



A Study On The Effects Of Compensation And Benefits Of Motivation

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ABSTRACT

Impact of compensation and benefits on employee motivation at Propel Industries Private Limited in Coimbatore. It investigates how wages, incentives, bonuses, and non-monetary benefits affect employee happiness and performance. Employee perceptions of the remuneration structure are explored using both qualitative and quantitative methodologies. The findings will be used to make recommendations on how to improve pay methods for increased engagement and productivity.

KEY WORDS: Remuneration Structure, Employee perceptions, Engagement and productivity

INTRODUCTION

The effect of compensation and benefits on employee motivation at Propel Industries Private Limited in Coimbatore. It investigates how salaries, incentives, bonuses, and non-monetary rewards affect engagement and productivity. By assessing employee attitudes, the study evaluates the effectiveness of present compensation practices. The findings will help HR professionals and management build techniques for motivating employees.

OBJECTIVES OF THE STUDY

- To assess the impact of compensation and benefits on employee motivation and job performance at Propel Industries Pvt Ltd.
- To evaluate employee perceptions of the fairness and adequacy of their current salary and benefits package.

REVIEW OF LITERATURE

Jackson and Young (2020). Jackson and Young investigate the effect of social media influencers on young customers' purchase decisions. They discovered that younger generations are more likely to buy things advised by influencers because of their perceived relatability and genuineness.

Patel, S. and Kaur, P. (2020). This article explores how online consumer evaluations, particularly on platforms such as Amazon and Yelp, influence purchasing decisions. The study suggests that customers place a high importance on user evaluations, particularly those that are thorough and viewed as honest.

Nabila, A., and Aulia, D. (2024). This literature review examines how salary and work motivation affect employee performance within the context of human resource management. The study concludes that both pay and motivation play important roles in improving performance.

RESEARCH METHODOLOGY

Research Design

This study takes a quantitative method to examining the relationship between salary, incentives, and employee motivation.

Sample Size

Sample size used for the study was 125 employees of propel industries private limited

Data Collection

Primary Data

Structured questionnaires are provided to 125 employees to examine remuneration, benefits, and motivation.

Secondary Data

Secondary data collected through journals, Newspaper, Magazines and Websites.

Data Analysis Technique:

Simple Percentage, ONE - WAY ANOVA, Correlation Analysis and Chi-Square

ANALYSIS AND INTERPRETATION

SIMPLE PERCENTAGE

AGE OF THE RESPONDENTS

Age	No. of. Respondents	Percentage
Below 30	24	19
31- 40	75	60
41 – 50	18	15
Above 50	8	6
Total	125	100

Interpretation

The Majority of employees (60%) are under the age of 40, indicating a highly experienced workforce. A smaller percentage (19%) is under 30, indicating a mix of young and experienced staff.

EDUCATION OF THE RESPONDENTS

Education	No. of. Respondents	Percentage
Diploma	26	21
Under graduate	84	67
Post graduate	15	12
Total	125	100

Interpretation

The workforce is well-educated, with 67% possessing undergraduate degrees, 21% diplomas, and 12% postgraduate certificates.

