

AN INVESTIGATION ON THE GENERAL EFFICACY OF NON-MONETARY MOTIVATOR STRATEGIES IN HUMAN RESOURCE MANAGEMENT AND THE COMPLEXITIES OF HUMAN RESOURCE MANAGEMENT IN MULTINATIONAL TEAMS

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ABSTRACT

The present economic situation has placed a heavy burden of decision-making on businesses and their management teams. Downsizing, reorganization, and other measures to reduce expenses are now in the planning stages. Further, these actions and practices may have an adverse impact on workers, altering their drive, loyalty, morale, perspective, and outlook. The purpose of this study is to examine the effectiveness of monetary and non-monetary incentive systems and programs in encouraging workers to work toward the organization's stated goals. The question of what kind of incentive program is the best to boost employee morale while also helping the company reach its goals is a common one for many businesses. The study set out to answer the question of whether or not an effective incentive scheme really motivates workers. According to the survey's findings, both employers and workers value monetary advantages the highest. When compared to what organizations valued, employees placed a higher value on opportunities for professional growth, guidance from experienced coworkers, and a healthy work-life balance. In addition, the findings demonstrate that organizations are using both non-monetary and monetary benefits as part of the reward package to meet the demands of their diverse workforce. Considering the financial constraints encountered by businesses in the present economic environment, there is a strong argument for placing a greater emphasis on non-monetary awards to inspire staff. Though monetary incentives were ranked highest, it is possible to give a person a reward package consisting of both monetary and non-monetary incentives.

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

1 INTRODUCTION

The term "human resource management" (HRM) refers to a broad range of activities such as recruiting, hiring, orienting, training, evaluating, communicating, and fostering a happy workplace. One might say that the various parts of HRM are travelling along a path set out by human resource policy. Whether standardisation or flexibility are required, it is crucial to have human resource management (HRM) in place. Global human resource management is more difficult than local human resource management due to cultural variations between the parent company and its subsidiaries. A person's religion, race, caste, sexual orientation, or country of origin may be taken into account in certain firms' human resources policy. However, organisations like Ford and Volvo make a point of treating their employees fairly. (Dugar, 2013).

Internally implemented management development programs enable firms to identify and develop talent from within (MDP). Programs like these make it simpler for individuals to collaborate from various racial, religious, and educational backgrounds. Again, during the performance assessment process, disagreements between the main business and its regional units are conceivable. Clear objectives and performance criteria should be developed with input from managers at each subsidiary site. Establishing a solid link between employee assessment and future possibilities for advancement and, eventually, monetary incentives is the

aim of performance management. On the question of how much latitude subordinate organisations should have in making significant policy choices, there are three schools of thinking. There are three different kinds of autonomy: limited, conditional, and negotiated. The limited autonomy argument centres on how much autonomy a multinational company has in reaction to globalisation. According to the idea of variable autonomy, a company's employees would have greater freedom to make choices as it grows more internationally linked. Companies with an export strategy may make decisions centrally, but strategic business units (SBUs) must decentralise decision-making. According to the idea of negotiated autonomy, a subsidiary's degree of autonomy may be raised or lowered depending on how successfully it can bargain with headquarters. Human resource managers put a high focus on maintaining harmony at work. Because of the union's organisational power and political clout, employers could be reluctant to take extreme measures. One such corporation that maintains cordial relations with the union by supporting its expansion is Volvo (Capraro, 2019).

Human resource management is the study and practise of management activities such as organising, planning, leading, and controlling. Hiring, fostering, and retaining workers are all included in human resource management. It serves as a tool for achieving social, professional, and personal objectives. Human resource management is a broad academic area that includes many distinct academic fields. This area of study encompasses a wide number of academic fields, including management, psychology, communication, economics, and sociology. The importance of teamwork and fostering fellowship is stressed. A constant occurs in this situation. According to conventional belief, there has to be one full-time, qualified HR manager for every 100 employees. A company's actual proportion might be impacted by a number of factors, including HR centralization, employee sophistication, geographic dispersion of served individuals, and organisational complexity (HRM, 2022).

2 PROBLEM STATEMENT

"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."

People are a company's most significant resource since they are the ones who really do the task, according to organisational theorists. This implies that a company's ability to accomplish its objectives is significantly influenced by the efforts of its employees. Therefore, it's essential to pay attention to the factors that affect employees' production.

