

A Thematic Analysis of Improving Employee Performance through Financial Incentives

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Abstract: *This particular study article provides a critical review of the thematic analysis of the contribution of financial incentives to improve employee performance. The purpose of this research paper is to understand the financial incentive system in the area of the competitive business market, the major duties of the incentive process enhancing the power of employee performance, the process to increase business productivity through financial rewards, and an important tool or process to analyse the beneficial effects of employee incentive methods in the business market, as well as real data and information to relate with.*

Keywords: Productivity, financial, incentive.

I. INTRODUCTION

In a work environment that is competitive, monetary incentives or financial awards for employee performance play a critical part in inspiring individuals to put up their best effort. According to the economic research, utilising financial incentives is a highly frequent technique to improve employee performance inside an organisation or corporation. Due to a number of factors, financial rewards are crucial to improving employee performance. This specific research article examines how to correctly assess financial incentives and the significance of financial incentives to improve performance in a cutthroat corporate climate.

The goal of this research is to clarify the significance of comprehending financial incentives, the rationale for their introduction to the corporate world, the value of money rewards to employees, and other related issues. The goal of the study is to determine how changes in the business market were brought about by the use of monetary incentives. The literature review section of this paper elaborates on a crucial aspect of the use of financial incentives to improve employee performance. The methodology section describes the process of conducting a critical analysis of this system. The data or result finding section of this analysis paper notifies real information about business professionals.

II. SIGNIFICANCE/PURPOSE OF THE STUDY

The key areas to concentrate on are the financial reward analysis research, the critical function of financial reward as well as monetary incentive, and the process of improving employee performance through monetary reward in the cutthroat business market chain. Identification of the financial incentive system is the study's goal (Wilson et al. 2018). The benefits of incentives for employees as well as the significance of financial rewards for improving employee performance were thoroughly discussed in this field of analysis paper. The study's goal is to examine the issue of financial motivation in more detail.

The link between financial rewards and employee success the international corporate climate, which is built on both worker productivity and intense market rivalry. According to an economic assessment, financial incentives or prizes can encourage workers to improve firm performance. In a huge corporate setting, incentives and rewards are fostering a close bond between the platform for the enterprise and its workforce. This beneficial connection creates a strong corporate tie between financial incentives and an employee's success.

The significance of financial rewards for improving employee performance. A responsible work is done to improve employee performance in the global commercial market through the monetary incentive system. Employees are happier and more motivated when they receive rewards. The performance rate and next stages toward professional opportunities are identified by monetary incentives. Through financial incentives, this mental support often strengthens the power of employee performance.

Benefits for a worker from financial incentives the financial incentive offers a number of advantages for employees that support improving employee performance, including the way financial incentives raise employee morale and retention levels, this action increases employee productivity, incentive facilities motivate employees, and incentive facilities push employees to demonstrate top performers in the market.

Effects of financial incentives in a cutthroat business environment. In the fiercely competitive global company market, the financial incentive mechanism is effective. This method of improving employee performance has a significant business-wide impact. Employee productivity helps to solve a variety of issues in the corporate world and fosters a pleasant business climate there.

III. OBJECTIVE OF THE STUDY

An active participation in the corporate market is the goal of the research regarding financial incentives and their significance to improve employee performance. The market chain is directly impacted by an employee's financial motivation. The manner in which employees are rewarded alters their sense of motivation at work. The most crucial component of every corporate organisation is productivity, which is influenced by this optimistic outlook. The major goal of this research or analysis paper is to help the reader comprehend the value of implementing a system of financial incentives to improve employee performance inside a business and the competitive market exploration process.

The subject of this study's focus on monetary incentive systems demonstrates the many advantages of financial rewards for employees. Additionally, this area of study explains the procedure for raising employee performance rates on an annual basis (Qi e al. 2021). According to a financial study, the company climate saw a number of favourable adjustments as a result of financial incentives for employees. Below are some examples.

- Through the use of incentives, job quality and corporate productivity may be improved.
- Foster positive relationships with both customers and colleges to increase corporate efficiency.
- The incentive technique values a good attitude amid employee performance in the workplace.
- Employee engagement is increasing corporate productivity via the use of incentives.

IV. LITERATURE REVIEW

4.1 Financial incentives are essential for improving employee performance.

Every employee shares the desire for financial incentives. Employee incentives improve an employee's work ethic or mindset in the highly competitive global business market by motivating them, raising their performance, and providing opportunity for them to explore their career options. The practise of providing financial incentives to employees of a firm serves as a bonus or reward. This is a widespread desire among business personnel that spurs workers to perform well. A financial incentive is an added commitment to employees' professional development, career alternatives, access to health care, or any other form of employee compensation.

