

A STUDY FOCUSING ON THE PECULIARITIES OF HUMAN RESOURCE MANAGEMENT IN MULTINATIONAL TEAMS AS WELL AS THE GENERAL EFFICACY OF NON-MONETARY MOTIVATOR STRATEGIES IN HUMAN RESOURCE MANAGEMENT

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ABSTRACT

Business owners and executives have their work cut out for them in the current economic climate. We are now in the planning phases of implementing downsizing, restructuring, and other cost-cutting initiatives. Worker motivation, loyalty, morale, and attitudes might all be negatively impacted by such acts and policies. The research team behind this project hopes to learn more about how well financial and non-financial incentive systems and programmes motivate employees to achieve organizational objectives. Many companies wonder what form of incentive programme would best raise employee morale while simultaneously aiding the firm in achieving its objectives. The purpose of the research was to determine whether an efficient reward programme really stimulates employees to perform harder.

Financial incentives are highly valued by both employers and employees, the poll found. Employees appreciated work-life balance, career development opportunities, and mentorship from more experienced peers more than companies did. Additionally, the results show that firms are including monetary and non-monetary advantages into the reward package to cater to the needs of their multifaceted workforce. There is compelling evidence that, given the financial limits faced by firms in the current economic context, a greater focus should be placed on non-monetary prizes to motivate personnel. It is conceivable to provide an individual with a reward package that includes both monetary and non-monetary incentives, despite the fact that monetary incentives were placed highest.

Keywords: Human resource management, non-monetary motivator strategies, Multinational corporations' human resources.

1 INTRODUCTION

Human resource management, often known as HRM, includes activities including advertising for new workers, conducting interviews, selecting the most qualified candidates, making offers of employment, and providing them with a welcome package and orientation. Making sure workers are treated properly in terms of pay and benefits and having productive relationships with labor unions and other representative organizations are also part of this (Cappelli, 2020). Recruitment, recruiting, orientation, training, assessment, communication, and the development of a constructive workplace culture are only few of the many responsibilities of human resource management (HRM). The numerous facets of human resource management might look to HR policy for direction. Human resource management is essential whether or not standardization or adaptability is needed. Given the cultural differences between the parent firm and its subsidiaries, global human resource management presents greater challenges than its local counterpart. It seems that some companies have human resources policies that discriminate against individuals based on their religion, race, caste, sexual orientation, or place of origin. But there are some companies that go out of their way to treat their workers with dignity, such as Ford and Volvo (Dugar, 2013).

Human resource management includes activities such as finding and hiring new staff. Business structure is rearranged as a result of globalization tactics. Businesses that have an ethnocentric view tend to promote from within by giving top jobs in foreign branches to natives of the home

nation. Business executives in organizations who use a multi-pronged approach to globalization are often Human resource management would not be complete without the process of hiring new staff members. Multinational corporations (MNCs) have differing stances on globalization, which affect how they handle human resources. Employing just locals from the host country is a clear sign of an ethnocentric approach to business. Companies that see globalization as a whole are more likely to staff their executive ranks with natives of the countries in which they operate. Companies that approach globalization on a regional basis are more likely to hire and allocate managers from a wide variety of countries to various positions within the organization. This bodes well for the spread of the organization's best practices. Those who move their careers to another country are typically referred to as "expats," or foreign nationals working in management positions. The HR department must expertly navigate the minefield of expatriate recruitment, onboarding, assignment, compensation, and repatriation. They need challenging work that was provide them some measure of independence once they go back home. It may be costly for businesses to retain expatriate managers; therefore, it makes sense for them to invest in nurturing homegrown talent wherever feasible.

