

**NON-MONETARY BENEFITS AND THE PERFORMANCE OF EMPLOYEES AT
MOVIT PRODUCTS UGANDA LIMITED**

BY



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DEDICATION

In my life there are those individuals who have really played a big role for me to be where I am now. It's for this reason that I wish to dedicate this work to my parents Mr and Ms Ssegujja, my grandma miss Nassiwa Pauline for taking care of me up to this stage. I would like also to dedicate this work to my lovely sister Priscilla Nakandi, my friends Mulwana Emmanuel, Nakamate Dorothy, Nannozi Angela just to mention thanks for the love and support you have given me. May God bless you all.

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“MAY GOD BLEES YOU ALL”

LIST OF ABBREVIATIONS.

CHR	Center for hospitality research.
US	United States.
SPSS	Statistical package for social science.
ILO	International labor organization
NMB	Non monetary benefits

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ABSTRACT

The study was about the role of non-monetary benefits on the performance of employees. The specific objective of the study under non-monetary benefits was the work environment, health insurance and employee involvement and participation. The dimensions under performance were workers being effective, punctuality of employees, and so on.

The researcher used a case study design to carry out the research and he further used a qualitative and quantitative study approaches in carrying out the research. The sample size of the population for the study was 54 respondents and the researcher used questionnaires to collect data. Study was carried out at Movit products Uganda limited a leading manufacture of cosmetics products in the country. The main objective of the study was assessing the role of non-monetary benefits on the performance of employees at Movit products limited.

The finding of the study revealed that there was a significant correlation between non-monetary benefits and the performance of employees. Also the findings demonstrated that there was a significance of 0.05 between non-monetary benefits and the performance of employees. In this research, it was concluded that departmental heads were approachable, recognition for hard work was carried out, organization plans were made through a suggestion system and that health insurance offered medical care to employees whenever they needed it.

The researcher recommended that the system of non-monetary benefits given to employees is not adequate enough and limited to boost the performance of employees. Accompanied with it, should be a range of tangible and monetary rewards that carry vivid and empirical meaning. These will boost the working spirit within the employees and hence improve on the performance of the company.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This study was an assessment of the role of non-monetary benefits on the performance of employees. The dimensions for non-monetary benefits are employee participation in decision making, employee health insurance, the work environment and. The dimensions for employee performance are punctuality at work, employees' adaptability, the speed at which employees deliver and so on.

In this study, literature was extensively got from the works of Armstrong [Armstrong's handbook on human resource] and G.A Cole's work on human resource management. The study though based on passed research is different in the sense that the researcher used primary data, the study was carried out in the cosmetics industry and the research approach was both qualitative and quantitative.

1.1 BACKGROUND TO THE STUDY

Research has been carried out about the different factors which influence the performance of employees at work using different dependent variable. This can be shown in the following section.

With regard to accountability at the workplace, (Metzenbaun, 2006) said that people and organizations like to do well. Therefore because measurement enables people to see how well they are doing and adjust their actions accordingly, measurement motivates them to work harder

in order to achieve specific goals even without the explicit promises of rewards or threat of punishment.

(Stringer, 2013) states that a recent poll found out that among the other things, an employee's productivity is determined by their relationship with their immediate supervisor. When the boss fails to keep promises, never gives credit where due, makes negative comments or blames others for their mistakes, the productivity levels of employees is significantly impacted.

(Thompson, 2010) related organizational performance to organizational culture and he stated that a strong organizational culture is a primary determinant in creating better organizational performance and sustained competitive advantage.(Stewart,2010) further states that the norms of employees impact upon sustainable performance and management of organizational culture as it leads to attainment of profitability.

Each employee has a role in the organisation. These roles are explained in job description-forms in a formal way. Employee's roles and tasks should be allocated consistently by his/her supervisor (Chandrasekar, 2011) in the work of Deblebici [Impact of work-place quality on employees' productivity, 2012]

More employers are using technology to increase employees' options for flexible working arrangements. Flexibility is a factor more and more employees appreciate especially when they strive to achieve work-life balance, or when they are situated in remote areas and still need to stay in touch with the office. Technology's impact concerning telecommunicating options can greatly enhance job satisfaction and employee performance, which in turn improves retention rates as well as productivity.

In studying how marital status affects employee performance [Depaulo, 2006] stated that single people might be expected to be seen as less committed to their jobs and less likely to succeed as employees as compared to married people and might thus be discriminated against in employment decisions. On the other hand some anecdotal evidence suggests that people expect single individuals to be able and willing to work longer hours than married people because the single people may have fewer obligations outside work.

As regards to employee welfare (Saleem, 2010) states that there is no secret or track to motivate people to do good work. It takes just few things in consideration to create motivation like spending fare time with staff, advise people and give clear expectations.

The positive appraisal motivates an employee more than a negative appraisal (Kamphorst and Swank, 2012)

Organisational culture has great positive impact on employee job performance. The adoption of a culture of the organization is helpful for the employees to do their work efficiently and effectively (Shahzad et al, 2012)

(Ouojo, 2008) further states that organizational culture is a determinant of the productivity level of the organization in the sense that it influences employee work behavior in the organization.

(Beloinio, 2010) studied how the various leadership styles affected the performance of workers. A transitional leadership style was seen to have a positive subscale of job satisfaction. The subscales of job satisfaction that were significant to job performance were seen to have positive effects on job performance.

1.2 PROBLEM STATEMENT

There appears to be mounting concerns that a reasonable number of corporate workers in Uganda are poorly motivated to work and demonstrate poor performance at work. When there happens to be poor motivation and empowerment from employers, workers' performance declines due to poor motivation. (Dave Worman, 2010) With the provision of non-monetary rewards and benefits to workers like; employee participation in decision making, employee recognition, company provided housing and cars and so on, they are expected to perform well at their jobs but despite the provision of employee benefits to workers, the performance and work output from employees is not a reflection of motivated and empowered workers. This is manifested in the workers' failure to meet deadlines, untamed late coming by employees, disruptive behavior by workers, working for few hours than the expected working time (Ruth Mayhew, 2013) There is no study that has been undertaken to establish reasons why workers exhibit signs of demotivation at work. This therefore calls for the need to establish the role of non-monetary benefits on the performance of workers.

1.3 OBJECTIVES OF THE STUDY

1.3.1 GENERAL OBJECTIVE

The general objective of the study is to assess the role of non-monetary benefits on the performance of employees.

1.3.2 SPECIFIC OBJECTIVES

The specific objectives of the study are to:

- i) To examine the relationship between the work environment and the performance of workers.
- ii) To analyze the role of employee participation in decision making on the performance of workers.
- iii) To find out the relevance of a workers' health insurance policy on the performance of workers

1.4 RESEARCH QUESTIONS

The study was guided by the following research questions:

- i) What is the relation between work environment and the performance of workers?
- ii) What is the role played by employee participation in decision making on the performance of workers?
- iii) Does having a health insurance policy impact on workers' performance?

1.5 SCOPE OF THE STUDY

1.5.1 Subject scope

The study focused on the benefits given to workers as the independent variable and the performance of workers as the dependent variable and aimed at establishing a relationship between the two variables. The non-monetary benefits were grouped as employee health insurance, work environment and employee involvement in decision making. Under

performance the researcher considered punctuality of employees, employee adaptability, quality of work out put and so on.

1.5.2 Time scope

The study will cover a period of one year from the date 12th/December/2012 and will cover literature ranging from 2000 to 2012.

1.5.3 Geographical scope

The study will be done at Movit products limited located in Bunamwaya village 100metres off the Kampala-Entebbe highway.

1.6 SIGNIFICANCE OF THE STUDY.

The significance of the study is:

To act as a tool used by policy makers to come up with policies on how to treat workers in Uganda.

To guide economic planners on how to come up with economic plans for civil servants.

To act as a source of knowledge used in the academic world in the field of human resource management.