It is believed that a person's performance is influenced by their abilities, opportunities, and incentives. With information, experience, and teaching, capacity rises. Opportunity is the state of having the tools necessary to complete a job available. A person's degree of motivation directly relates to how eager and motivated they are to work toward a goal. An increase in motivation could, when all other things are equal, lead to increased production. Opportunity and ability are often stable and difficult for staff to change, while motivation has some flexibility since it may be changed in a variety of ways.

3. BACKGROUND OF THE STUDY

Human resources: the quantity of capable workers employed by a corporation; "Resource" is defined as something that is "rare" or "in limited quantity." Management is the practise of maximising limited resources in order to utilise them to accomplish the declared aims and objectives of an organisation. The efficient use of a company's current human resources is consequently the main objective of people resource management. The situation facing the construction industry, which is experiencing a severe shortage of competent personnel, may best illustrate this. The expected doubling of the present 30% in the next ten years, according to industry experts, would be bad for the sector's total production.

People are thus very vital to any organisation since, despite the fact that artificial intelligence is replacing an increasing number of regular tasks, it does not yet have the capacity for judgement that human brains have. It has been shown that artificially intelligent robots are progressively displacing humans in employment. However, because each robot has a unique set of limitations and cannot do every activity, not every work can be assigned to a robot. Stephen Hawking, a professor at Cambridge University and a British theoretical physicist, expressed worry over the loss of middle-class jobs due to the development of AI, but this insisted that certain activities would always need the use of human brainpower. Planning and putting into practise strategies for attracting, developing, and keeping competent staff are all part of human resource management (HRM). Over the last two decades, human resource management has undergone tremendous change, which has enhanced its role in contemporary enterprises. In the past, human resource management was more of an administrative than a strategic function, handling tasks like payroll, employee birthday presents, scheduling business trips, and paperwork. The HRM of today, according to former GE CEO and management guru Jack Welch, is to "leave the festivities, birthdays, and registration forms alone. Human resources are essential in both prosperous and difficult times".

People have been interested in the HRM tactics used by MNCs for a very long time. The first concepts often depicted a fleet of globally running, context-free firms with the aim of minimising costs wherever feasible. Investigation revealed that MNCs' operations and institutional settings continue to be influenced by the nations in which they are located. Recent studies have revisited the topic of global repercussions, emphasising that a national framework cannot completely account for them and predicting that businesses may adopt common practises to satisfy a fictitious global norm.

4. LITERATURE REVIEW

Extrinsic incentives are the foundation of economics since they may be utilised to change a person's behavior. The "basic rule of behavior," to put it simply, is that individuals exert greater effort in response to more advantageous incentives. Financial or monetary incentives are often suggested as a way to improve employee performance. Many contemporary firms tie financial benefits to achieving predetermined corporate objectives, with compensation primarily based on an employee's personal performance. The results of financial incentives tied to performance have been in economics, incentives are used to influence people's behavior by coming from outside the individual. The so-called "basic rule of behavior" states that individuals have to work more in order to get bigger rewards.

Non-monetary incentives may be divided into two categories: those that provide tangible

goods and those that offer intangible benefits. However, since they have a market value, intangible benefits that are not money are still financial in essence. Free meals and transportation, gift cards, luxury products, paid time off, and company-supplied equipment and automobiles are some examples. Non-monetary intangible incentives include things like favorable performance reviews, public recognition formal recognition ("employee of the week"), monetary rewards a convenient work schedule a prestigious title, and a high level of autonomy in one's position. Award systems, which describes as a kind of intangible non-monetary incentive, may non-monetary advantages come in the form of both tangible and intangible benefits. Even if they are not in the form of money, intangible benefits nonetheless have a monetary value since they have some type of market value. Examples include paid time off, gift cards, luxury things, company autos, cell phones, and complimentary meals. Whether via a formal ceremony, an article in the company magazine, or a posting on the intranet, the awards themselves must be made public. Increased attendance frequency among workers is another advantage of public recognition programs. The possibility of achieving and maintaining a high social rank greatly motivates people. Money-free incentives are separate from financial ones. When a reward is provided for doing the desired action, a person is driven to execute it. Both individuals and large corporations routinely use incentives to their advantage as a way to increase staff morale and productivity. Motivators may be either financial or nonfinancial in nature.

