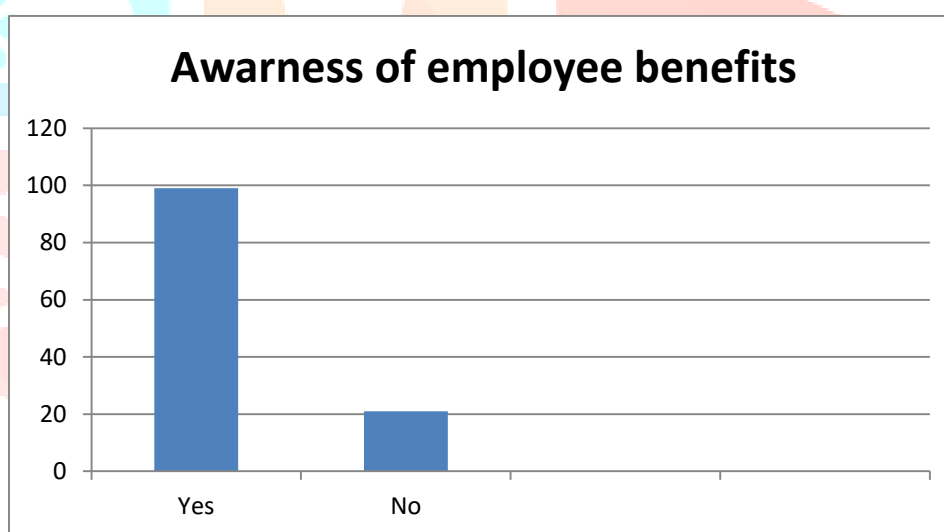


figure no.1 graphical representation of awareness of various benefits available

Interpretation:

- From the above graph X-axis represents particulars and Y-axis represents number of respondents.
- From the above table it is observed that 82.5% of the employees are aware of the employee benefits offered by Novotel and Ibis.
- 17.5% of the employees are not aware of the benefits offered by Novotel and Ibis.

3.4.2 Measurement of Satisfaction

A Likert Scale is a rating scale used to measure opinions, attitudes or behaviors. It consists of a statement or a question, followed by a series of five or seven statements. It is calculated by $\sum(fx)/\text{Total number of respondents}$.

Question: How satisfied are you with the health and wellness benefits provided by your employer?

a) Highly Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Highly Dissatisfied

table no.2 satisfaction with the existing benefits

Particulars	Number of Respondents (f)	Likert Scale Value (x)	Total Score (fx)
Highly Satisfied	41	5	205
Satisfied	55	4	220
Neutral	18	3	54
Dissatisfied	6	2	12
Highly Dissatisfied	0	1	0
Total	120		505

Likert Scale = $\sum (fx)/\text{Total number of respondents}$.

$$= 505/120$$

$$= 4.2$$

Interpretation:

From the above table, it shows the satisfaction of employees with existing employee benefits. The likert scale value is 4.2 which shows that the employees are satisfied with the existing employee benefits offered by Novotel and Ibis.

IV FINDINGS AND DISCUSSION

4.1 Overview of Employee Benefits Offered

Both Novotel and Ibis provide a wide range of benefits, including:

- 12 Days Sick Leave
- 18 Days Earned Leave
- Compensatory Off
- 6 months of paid Maternity Leave
- 5 days of Paternity Leave
- 3 days of Wedding Leave
- Loss of Pay
- Health Insurance
- Employee discounts
- Retirement Plans
- Career Development Programs

4.2 Employee Perceptions and Satisfaction

The results of the study reveal that while Novotel and Ibis provide a solid foundation of employee benefits, there are several areas where improvement is needed to align with employee expectations. The company's current offerings of paid time off and health insurance are viewed positively, but several respondents have highlighted the need for more personalized benefits such as childcare support and greater flexibility in working hours. The desire for improved career development opportunities reflects the employees ambition for growth within the company.

V SUGGESTIONS AND RECOMMENDATIONS

Based on the feedback gathered, the following recommendations are proposed:

Expand Health Insurance Coverage:

Review the current health insurance plan and explore the possibility of enhancing coverage or offering supplemental insurance for dental and vision needs.

Introduce Child Care Support:

Consider introducing or subsidizing childcare services to support employees with families.

Flexible Working Hours:

Implement more flexible scheduling options to improve work-life balance, particularly for employees with demanding shifts.

VI CONCLUSION

This study provides valuable insights into the benefits provided by Novotel and Ibis and how employees perceive them. The findings highlight several strengths but also shows areas where employee satisfaction could be further improved. By addressing the issues related to health insurance, child care services and flexible working hours Novotel and Ibis can ensure greater employee satisfaction and retention.

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