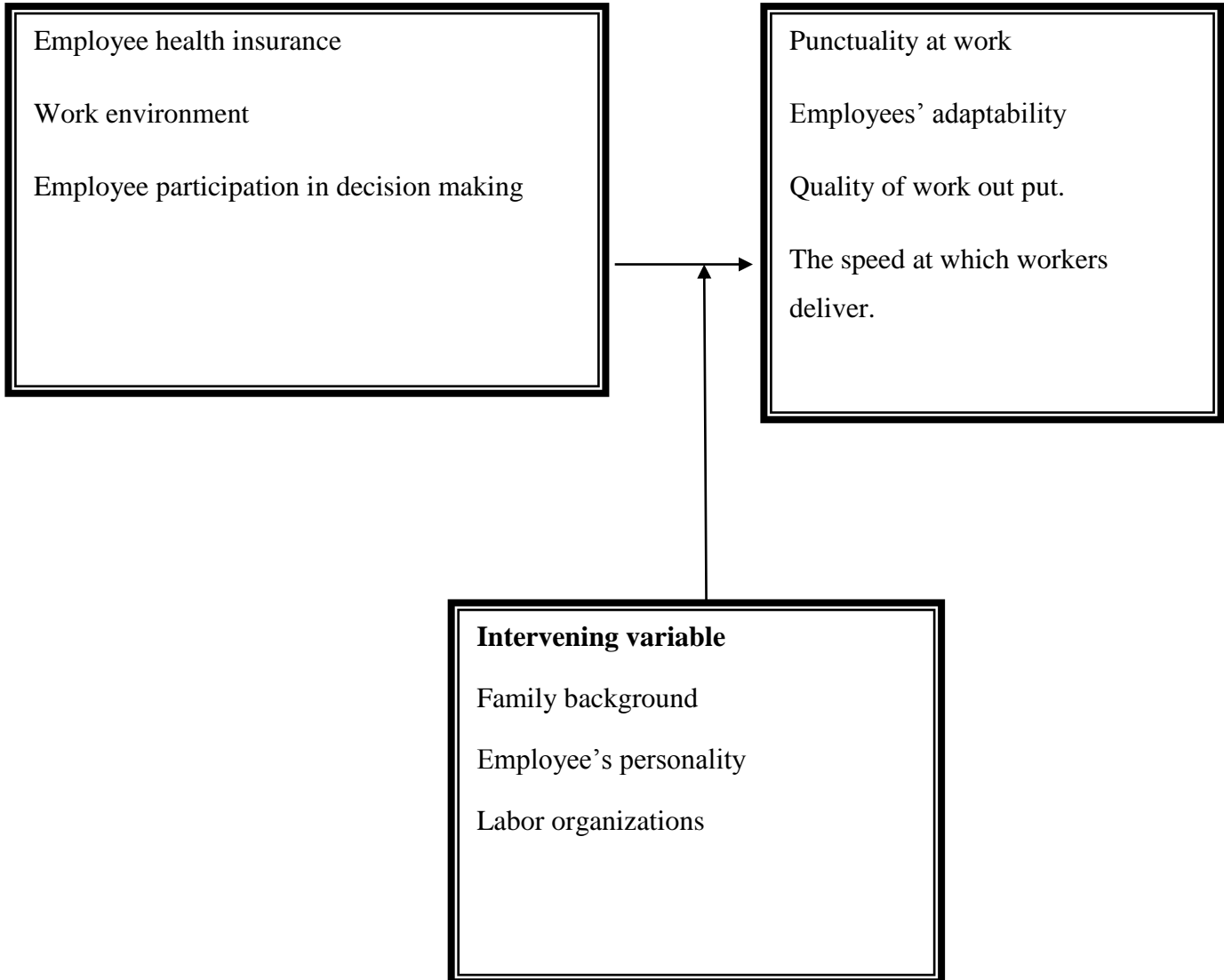
1.7 CONCEPTUAL FRAME WORK

The conceptual frame work shown in figure 1 present non-monetary benefits as an independent variable and the performance of employees as a dependent variable. The frame work shows a linear relationship between non-monetary benefits and the performance of employees. It is hypothesized that non-monetary benefits positively influence performance of employees (Abdulla and Wan, 2013)

Fig 1.0 showing the conceptual framework

Employee benefits

Workers' performance



1.8 DEFINITION OF KEY TERMS

Organizational culture: is what the employees perceive and how this perception create a pattern of beliefs, values and expectations.

Performance appraisal: is the review of an individual's performance with the view of improving it.

Productivity: refers to the ability to create goods and services by using available resources including labor, equipment, land and so on.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

In this chapter, the review of literature of different scholars is done in relation to what they say about employee benefits and how they affect the performance of workers. The literature review section gives a detailed discussion on what different scholars say about employee benefits and how they impact on workers' performance. The relevance of the literature and the gaps in some scholars' literature.

2.1 conceptual review.

Performance is the accomplishment of a given task measured against preset known standards of accuracy, completeness, cost and speed.(Business dictionary.com)Performance is the degree of accomplishment of a task that make up an employee's job. It reflects how well the employee is fulfilling the requirements of the job.(Lloyd and Leslie: 2000 p.251). Performance is the achievement of quantified objectives (Amstrong p.497)

Benefits are the ones given to workers that don't involve money. For example if some one works as a cleaner in a bank, their non monetary benefits may be a free uniform that is washed and cleaned for them. Employee benefits are elements of remuneration given in addition to the various forms of cash pay (Amstrong p729)

Non monetary rewards have an intrinsic impact on employees. These types of rewards increase employee motivation to work by raising their self esteem and can satisfy employees' professional ambitions and personal fulfillment. Non financial rewards can satisfy employees

just as well as financial rewards by making them feel like a valued part of the organization and showing them that they are appreciated (MCBeth, 2012)

A motive is what prompts a person to act in a certain way or at least develop a propensity for specific behavior, (Fremonte et al, 1985)

Lamotta(1995) is of the view that performance at job is the result of ability and motivation.

Employee benefits are elements of remuneration given in addition to the various forms of cash pay (Armstrong, 2011).

Some employee benefits are required by law and therefore don't need to be negotiated within the union. Some benefits plans such as "supplemental employment benefits", are designed to supplement those required by the law in order that the employee is guaranteed a greater level of benefits than provided by the government. A few union leaders have expressed opposition to the government-imposed benefits programs such as the occupational safety and health Act of 1970, the pension reform Act of 1974 and the health maintenance organization Act of 1973 because the federal government has provided to all employees benefits previously negotiated for union employees (Michael et al, 1992)

2.2.1 Employee participation in decision making and performance.

According to Ackers and Dundon (2005) Employee participation is the process in which decisions in an organization are shared among individuals who are otherwise hierarchically unequal.

Participative management is defined as a management style in which leaders place emphasis on employees' involvement in the management process. This management method is also known as employee involvement or participative decision making and it presents many potential benefits to the companies that chose to encourage it. This is usually accomplished by providing employees with ample opportunities to become involved in the process of setting goals, making suggestions, improving company operations and solving problems (Jensen, 2011)

According to Noah (2008), it is a special form of delegation in which the subordinate gain greater control, greater freedom of choice with respect to bridging the communication gap between the management and the workers.

The associates feel a stronger bond of responsibility for making the decision. When you are responsible for making a decision, and the decision turns out to be a bad one, you do whatever you can to correct the decision and make things right. The same is true for everyone. When associates are involved in making the decision, the chances of the decision being a success increase since all members of the team are committed to correcting the parts of the decision that are not in alignment with the departments' or company s' vision and values. (Stark, 2010).

Employee participation is the process of empowering employees to participate in decision making and improvement activities appropriate to their level in the organization (Quagraine, 2010). Coach and French(1949) are pioneers in studying employee participation in the work

place. They developed productivity and efficiency rationale, assuming that there is a direct link between employees' involvement in decision making can satisfy employees 'self actualization needs and by doing so, increase employees' motivation and job performance (Likert, 1961) and (Bahatti, 2007).

Employee involvement is creating an environment in which people have impact on decisions and actions that affect their jobs. Employee involvement is not a goal nor is it a tool as practiced in many organizations rather it is a management and leadership philosophy about how people are most enabled to continuous improvement and ongoing success of their work organization (Heathfield, 2012).

Employee participation involves management recognizing that employees are in position to oversee their own duties and work processes. Management plays a crucial role in empowerment as employees can't manage themselves without being retained properly. Ounce employees are well-informed and educated then transfer some decision making to them (Redsteer, 2011).

Employees have the power to make decisions that are important to their performance and the quality of their working lives. Power can mean a relatively low influence, as in providing input into decisions made by others or it can mean having final authority and accountability for decisions and their out comes.

Participative decision making instills a sense of pride in employees. This benefits the employees by making their work seem more rewarding and by creating a sense of accomplishment, and this, in turn, benefits the company as a whole because it helps to promote increased productivity. The sense of employee pride created by participative management also benefits the company by increasing retention rates. Any business would be concerned with low employee retention rates,

but employee involvement creates a positive and a sense of workplace pride that discourages employees from leaving the company (Jensen, 2011).

Morale and motivation is higher in organizations where associates are involved in department/company's decision making. When people are involved in the decision making process, they now make a difference in the department or company's success. When people know they make a difference, they find it easier to be motivated and satisfied with their job (Stark, 2010).

Information. Means data including information on the quality and quantity of business unit output, costs revenue profitability and customer reaction (Konard, 2006). A major challenge for managers developing a high involvement work system is to create an information system that provides employees with data that is timely and relevant to their work process in that they can influence personally by either expending or withholding effort and that they can understand (Konard, 2006).

The reward component of high involvement equation means rewarding employees for expending discretionary effort to enhance organization performance (Konard, 2006). A key element in high involvement equation, rewards for performance ensure that employees use their power, information and knowledge for the good of the firm (Konard,2006).

