

Compensation and Innovative Employee Benefits Ways: A Study on Select Private Organizations in Service Sector

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Abstract

Compensation plays an important role in today's competitive business world. Compensation strategies not only help in improved employee morale, productivity, job satisfaction but also act as a retention tool. The organizations need to design good compensation and innovative employee systems for competitive advantage in the present scenario. It is very crucial to acquire and retain the best talent. Individual employees may have different pay and benefits preferences based on gender, education, age and experience. Private organizations provide huge amount of hard core cash along with the other non-cash benefits categorically based on these preferences too. Private organizations have introduced cafeteria pay plans in which the employees have been given the freedom to choose their own salary components as per their requirements. These pay plans further help the employees to pay lesser taxes also. The employees make use of this saved money for the fulfillment of their personal needs. The private organizations also extending new and innovative ways to retain expectant and young mothers too.

The present study has used dual approach. The data is collected through secondary sources and followed by an exclusive one-on-one interview with the employees of private organizations. This paper explores the various types of innovative compensation and reward ways applicable in different organizations. The paper also provides the list of various non-cash benefits given to the employees by their respective organizations. The findings of the same would also bring good insights for other private organizations to gain the competitive advantage over a period of time.

Key Words: Compensation, Benefits, Rewards, Satisfaction, Competitive Advantage

1. Introduction

Compensation is one of the most important motivation for an employee to work for in any organization. It involves providing value to employees in lieu of work performed. It is the reward given to an employee by the organization for rendering the services. Compensation has been defined in a variety of ways by many researchers. . In English, "compensation" is defines as something that counterbalances, offsets, or makes up for something else's. In Japanese, it is defined as “kyuyo” (kyu and yo), which means both meaning "giving something". Besides, in China, the traditional characters for the word "compensation" are based on the symbols for logs and water; compensation provides the necessities in life (Milkovich & Newman, 2008).

In an organization perspective, compensation is often defines as an important human resource management function where it emphasizes planning, organizing, and controlling various types of pay systems. It is used for rewarding employees who perform in their work or service in the form of direct and indirect payments to an employee, monetary and non-monetary rewards (Noe, Hollenbeck, Gerhart & Wright, 2004). Moreover, in other words, compensation refers to all forms of financial returns and tangible services employees receive as part of employment relationship. It can be seen as a measure of justice. Normally, it is the major source of employees' financial security (Milkovich & Newman, 2008).

Compensation may achieve several goals such as best in class recruitment, higher rate of retention, enhanced job performance due to performance linked rewards, superior job satisfaction due to increase in perceived self-worth of an employee, achieve internal and external equity, reduce turnover and encourage loyalty towards company.

Factors effecting compensation may be divided into internal and external factors. Internal factors include employer's ability to pay based on size and domain of company, employee seniority and performance, job requirements, demand for a particular skill, urgency of the firm to close the position and organization strategy. For instance, larger multinational corporations (MNC's) are more likely to pay significantly higher than startups. External factors include cost of living index, laws governing working hours and minimum wage requirements, economy, inflation, technological changes and academic institutions.

Compensation can be divided broadly into two components i.e. direct and indirect component. These days, the compensation gets released to an employee in the form of fixed pay, variable pay, benefits and equity based compensation. The fixed component is the base salary. The variable component includes performance based bonus and incentives. Benefits include medical insurance, company transport, vacation, retirement benefits and so on. Equity based compensation includes stock options which give employees a sense of ownership in the company. Almost, in each organization, the intent to release compensation in non-cash benefits to ease employees through new and innovative ways to help them in work-life balance. Since, in today's context, the concept of dual career couple is well seen even in economies like India. This concept has skewed the time to spend with the young and older parents. Therefore, organizations are forced to implement new innovative compensation and other employee benefits in order they can actually spend the family hours actually with the loved ones. Taking this into account, a very new ways of compensation and employee benefits have been exercised almost by all service sector based organizations. The present study is exploring the innovative employee benefits given by telecom, information technology, banking, hotel industry and social media companies also.

