



Trends in Banking, Accounting and Business

Vol: 2(2), 2023

REST Publisher; ISBN: 978-81-956353-0-6

Website: <https://restpublisher.com/book-series/tbab/>



The Study On “Compensation Benefits and Employee Performance “In Tenneco Automotive Indian PVY Ltd at Hosur

B.N. Sivakumar, Mohammedjuneth M

Adhiyamaan College of Engineering, Hosur, Tamil Nadu, India

*Corresponding Author Email: juneth6400@gmail.com

Abstract: This study proposes and examining the connection between compensation benefits and employee performance. The subject of the study is to better understand how compensation advantages like pay, bonuses, and non-cash awards affect employee motivation and engagement, which in turn affects how well employees execute their jobs. The research will adopt a quantitative research methodology to accomplish this goal, and information will be gathered from industry workers through a survey questionnaire. In the research study the descriptive research design is been used to know the characteristic features of the respondents and have used simple random sampling technique as part of the sampling design. The primary data was collected with the help of a structured both open and closed ended questionnaire drawing on a sample of 80 employees from Tenneco Automotive India Private Limited, Hosur. Participants reported their levels of compensation benefits and employee performance at the end of each workday. Analysis was done by using statistical tools like percentage analysis, chi square, correlation and one-way Anova in SPSS software. The findings of this study will add to the body of knowledge on the connection between compensation benefits and employee performance. The findings of this study will also highlight on the most effective compensation benefits that businesses may provide to their staff in order to improve performance and raise general job satisfaction. In conclusion, the research will highlight the significance of compensation benefits in enhancing employee performance and offer managers and human resource specialist's insightful advice on how to create competitive compensation packages that can enhance employee engagement, motivation, and performance.

Keywords: compensation benefits, employee performance, competitive pay plan, effective compensation benefits, and human resource specialists.

1. INTRODUCTION

Compensation benefits are the rewards that an employer provides to its employees in return for their services. These benefits may include a variety of financial and non-financial rewards such as salary, bonuses, health insurance, retirement plans, vacation time, and other perks. The relationship between compensation benefits and employee performance is important as it can affect employee motivation, engagement, and productivity. Employees who feel valued and well-compensated are likely to be more committed to their work, more satisfied with their jobs, and more productive. Compensation benefits can also be used to incentivize employees to improve their performance.

Objective Of Study

- To study the pre-existing compensation benefits and employee performance in Tenneco Automotive india pvt ltd.
- Create suggestions for enhancing the salary and benefits system to improve employee productivity and accomplish organisational goals.
- To understand how each of these components affects employee performance, analyse the many elements of a compensation and benefits system, including job descriptions, job analyses, work evaluations, pay structures, and salary surveys.

scope of the study

The study will concentrate on a comprehensive review of the organization's compensation and benefits practises, including pay, incentives, health insurance, retirement plans, and other benefits. Along with productivity, absenteeism, turnover rates, and employee engagement, it will assess these other indicators of employee performance. The study will

evaluate the company's current compensation and benefits programmes, pointing out their advantages and disadvantages and offering suggestions for change. It analyses into what employees feel about the compensation and benefits policies offered by the organisation and how those plans affect their work culture and commitment.

2. LITERATURE REVIEWS

Compensation and employee performance: A review of literature and future research agenda" by Charles-Henri Besseyre des Horts and Yang Liu in the Journal of Business and Psychology (2020). This review examines the theoretical frameworks and empirical studies that have investigated the relationship between compensation and employee performance, and proposes future research directions. "Compensation and Employee Performance: A Systematic Review of the Literature" by Stephen Wood, Anna Bos-Nehles, and Susana Rodrigues in the International Journal of Human Resource Management (2020). This systematic review examines the impact of various compensation components on employee performance and provides an overview of the existing research on this topic. Sanz-Valle et al. (2020) also explored the role of non-financial compensation in their review of the literature. They found that non-financial compensation, such as recognition and work-life balance initiatives, had a significant positive effect on employee performance. In a systematic review, Sarwar et al. (2021) analyzed the impact of different compensation components on employee performance. They found that pay, bonuses, benefits, and non-financial compensation all had a positive effect on employee performance, with pay having the strongest relationship.

3. RESEARCH METHODOLOGY

Research methodology result is greatly influenced by the research approach and sampling used. For this study, a descriptive analysis was conducted with respondents who worked in a manufacturing plant. About 89 respondents from Tenneco Automotive India Private Limited made up the sample. For the investigation, a straightforward random sample technique was adopted.