When associates are involved in the decision making, they feel that people in ownership and management positions value them as a significant contributor to the company success. When people feel valued, they will usually raise their level of commitment to ensure the department's or company's success (Stark, 2010).

A company which employs a participative management style is a company in which innovation and creativity can flourish. By promoting employee involvement, these companies are allowing their employees to speak freely and openly, which fosters resourcefulness, originality and vision. This enables employees to solve problems practically and effectively and often results in some unexpected and inspired ideas for the direction of the company. When employees experience the freedom for innovation and creativity that results from participative management, it helps to create a motivating environment. (Jensen, 2011).

When employees are involved in making decisions, they gain a professional and personal stake in the organization and its overall success. This commitment leads to increased productivity as employees are actively participating in various aspects of the company and wish to see their efforts succeed overall. This is not only beneficial to the company growth, but is also on –the-job training for workers. The increase in responsibility expands the employee skill sets, preparing them for additional responsibility in the future (Carrie, 2014).

Pseudo-PDM develops in a high individualistic and high power culture. This form of participation implies a directive management covered with a mask of participation. Directive managers pretending to be participative can not earn the employees' trust; rather, organization members are fully conscious of the disparity between the official democracy and actual dictatorship (Sagie & Aycan, 2003).

Participation in the decision -making process gives each employee the opportunity to voice their opinions, and to share their knowledge with others. While this improves the relationship between the employee and the manager, it also encourages a strong sense of teamwork among workers. The expression of view points open dialogue between co-workers, with each worker bringing their individual strength to a project. It is also a good way to gather information about the

employees as to how they work in a team environment and where training may be necessary, all of which leads to an increase in effectiveness, and ultimately an increase in good team work and performance (Carrie, 2014).

Employees may make a decision that works, but is not the best decision in the leader's mind. Some leaders get frustrated in trying to live with an out come or decision that they believe would be improved if their decision was implemented (Barron, 2011).

For people and organizations who desire a model to apply the best I have discovered was developed form work by Tannenbaum and Schmidt,1958) and (Sadler,1970).They provide a continuum for leadership and involvement that includes an increasing role for employees and a decreasing role for supervisors in the decision process.Thecontinnum includes the following progression.

Tell: The supervisor makes the decision and announces to the staff. The supervisor provides complete direction.

Sell: The supervisor makes the decision and then attempts to gain commitment from staff by selling the positive aspects of the decision.

Consult: The supervisor invites inputs to a decision while retaining authority to make a final decision herself.

Join: The supervisor invites employees to make the decision with the supervisor . The supervisor considers her voice equal in decision making.

When employees are involved in decision making process, they will feel motivated and that is why I agree with the two scholars because when an employee participates in making cardinal

decisions that run the company, he/she will feel like he is some good person to the company thus this will motivate him/her leading to improved performance.

Participation further leads to a more effective organization because for example participation leads to better decisions, higher and more committed employees and better motivation (Beem, 2007).

Employee participation leads to motivation because when workers participate in decision making process, they get a feeling that they are part of the organization and that their ideas are crucial in running the organization hence being motivated and leading to higher performance.

(Spreitzer, 1996) argued that a participative climate can create feelings of psychological empowerment. She demonstrated that in a participative climate, the acknowledgement, creation, liberation of employees is valued and the emphasis is placed on individual contribution and initiative.

Actively engaging workers in decision-making process increases the overall company morale. Many companies have a distinct separation of power between management and workers. However active involvement lowers the gap, opening the lines of communication between supervisors and employees. As a functioning participant in decision making process, employees understand their idea are an important contribution to the company, and gives them power to influence the out come of their work leading to increased job satisfaction (Carrie, 2011).

Employee participation in workplace decision making is essential to motivate employees. Broad participation in decision making ensures high performance by motivated employees. The participative process increases capacity of employees in problem solving and commitment to organization's success. The underlying logic is that by involving workers in the decisions that

affect them and by increasing their autonomy and control over their work, employees can be made more motivated and more committed to the organization, more productive and more satisfied with their jobs (Ford and Fottler, 1995).

When employee get involved in decision making process, I agree with Ford and Fottler that they get motivated because when employees get involved in the decision making process, they tend to feel that spirit of belongingness to the company which further makes employees become dedicated to the work of the company. Hence high productivity and performance.

Employees feel more pleased and confident when the management trusts their decisions that have effect on the out come of the business. Through employee participation, workers have an opportunity of releasing their ideas, stress and concerns about the business. There ensure that the employees become satisfied with their work and decision that they make in the organization (Kalmi and Poutsma,2005)

More recent researchers have asked the question of whether high involvement work practices can be generalized to the service industry sector. Ounce again,impressive results have been documented. Two studies of employee percepyion that they had the peower to make decisions, sufficient knowledge and information to do the job effectively, and rewards for high performance.Both studies included large samples of employees (3570 employees in 49 organizations and 4828 employees in 92 organizations). In both studies, high involvement management practices were positively associated with employee morale, employee retention and firm financial performance.

Employee participation as shown in the above text by the three scholars makes employees become satisfied with their work but more research should be made on the matters that make

employees satisfied with their work. Participative decision making alone cannot lead to job satisfaction, it rather should be backed up with other factors like working environment, remuneration and so on.

Studies have found positive relationship between employee engagement and organizational performance outcomes: employee retention, productivity, customer loyalty and safety. Researches also indicate that the more engaged employees are, the more likely their employer is to exceed the industry average in its revenue growth. Employee engagement is found to be higher in double-digit growth companies. Research also indicate that engagement is positively related to customer satisfaction (Coffman, 2000 and Soresen, 2007)

A recent department of employment draws attention to how technological and structural changes have increased the importance of the contribution of the individual and the need for employers to involve their employees. It describes with the aid of real examples of good practice the variety and diversity of successful employee involvement schemes operated by UK employers. No organization can perform at its best unless the employee is committed to the corporate objectives and works as an effective team member. Many organizations have already discovered the benefits of effective employee involvement including: Improved performance and productivity and Improved quality and customer care (Mullins, 2002)

Characteristics of these so-called commitment based human resource practices is that they increase decentralization and involvement, in the sense that problem solving rights are delegated in such a way that they are co-located with relevant knowledge. Involving and empowering frontline employees may allow for the better discovery and utilization of local knowledge in the organization (Ciavarella, 2003)..

In 2000 the Harvard business review declared: ‘Research has clearly and consistently proved the direct link between employee engagement, customer satisfaction and revenue growth’. In 2009 the Gallup organization affirmed this conclusion by stating “Research has shown that engaged employees are more productive. The research also proves that engaged employees are more profitable, more customer focused, safer and more likely to with stand temptations to leave (The Economics of engagement,Schweyer, Human capital institute, 2000).

Preuss (2003) argues that opportunities to participate and employee skills can lead to higher performance only when employee receive sufficient information concerning their work task.

Batt (2002) used a nationally representative sample of call center and found that greater use of high involvement practices was associated with lower quit rate and higher sales growth.

Financial news, March 2001 as cited Accord management systems (2004) reveals that disengaged employees are more likely to cost their organizations. According to the report, employees who are disengaged:Miss an average of 3.5 more days per year, are less productive and Cost the US economy \$292 to \$355 billion per year.

A deep employee involvement in decision making allows the influence of frontline employees in the planning process. These are the people who are closest to the customer and who can facilitate new products and service recognition a central element in the entrepreneurial process (Lietal,2006).

The effects of participation schemes vary eith the environment into which they are introduced. An insecure work place environment may induce employees’ compliance with participation measures, but may not achieve the commitment needed for attitude changes (Summers J & Hyman J, 2005).

When employees are given the opportunity of contributing their ideas and suggestions in decision making, increased firm's performance may result since deep employee involvement in decision-making maximizes view points and diversity of perspective (Kemelgor,2002). According to (Spreitzer et al, 1997) workers who have greater choices concerning how to do their own work have been found to have high job satisfaction and consequently high performance.

The findings of Khattak, Igbal and Bashir (2012) also indicate that employee involvement and participation at work has significant and positive effect on job satisfaction, leading to improved organizational performance.

Ray and Ray (2011) focused on SMEs and their findings showed that employee participation has positive impact on job satisfaction. It provides employees that opportunity to use their private information, which can lead to better decisions for the organization (Williamson,2008)

When employees are given chance to contribute their ideas and suggestions in decision making, increased firm's performance may result since deep employee involvement in decision making maximizes viewpoints and diversity of perspectives (Kemelgor,2002)

The case of employee involvement and participation stems from economic efficiency gains. There are a number of reasons for such an outcome. First employees generally are better informed about their work-tasks and processes than their managers and so better placed to achieve enhanced performance. Second, advocates of employee involvement and participation argue that its associated practices provide employees with greater intrinsic rewards from work than from other forms of work-place management such as collective bargaining (Gennard& Graham, 2005).