2. Review of Literature

A number of researchers have contributed on the compensation aspect. Compensation provides competitive base salary levels necessary to serve the day to-day activities being performed by an employee along with to attract and retain talent (Zhou, Qian, Henan and Lei, 2009). The compensation typically contain the following components base salary, overtime pay (OT), bonuses, commissions, the dollar value of restricted stock awards and gains from exercising stock options, profit sharing (Chen and Brian , 2004). The following is the definition for the two components of compensation. These different components have also been defined by many researchers. Bonus is referred as a cash payment provided to employees based on their performance at the end of year (Steven and Loring, 1996). Bonus is a single lump-sum payment given to an employee in terms of cash. Some companies also give monetary incentives for achieving job targets (Bloom & Milkovich, 1998; Gupta & Shaw, 1998; Lowery, Beadles, Petty, Amsler & Thompson, 2002). Benefits refer to the part of the total compensation package provided to the employee in whole or in part by payments from the employer and it did not include the pay for time spent on work (Milkovich & Newman, 2008). Besides, benefits are

group membership rewards that provide security for employees and their family member. Benefits are a non-compensation paid to employees. There are benefits which are to be given to all the employees irrespective of their performance. These benefits include pension, health insurance, fringe benefits, welfare and etc (Lee, Hsu & Lien, 2006). Benefits are a crucial part of an employee's total compensation and an employee is tied to an organization just because of the variety of benefits. Benefits packages are became popular after World War II, when wage controls made it more difficult to give competitive salaries (Enotes.com, 2008). Benefits may also be seen as a reflection of justice in society (Herman, 2005).

Work-life balance refers to the effectively managing between paid work and the other activities that are important to people in their personal lives. According to work-life balance is a program that help employees better integrate their work and life responsibilities include time away from work (vacation, jury duty), access to services to meet specific needs (drug counseling, financial planning, referrals for child and elder care), and flexible work arrangements (telecommuting, non-paid time off (Milkovich & Newman, 2008). Some other researchers have found that good balance between work and personal responsibilities strengthen employee loyalty and productivity in an organizational set-up (Melissa (2007). Apart from this, over a period of time, research has been finding the relationship between compensation and other benefits with that of job satisfaction and productivity. It has also been found that the employees are more satisfied and committed to their job if organizations are supportive of work life balance (Burke and Green Glass, 1999). Work-life balance programs have an impact on employees in terms of recruitment, retention or turnover, commitment and job satisfaction, absenteeism, productivity and accident rates (Melissa, 2007). Other wellness programs and including benefits like transport allowance, medical allowance have positive relationships with job satisfaction of employees (Bonner, 1997). Generous rewards tend to retain people because high reward levels lead to high job satisfaction, commitment, and loyalty (Chiu, Luk & Tang, 2002). Therefore, when employees feel they are not being rewarded in accordance with the efforts they have put in, it leads to low job satisfaction, low motivation and of course, low performance (Buffardi, Smith, O'Brien & Erdwins, 2002)

It has also been found that employees value both cash and non-cash benefits and their priorities change based on age, gender and number of dependents (Leaf and Ryan, 2010). Many companies

to retain the best talent have launched initiatives that go beyond cash compensation. Another study found that how organization pay systems and strategies can be aligned to gain advantages (Lawler, 1990). It has also been found by a study that HR department in an organization can use strategic compensation techniques to attract and retain the best talent in the industry (Martocchio, 2013). Another researcher studied how employee preferences effect the employee morale and overall job satisfaction in terms of compensation and benefits packages. (Dunn & Martin, 2015) Another study analyzed different cash and non-cash benefits mean to employees and how they affect the overall employee satisfaction and organization productivity (Mitchell, & Mickel, 1999). Most important one study analyzed how even in a global slowdown the organizations can acquire and retain the best talent based on the compensation (Gordon, 2009). Also, it is difficult to only say that monetary rewards are the main source of motivation, there are number of ways to motivate the employees to achieve high level of performance (Ungson, Steers, 1984). It has also been found that employees value both cash and non-cash benefits and their priorities change based on age, gender and number of dependents (Leaf and Ryan, 2010). Many companies to retain the best talent have launched initiatives that go beyond cash compensation. Another study found that how organization pay systems and strategies can be aligned to gain advantages (Lawler, 1990). It has also been found by a study that HR department in an organization can use strategic compensation techniques to attract and retain the best talent in the industry (Martocchio, 2013). Moreover, a study also analyzed compensation and its various components and the effect of the same on the organization (Milkovich, Newman & Gerhart, 2014). Another study used equity theory in a cross cultural context to understand the effectiveness of compensation strategies across the globe (Bolino, & Turnley, 2007). Another researcher studied how employee preferences effect the employee morale and overall job satisfaction in terms of compensation and benefits packages. (Dunn & Martin, 2015).