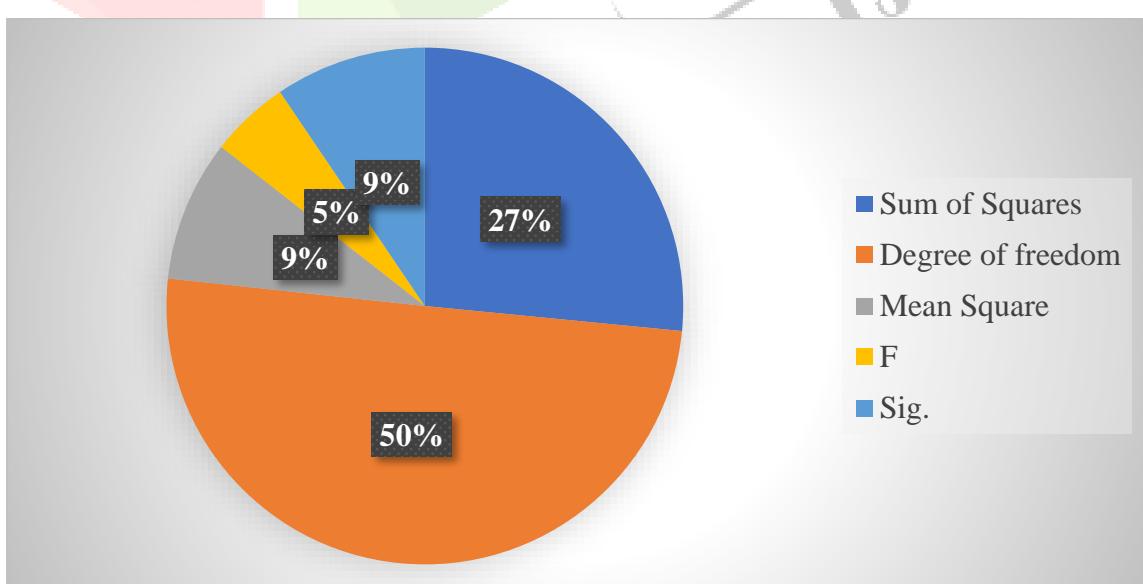
ONE-WAY ANOVA

GENDER AND ADDITIONAL WORK-LIFE BALANCE

Source	Sum of Squares	Degree of freedom	Mean Square	F	Sig.
Between Groups	2.117	4	0.706	0.397	0.755
Within Groups	215.035	121	1.777		
Total	217.152	125			

Interpretation

The calculated value is greater than the significant value (0.05), so the null hypothesis is accepted, there is no relationship between gender and additional work-life balance.



CORRELATION

AGE AND BENEFITS OF WORK-LIFE BALANCE

	PEARSON CORRELATION	SIGNIFICANCE (2-TAILED)
INTERPRETATION	0.044	0.622

Interpretation

The weak correlation (0.044) and significance (0.622) imply that the variables do not have a statistically meaningful relationship.

CHI-SQUARE

EXPERIENCE AND COMPANY LEADERSHIP

H0: There is no association between years of experience at Propel Industries and employees' perception of leadership effectiveness.

H1: There is a significant association between years of experience at Propel Industries and employees' perception of leadership effectiveness.

Experience at Propel Industries	COMPANY LEADERSHIP					Total
	Highly Effective	Moderately Effective	Not Effective at All	Somewhat Effective		
1-3 Years	15	21	2	9		47
4- 6 years	10	13	3	3		29
7+ years	18	12	4	5		39
Less than 1 year	1	4	1	4		10
Total	44	50	10	21		125

CHI - SQUARE TEST

Calculated value	Table value	Degree of freedom	Level of significance	Results
10.305	0.326	9	16.919	Rejected

Interpretation

The Chi-Square test yields a calculated value of 10.305, lower than the table value of 16.919, with a p-value of 0.326. We cannot reject the null hypothesis because p is greater than 0.05. This suggests there is no substantial relationship between years of experience and employees' perceptions of leadership effectiveness.

FINDINGS

- Majority (60%) of the respondents are in the age group of Below 40.
- Majority (67%) of the respondents are Under graduate.
- The calculated value is greater than the significant value (0.05), so the null hypothesis is accepted, there is no relationship between gender and additional work-life balance.
- The weak correlation (0.044) and significance (0.622) imply that the variables do not have a statistically meaningful relationship.
- The Chi-Square test yields a calculated value of 10.305, lower than the table value of 16.919, with a p-value of 0.326. We cannot reject the null hypothesis because p is greater than 0.05. This suggests there is no substantial relationship between years of experience and employees' perceptions of leadership effectiveness.

SUGGESTIONS

- Performance-Based Pay – Introduce bonuses, incentives, and commission-based structures tied to performance and company goals.
- Skill-Based Pay – Reward employees based on certifications, new skills acquired, or leadership contributions.
- Competitive Salary Benchmarking – Compare salaries with industry standards and adjust to remain competitive.

CONCLUSION

This study indicates that compensation and perks have a major impact on employee engagement at Propel Industries. The workforce is largely male, with most employees between the ages of 30 and 40 and holding baccalaureate degrees. The study discovered no significant correlations between gender and work-life balance, age and benefits, or qualification and financial security. However, a well-structured compensation plan, which includes performance-based pay and skill-based incentives, can increase motivation. Implementing competitive pay and non-monetary bonuses will boost staff morale and productivity. A smart compensation plan is critical to long-term organizational performance.

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