Today options for participation may also include share ownership and job and job enrichment. What they will not encompass is anything approaching workers' control (Cole, 2002). There are two Main reasons why organizations currently take an interest in increasing the role of ordinary employees in decision making . They have been forced into a situation as a result of political pressure or they see participation and empowerment as means of obtaining greater employee motivation and commitment to organizational objectives (Cole,2002).

An important reason for encouraging greater employee participation in decision making, even if only through increased consultation, is that it can lead to improved efficiency and effectiveness in delivery of goods and services to customers. If the means of participation not only increases employees' contribution to problem analysis (which may bring a sense of recognition to individuals), but also enhances their ability to make important operational decisions, then increased employee commitment and motivation is likely (Cole, 2002)

Kim (2002) surveyed 1576 employees who worked for Clark county Nevada and asked them about their job satisfaction on participation. Mangers' use of a participative management style correlated positively to job satisfaction.

Some researchers like (Trehwitt, 2000) have studied the impact of employees' share ownership and employee involvement in an employee owned firm. Her findings suggest that just the presence of share ownership is no guarantee o increased involvement in work.

Employees may negotiate less productive work practices, which require lower additional effort and in the end endanger jobs (Frick, 2002).

2.2.2 Health insurance and the performance of workers.

By definition, health insurance coverage is an employee welfare benefit plan established or maintained by an employer or by an employee organization like a union or both that provides health care for participants and their dependents through insurance coverage or reimbursement.

Most employers make available to their employees some type of hospitalisation, medical and disability insurance, along with life insurance. These benefit from a cornerstone of almost all benefits programs, hospitalisation, health and disability insurance is aimed at providing protection against hospitalisation cost and loss of income arising from accidents or illness occurring from off the job causes (Gary 1988 p.426).

Health insurance is insurance that pays for all or part of a worker's health care bills.

In the US, the most familiar aspect of employee based insurance's past is its rapid growth in the past three decades after world war two, The relative stability that followed for about a decade and a decline in coverage since the late 1980s. The exemption of employer based payments for insurance from employees' taxable income combined with sustainable efficiency advantages of group over individual insurance fueled rapid expansion. By the mid 1950s, 45 percent of the population had hospital insurance: coverage soared to 77 percent. Also by 1963 more than half of the population had coverage for regular medical expenses, and almost one-fourth had major medical insurance (Enthoven2006).

Workers want health insurance for themselves and their families in order to protect against the catastrophic costs of serious illness and to ensure access to medical care. For those without the

time or income to save for it, insurance may be the only way to obtain medical care that would otherwise be unaffordable (Nyman, 1999).

In one recent survey, 73 percent of workers said that the insurance provided by their employer was a very important factor in their decision to take or keep a job (Duchon et al, 2000).

Workers would love to retain that job with free health insurance because normally health insurance services are expensive to be catered for by an individual. So when the company comes out to cater for workers' health insurance services, it becomes hard for employees to shift to another job.

The achievement of highest standards of health and safety in the work place is important because the elimination or at least minimization of health and safety hazards is the moral as well as responsibility of employers this is the overriding reason. Close and continuous attention to health and safety is important because ill-health and injuries inflicted and caused by the system of work or working conditions cause suffering and loss to individuals and their dependents. In addition, accidents and absence through ill-health or injuries result in losses and damage for the organization (Armstrong, 1999).

Healthy employees do not just happen, they are created. One does not stumble on large groups of well conditioned energetic fit workers, accidentally however such groups do not exist at workplaces that have made commitment to health and corporate culture that encourages a healthy life style at all levels (Lloyd, Leslie:2000).

A healthy work force is a more productive work force. Employees with health insurance are out sick from work fewer days, and continue working. An Australia –based study found that healthy

workers were three times more productive than those in poor health. In addition staff morale is generally higher (Gross, 2011).

More than three quarters of employees who say they have good health care benefits also report high job satisfaction and 71% of those workers are loyal to their employers. Conversely only quarter of staff members who are dissatisfied with their benefits are happy and loyal to their organization (Heart math, 2011).

Employers might benefit from providing health insurance if it allows them to recruit and retain high quality workers. Perhaps employees who demand health benefits have other qualities that the employers value. They might be forward looking or less mobile. Thus offering health insurance, the firm could attract employees who anticipate establishing long term employment relationship (Ellen, 2003).

As a business, you have to pick the best health benefit options that cover the majority of your employees. Some employees may not be happy with the packages you chose and may not be satisfied with the amount they have to pay for their portion. It will force them to either pay extra money to see their doctor or find a new one. If you change plans every year, it will require your employees to new insurance to new providers on the annual basis (Kala, 2012).

The International Labour Organisation (ILO),that acts in the interests of the workers, embraces the idea that workers' points of view need to be heeded and given equal status with those of other stakeholders in the workplace in ensuring sound business development. Bennet (2002) argues that workers unlike tools or objects of production, are living human beings that need to be

involved in the improvement of working conditions and should participate at all levels, including international levels, on issues that affect their livelihoods. Workers' perspectives need to be considered in devising and carrying out health and safety measures at the workplace (Bennet,2002).

Insurance is the basic building block of almost all benefit packages for it protects employees against income loss caused by death, accidents or ill-health. Most organizations provide group coverage for their employee. The plans may be contributory (in which employees share the cost of the premium) or non-contributory (Cascio, 1998)

Dr Sean Way and his colleagues in the university's school of hotel Administration found that employees who have health insurance through their employers have better rates of task performance than those who are not covered. The researchers found that while the presence of insurance had no effect on workers' anxiety levels or frequency of absence or tardiness', insured employees tended to perform better in the work place (heartmatch, 2000)

A new study from the Cornell center for hospitality research (CHR) examines the effect of having health insurance on four issues relating to worker's job characteristics; job anxiety, tardiness, absenteeism and overall task performance. The study found that workers who have health insurance reported higher task performance. Meaning that they were significantly more effective in the activities that support their company's overall mission than were workers without health insurance (ehotelier, 2000)

In life, whatever we do is stirred by having a good healthy life. So workers who have got their life insurance covered, have a higher chance of performing better than those without because they feel that the company values their life, so they are left with only the option of putting all their best in developing the company.

Most employers make available to their employee some type of hospitalization, medical and disability insurance: along with life insurance. These benefits form a cornerstone of almost all benefits programs. Hospitalization, health and disability insurance is aimed at providing protection against hospitalization cost and loss of income arising from accidents or illness occurring from off-the-job causes (Gary, 1988).

Healthy employees do not just happen, they are created. One does not stumble on large groups of well conditioned, energetic fit workers, accidentally however such groups do not exist at work places that have made commitment to health and corporate culture that encourages a healthy life style at all levels (Lloyd & Leslie, 2000).

Employers might benefit from providing health insurance for example, if it allowed them to recruit, and retain high quality workers. Perhaps employees who demand health benefits have other qualities that employers value; they might be forward looking or less mobile (eg. workers with children) Thus by offering health insurance, the firm could attract employees who anticipate establishing long term employment relationship (Ellen, 2003)

Usually, employees whose goal is long term employment relationship, are normally proactive, they hearken to the needs of the organization, and work hard to improve production in the bid to please the employers. So providing a health insurance policy will instill job security in the employees thus improving on their performance.

According to (Ithaca, NY, Jan, 2011) although health insurance is a commonly offered benefit, there is a notable lack of research on whether providing insurance affect workers' job behavior or performance. A new study from the Cornell center for hospitality research (CHR) examines the effect of having insurance on four issues relating to workers' job characteristics,

job anxiety, tardiness, absenteeism and overall task performance. The study found that workers who have health insurance reported higher task performance—meaning that they were significantly more effective in activities that support their company’s overall mission than were the workers without health insurance. On the other hand, the presence or absence of health insurance had no noticeable effect on employees’ anxiety, tardiness or absenteeism.

In one recent survey 73% of workers said that the insurance provided by their employers was a very important factor in their decision to take or keep a job (Duchon, 2000). Of all the fringe benefits offered by the employers, health insurance was by far the most important: 65% of workers in another survey ranked health insurance as the most important employee benefit compared with 21% who said a retirement saving plan was the most important benefit (Salisbury & Ostuw, 2000).

2.2.3 The work environment and the performance of employees

Employees are the most important aspect of any organization and the performance and productivity of employees is rooted in their environment (Evens, 2011).

Physical environment affects how employees in an organization interact, perform task, and are led. Physical environment as an aspect of the work environment have directly affected the human sense and subtly changed interpersonal interactions and thus productivity. This is so because characteristics of a room or a place of meeting for a group have consequences regarding productivity and satisfaction level. The workplace environment is the most critical factor in keeping an employee satisfied in today's business world. Today's workplace is different, diverse, and constantly changing. The typical employer/employee relationship of old has been turned upside down. Workers are living in growing economy and have almost limitless job opportunities. This combination of factors has created an environment where the business needs its employees for more than the employees need the business (Smith.2011).