3.Research Methodology

Secondary data analysis has been done for this study. The data analysis is done based on past literature that provides details of various cash and non-cash compensation and benefits provided by organizations to their employees. Recent news articles published in the business newspapers, company's annual reports and company announcements have also been analyzed to study the latest trends in the industry that state of the art organizations are adopting to acquire and retain

the best talent in the industry. After that an exclusive one-one interviews were conducted with the present and ex-employees, for some of the companies to explore further insights into it.

3.1 Objectives of the study

1. To identify the innovative compensation and reward ways applicable in different private organizations.
2. To identify non-cash benefits applicable in different private organizations.
3. To suggest ways to other organizations to gain the competitive advantage based on the compensation and other rewards.

4. Findings and Analysis

Today companies are managing a diverse workforce and it is crucial to retain and acquire the best talent in the market. Individual employees may have different pay preferences based on gender, life style stage, education, age and experience. So, in the present study, the data is collected from the various published sources to find out what exactly the companies are paying in cash and non-cash benefits to its employees based on the age, gender and needs of their employees.

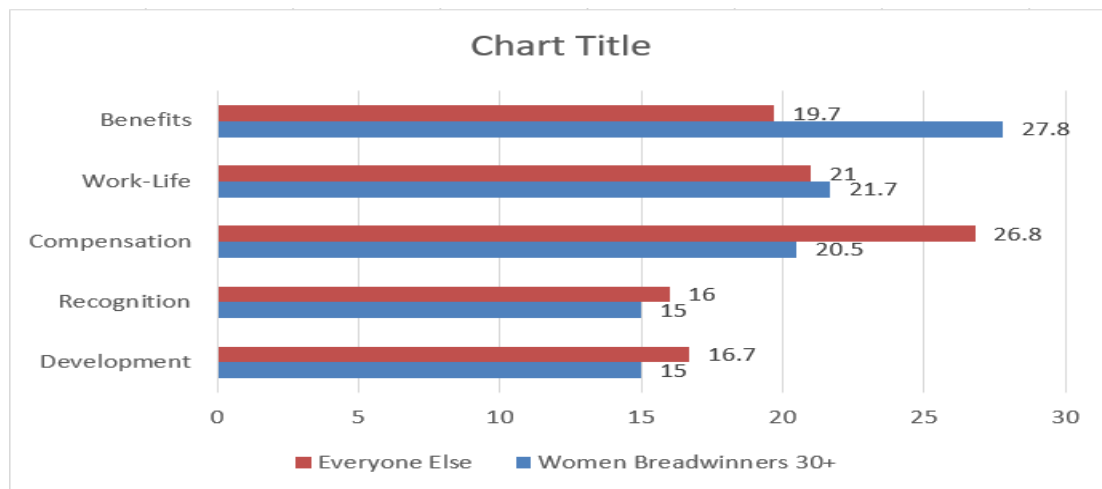


Figure 1: Criteria for women bread winners

In contrast the most important compensation criteria for women who are bread winners is benefits (Figure 1) found by a survey conducted in 2016 by economic times. So, of course, based on such surveys, many organizations are aligning their pay and benefits accordingly in order to

ease the employees. In February 2016, Nestle announced extension of maternity leave to six months. It has also announced adoption leave for six weeks with full pay and benefits for all permanent women employees. A paternity policy introduced leave of five working days with pay and benefits to all permanent male employees including blue collar ones. Similarly, on the same lines, in 2016, P&G introduced six-month adoption leave for employees. Under the new policy both male and female employees of the United States headquartered fast-moving consumer goods maker working in India will be eligible for paid leave if they are the primary caregivers.