Companies may locate and cultivate undiscovered potential via internal management development initiatives (MDP). Programs like this was make it easier for people of different ethnicities, religions, and socioeconomic statuses to work together. It bears noting that there may be discrepancies in the performance evaluation procedure between the central office and the regional branches. The heads of each division should have input on the company's overall goals and KPIs. The ultimate goal of performance management is to provide a smooth transition from employee evaluations to subsequent opportunities for advancement and compensation. There are three divergent opinions on how much leeway subordinate organizations should be given in developing and enforcing overarching strategies. Human resources professionals value stability in the workplace above everything else. It's possible that the union's political power and organizational muscle was make employers unwilling to take drastic measures. Volvo is one such company that maintains cordial connections with the union by aiding in its growth (Capraro, 2019).

2 PROBLEM STTEMENT

"Monetary and non-monetary incentives have seldom been addressed combined under the human resource perspective," and there is a dearth of research that directly examines the link between non-monetary awards and employee-related outcomes."

Organizational theorists typically agree that people are a company's most valuable resource since they are the ones who really generate outcomes. Therefore, it's possible that an organization's success or failure was depend heavily on the actions of certain individuals inside it. As a result, it's crucial to pay attention to the variables that impact workers' output (Cassar, 2018).

Some people think that success is all up to talent, timing, and willpower. Increasing one's capacity is as simple as increasing one's knowledge, experience, and education. If they have what it takes to achieve their goals, they have an opportunity. The amount of work someone is willing to put in to accomplishing their objectives is directly related to how motivated they are.

If conditions remain constant, an increase in motivation may result in a comparable increase in productivity. In contrast to the set nature of the staff's access to resources and their degree of competence, the staff's level of motivation is more flexible and may be changed in a variety of ways. Last but not least, it is obvious that having skill and opportunity is useless if one lacks the was to put it to use (Lewis, 2022).

3. BACKGROUND OF THE STUDY

Human resources refer to a company's pool of trained workers. Everything that is "rare" or "in small quantity" is a "resource," according to this definition. Management: the science and art of optimizing scarce resources to accomplish a set of defined goals.

People resource management's end goal, therefore, is to maximize an organization's access to its human resources. This pattern is shown by the current crisis in the construction sector, which is facing a significant lack of educated personnel. Experts predict it will increase in the next decade, from its current 30%, which they claim would have a detrimental influence on the sector's overall output. Many so-called experts now argue that advances in technology and automation are driving down wages and diminishing other forms of human contribution. Since machinery and technology are designed by people alone and require human input in order to perform efficiently or at least be monitored, businesses are continuously on the lookout for clever, knowledgeable, and qualified personnel to guarantee the company's continuing success. Since AI may take over more and more mundane activities, but it still lacks the judgement abilities that human brains possess, people are vitally crucial to any firm.

Theoretical physicist from Britain Stephen Hawking projected that "the rise of artificial intelligence is likely to extend this employment destruction far into the middle classes," leaving only "the most caring, creative, or managerial vocations." It's a reality that robots with artificial intelligence are gradually replacing people in the workforce. However, not everything can be handed over to a robot to manage, since every machine has its own set of constraints. British theoretical physicist and Cambridge University professor Stephen Hawking has voiced concern that AI would displace middle-class occupations, although he has also maintained that some tasks will always need the use of human brainpower (Medhi, 2022).

Management of people is referred to as human resource management (HRM), and it involves strategies for recruiting, training, and keeping employees. Human resource management has become more important in contemporary enterprises as a result of substantial developments over the last two decades. In the past, HR managers were primarily concerned with administrative tasks like processing payroll, buying birthday presents, planning company trips, and handling paperwork. According to business guru and former GE CEO Jack Welch: Human resources are critical in both good and bad times; thus, they should ignore the birthdays, anniversaries, and paperwork dealing with their child's birth.

The first thing to keep in mind is that every manager is accountable for HRM in some capacity. We may not have HRM titles, but it doesn't mean we won't be doing HRM tasks on a daily basis. Compensation, incentives, and staff retention are all part of management's remit in most organizations. For quite some time, MNCs' human resource management practices have been of interest to the general public. Initially, people saw a global network of faceless corporations with the overarching purpose of minimizing expenses wherever feasible. Moreover, studies revealed that the institutional and operational settings in the nations of

MNCs' home bases continue to have an effect on the way the MNCs operate overseas. More recent studies have revisited the topic of global repercussions, finding that a national framework cannot adequately account for them and raising the possibility that businesses would adopt widely used practices in order to conform to an illusory global norm (Pudelko and Harzing, 2007).