Financial incentives help an employee focus on their future goals, comprehend their responsibilities within the company, and recognise their benefits. Additionally, this approach alters employee performance and work morale through the use of cash rewards. Companies offer a useful platform for employees that is based on employee performance through the employee incentive system. Employees push themselves to adopt superior business practises as a result of incentives or cash benefits, which typically increases organisational productivity. The significance of a financial incentive scheme to improve employee performance in a firm is the basis of this analytical report. The literature section of this study article, according to Hsieh et al. (2018), discusses the significance of monetary rewards for raising employee performance.

The aforementioned graph highlights the beneficial impact of financial incentives in the cutthroat corporate environment. The process of boosting employee motivation through pay raises, financial incentives, and benefits packages is identified by researchers. This survey graph shows the correlation between financial incentives and an employee's extrinsic motivation, which is positive. In this report, 70% of the people highly agree, 20% strongly agree, 10% strongly disagree, and 0% strongly disagree. That makes it clear how crucial the use of financial incentives is in raising employee motivation for company performance.



Figure 1: Impact of an incentive system to increase extrinsic motivation (Source: Dhingra et al. 2020)

4.2 The significance of comprehending the employee incentive scheme

The majority of employees anticipate financial rewards when they do something on behalf of the company, which has come to the attention of the organization's owners. It has been clearly demonstrated that financial incentives encourage wage workers to perform at their highest level and reach new heights when prizes are offered to employees for their exceptional performances. It is amply demonstrated that employees who are first recognised for their exceptional performance remain more engaged and active in their particular job roles, and this has a significant influence on their daily performance. When given financial incentives, people are encouraged and inspired to push themselves farther, producing exceptional results for the company goals. Thus, it is evident that both the public and commercial sectors place a high value on financial incentives. We may consider Oman College of Technologies as an example, which employs this strategy to motivate staff members and encourage them to provide their best effort. This kind of approach helps the employees know their limitations and break through that barrier to present themselves in a more creative way, which helps them to meet their personal goals as well as the organisational goals. It also helps the organisations achieve new goals due to good employee performance. With the aid of a study, it was discovered that this kind of procedure is quite successful in a short amount of time and leaves behind a permanent impact. This approach may be used in a workplace to create a positive atmosphere and to increase employee motivation to fulfil changing organisational needs. The reward in the form of financial incentives has a significant influence on how well employees work in their departments and helps to maintain their quality satisfaction level. It has been shown that rewards only function to inspire wage employees who have put in a certain amount of genuine effort into any given assignment. In many businesses, managers struggle to meet the requirements and wants of the staff while also inspiring them to improve work performance. Many academics have proposed that managers should utilise a variety of tools, such as monetary incentives, to encourage employees to work at their highest level and to increase their level of creativity. Employees who have done an excellent job on their given assignment should receive financial rewards. This seems to be a simple and successful method for boosting the energy level of the rewarded employee for greater performance. It also helps to inspire the other employees to work toward the same type of financial incentive. It has been found that an employee's performance is significantly influenced by the incentive payment, which over time causes their performance to accelerate.

V. METHODOLOGY

Based on their performance and productivity, financial incentives and a financial compensation system are an effective approach to inspire employees of a firm. Increasing employee performance is one of the key components to boosting



business efficiency in a cutthroat industry. A wonderful way to inspire employees is by offering an improved employee performance incentive or reward choice. This entire research article is a description of this analysis report on financial incentives and the significance of incentives to improve employee performance. The field of methodology describes important tools or methods to critically evaluate to obtain accurate outcomes.

A method or procedure for evaluating the value of financial incentives to boost employee performance in a company using a variety of approaches, including financial ratio analysis, vertical analysis, and horizontal analysis.

Horizontal analysis:

This research work is based on a knowledge of the significance of financial incentives to improve employee performance in the business sector. A system of analysis using historical data and financial records is known as horizontal analysis. The process of comprehending the value of monetary rewards for an employee is described in this paper's approach. Researchers demonstrate how changes occurred in an active business employing employee monitoring incentives through the method of horizontal analysis. Additionally, this analytical procedure offers real data with built-in performance optimization.

5.1 Vertical Analysis

An organization's financial accounts and financial incentives are analysed vertically using this procedure. This method of calculating company numbers is based on employee incentive programmes and provides accurate information on the proportion of employee business performance.