Rewards prioritization for employees under 40 who are not supervisors shows that (Figure 2) compensation, work life balance and benefits are the top three priorities for employees (Leaf and Ryan, 2010).

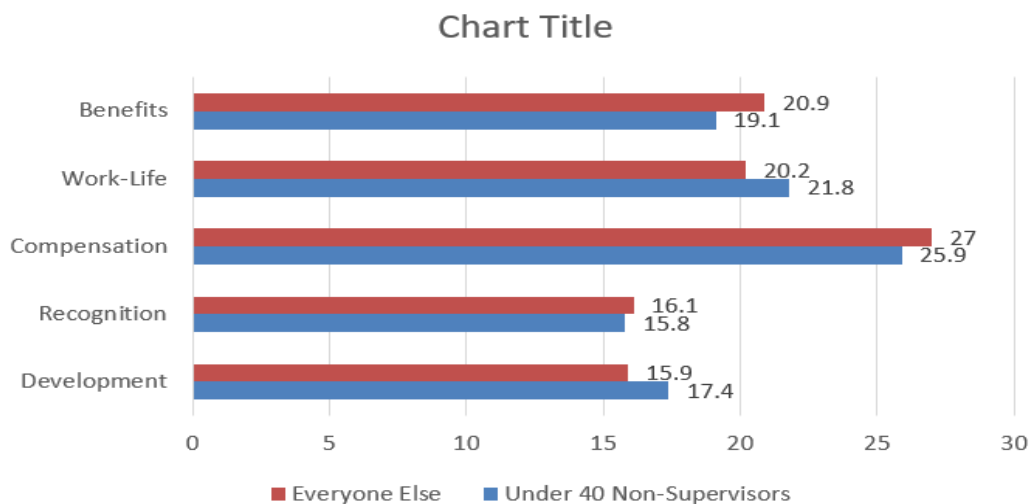


Figure 2: Criteria for employees under 40 who are not supervisors

As per Business Standard report September 2016, total 59 companies announced bonus shares in 2016 for their employees. As per Economic Times jobs in 2016 report, smaller law firms like HSA Advocates, Phoenix Legal and others look to charm talent with attractive perks. Some are even offering pensions and post-retirement benefits (Leaf and Ryan, 2010). According to an employer branding survey conducted by Randstad in 2018, salary and employee benefits continue to be at the top while selecting an employer for themselves across all profiles. About

48% of the respondents, have salary on the top their minds when it comes to deciding their place of work.

Work-life balance (44%) and job security (42%) are the next important factors amongst both men and women while choosing an employer to work with.

The next section deals with the various pay packages and other benefits given to its employees from a number of industries such as telecom, banking, information technology and social media companies.

IBM

It is paying handsome packages to its employees including fixed, variable pay and a variety of benefits. Health Benefits at IBM have also been extended to the old aged parents living away. The company believes that the employee should be fully relaxed at the workplace, the philosophy of Medtronic “Total Well Being” is also a likewise initiative. IBM has already introduced a special programme called the “Senior Care programme” in January, 2016. This is for the care for ageing parents and parents-in-law who require support at the old age. IBM is offering its employees subsidized rates for non-critical but essential care services. Through this, they aged parents can get escorted pick-up and drop service for hospital/medical centre visits, home health aides or attendant services for 4-12 hour periods as back-up care. Also, they get home visits by nurses arranged, a blood sample collection from home and get reports delivered at home only. This unique benefit provided by IBM is really appreciated by one employee during the personal interview. He said

“It is very difficult earlier for my parents as they are living in one of the villages near Solan in Himachal Pradesh to arrange all such in case of an emergency related to health. But, this special benefit at IBM eased my life to quite an extent.”

