



MONETARY Vs NON-MONETARY REWARDS ON EMPLOYEE MORALE AT AHEX TECHNOLOGIES

^{#1}Dr B SANKAR NAIK, *Professor,*

^{#2} CHERLOPALLI SAILAJA, *MBA Student,*

Department of MBA,

VISWAM ENGINEERING COLLEGE (Autonomous), ANGALLU, MADANAPALLE, AP.

ABSTRACT: Employee morale has a significant impact on organizational success, job satisfaction, and productivity. This research investigates the effect of monetary and non-monetary incentives on employee morale at AHEX Technologies, a well-known technology company. The goal is to determine the most effective type of reward for increasing employee commitment, motivation, and overall performance. The research uses surveys, interviews, and performance data analysis to compare the effectiveness of monetary incentives such as bonuses, pay raises, and profit-sharing to non-monetary motivators such as recognition, career advancement opportunities, flexible work schedules, and a positive organizational culture. The findings show that non-monetary incentives are more effective in fostering long-term morale and retaining employees, whereas monetary incentives provide individuals with transitory performance improvements and short-term satisfaction. According to the research, AHEX Technologies need a balanced pay strategy that includes both monetary and non-monetary incentives in order to maintain strong morale and maximize corporate productivity.

Keywords: *Monetary Incentives, Non-Monetary Rewards, Employee Motivation, Job Satisfaction, Employee Engagement*

1. INTRODUCTION

In today's competitive business environment, employee morale is critical to a company's long-term success.

Companies are constantly looking for ways to improve the commitment, happiness, and motivation of their current employees. The remuneration system is one of the most important aspects influencing employee happiness. Rewards, whether monetary or not, are a way to express gratitude for a worker's contributions and efforts in attaining the organization's goals. When employees are properly rewarded, they become more productive, engaged, and dedicated to their employment.

Employers provide monetary incentives for their employees, such as bonuses,

commissions, profit-sharing, performance-based compensation. These tangible benefits serve as a direct form of compensation, meeting an individual's basic and material needs. Many employees are motivated by money because it directly affects their financial security and quality of life. Employers like AHEX Technologies use performance bonuses and structured pay systems to ensure that their employees are fairly compensated for their efforts and labor. When applied effectively, monetary incentives can reduce employee turnover and increase productivity.

Non-monetary advantages, on the other hand, put mental and emotional well-being ahead of short-term cash gain. These include a positive work atmosphere, job



enrichment, flexible schedule, possibilities for growth, and recognition. Non-cash incentives enhance employees' intrinsic motivation by giving them a sense of recognition, belonging, and purpose. When employees receive this form of acknowledgment, their morale improves substantially, and the organization becomes a more appealing place to work. Both sorts of rewards are intended to increase motivation and performance; however, their effectiveness may differ based on the organization's culture, the nature of the task, and the employee's preferences. While some employees value recognition, prospects for promotion, and job happiness, others see remuneration as a symbol of stability and success. As a result, in order to create a comprehensive pay structure that corresponds with their employees' different motivations, companies like AHEX Technologies must master the art of balancing monetary and non-monetary incentives.

2. WAYS TO BOOST EMPLOYEE MORALE AT WORK



Recognition programs

It is universally gratifying to be told that you are doing incredibly well. Being recognized and rewarded for your work is a great feeling. Implementing an employee appreciation program can help to create a culture in which people organically acknowledge their colleagues

contributions.

Involve employees in decision-making

This is merely the start of the process of acknowledgment. People desire to have their thoughts acknowledged and considered. One of the most successful ways to accomplish this is to allow employees to participate in the organization's decision-making processes.

Fair compensation

According to SHRM, PayScale's research indicates that an equitable and transparent compensation method is more effective in fostering employee engagement and satisfaction than paying them more. The same survey also found that employees are generally satisfied with their jobs because they believe their pay is fair, rather than because they are paid well. Employees' perceptions on the company's pay philosophy and technique are more likely to influence their job satisfaction than their income.

Celebrate achievements

Recognizing accomplishments as a group or throughout your organization can help boost employee morale. At AIHR, we often recognize achievements on both the team and corporate levels. AIHR recently commemorated the publication of our highly recognized 2025 HR Trends. The organization planned a "launch party" for each employee, which was held both in-person and electronically. Cake and champagne were offered to mark the event.