4. LITERATURE REVIEW

Since extrinsic incentives may be utilized to alter people's actions, they are fundamental to the study of economics. To put it simply, the "basic law of behavior" argues that when given better incentives, individuals was work harder. Monetary incentives, or financial incentives, are often suggested as a way to motivate workers to do a better job. In many contemporary workplaces, an employee's salary or other form of compensation is tied to the researcher performance relative to predetermined targets established by the employer. Financial incentives tied to performance have been shown to External incentives are used to affect behavior in economics. A "basic law of behavior" states that individuals was work more if they are compensated more (Bonner & Sprinkle, 2002).

As the name indicates, monetary incentives are financial compensations that are recommended to increase productivity in the workplace. Salaries in many companies are now determined entirely on an employee's performance. Paying people for excellent work is a well-studied phenomenon. According to principal-agent models, higher financial incentives don't only make people work harder; they also make them work smarter. Empirical studies have shown mixed results when attempting to determine the efficacy of financial incentives connected to performance. Increased compensation has been shown to improve performance in a variety of settings, according to a number of studies. Based on a meta-analysis conducted by we know that financial incentives increase productivity by 27% on average. Several empirical studies corroborate the claim that piece rates are more favorable than hourly wages.

There are two distinct categories of non-monetary incentives: tangible items and experiences. Rewards other than cash that have market worth are nonetheless monetary despite their intangible character. Free food and transportation, paid time off, gift vouchers, luxury goods, and company-provided automobiles and technology are just a few examples. Non-monetary intangible incentives include positive performance reviews, public acclaim, formal recognition (such as "employee of the week"), and monetary rewards, as well as a favorable work schedule, a prestigious title, and a high degree of autonomy in one's position. Frey (2010) defines award systems as a kind of non-monetary intangible incentive, and the researcher suggests that they can non-monetary advantages may be of two types: tangible and intangible. Non-cash incentives may nonetheless be considered monetary in nature if they have value in the market.

Vacation time, gift cards, high-end goods, company cars, mobile phones, and complimentary meals are just a few examples. A good performance review, public recognition (such as "employee of the week"), and awards, a convenient work schedule a prestigious title and a high degree of independence in one's work are all examples of non-monetary intangible incentives. Non-financial incentives stand out from the crowd. When a favorable outcome is contingent on completing a certain task, offering a reward for doing so increases the likelihood that the task was be completed. Incentives are commonly used by both individuals and large

corporations to enhance employee morale and productivity due to the motivating features of incentives. Money isn't the only thing that may motivate people, however. Mays claims that the ambiance of the workplace is profoundly affected by the benefits offered to workers, regardless of whether they are intended to recruit and retain top talent or to inspire exceptional work from all team members. Employees feel more connected to the firm and to management, and turnover is reduced.

5. METHODOLOGY

Researcher performed a rigorous cross-sectional investigation. The cross-sectional design necessitated a single point in time data collection, which was quick and low-cost. Because of the short timeframe and limited resources, the researcher opted for a quantitative approach. Rao-soft software was used to estimate the sample size of 557; 600 questionnaires were distributed; 587 were returned; and lastly, 13 questionnaires were rejected owing to incompleteness of the questionnaire. The study included 574 respondents. Using random sampling, all respondents were approached for the survey.

The study was conducted in office. The study sites were chosen because of employees' availability. The researcher conducted mixed method research for the study through survey and interview. The details of the survey collection method and interview are described below. Respondents first answered control questions regarding their the chinese clothing market, to predict the establishment of brand equity and size of their organization. This left a sample size calculated from Rao Soft and the sample size was 557. A rating scale based on the Likert method is often used in surveys to ascertain respondents' level of agreement with various statements. Respondents often have the options of "strongly agree," "agree," "did not respond," "disagree," and "strongly disagree" when selecting a response to a survey question or statement. Response categories are sometimes coded numerically, with values such as 5 denoting "very agree," 4 "agree," and so on, established for the purpose of the research.