Some other companies like Deloitte has introduced “Well Being Program and American Express has “Dil Se” initiative introduced for parental care providing a 24/7 health helpline through a toll-free number for employees as well to their parents (www.businessinsider.in).

Apart from this at IBM, be it managers or direct reportees. You can avail work from home facility in IBM whenever you want. An employee of IBM revealed that

“Some of my colleagues are required to go to office only when there is a meeting or discussion. He added as such there is no monitoring on the timings when you are coming to office and when you are leaving. The point is you should complete your work on time”.

Appending further to it, at IBM, there are no designated spaces also; you can occupy any seat to work for. At some points, you may find standing working positions as it increases your performance (Quora.com).

GOOGLE

Google stood amongst the top best companies to work for by a survey conducted by the economic times in 2017. Google does not only provide handsome compensation rather it gets competitive edge also on the other pay forms given to the employees channelized through many ways. Google focus is to make the workplace more comfortable and lively. In one of the offices, it has installed sliders, employees can use these slides to visit the various floors as it rejuvenates along with breaking of monotonous. The employees are given on campus facilities like an on-site gym, spa, message, on-site free doctors, car washes, micro-kitchens, rooftop gardens, pool tables and the employees at Google are allowed to bring their pets to workplace. Googlers also get free meals (Italian, Indian, Chinese and Continental food) and snacks in the office, which one Glassdoor reviewer called "varied and delicious." Reviewers also called the food "healthy," "tasty," and even "on par with any of the top restaurants in Newyork". Besides this, the employees can give each other "massage credits" for a job well done on projects. The massage credits can be redeemed for a free one-hour massage on campus. During an interview with one of the Goolgers, it is revealed by him that

“We have ‘Thank God It’s Friday (TGIFs) , where in the top management answers the queries raised by employees for better engagement results and to give access to information to all the employees.”

Moreover, regarding leave and holidays, Googlers can take a three-month leave of unpaid time off under specific circumstances related to their personnel issues which is again a unique benefit offered to Googlers where in healthcare benefits continue for unpaid leaves of up to three months. Googlers can grow their own vegetables at its one of the offices to ease minds from the routine job duties. Googlers can use their time off to work with nonprofit organizations, political

campaigns, and other community-oriented projects they're interested in. (Business insider. in). Along with this, in case of demise of an employee, they provide the surviving spouse or partner of a deceased employee 50% of the salary for the next ten year.

Microsoft

It also offers its employees not only good compensation but provides them a lot of benefits to ease them as well at work. They offer a bike to work, free health club memberships, locker's room, clean showers and towels, amazing on camp cafes, free star bucks coffee, personalized work space, free drinks, free on-site health check-up camps, lunch delivery right to your office table, product discounts from Microsoft stores, free campus shuttle service, on-site bike repairs, free 24-hour nurse line. The employees are free to work out in the gym at Microsoft. The employees at Microsoft also gets benefited worldwide related to their re-location issues through a Worldwide Emergency Assistance Program. It also issues employees an Employee Stock Purchase Program in which employees get an opportunity to share the financial rewards and overall success of the company's growth and performance. An employee at Microsoft revealed that”

“We have been provided with ‘Flexible Work Areas’ on campus. An employee can sit at any place to work.” One very interesting fact is that after every two hours, my computer will flash a dialogue box for stretch break reminders to ease myself.”

Employees are given financial assistance to the young parents so that they can meet their day-care facilities. Employees have also been provided with night time allowance if any time they work and tuition assistance is also given to eligible employee if in case they enroll for a higher education program (Microsoft.com).

ICICI Bank

ICICI bank is also offering many benefits to its employees so that they are eased and can contribute in a better sense. It distributes good amount of money to the extra ordinary performers as a bonus based on the appraisal rating of the employee. It also disburses concessional loan to its employees than the market prevailing rate and the young employees can built their homes. It has extended paid maternity leave for 26 calendar weeks from existing 12 weeks. Paternity leave, earlier given for five working days, was increased to 15 working days.