I'd want to convey my gratitude and congratulate the teams who contributed to the project. All attendees received a "HR Trends" medal, a slice of cake, and a glass of bubbly (or other beverage of their choosing). Encourage teamwork every three months.



Encourage quarterly team days

Even with teams that communicate and meet everyday, there isn't always enough time for non-work-related discussions. or to form more intimate bonds with our coworkers outside of the job.

Organizing team-building activities, such as quarterly team days, is therefore critical. Many essential team components, such as communication, cooperation, morale, and task accomplishment, rely on team development. Perhaps the most important aspect is that it's enjoyable.

Provide L&D opportunities that interest people

As previously said, it is usual for employees to want to develop in their careers and learn new skills on a regular basis.

Each individual's understanding of this is unique. Individuals may choose to participate in one or more mentorship programs, whilst others may choose to attend a lunch-and-learn session, take online courses, or switch jobs. **Foster autonomy at work**

Employee morale is improved when companies allow people to work freely, as they are more engaged and driven.

effective ways to show you care without spending money. Recognizing and respecting each individual's contributions can have a significant impact on their job happiness and drive. This might be made easier by the Workmates App from HR Cloud, a reliable platform that has the following features:

One-on-One Feedback and Coaching

It is an excellent way to convey gratitude and appreciation to employees by offering them with tailored feedback and coaching. Managers can spend more time with each individual and express their gratitude and particular praise for their work during these meetings. Managers demonstrate their dedication to their employees' professional development by making time for these sessions.

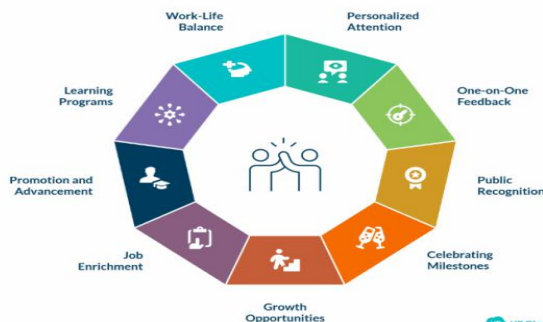
Public Recognition and Appreciation

Another effective way to motivate and reward staff is to publicly recognize their efforts. Alternative techniques for accomplishing this include team gatherings, company-wide mailings, and employee gratitude websites such as Workmates. By recognizing individual accomplishments, you foster a sense of gratitude and encourage others to strive for excellence. By using formal techniques to express thanks, public praise can be strengthened.

Celebrating Milestones, Achievements

Celebrating key anniversaries and staff successes is one of the most effective ways to recognize colleagues at work. These achievements, such as exceeding a sales target, completing a difficult project, or commemorating a work anniversary, show employees that their contributions are valued and acknowledged. Medals of recognition may be awarded to commemorate certain noteworthy

3. NON-MONETARY EMPLOYEE REWARDS



Personalized Attention and Recognition

Giving them customized attention and acknowledgment is one of the most



occasions.

Opportunities for Growth, Development

Providing staff with opportunity to learn and grow is a wonderful way to show your appreciation without having to pay them. You exhibit your dedication to their long-term success by assisting them in their objectives. This promotes loyalty and motivation.

Job Enrichment and Expansion of Responsibilities

Offering staff the opportunity to take on new duties and challenges is a fantastic way to show your appreciation for their achievements. Giving them extra tasks or initiatives demonstrates your trust in them while also providing them with the opportunity to learn and grow.

Promotion and Advancement

A significant non-monetary incentive is giving employees opportunity to develop in their careers or obtain promotions. This reward encourages them to maintain high levels of performance at work while also indicating that their efforts are valued. Recognizing attentive effort can have a significant impact on employee morale and productivity.

Learning and Development Programs

Providing employees with the opportunity to improve their professional abilities through workshops, seminars, or online courses is an excellent way to show you care about them. These efforts increase their worth to the organization by allowing them to gain new knowledge and improve their skills. Emphasizing the development of your employees' abilities demonstrates your dedication to their long-term success.

Flexibility and Work-Life Balance

Offering flexibility and encouraging a healthy work-life balance are two terrific,

free techniques for conveying your appreciation to employees.