According to the health and safety Executive (HSE), over three million workers in 2009/2010 claimed that they suffered from ill health which, worryingly, they believed that was work-related. So clearly employers need to understand this and ensure that a safe and healthy work environment is a top priority (Evens, 2011).

The work environment consist of the system of work , the design of jobs, working conditions and the way in which people are treated at work by their managers and co-workers. Work conditions need to meet health and safety requirements. The way people are treated is a matter of managerial behavior, achieving work-life balance and dealing with issues such as stress, harassment and bullying (Armstrong, 2010).

Genelia (2012) Says that a business owner has so many things to consider on a daily basis that it's not surprising that office improving isn't a top priority. This said: what a lot of business owners won't know is that the office your business runs from can make a huge difference to employees in terms of a good or a bad working environment. This means that you could be getting less out of your employees.

Work environment is considered to be an important factor affected by transformational leadership and affecting performance. It is composed of all factors related to job and the organization, which influence the leadership between employees, their job and the organization. Organizations in order to boost productivity, design work environment in a way that satisfies employees (Imran,2012)

The first step to a healthy work environment is to plan and carry out a risk assessment to pin down what the risks of the work place are . Employers should talk to staff to find out any health issues, work towards a resolution and a review at a later date. Addressing health and safety issues should not be a costly process-conversely the financial repercussions can be far worse with the possibility of fines, a loss of productivity or having to retain replacement of employees if other are forced to give-up work, either permanently or temporarily due to illness or injury (Evens, 2011).

Ed Lawler (2003) in (Armstrong, 2010) Suggests that what managers have to do is to treat people right. This means respect them as individuals, recognizing their different needs and wants, rewarding their achievements, helping them to develop and treat them with consideration as human beings.

Deal and Kennedy argued that the activities of government and competitors, changes in technology, customer demands and general economic conditions are instrumental in shaping the culture of the organization with survival potential. The orientation of organizations within the environment develops specific cultural styles (Price, 2001).

Noise is one of the leading causes of employees' distraction leading to reduced productivity, serious inaccuracies and increased job-related stress.. According to Bruce (2008), study shows that workplace distractions cut employee productivity by as much as 40 percent and increase errors by 27 percent. Also (Moloney, 2011) citing loftiness study of 2003 confirmed the importance of natural light and air (ventilation) to worker productivity. The study showed a 3-18 percent gain in productivity in buildings with a day-lighting system.

Effective work place communication is a key to cultivation of success and professionalism (Canadian center for communication, 2003). A company that communicates throughout the work place in an effective manner is more likely to avoid problems with completing the daily procedures, and less likely to have problems with improper occurrence and will generate a stronger morale and a more positive attitude towards work. When employees communicate effectively with each other, productivity will increase because effective communication means less complaints and more work getting done (Quilan2001).

Shikdar and Sawaqed (2003) investigated ergonomic factors which lead to low work productivity in six different industries by applying questionnaires to 50 production managers. In this study, measures related to performance were productivity, quality and absenteeism and environmental factors including heat, humidity, noise, light and pollution. From the statistical analysis, they concluded that there was a significant correlation between performance indicators and environmental factors. This indicates that companies with higher environmental problems had

more performance related problems such as low productivity high level of absenteeism and so on.

(Stringer, 2013) states that a recent poll found out that among the other things, an employee's productivity is determined by their relationship with their immediate supervisor. When the boss fails to keep promises, never gives credit where due, make negative comments or blames others for their mistakes, the productivity levels of employees is significantly impacted.

Factors of work place environment play an important role towards employee performance. The factors of work place environment give an immense impact on employees either towards the negative outcomes or the positive outcomes (Chandrasekar, 2001).

Behavior flexibility creates value in two ways. First, an individual's ability to address different situations creates value because the organization is spared the costs of non-adjustments to changed situations. Adaptable individuals adjust to the complexities and novelties of changed situations (Lepine et al., 2000);

Closed office floor plan, whether each employee has a separate office of their own or there are a few people in each closed office, allows staff a greater amount of privacy than an open plan office layout. They have a chance to work in peace and quiet, keeping them focused on the tasks in hand without getting overtly distracted by what their colleagues are doing. It offers employees a thinking frame or be creative without much interruption (Mwbex, 2010)

Over the last decade, the factors of work environment of the office workers had changed due to the changes in several factors such as social environment, information technology and flexible ways of organizing work processes (Hasun and Makhbul, 2005).

A large number of work environment studies have shown that workers/users are satisfied with reference to specific workplace features. These features preference by users are highly significant to their productivity and workspace satisfaction, they are lighting, ventilation rates, access to natural light and acoustic environment (Geerts, 2004&Humphires, 2005) .

According to Boles et al (2004) when employees physically and emotionally have the desire to work, then their performance out comes shall be increased. By having a proper work environment, it helps in reducing the number of absenteeism and thus can increase employees' performance which will lead to increasing number of productivity at the work place.

The roles of recognition, training, employee and communication have been demonstrated to promote both organizational and employee effectiveness as noted by Nkata (2005) in the work of Kawooya N (2010).With this in mind, managers are expected to: communicate clear expectations and boundaries; involve employees in decision-making, goal setting, and project development; provide training both for growth and remediation; and recognize employees for their contribution to the organization. However one may question the process of employee supervision for local councils like Kampala city council, the actual practice of corporate structures in such still remains a challenge.

The job aid, supervisor support and the physical workplace environment are the factors of workplace environment in an organization that could affect that employees' performance. Furthermore as part of the work itself,it consists of the relationship between work, tools of work and the work place. The workplace environm,ent also could lead to the unsafe and unhealthy environment in an organization (Chandrasekar,2011). The work place might result into physical and psychological reactions whether directly or indirectly. This might result into a long term reaction which includes the decrease in performance (De Croon,2005)

Nowadays organizations must be aware of their potential workforce due to the competitive business environment. There are key factors in employees' workplace environment that could give a great impact towards the motivation and performance level. The factors of workplace environment also give a great impact towards the changes of life style, work-life balance and also the health fitness whether towards the positive or negative impact (Chadrakar,2011)

With technological development, innovative communication methods, virtual reality; e-market improvement and alternative work patterns, work place continues to change rapidly (Challenger,2000). To accommodate these rapid changes while maintain or improving outcomes, organizations have increasingly turned to some version of environment such as open office space (Terricone and Luca,2002)

Dutton and Heaphy (2003) outlined the power of what they term high quality connections. They provided data that suggest that such positive relationships built on effective leadership in organizations, promote the exchange of resources, the development of organizational identity and meaning, promote the growth of the employees, and promote learning in the organization. Firms that derive their productivity advantage from firm-specific knowledge may wish to provide better working conditions in the hope that this would reduce worker turnover and minimize the risk of their productivity advantage spilling over to competing firms (Fosfuri et al.2001).

Based on research done by Ettner and Grzywaes, they stated that most of the respondents rated that the factors of work environment give impact on their job s. Therefore it also shows that workplace environment factors have a very strong relationship towards the health, facilities and performance (ShikdarandSawaqed, 2003).

A physical work environment can result a person to fit or misfit to the environment of the workplace. A physical work environment can also be known as an ergonomic work place. Researches on the work place environment need to be done in order to get and ergonomic work place for every each of the employees. By having this ergonomic physical work environment at their work place, it will help employees from not getting the nerve injury (Cooper and Dewe, 2004).

An employee could be affected depending on the task they are given and also the environment of the work place they are working. By having a good environment, the employees could apply their energy and full attention to perform work (Visher, 2007).

With technological development, innovative communication methods, virtual reality emarket improvements and alternative work patterns, work place continues to change rapidly (Challenger, 2000). To accommodate these rapid changes while maintaining or improving outcomes, organization have increasingly turned to some version or environment such as open office space (Terricone and Luca, 2002). This type of work environment supports new styles of working and flexible workplaces which offer inter-personal access and ease of communication compared to fully enclosed offices. This change to open plan office has increased employees' productivity compared to closed office space (Becker, 2002).

Effective communications is seen as an essential element of the organization environment that ought to inform employees of industry challenges, what is happening in the workplace and the company's strategic intent. Beyerlein et al. (2003) states it is management responsibility to align support systems in the strategic design so that employees can communicate their needs and frustrations, as this will keep an organization functioning effectively and make the most of people who are an organizations greatest resource.

A company that communicates throughout the workplace in an effective manner, is more likely to avoid problems with completing the daily procedures and less likely to have problems with improper occurrence and will generate a stronger morale and a more positive attitude towards work. When employees communicate effectively with each other, productivity will increase because effective communication means less complaints and more work getting done (Quilan, 2001).