Adoption leave has also been extended for 26 calendar weeks from the previous 12 weeks. Adoption leave is agnostic of gender and will be provided to all employees adopting children - whether male or female - so long as they are the primary caregiver of the child.

At ICICI bank, employees automatically become ICICI Bank salary account holders with special benefit. They are offered zero balance facility and no extra penalty will be borne by the employees. There is no annual fees on debit card and a higher cash withdrawal option is also available to the employees. Regarding online funds transfer, there is no need for cash withdrawals and cheque deposits. We give our employees the facility to transfer funds online from any part of the world. In an exclusive interview with one of the ex- employees of ICICI bank,

“At ICICI, we used to have fun at times also. The culture was good. The technology platform was quite user friendly and eased to work with. Our branch manager was quite lively and bank used to organize an annual party for all the employees with complete fun packet into it.”

A study shows that the most important criteria for women with young children is work life balance followed by compensation and benefits, as shown in the Figure 3 (Leaf & Ryan, 2010).

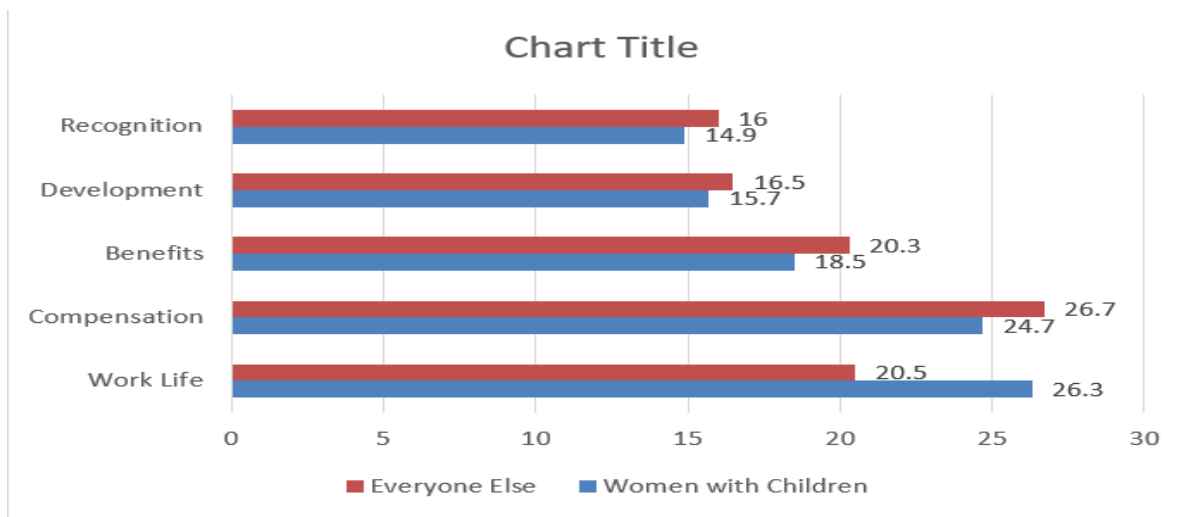


Figure 3: Criteria for women with young children

In, 2016, unlikely happened in banking industry so far, ICICI Bank launched iWork@home, initiative two years back. This is an initiative through which women employees are allowed to work from home for up to a year. Chanda Kochhar, managing director and chief executive

officer, ICICI Bank, explained this could be extended for more than one year based on the requirements of the employee. The technology platform is already developed with the help of IIT students to ensure the security and privacy of the data and it would also ensure facial recognition. This initiative is for women in all roles except the ones who are in customer facing roles. This option is mainly for young mothers, expectant mothers and those who suffer medical issues. At ICICI bank, young mothers are also allowed to take their young children up to the age of three years to travel along with them when they are going out of station for business tours (businessstandard.com). Kochhar said under the iWork@home pilot, a total of 50 women have already been made a part of this system and they have received more than 100 requests for this. “Women who would have otherwise quit from the bank in case of maternity requirements, childcare or other reasons are now requesting for this option so that they can continue to work at ICICI bank from home. The bank, which has about 30 per cent women in its overall workforce, has also seen an increase in productivity by giving women an option to work from home. Moreover, ICICI Bank has also introduced new benefits under its “Advantage Woman Savings Account”. This offers unlimited free ATM usage at all banks, cash back subject to a maximum of Rs. 750 per month on usage of debit card at departmental stores and also gives 30 per cent discount on first-year locker rentals.