Financial evaluation of personnel performance based on inducement:

A company's financial analysis measures the standard of an employee's performance on monetary compensation or incentive system. This document gives a realistic corporate data base. productivity, performance of the workforce, and facilities that provide incentives based on their performance. Using this financial survey method can determine the performance ratio for top performers inside a company, their work, or behaviour in terms of business improvement.

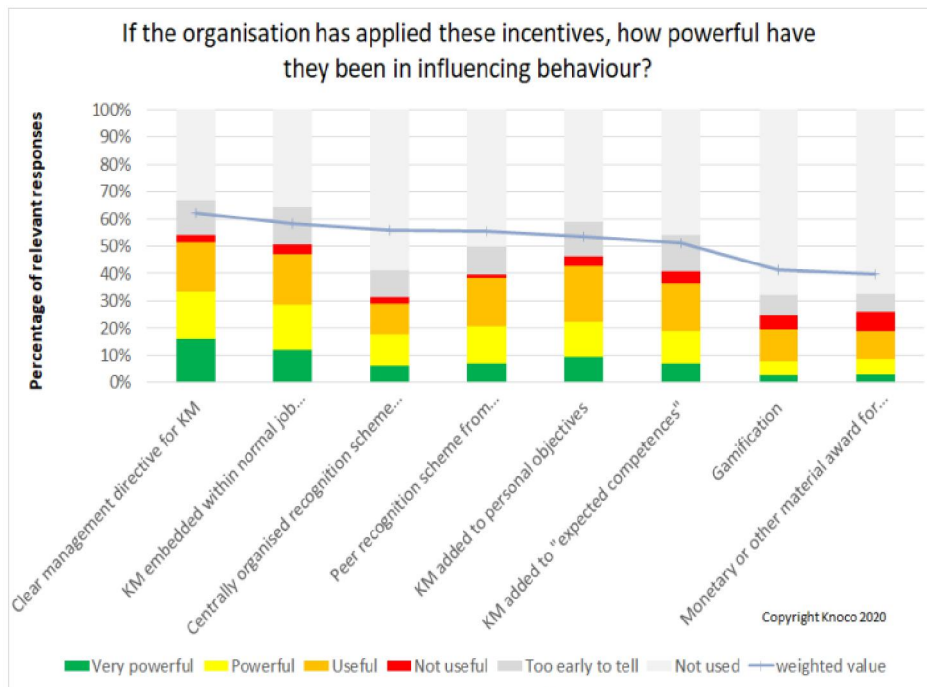


Figure 2: The importance of the incentive process to influence employee behavior (Source: Chen et al. 2019)

The aforementioned graph highlights the duty of employee incentives or rewards to realise commercial success as well as strong performance via considerate behaviour toward coworkers and clients.

The technique of improving employee performance via the use of a financial reward system is discussed in an analysis study along with the significance of financial incentives in highly competitive company markets. The same topic is the centre of the whole analytical article. The specific sections of findings from the data tables are illuminating real

information about business performance. The section of the data table findings that deals with instances and elucidation of the many beneficial elements of employee reward and financial incentive is crucial.

Table 1: Various employee opportunities through the incentive process

	N	Mean	Std. Deviation
Job security	100	3.63	1.433
Career development	100	2.89	1.302
Challenging job	100	2.50	.870
Freedom and autonomy	100	2.71	.998
Safe working condition	100	3.43	1.578
Valid N (listwise)	100		

(Source: Brusa et al. 2019)

An accurate illustration of several favourable effects of various awards for an employee is shown in the above table. Employees have a range of options thanks to the scope of different incentives. The aforementioned table is based on primary data collected by researchers throughout the 2018 fiscal year. According to this research, rewards or incentives create a variety of options for an employee, including job stability, the chance to advance their career, demanding work environments, giving employees rights to freedom and autonomy at work, and other opportunities.

Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std
Workplace environment (ie relation among employees) significantly affects my job satisfaction	0	1	1	30	41	4.52	0.60
Promotional opportunities affect my job satisfaction	1	0	3	44	25	4.26	0.67
Work-life balance is more important to me to achieve job satisfaction	0	6	5	29	33	4.22	0.90
Job satisfaction is aimed for apart from my direct income	2	15	3	35	18	3.71	1.14
Monetary rewards affect my job satisfaction	3	31	3	20	16	3.21	1.31
Major Parameters						3.98	0.63

The compensation has a significant role in an employee's career. This chance offers a safe work environment, improves employee performance in a cutthroat corporate environment, and opens up a number of career exploration options.

		employee's productivity	Organisation
employee's productivity	Pearson Correlation	1	.473**
	Sig. (2-tailed)	200	.000
	N		108
Organisation	Pearson Correlation	.473 **	1
	Sig. (2-tailed)	.000	200
	N	108	

(Source: White et al. 2021)

The above table serves as an illustration of how an organization's system of financial incentives or rewards may increase staff productivity. This table explains the key role that employee incentives play in corporate productivity programmes and how they improve employee performance in a demanding workplace. According to the information in this data table, the possibility of giving financial incentives or awards to employees became a component of the general expansion of the company market.

A powerful tool for motivating employees in a successful firm is a financial incentive programme. Various company kinds coexist in a market that is very competitive. Everyone aspires to commercial success. The most essential component of every firm is the employee. In order to achieve commercial success, firms often concentrate on motivating staff members to produce high levels of output. Employee motivation includes the means of financial inducement or reward. Employees who receive rewards are content and cheerful, which affects their work or morale.



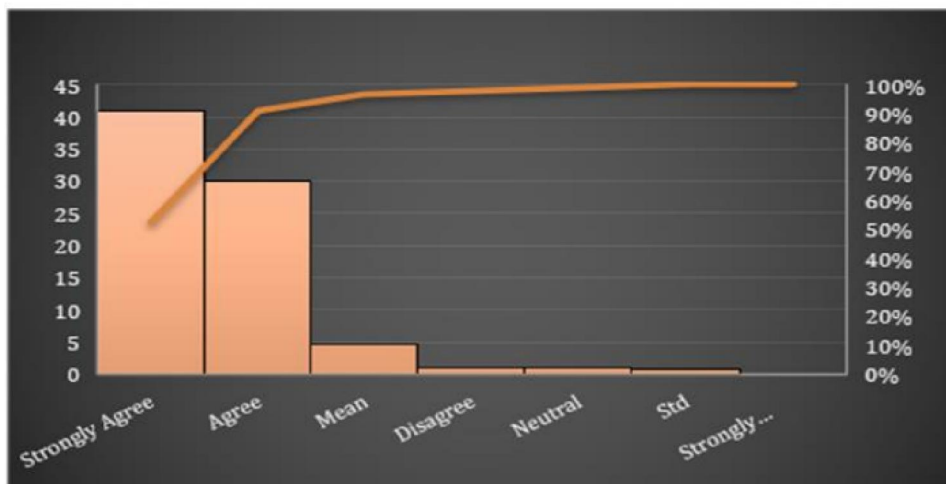
New possibilities and career paths that take them to the next level of achievement help employees perform better by accomplishing or receiving a financial reward in a cutthroat work environment. Businesses are operating well thanks to this positivity's high productivity, and other employees are happy to get financial compensation in a variety of ways, which gives them more options for their professional path.

Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std
Promotion based on performance affects my job satisfaction	0	2	5	32	34	4.34	0.73
Fringe benefits (like vacation pay, profit sharing programs and health insurance) motivates me towards the organization	0	3	6	36	28	4.22	0.77
Promotion based on experience affects my job satisfaction	1	3	6	35	28	4.18	0.86
I am satisfied with my salary	0	4	12	40	17	3.96	0.79
Appraisal/ promotion bonus affects my job satisfaction	4	14	4	25	26	3.75	1.28
Fringe benefits affects my job satisfaction	2	18	11	24	18	3.52	1.19
Monetary bonus affects my job satisfaction	3	21	8	17	24	3.52	1.32
Salary packages affects my job satisfaction	8	22	6	23	14	3.18	1.35

The portion of the data table's result that deals with the improvement in employee performance as a result of financial incentives is described using real, trustworthy data. In order to improve employee performance and corporate efficiency in a cutthroat market, financial rewards or monitoring incentives are crucial. Making employees happy and pleased is a strategy to prepare them for their next position within the organisation. The finest aspect of incentive systems is that they give employees motivation, which increases their level of working vigour. Good staff energy levels contribute significantly to high business productivity. This method of monitoring incentives helps firms achieve their business objectives, and this field of analysis paper included all pertinent information on the role that financial incentives play in boosting employee retention and attaining organisational objectives in the worldwide market.