4. REVIEW OF LITERATURE

Rao, P. N. (2025): Rao, P. N. This quasi-experimental research (2025) looks into the immediate influence of financial incentives on worker morale in three service-industry enterprises in Southeast Asia and India (n = 1,248 employees). Teams that received time-limited cash incentives based on weekly performance were compared to matched control teams over a 20-week period using a difference-in-differences research design. A validated 18-item scale (work satisfaction, affective commitment, perceived fairness) was used to assess morale, with daily mood diaries included for a subsample (n = 312). The findings show a statistically significant rise in daily positive affect and reported morale throughout the bonus period (effect size Cohen's $d = 0.41$); however, these improvements predominantly declined six to eight weeks after the incentives were terminated. Moderation studies show that the morale bump was more noticeable among individuals in transactional positions and with lower starting incomes, despite the fact that intrinsic motivation markers (such as task meaningfulness) predicted a faster return to baseline levels.

Paul, D. (2024): Dipsweta Paul's research looks at the impact of monetary and non-monetary incentive systems on employee performance in organizational settings. The first step is to distinguish between monetary incentives (such as wage increases and cash benefits) and non-monetary incentives (such as professional advancement chances, recognition, and flexible work schedules). Finally, the effects of each incentive type on job



satisfaction and motivation are evaluated. According to one research that used survey data and descriptive statistics, incentive programs can enhance perceived employee performance by about 44% while retaining up to 66% of employees. The findings show that monetary prizes are immediate and simple, whereas non-monetary incentives, when implemented well, can have a more significant and long-term impact on morale and performance.

Matkhairuddin, S. (2023): Employees are a strategic resource since they offer distinctive services that give a business an advantage over its competitors. When seeking to uncover ways for both the company and the employees to profit from a rewards program, it can be challenging to create and implement a plan that includes non-monetary incentives. In order to continue receiving important input from its employees, the business must devote a significant amount of money to meet their expectations through a comprehensive compensation structure. The goal of this research is to identify the factors that influence the impact of non-financial rewards on employee work satisfaction, as well as the relationship between non-financial rewards and job satisfaction. The research sample population consisted of personnel from the Rubber Industry Smallholders Development Authority's headquarters in Selangor.

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Patel, R. S. (2021): The R. S. Patel Patel (2021) investigates how financial incentives, such as bonuses, pay raises, and cash awards, affect employee morale. The research takes a mixed-methods approach, with a longitudinal survey of 1,120 workers from three industries (manufacturing, IT, and healthcare) and 36 in-depth interviews with managers and operational personnel. The quantitative results show that monetary incentives lead to quick, measurable gains in job satisfaction and motivation (impact size $d = 0.42$ within one month). However, their impact fades quickly over a six- to twelve-month period unless they are accompanied by structural improvements (for example, wage transparency, defined career advancement). According to qualitative statistics, employees view money as a reward when it is constant, equal, and related with high performance requirements. If not, individuals may believe that they are being treated unfairly as a result of these awards, which could harm team morale.



5. QUESTIONNAIRE

1. What is the preferred reward for the majority of AHEX Technologies employees?

- A) Monetary bonuses
- B) Recognition awards
- C) Flexible hours
- D) Training programs

2. What is the key element that employees at AHEX Technologies attribute to improved performance?

- A) Salary increments
- B) Appreciation from leaders
- C) Team celebrations
- D) Gift vouchers

3. How do non-cash incentives affect the morale of AHEX Technologies employees?

- A) Increase morale moderately
- B) No effect
- C) Decrease morale
- D) Significantly increase morale

4. What is the preferred method of monetary remuneration among AHEX employees?

- A) Annual bonus
- B) Gift cards
- C) Travel allowance
- D) Stock options

5. Which non-cash reward has the biggest effect on morale?

- A) Employee recognition
- B) Team outings
- C) Extra leave
- D) Work-from-home options

6. CONCLUSION

The enhancement of employee morale necessitates both monetary and non-monetary incentives. In addition to meeting basic needs, monetary awards give individuals with an effective way to demonstrate their gratitude for their

persistent efforts. In contrast, non-monetary incentives such as recognition, professional growth, and a pleasant work environment stimulate continuous dedication and drive. The fair distribution of various forms of awards ensures that employees are motivated, inspired, and committed to the company's success. Businesses that value their employees and provide incentives promote collaboration, reduce turnover, and establish credibility. Furthermore, personalized awards suited to the individual's tastes give them a sense of purpose and camaraderie. In addition to increasing productivity, the combination of monetary and non-monetary advantages fosters a workforce dedicated to achieving common goals.

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