In his survey (Hughes, 2007) reported that 9/10 workers believed that work space quality affects the attitude of employees and increases their productivity.

Many executives are under a mistaken impression that the level of employee performance on the job is proportional to the size of the employees' compensation package .Although compensation package is one of the extrinsic motivational tool (Ryan and Deci, 2000) it has a limited short-term effect on employees' performance. A widely accepted assumption is that a better work place environment motivates employees and produces better results.

In the bid to promote a good work environment for employees, the Uganda Employment Act 2006 section 6 subsection 3 states “ Discrimination in employment shall be unlawful and for the purpose of this Act, discrimination includes any destruction, exclusion or preferences made on the basis of race, color, sex, religion, political opinion, national extraction or social origin, HIV status or disability which has the effect on nullifying or impairing the treatment of a person in employment or occupation or of preventing and employee from obtaining any benefit under a contract of service”.

(Gendter, 2005) of 200 United kingdom managers support the contention that improved work place would increase employee productivity by 19% and their own productivity by 17%.

Huges (2007) surveyed 2000 employees who belonged to various organizations and industries in multiple levels. The reported result of the survey showed that 9/10 of workers believed that a work-space quality affects the attitude of employees and increases their productivity.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents the methods that were employed when carrying out the study. This includes sections like research design, area of the study, the study population, sample size, sampling techniques, data collection methods, data collection instruments, quality control, measurement of variable, analysis and presentation, ethical consideration and study limitation.

3.1 Research design

The researcher used a case study design and explanatory research design because they enable the researcher to obtain precisely enough required information on the role of non-monetary benefits on the performance of employees. It also brings out the relationship between the two variables. The time dimension of the study will be 1 to 2 months. The researcher also used a quantitative study approach in carrying out the study.

3.2 Area of study

The study took place at Movit products Uganda limited located at Plot 4454 & 4455 Zana - Bunamwaya, Off Entebbe Road in Wakiso district

3.3 Study population

The study population comprised of top level managers from the general manager, human resource department, finance department and other employees coming up with a study population of 60 people. This was got from the company's website (www.movit.co.ug) and the population was distributed by the researcher to suit the study as shown in the table below.

Table 3.1 Showing study population.

Department	Sample Population
General manager	1
Human resource	2
Operations	5
Finance	4
Factory	26
Transportation and loading	16
TOTAL POPULATION	54

The above population helped the researcher acquire adequate complete information about the role of non monetary benefits on the performance of employees.

3.4.1 Sample size

To get the sample size for the population, the researcher used the formula below to get the sample size of 54 respondents.

$$n = \frac{N}{1 + N(e)^2}$$

Where

N=Target population

e= 0.08

n= sample size

General manager: $1/1+1(0.08)^2=1$

Human resource:	$3/1+3(0.08)^2=3$
Operations department:	$5/1+5(0.08)^2=4$
Finance department:	$4/1+4(0.08)^2=4$
Factory:	$26/1+26(0.08)^2=26$
Transportation:	$16/1+16(0.08)^2=16$

Table 3.2 sample size of the population.

Department respondents	Sample Population	Sample size
General manager	1	1
Human resource	3	3
Operations	5	4
Finance	4	4
Factory	26	26
Transportation	16	16
TOTAL	55	54

3.4.2 Sampling technique

A Convenience sampling technique because the members of the population are convenient to the sample. The advantage of this sampling technique is that it is convenient and not expensive. The researcher also used stratified sampling technique the population is heterogeneous and contains different groups some of which are related to the topic of the study. The advantage of this technique is that it ensures a high degree of representativeness of all the strata or layers in the population

3.5 Data collection method

The researcher used primary data which was collected using self-administered questionnaires in order to get information from workers; guiding questions were designed for focus groups. The researcher chose to use questionnaires because the result of these can easily be quantified by the researcher.

3.5.1 Self-administered questionnaires

The researcher used self-administered questionnaires to be answered by the respondents. These were distributed among workers in the company (Movit). The researcher used questionnaires because they are easy to quantify and analyze. Further, questionnaires were used because the study was focused on feelings, attitudes and perceptions of employees. Respondents answer at their own convenience.

3.6 Validity

Validity refers to the truthfulness or extent to which the instrument is relevant in measuring what is supposed to be measured (Amin,2005). Copies of questionnaires were given to the researcher's supervisor in order to determine whether the instrument measured what it was meant to measure and also check on the phrasing, understandability and wording of the study and I discussed with the supervisor the tools were adjusted to fit the objective of the study to ensure the validity of the content used in the tool.

3.6.2 Reliability

Reliability is the dependability or trustworthiness and in the context of a measuring instrument, it is the degree to which the instrument consistently measures whatever it is measuring (Amin,

2005). The reliability of the instrument used by the researcher was tested using Crombach's alpha values as demonstrated below:

Table 3.3 Reliability test.

Variables	Number of cases	Alpha values
Non monetary benefits	06	0.600
Performance	08	0.606

From the above table, it is demonstrated that six cases in the independent variable of non monetary benefits yield 0.600 alpha values and eight cases of dependent variables of performance yield 0.606 alpha values. This means that the instrument that was used by the researcher, was understood by the respondents, the instrument was clear and that the respondents were careful when answering the questionnaires. According to (Sekeran, 2003) The instrument is reliable if the alpha value is above 0.6.

3.7 Data analysis and presentation.

3.7.1 Qualitative data

All the qualitative data collected from key informants was edited on a continuous basis to ensure completeness. Data collected using interviews was put into meaningful and exhaustive categories. Analysis of the content was the main method of analyzing the data collected.

3.7.2 Quantitative data

Data collected on each day was checked to ensure regularity and accuracy. This was useful in ensuring that the objectives of the study were addressed. Analysis was done according to the objectives of the study and the data generated by the questionnaires was coded and analyzed

using commendable computer software called SPSS 16.0. This was done to ensure scientific analysis of the acquired data.

3.10 Ethical considerations

The researcher carried out his research with a very keen ethical consideration. This was manifested by the following ways: The researcher got an approval letter from the faculty of business administration and management, The introductory letter was presented to the human resource manager Movit products limited. While meeting respondents, the researcher informed the respondents that the information got from them is meant for study purpose and not for any other business like spying.

3.11 Limitations

3.11.1 Sample size

Due to the small sample size the researcher used, there was high level of error. Therefore the researcher used multiple methods of collecting data.

3.11.2 Time dimension.

The time was too short to enable the researcher adequate data that can properly represent what is in the field. With this, the researcher used both qualitative and quantitative methods in collecting data.

3.11.3 Measurement tools

The measurement tools available for the researcher were few.

CHAPTER FOUR

PRESENTATION OF RESULTS AND DISCUSSION OF FINDINGS

4.0 Introduction

This chapter presents findings from the study about the effect of non monetary benefits on the performance of employees at Movit products limited.. The study intended to demonstrate the role played by non-monetary benefits on the performance of employees at Movit products limited. The objectives this study was to identify the types of non-monetary benefits used in organizations and to establish the effect of the non-monetary benefits on the performance of employees. In this section the results of empirical analysis are presented.

4.1 Demographic characteristics of respondents

The study put into account the sex of the respondents and their academic qualification which were considered relevant to this study. Table 4.1 presents the background information of respondents.

Table 4.1 Showing gender of the respondents.

	FREQUENCY	PERCENT
MALE	28	33.7
FEMALE	26	31.3
TOTAL	54	65.1

SOURCE: PRIMARY DATA SPSS

The table Fig 4.1 shows the gender of the respondents who participated in the study. The total respondents who participated in the study were eighty (54) respondents. The male respondents

were 28 respondents with a percentage of 33.7% The female respondents were 26 having a percentage of 31.3%.It is evident from the table above that there were more male employees than female employees.

Table 4.2 Showing age group of respondents.

	FREQUENCY	PERCENTAGE
20YEARS AND BELOW	8	9.6
20-24 YEARS	23	27.7
25-29YEARS	12	14.5
30-34 YEARS	10	12.0
35 YEARS AND ABOVE	1	1.2
TOTAL	54	65.1

SOURCE: PRIMARY DATA SPSS (2014)

The table Fig 4.2 shows the different age groups of the respondents of the study. It is evident from the above table that 8 employees are twenty years and below with a percentage of 9.6%, 23 employees range from 20-24 years carrying a percentage of 27.7%, 12 employees range from 25-29 years with a percentage of 14.5%, 10 employees range from 30-34 years with a percentage of 12.0% and 1 employee within the range of 35 and above having a percentage of 1.2%.This implies that the biggest number of employees at Movit products composed of dynamic young people since the highest number of employees ranged from 20-24 years.

Table 4.3 showing the education level of respondents.