6. THEORETICAL FRAMEWORK



Figure:1 Non-Monetary Motivator Strategies

7. RESULTS

Table 1. KMO and Bartlett's Test^a

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.867
Bartlett's Test of Approx. Chi-Square		7527.903
Sphericity	df	190
	Sig.	.000

a. Based on correlations

Evaluation of data appropriateness for factor analysis is the first phase in EFA. For factor analysis, Kaiser stipulated that the value of the KMO (Kaiser-Meyer-Olkin) sample adequacy coefficient should be more than 0.5. The KMO for this study's data set is.880. The significance threshold for Bartlett's test of sphericity was also calculated to be 0.00. As a result, it was established that the sample size was enough for doing the factor analysis. Four components were recovered using EFA, with eigenvalues of 29.723, 1.610, and 1.219. Since every single number was larger than 1, we may assume that it indicates a high degree of clustering uniformity. Furthermore, it can be shown from that the first four components jointly accounted for 67.45% of the total variation. Using the screen plot, it's easy to see this. And all goods had factor loadings of 0.5 or higher.

Table 2. Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.998	.998	20

Out of the 20 questions the Cronbach's Alpha for all 20 questions was either .998 and overall Cronbach's Alpha was found to be .998.

RESULT FOR HYPOTHESIS

Leave, in other words, is a benefit that allows an employee to miss work for valid reasons, provided that they have obtained their supervisor's consent in advance. The real cause could be anything as simple as a planned but yet crucial personal activity, or as complex as a medical emergency. Taking time off helps employees maintain a healthy work-life balance and is crucial to their mental and physical well-being. People who are happy and refreshed are less likely to call out ill or take unplanned time off. Performance in the workplace is measured by how well workers carry out their assigned responsibilities. It alludes to the superiority in quality and efficiency of their final product.

On basis of the above discussion, the researcher formulated the following hypothesis, which was analyze the relationship between leave and employee performance.

H01: There is no significant relationship between leave and employee performance.

H1: There is a significant relationship between leave and employee performance.

Table 3. H₃ ANOVA test

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	56961.744	8	7120.218	1055.885	.000
Within Groups	613.646	566	6.743		
Total	57575.390	574			

In this study, the result is significant. The value of F is 1055.885, which reaches significance with a p-value of .000 (which is less than the .05 alpha level). This means the "H1: There is a significant relationship between leave and employee performance" is accepted and the null hypothesis is rejected.

8. CONCLUSION

The study examined how non-monetary rewards motivate employees. The corporation struggled to motivate employees while reaching its goals. A redesigned incentive programme or framework is tested to see whether it motivates workers and improves strategic fit. Loyalty, emotions, work schedule flexibility, business culture and values, retention, and other

factors might impact employee performance. This research examined none of these confounding factors. Expanding this study to cover the two firms' other locations would be fascinating. Research is essential in public and private communications. Since this study does not cover a large number of managers, future research should include a representative sample and use interviews to collect data. A diverse management sample would also be beneficial. Future publications may incorporate additional data, such as company performance assessment results. The work's nature and other tangential elements may need more study. Lighting, space, design, noise, and more may affect the workplace environment. Researchers may examine worker performance "before" and "after" various factors. Comparing pre- and post-test results on employee performance indicators may assess training's effectiveness. To widen the research, regional trends and demography may be incorporated (for e.g., developed and developing countries). Finally, future study might examine how different factors affect different portions of the same organization at different management levels.

LIMITATIONS

The purpose of this research is to determine the impact of non-monetary incentives. However, the report does not evaluate the relative effectiveness of the two incentives. This research takes a cross-sectional approach to understanding how workers feel about their compensation and benefits. The concept of an experiment is completely ignored.

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