5. METHODOLOGY

Researchers 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 the 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 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.

Likert scale, rating system, used in questionnaires, that is designed to measure people's attitudes, opinions, or perceptions. Subjects choose from a range of possible responses to a specific question or statement; responses typically include "strongly agree," "agree," "did not answer," "disagree," and "strongly disagree." Often, the categories of response are coded numerically, in which case the numerical values must be defined for that specific study, such as 5 = strongly agree, 4 = agree, and so on. Motivation, as defined by, is "the inner drive that motivates one to decide to act". A lot of times, bosses fail to fully appreciate the role that inspiration plays in ensuring that their primary objective and vision are realised. If an employee is content and feeling appreciated, they perform very well. The end outcome is beneficial, and a highly driven worker in turn inspires their coworkers.

6. THEORETICAL FRAMEWORK



Figure:1 Non-Monetary Motivator Strategies

7. RESULTS

7.1 RESULT FOR HYPOTHESIS

The term "motivation" is used to describe an individual's innate interest in and drive to complete tasks connected to their job. Motivation, as defined by, is "the inner drive that motivates one to decide to act." A lot of times, bosses fail to fully appreciate the role that inspiration plays in ensuring that their primary objective and vision are realised. They recognise the need for motivation, but they lack the knowledge and skills to create a working environment that inspires their staff. In the workplace, motivation refers to the state of mind in which an individual is willing to work to meet their own requirements. In terms of a person's needs, we can talk about things like survival, security, relationships, self-worth, and the opportunity to fully realise one's potential. For this reason, the individual's career improves in the most basic ways. This performance can be measured in a variety of ways, including how satisfied their consumers are or how much money they make. an argument that workers who feel inspired are more likely to get work done If an employee is content and feeling appreciated, they perform very well. The end outcome is beneficial, and a highly driven worker in turn inspires their coworkers.

On basis of the above discussion, the researcher formulated the following hypothesis, which analyse the relationship between motivation and employee performance.

H02: There is no significant relationship between motivation and employee performance.

H2: There is a significant relationship between motivation and employee performance.

Table 1. ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	57550.264	9	3197.237	10307.199	.000
Within Groups	25.126	565	.310		
Total	57575.390	574			

In this study, the result is significant. The value of F is 10307.199, which reaches significance with a p-value of .000 (which is less than the .05 alpha level). This means the “H2: There is a significant relationship between motivation and employee performance” is accepted and the null hypothesis is rejected.

8. CONCLUSION

The research examined the effectiveness of non-monetary incentive components as a means of employee motivation. The challenge for the company was to identify the optimum rewards strategy that would increase employee motivation while still enabling it to achieve its objectives. The purpose of the research is to determine if a revised incentive framework or programme increases employee motivation and enhances the strategic fit between the employee and the business. Employee retention, corporate culture and values, employee loyalty, employee emotions, work-time flexibility, and other variables might all have an effect on how well employees perform. But none of these possible influences was the subject of the research or analysis done for this study. This research should be expanded to include all of the areas where the two businesses have operations; it would be quite interesting. More research is urgently needed in both the public and private sectors of the telecommunications business. Because there aren't many managers included in this study, it would be interesting for research to include a representative sample of managers in their data sample and to conduct interviews as an additional step in the data collection process. A representative sample of managers should also be included in their data sample, according to this study. It could be advantageous to depend on other sources of information in the following articles, such as the outcomes of the performance evaluation method used by the firms themselves. The lighting, size, and architecture of the workplace, along with the noise level and other factors, may all be considered when making environmental decisions. Future studies may examine the effects of various variables on employee performance both "before" and "after." For instance, employee performance might be assessed both before and after training to compare the outcomes and assess the effectiveness of the instruction that was given. It may be important to investigate other aspects, such as regional trends and demographics, in order to broaden the scope of the study (for e.g., developed and developing countries). In conclusion, potential research areas include the many ways in which particular elements have an influence on various parts of the same organization at various levels of management.

LIMITATIONS

The study focuses on identifying the effects of non-monetary rewards. It does not compare the influence of both reward systems. It is a cross-sectional study to obtain the general perception of the employees towards the reward system. No experimental design is considered.

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