Analysis And Interpretation

TABLE 1. Gender Group - Which Type Of Compensation Payment System Do You Prefer

Gender		Which type of Compensation payment system do you prefer				Total	Chi-square value	p Value
		Fixed pay system	Variable pay system	Balanced-Debt Method	All			
Male	n	17	8	7	24	56	9.162a	0.02722
	%	21.25	10	8.75	30	70		
Female	n	4	8	7	5	24		
	%	5	10	8.75	6.25	30		
Total	n	21	16	14	29	80		
	%	26.25	20	17.5	36.25	100		

Interpretation:

Since the P value is lesser than 0.05, reject the by null hypothesis, accepted alternative hypothesis 0.02722, level of significance 5%. Hence there is no significant association between gender of the respondent and type of compensation payment system. Based on overall percentage, 70% of male respondents, 21.25% of respondents are Fixed pay system, 10% of respondents are variable pay system, 8.75% of respondents are Balanced Debt Method and 30% of respondents are All about their type of compensation payment system. From 30% of female respondents 5% of the respondents are Fixed pay system, 10% of respondents are variable pay system, 8.75% of respondents are Balanced Debt Method and 6.25% of respondents are All about their type of compensation payment system.

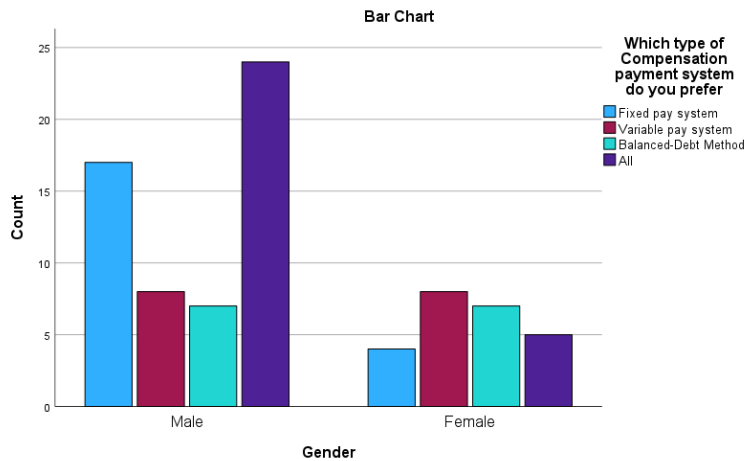


TABLE 2. Pearson Correlation Coefficient Between Gender and Income

	Gender	Income
Gender	1	0.199
Income	0.199	1

Oneway Anova For Significant Difference Among Gender and Types Of Leave Benefits Followed By Company

TABLE 3. Gender and Types of leave benefits followed by company

Gender and Types of leave benefits followed by company					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.773	3	0.591	2.989	0.036
Within Groups	15.027	76	0.198		
Total	16.8	79			

Interpretation:

There was statistically significant difference between the respondents towards Gender and Types of leave benefits followed by company as demonstrated by one-way ANOVA $F=1.026$, $p = 0.036$

Finding

- 21.25% of the respondents are Male in Fixed pay system, 10% of the respondents are Male in Variable pay system, 8.75% of the respondents are Male in Balanced-Debt Method, 30% of the respondents are Male in All.
- The correlation coefficient between gender and income is 0.199 which indicates 19.9 percentage positive relationships between gender and income at 1% level of significance

Suggestions:

One of the most effective ways to attract and retain top talent is by offering competitive salaries. This means paying your employees a fair wage that is in line with industry standards and reflects their experience, skills, and qualifications. To salary and incentives, offering a comprehensive benefits package can be a key factor in attracting and retaining top talent. This may include health, dental, and vision insurance, retirement plans, and paid time off. Provide bonuses to employees who exceed their performance targets or goals. This can be a great way to incentivize employees to work harder and achieve more.

4. CONCLUSION

Offering a complete set of performance benefits and incentives may significantly improve employee performance. Employees are more likely to be motivated and dedicated to attaining their goals if employers offer appealing remuneration, such as performance-based incentives and retirement benefits. Offering flexible schedules, professional

development opportunities, and health and wellness perks may also raise worker happiness and engagement, which can boost results and efficiency on the job. Attracting and retaining top people is ultimately facilitated by investing in a competitive compensation and performance benefits package.

REFERENCE

- [1]. "Compensation" by George T. Milkovich and Jerry M. Newman (11th edition, 2017): This book provides a comprehensive overview of compensation strategies, including traditional and variable pay plans, benefits, and non-financial rewards.
- [2]. "Total Rewards: Communication Handbook" by Worldat Work (3rd edition, 2018): This handbook offers guidance on developing and communicating total rewards programs, which include compensation, benefits, work-life initiatives, and recognition programs.
- [3]. "The Art of Engagement: Bridging the Gap Between People and Possibilities" by Jim Haudan (2016): This book explores the role of employee engagement in driving organizational success, including the importance of compensation and benefits in creating an engaged workforce.
- [4]. www.tenneco.com