	FREQUENCY	PERCENTAGE
CERTIFICATE	2	2.4
DIPLOMA	15	18.1
DEGREE	33	39.8
POST GRADUATE	4	4.8
TOTAL	54	65.1

SOURCE: PRIMARY DATA SPSS (2014)

Table 4.3 shows the education level of respondents and the highest number of respondents that is: 39.8% held a bachelors degree.18.1% of the respondents had stopped at diploma and 4.8% of the total respondents had studied up to post graduate level. The study affirmed that this was so much important that organizations should employ competent and qualified staff because most of the responsibilities and work they do is technical and requires skill and ability.

Table 4.4 Showing time spent in the organization.

	FREQUENCY	PERCENTAGE
BELOW 5 YEARS	17	20.5
5-10 YEARS	27	32.5
10-15 YEARS	8	9.6
15 YEARS AND ABOVE	2	2.4
TOTAL	54	65.1

SOURCE: PRIMARY DATA SPSS (2014)

The above table shows the time spent by the respondents in the organization. 17 employees of a 20.5 percentage were five years and below in the company, 27 employees with a percentage of 32.5 percent were in the range of 5-10 years, 8 employees of a percentage of 9.6 percent were in the range of 10-15 years in the company and 2 employees with a percentage of 2.4% were in the range of 15 years and above in the company. This manifests that most of the employees were fresh graduates whose work experience was short. Also most of the employees had worked for ten years of service in the company.

4.2 Results for specific objectives

4.2.1 Role of employee participation on employee performance

The first specific objective aimed at establishing the role of employee participation and involvement in decision making at Movit products limited. Table 4.5 shows the response from respondents on the role of employee involvement on employee performance.

Table 4.5 Showing employee involvement and performance.

	Mean	Std. Deviation
I participate in influencing corporate decision making	1.52	.574
Employees are provided with data that is timely	1.81	.779
Workers are rewarded for the effort they spend to enhance organisational performance	1.85	.737
Many organisational plans are made through a suggestion system	1.93	.968
Workers' input to the decisions made by the organisation is encouraged	1.74	.873
Departmental heads first ask for workers' opinion on a given policy before it is passed.	1.50	.795

SOURCE: PRIMARY DATA SPSS (2014)

Results in table:4.5 show that workers strongly agreed that they participate in influencing corporate decision making (mean=1.52), employees strongly agreed that departmental first ask for workers' opinion on a given policy before it is passed (mean=1.50), also workers' input to decisions made by the organization is encouraged .This is also stated bythat employees feel

more pleased and confident when management trusts their decisions that have an effect on the outcomes of the business. This ensures that employees become satisfied with their work and decisions that they make in the organization.

The study further revealed that workers were rewarded for the efforts they spend to enhance organizational performance (mean=1.85). When employees are given opportunity to contribute their ideas and suggestions in decision making, increased firm performance may result since deep employee involvement in decision making maximizes view points and diversity of perspective. Also according to (Spreitzer et al, 1997) workers who have greater choices concerning how to do their own work have been found to have high job satisfaction and consequently high performance.

4.2.2 Role of work environment on the performance of employees.

The researcher went ahead to analyzed the role of work environment on the performance of employees. The response from the respondents is demonstrated by table 4.6 which shows the response from respondents on the role of work environment on the performance of employees..

Table 4.6 Showing work environment and performance.

	Mean	Std. Deviation
My job design is favourable	1.89	.793
My supervisor treats me properly	1.72	.738
A clear goal,vision and objective of the organisation is properly stated to every one	2.69	4.299
There is collaboration at the work plpace	1.78	.664
There is a transparent and open communication at the work lpace	2.07	1.086
Departmental heads are approachable	2.07	1.096
There is a balance between work and personal life	2.15	1.172
Recognition for hard work is carried out	1.83	.771
There is a strong team spirit at work	1.89	.793
Career development is offered at work	1.59	.740

SOURCE: PRIMARY DATA SPSS (2014)

Findings in table 4.6 show that the employees strongly agreed that career development is offered at the work place (mean=1.59), employees agreed that there is collaboration at the work place.

Recognition for hard work was carried out at the work place (mean=1.83) This is also supported by Ed Lawler in (Armstrong, 2010) that what managers have to do is to treat people right. This means respecting them as individuals, recognizing their different needs and wants, rewarding their achievements, helping them to develop and treat them with consideration as human beings.

Employees also agreed that their job designs were favorable (mean=1.72) furthermore the employees agreed that their supervisors treated them properly. There was a transparent and open communication at the work place. Terricone & Luca, 2002) stated that to cope with the changes in technology, organizations have increasingly turned to some version of environment such as open office space. Ms Kalyango a worker at Movit products stated.....”when am given a departmental head who is approachable, it adds on my morale when doing my daily duties”.....

4.2.3 Role of health insurance on the performance of employees.

The third research question aimed at establishing the relationship between health insurance and the performance of employees at Movit products limited. Employees however agreed with the health insurance package deducted from their gross salary. The findings from the respondents are indicated in the table 4.7 below.

Table 4.7 Showing health insurance and performance.

	Mean	Std. Deviation
The health insurance package deducted from my salary is appropriate	1.93	.929
I get appropriate service from the health insurance provider	1.89	.744
Health insurance offers access to medical care whenever i need it	2.06	.940
The deduction to cover health risk is helpful to me	1.85	.787
Being insured saves on the daily medical bills	1.94	.763
Health insurance transfers health risk to another party	1.83	.607
Health insurance scheme is efficient in our organisation	2.48	4.321
Health insurance caters for my health bills	1.83	.885

SOURCE: PRIMARY DATA SPSS (2014)

From the table 4.7 it is evident that employees agreed that the health insurance package deducted from their gross salary was appropriate (mean=1.93), workers also agreed that they get appropriate service from the health insurance provider (mean=1.80), employees also agreed to the notion that health insurance is efficient in the organization. Employees also said that being

insured saves on their daily medical bills (mean=1.94), employees also agreed that health insurance offers access to medical care. This is supported by (Nyman, 1999) who stated that the workers want health insurance for themselves and their families to protect against catastrophic cost of serious illness and to ensure access to medical care. For those without the time or income to save for it, insurance may be the only way to obtain medical care that would otherwise be unaffordable.

4.3 Role of non monetary rewards on the performance of employees.

Table 4.8 role of non-monetary benefits and the performance of employees.

	NMB	P
Pearson Correlation	1	.433**
Sig. (2-tailed)		.003
N	55	54

** . Correlation is significant at the 0.05 level (2-tailed).

SOURCE: PRIMARY DATA SPSS (2014)

The table 4.8 revealed that there is positive significant relationship between Non-monetary benefits and the performance of employees with a correlation significance of 0.05.

The results further showed that there is a positive significant relationship between non-monetary benefits and the performance of employees (R=.433** and P< 0.03)

The results implied that if non-monetary benefits are well given to employees, the performance of employees will improve and if employees are not involved in decision

making, not offered health insurance, and deprived of a good work environment, their performance and commitment to the organization will be low.

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATION

5.0 Introduction

This chapter presents the discussion of the results, draws conclusion according to the findings on each of the study objectives and gives recommendation as per research objective.

5.1 Summary

Based on the findings, this is the summary about non-monetary benefits and the performance of employees.

5.1.1 Work environment and the performance of employees

The research was carried out to establish the role of work environment on the performance of employees. The findings established that employees welcomed so much departmental heads being approachable; employees also liked it when recognition for their hard work is carried out and finally employees also liked a transparent and open communication at the workplace. The open and transparent communication at the work place empowers workers to be open minded when doing their day to day operations. Employees also agreed that career development was offered at the work place .This helps improve on the quality of work delivered by the workforce.

5.1.2 Employee involvement and the performance of employees

Research established that the most commonly used scheme of employee involvement were organizational plans being made through a suggestion system, workers were rewarded for the efforts they spent to enhance organizational performance This was further upheld by Kornard (2006) that the reward component of high involvement equation means rewarding employees for

expending discretionary effort to enhance organization performance.. When organizational plans are made through a suggestion system, employees feel involved in the making of organizational decisions thus this makes them feel empowered in doing the activities of the organization. On the other hand the research found out that departmental heads first ask for workers opinion before passing organizational policies. This can really motivate employees since they seem to understand it in the way that their heads are accommodative and don't want to employ autocracy in management.

5.1.3 Health insurance and the performance of employees

It was also concluded that with health insurance, the health insurance package deducted from the employees' gross salary was appropriate and that the health insurance scheme was efficient in the organization. This meant that employees were satisfied with the deduction from their gross salary to cover to cover health insurance.

Also the findings demonstrated that health insurance offered medical care to employees whenever they needed it. This meant how efficient and effective the health insurance scheme was in the organization. Research further stated that health insurance saved employees from the daily medical bills. This meant that health insurance plays a big role in saving employees from the petty medical expenses incurred which are unexpected.

5.2 Conclusions

As regards work environment, it was concluded that departmental heads were approachable, recognition for hard work was carried out and a transparent and open communication prevailed at the workplace. These helped in making employees feel at home when at the work place, and worked as an empowerment for employees when carrying out their daily duties.