Vodafone

Vodafone also known for its handsome salary packages along with the other benefits offered to the employees in a variety of ways. It has already realigned its compensation strategy with the changing needs and demands of the workforce. It is paying its employees compensation in a way though fixed, variable and other tangible benefits. The company also offers a maternity policy for 16 weeks maternity leave. The women employee is also benefited to work for 6 hours only per day for another six months post-delivery so that she can spend good time and also attend to her child’s nursing needs up to a year (economictimes.com). Many women employees are forced to leave the office because of the needs of the newborn babies. They have introduced the maternity leave option to every women employee even in those countries with little or no statutory maternity leave is given. This is really a unique initiative being taken by companies like Vodafone. In an interview with a female employee,

“I really feel secure working at Vodafone, despite being away from my home as it really has intense on the safety of women employee also. We have a culture, where in a female employee is required to leave the office before the sun sets and we are supposed to avail the hotel facility if we are out for a business tour and it is borne by my company all the time.”

Apart from this, we get good amount of performance linked incentive every year based on the performance of an employee and company. We at times, enjoy a lot in the office parties being organized by the office. It's really a wonderful stay so far at Vodafone.

Bharti Airtel

Companies with flexible pay plans that allow employees to modify their salary structure to maximize tax savings are more likely to retain talent with cash as well as non-cash benefits.

Organizations today are offering customized cafeteria plans that allow employees to select from a variety of benefits to formulate a plan that best suits their needs and when they join the company. Cafeteria plan options may include health and accident insurance, cash benefits, tax advantages and/or retirement plan contributions. Sodexo gives companies and public authorities' meal coupons, restaurant vouchers, mobility passes, leisure passes, book cards, and training vouchers in form of coupons and processes them upon usage. At Bharti,

“We have the option to pick up our salary break up components within a week once we join the company and the system is so flexible, we are given a choice in the next financial year to add or delete the previous selected components. We are really happy with the system because we have been enough empowered by my organization.”

In Indian telecom industry, Bharti Airtel offers a lot of work benefits to its employees in order to ease them. It has been known as a good company to work with across Indian telecom industry due to a unique set of advantages given to its employees. It has been covering its employees under life, accidental and medical insurance. It has been also providing them subsidized lunch, free evening snacks, self-marriage loan with no interest, free tea and coffee throughout the day, tax saving options, free DTH service, and sponsor for higher education also. Another employee has revealed that once in a year,

“The company celebrates an exclusive ‘Family Day program’. In this program, the families of all the employees are invited for an outdoor leisure time which in general happens from 11 am to

6 pm in the evening. The family members showcase their talent and perform lively. The winners are selected and cash prizes in good amount are given to them. Apart from this, on spot fun activities are also conducted for the family members and they are served with proper lunch and other snacks till the end with a loud music party as well. He added, not we, in fact are family members eagerly wait for this day.

Bharti Airtel has also floated flexible work timing policy to its employees, where in they can come 2 hours late in order to manage their personnel affairs in morning and can put in those 2 hours during evening time. The same can be approved by the immediate superior. It has been revealed by a female employee,

“This policy is a great help to me as it facilitates to manage all my house hold chores on time and it really gives me contented motherhood feeling as my children board the school bus and I enjoy that moment not occasionally but every single day.”

Culture and Benefits in Some Other Companies

Hotel Marriot

At Marriot, they provide staff with discounts and benefits at Marriott Hotels around the globe. They give health benefits also to their employees. Besides, the hotel has a culture to call their employees as ‘associates’ and they really 'Take Care of the Associates' quite literally in India. Similarly at IBM, employees are given fancy designations such as ‘consultants’, ‘partners’, ‘architects’, etc. Likewise, employees are called as ‘partners’ at Starbucks Coffee Company.