VI. FINDINGS OF THE STUDY AND RESULTS

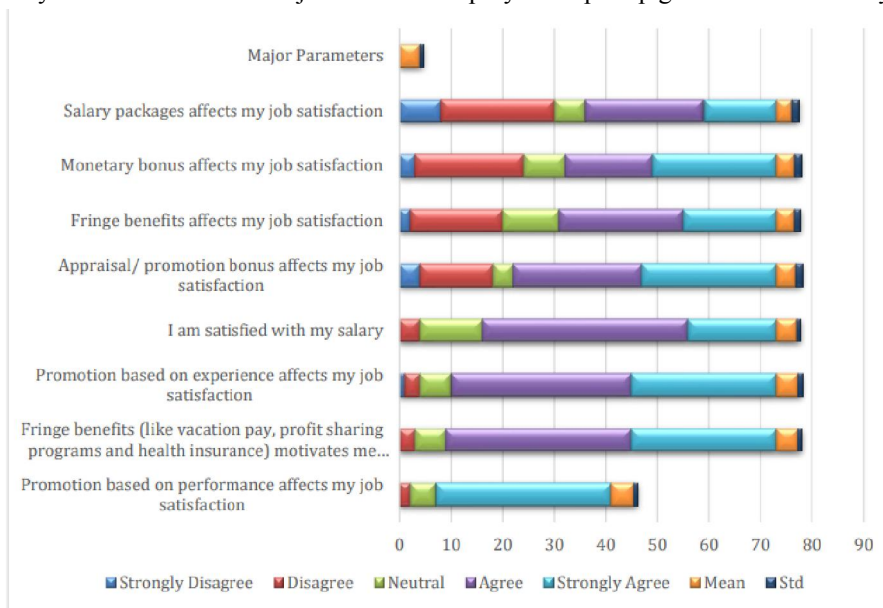
This paper's critical investigation of the significance of monetary incentives or financial rewards to improve employee performance in a cutthroat corporate environment discusses a number of different things. The entire research is an overview of the advantages of employee incentive programmes, how to increase staff productivity, the main duties of the incentive process to encourage staff, and what are the advantages of workers through the system of financial incentives.





This analytical research also demonstrates beneficial characteristics of the monetary incentive mechanism, according to Sawyers et al. (2022). In the section on the significance of the study, the researcher describes the primary goal of this analysis and upholds the impact of a financial incentive to achieve business success. In the section on the literature review, the researcher identifies the primary goal of this analysis. This analysis paper also finds various data tables to understand about the real relationship between financial incentive and high productivity in business. Realistic information regarding the relationship between the two elements of incentive responsibility for boosting employee productivity and business productivity via the use of financial incentives for employees is provided through tables and graphs.

According to the entire study, employee performance has increased from 42% to 49% as a result of incentives. Another aspect of the employee financial incentive programme boosts the finest aspect of any organization's growth—the employee motivation rate of around 85%. Along with the rise in money compensation, this technique also increases employee retention by 27% and stimulates adjacent firms' employees to put up good mental effort by 26%.



These are all effective links to business expansion. In this manner, studies make it clear that workers are driven and that their performance power also steadily grows, having an active impact on business development.

VII. CONCLUSION

This paper's analysis of employee financial incentive policies, the significance of the financial reward system, and the obligation of the incentive system to improve employee performance are presented using a technical approach and a practical example. This entire essay is a theme identification of the employee financial incentive mechanism. The summary of this study topic makes the primary goal and significance of the specific monetary incentive process system clear. The researcher notifies all accurate facts and information on the beneficial elements of the financial incentive method based on statistics, tables, and graphs. This research report concluded by stressing how critical it is to comprehend financial incentives in order to improve employee performance in a cutthroat corporate environment.

VIII. RECOMMENDATIONS/SUGGESTIONS

In a cutthroat marketplace, financial remuneration plays a significant role in improving employee performance. The process of giving employees with monitoring incentives that enhance performance, motivate them, increase their work capacity, and foster good career thoughts, as well as creating a secure and safe environment at work or elsewhere. Implementing monetary incentive systems properly can alter the workplace atmosphere. Teams are concentrating on achieving the highest performance possible in order to earn incentives, which is directly related to enhancing business success. Future actions and future objectives for a business through this incentive process are mentioned in the suggestion section of this study paper on financial incentives for employees. This programming procedure focuses on

business milestones and business success in a competitive business market with the goal of rewarding workers depending on their performance inside the organisation. Additionally, this incentive plan's basic goal is to concentrate future attention on issues like increased safety, job stability, family support, and health insurance. An employee will find it more advantageous in this section to concentrate on their contributions to the company.

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