With respect to employee involvement and participation, the study concluded that organizational plans were made through a suggestion system and that employees were rewarded for their efforts to enhance the performance of the organisation. This made employees feel that they are really part of the organization since they suggest on what steps to take in implementing organizational decisions that affect their work. This also instills a spirit of creativity in the employees of the organization since they are rewarded for the efforts they put in enhancing company performance.

Conclusions vis-à-vis health insurance found out that the health insurance package deducted from the employees' gross salary was appropriate and that health insurance offered medical care to employees whenever they needed it. This provides assurance of medical attention to the employees in case it is needed and when appropriate health insurance deduction is removed from the employees' salary, it will create satisfaction in the hearts of the employees that it is just a reasonable amount that is deducted from their gross salary to cater for their health needs..

The above findings helped the researcher answer question regarding the relationship between work environment and employee performance, the role played by employee participation in decision making and their performance, and the effect of health insurance on the performance of employees. It is seen that non-monetary benefits influence the performance of employees in many ways among which these benefits empower employees to do the daily task efficiently, these benefits also lift the class and the spirit of employees thus making them proactive.

5.3 Recommendations.

The system of non-monetary benefits given to employees at Movit products limited is not adequate enough and limited to boost their performance. Accompanied with it should be a range of tangible and monetary rewards given to employees for employees are moved when they receive empirical and tangible benefits. Therefore the management of Movit products limited may not only depend on non-monetary benefits to boost their employees' performance, but should consider tangible, monetary and empirical benefits to employees. When added together, they will boost the spirit of the employees and hence the performance of Movit products Uganda limited will also improve.

Areas for further research

Further research is needed in the area of recognition and its impact on employees' performance.

Secondly also further study will be needed in studying the role played by employee appraisal on the performance of employees.

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APPENDICES

Appendix 1: Sample Questionnaire.

QUESTIONNAIRE

Topic: Non monetary benefits and the performance of employees

Dear sir /Madam,

My name is Ggalabuzi Joseph, a student of Uganda Martyrs University Nkozi with registration number 2011-BO21-20013 carrying out research on the role of non monetary benefits on the performance o employees: in partial fulfillment of the requirement of the award of a Bachelors degree in Business Administration and Management .Your response here is highly treasured, important and its required strictly for academic purposes and therefore be assured of utmost confidentiality. Please spare some time and answer the following question.

Section A: Background information (please tick the most suitable option)

Gender

1. Male

2. Female

Age group

1. 20 years below

2. 20 -24

3. 25-29

4. 30-34

5. 35 and above

Education level

1. Certificate

2. Diploma

3. Degree

4. Post graduate

5. Others (specify)

Time spent in the organization.

1. Below 5 years

2. 5-10 years

3. 10-15 years

4. 15 years and above

SECTION B

The aim of this tool is to improve the understanding of how no monetary benefit influence performance and not to examine or penalize the company. Please grade in the space provided 1 to 5 with 5 being the highest and 1 the lowest.

Key

1= Strongly Agree 2= Dis Agree 3= Not Sure 4=Agree 5= Strongly Agree

Health insurance	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1. The health insurance package deducted from my salary is appropriate.					
2. I get appropriate service from the health insurance provider.					
3. Health insurance offers access to medical to medical care whenever I need it.					
4. The deduction to cover health risk is helpful to me.					
5. Being insured saves on the daily medical bills					
6. Health insurance transfers health risk to another party.					
7. Health insurance scheme is efficient in our organization.					
8. Health insurance caters for my health bills					

Work environment					
1. My job design is favorable.					
2. My supervisor treats me properly.					
3. A clear goal, vision and objective of the organization is properly stated to everyone.					
4. There is collaboration at the work place.					
5. There is a transparent and open communication at the work place.					
6. Departmental heads are approachable.					
7. There is a balance between work and personal life.					
8. Recognition for hard work is carried out.					
9. There is a strong team spirit at work.					
10. Career development is offered at work.					

Employee involvement in decision making					
1. I participate in influencing corporate decision making.					
2. Employees are provided with data that is timely and relevant to their work processes.					
3. Workers are rewarded for the effort they spent to enhance organizational performance.					
4. Many organizational plans are made through a suggestion system.					
5. Workers' input to the decisions made by the organization is encouraged.					
6. Departmental heads first ask for workers' opinion on a given policy before it is passed.					

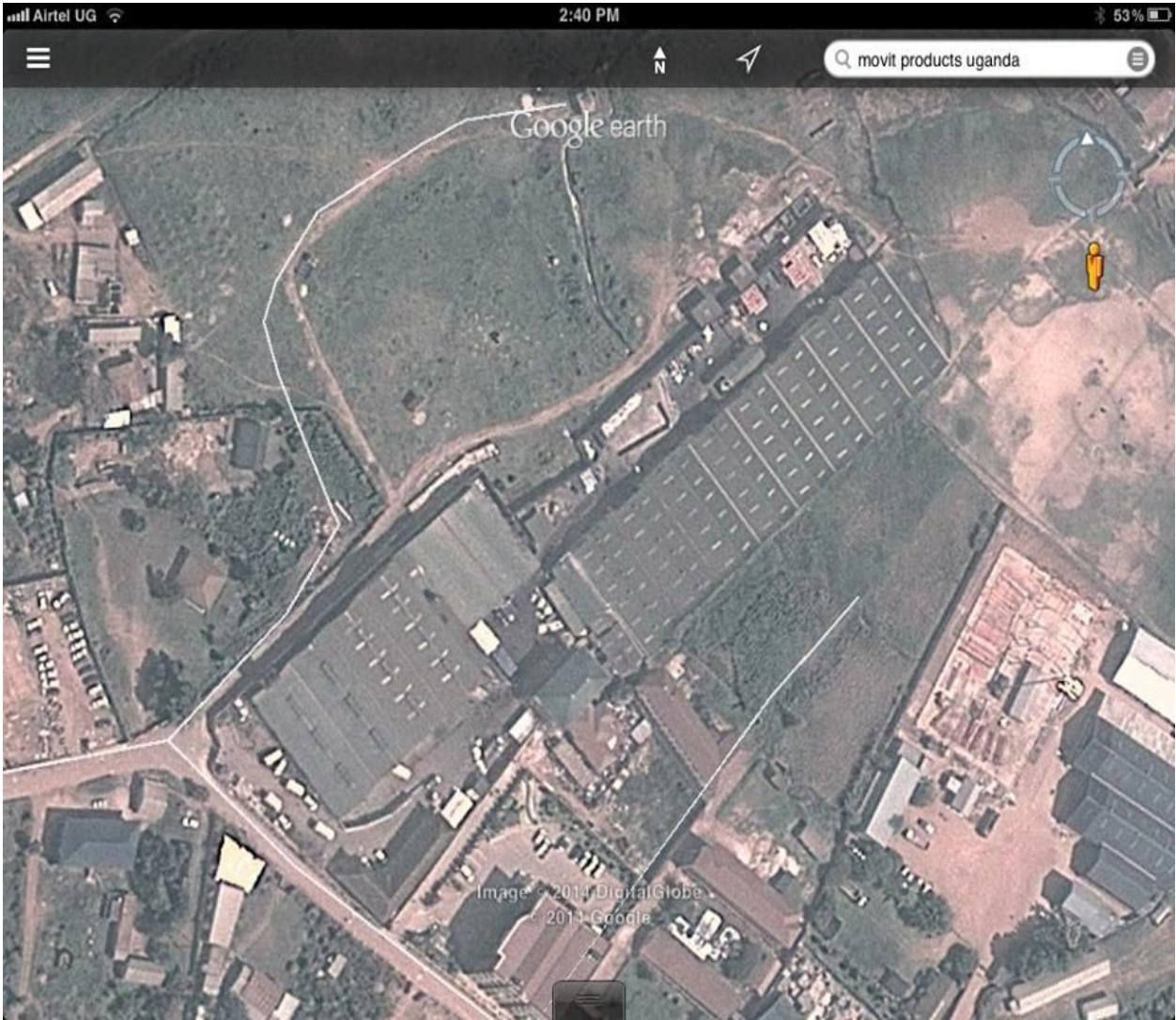
Key

1= Strongly Agree 2= Dis Agree 3= Not Sure 4=Agree 5= Strongly Agree

	Employee performance	1	2	3	4	5
1.	Workers are effective in doing their daily tasks.					
2.	Employees report and leave the work place on time.					
3.	Workers meet their daily goals.					
4.	Employees make sound decisions at all time.					
5.	Employees normally don't make mistakes at work.					
6.	Workers make great effort when working.					
7.	Workers need no supervision.					

Thank you

Appendix 2: Aerial view of Movit products Uganda limited.



Source: Google earth 2010.