Intel Technology

At Intel, major perks include bonus programs, health facilities, financial assistance for job-related education, indoor and outdoor games as at Intel technology. The employees are given medical, dental and vision coverage programs at the expense of company only. Employees are also entitled to an annual vacation leave and financial assistance for job-related education programs and other coursework. The employees can play basketball and volleyball on campus. The fitness centres are also available to keep them fit and agile all the time.

Wipro

At Wipro the employees are provided paid holidays, maternity leaves, a carefree campus and a friendly environment along with professional and personal grooming is what defines the life of a Wipro employee. With paid holidays, maternity benefits with extended leave of absence and vacation, and counselling sessions, incentives at Wipro are abundant.

HCL

At HCL, employee satisfaction holds as much importance as customer satisfaction. The company believes that 'customer satisfaction comes through employee satisfaction only.' The company is taking care of its employees through 'Employee First' program. The five most important aspects taken care of through this program are to provide support, knowledge, recognition, empowerment and transformation in their personal as well as professional life (scoopwhoop.com).

CitiBank

Citibank is also providing its women employees a childcare allowance over and above their salaries to support the daycare services. The assistance is quite different from childcare benefits given by other companies as most of the companies offer on-campus crèche services. Through this, Citi bank is giving them an option to choose day care as per their convenience and needs. The support extended by Citibank during motherhood and childcare may also be proved as a game changer. This would also boost women participation at the leadership level because women are retained during the most tough time of her life when she has peak level responsibility at her home. In the past few years, the bank has also made large scale changes to its existing maternity benefits and flexible working arrangements for women employees. It has introduced a flexible maternity policy also. Any women employee can avail its 180 days maternity leave into three different spells depending on the child and family needs.

5.Recommendations

Based on the finding and analysis done through public sources data and interviews done with the employees, the following strategies and ways can be replicated by some other companies to ensure retention, employee motivation, and increased productivity.

- i. Employers should offer cafeteria pay plans compensation packages so that employees can prioritize and choose their compensation plan and benefits to best suit them as in case of

Bharti Airtel. It gives empowerment to the employees as they themselves can decide upon their salary break up components which otherwise would have done by human resource department alone.

- ii. Cafeteria plans should be provided by employers that include health and accident insurance, cash benefits, tax advantages and/or retirement plan contributions. Employees may be allowed to customize these plans.
- iii. Non-cash benefits such as maternity leave, paternity leave, and adoption paid time off, work from home options may be extended to working women to help and the retain talent by the organizations as it is given in ICICI bank, Citi Bank etc.
- iv. Variable component of pay structure may be used to motivate employees by offering incentives that make employees feel enthusiastic and motivated. They organizations can link variable component with key organization strategic moves.
- v. Financial support may be provided to help employees while relocation as it acts a way of retention in case of transfer of an employee. Companies like Bharti Airtel is providing good package and arranging the packers and movers in case of relocation of an employee in case of transfer and new joiners. This way can also be introduced by other companies to ease their employees.
- vi. Employees must be provided foreign vacations and holiday leaves at appropriate intervals to keep them motivated and enthusiastic towards the company.
- vii. Employees can be offered proper ESOPS to motivate them financially and appropriate monetary rewards should be compensated as it has already introduced by many Indian organizations.

6.Conclusion

For companies to survive in the long run, it is important that they acquire and retain the best talent in the industry. It is important for companies today to understand the needs of diverse workforce. They need to design flexible compensation and benefits packages that can be customized for individual employees to a little extent to suit their needs. This is crucial because the needs of working women and young mothers may be very different to that of their male counterparts. Also people's priorities change with life style stages and customized compensation

and benefits packages help retain employees in the long run. Organizations may adopt a combination of new and innovative ways for cash as well as non-cash benefits to retain employees in a global slowdown situation as discussed in the paper. The organizations are leverage on these benefits to gain a complete edge in the present scenario. Such flexibility allows not only large organizations but also budding startups to acquire the best talent in the industry.

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