

Fringe Benefits and Employee Performance in Private Sector Organizations in the UAE - An Insight

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Abstract

Fringe benefits are evidently a motivation factor for the employee in any organization anywhere in the world. Companies are offering a variety of fringe benefits to their employees based on their performance, skills and employee commitments etc. Sometimes fringe benefits are playing a part of work recognition. The UAE job market relies on expat employees and businesses rely on private sectors mostly. The multinational multi-cultural and multi-linguistic situation in the UAE coupled with strong labor law takes this study into understanding the necessity of fringe benefits, implementation and impact of fringe benefits and employee performance in the UAE's private sector organizations. This study has brought insight and evidence of fringe benefits

Keywords: Fringe Benefits, Employee Engagement, Employee Performance, Variety of Benefits

Introduction

The UAE's non-oil economy relies on their private businesses as UAE plays the role of World markets an international business hub for Exports and Imports. The UAE is the gateway for export business for many countries across the world. The UAE government is always supporting small to large scale business units in the UAE. More than 85% of the resident population of the UAE is expatriates from more than 55 nationalities. UAE is not only the business hub but also a job market for many nationalities in government and private sectors. The employees of the UAE are Emiratis in key positions as well as other nationalities. 99% of Emiratis are employed in government and Quasi Govt sectors, whereas private concerns in the UAE rely on expat employees mostly all around the world. In private concerns, retaining good employees is challenging one and UAE's private sector organization is also facing the same issue. The fringe benefits beyond the HR policy motivates, appreciates and retains employees in every organization. Enjoying an extra penny is human nature and the employees provided with fringe benefits are happy and that increases productivity of the organization.

The right candidate can be a game changer for one business but the candidate may not always be available around us. Sometimes the concerned person may be across the borders. That's why organizations are looking for the potential candidate beyond their eyes globally to hire. In This case the UAE is pioneering in recruiting the right candidates from anywhere in the globe for their business excellence. The UAE is a pool for such potential talents. As retaining talented candidates is always challenging, the company has to offer a competitive benefits package and extra fringe benefits without violating the norms of the company and country.

Fringe benefits are the benefits that are provided to the employees of an organization in addition to the pre-decided salary package or wage. These

benefits could be in the form of monetary or non-monetary features that enhance the overall compensation received by employees. Fringe benefits benefit the employees and organization directly. It may cost a bit for the organization but yield a lot of profits directly and indirectly.

The achievement and survival rate of any organization is designed by the way of how their employees are compensated. Employee's compensation packages play a pivotal role in companies' persistence in the competitive market. The motivation and rewards for the employees is a kind of recognizing their skills, professionalism and performance. This system will determine the level of commitment of employees and their love and attitude towards work. Fringe benefits can be in the forms of either direct or indirect compensation given to an employee or group of employees in their organization. In Some Organizations, the fringe benefits are part of their total reward package offered to the employees in addition to their base pay and performance pay. Fringe benefits are to improve or maintain the quality life style of employees and support the protection of self and family, financial security etc. Like base pay plans and packages, many organizations offer fringe benefits to attract, retain and motivate skills, qualifications, proficiency of employees (Bernardin). In continuation, an organization that provides more attractive fringe benefits packages often reap an advantage over employees in hiring and retaining proficient employees by overcoming the competing companies. In fact, such benefits are called 'Golden handcuff' by the Human resource personnel making employees more reticent to move to other or competitor organizations (Mathis and Jackson). These fringe benefits may generally be in terms of retirement benefits (gratuity) or pension plans, medical and dental insurance plans, children education fee reimbursement, time off, paid vacation, use of company vehicle or patrol allowance, furnished quarters, gifts etc. Providing fringe benefits boosts the morale of the employee(s), encourages them to work more and reflects in productivity, commitment and affinity. The Ministry of Human Resources and Emiratization (MOHRE) takes care about labor laws and regulating recruitments in the UAE. The UAE labor law is very strong and the companies in the

UAE have to adhere to the same. Failing will lead to black list the company and taking legal actions. The Labor laws are not just in documents but in regular practices. As per labor law, all employees are entitled to receive their regular salary and other benefits like, weekly off and annual leave, medical insurance, transportation, housing allowances and annual air ticket packages as mandatory for all government and private organizations as minimum requirement. In addition, end of service benefits like gratuity will be given to all eligible employees as per MOHRE rule. The strong labor law, human values, work culture and etiquette attracts more expatriate employees who prefer to work in the UAE rather than other GCC nations.

The UAE labor law is a big support for the employees and they can claim their rights at any point as per their contract. In addition to the regular benefits, companies are offering a variety of fringe benefits to the employees based on their job nature, salary package and designation. In general, almost all employees are offered transport facilities by the company in the form of company transport or offering individual vehicles or offering additional packages to the employees as allowances based on their grades and designation. Secondly, Housing is provided to all company staffs either shared accommodation or individual or family quarters or the rental allowances as per their company policy. Medical insurance is mandatory for all employees of the organization and is coupled with Visa procedure. Hence, all employees are entitled to receive medical insurance for self and/ family up to two children and the type of insurance, limitations and benefits vary depending on the company policy. And employees will receive annual ticket fare for self and family.

Beyond this, employees are getting fringe benefits like, extra increments, child education fee support, flexible duty time and weekly off, relocation allowances, luncheon, interest free loan, some free bills, amusement park tickets, free memberships in gym and other clubs, movie tickets, and etc. get together, party, training programs, other similar activities also considered as fringe benefits. Fringe benefits refresh employees, rejuvenate their potential and reap productivity, commitment, and profitability to the organization.

Literature Review

The Impact of Fringe benefits are highly competitive and relevant in the job market. The cost of fringe benefits is quite significant among the total cost of employee benefits. But this indirect compensation actually attracts the employees and new joiners and supports retention of employees. In recent years, compensation has played a vital role in companies. Poor compensation leads to low productivity and outcome and impacts no motivation in their work. On the other hand, organizations and companies that offer good packages and benefits, fringe benefit facilities are having a proven track record of higher productivity than competitors and they have identified that secret key of motivation and employee retention rate.

Measuring employee's performance, productivity are dependent on the organization's culture of their need for reputation, security and persistence and sustainability and excellence hypothesized in the organization's hierarchy of needs. Compensation and Benefit have a close relationship to employees' performance. This is due to the fact that job applicants accept the job offer based on the salary and allowances and the incentives which the employer will provide them. The relationship between the status of the employee and the level of effectiveness of compensation benefit and fringe benefits are significant and directly reflected in the performance of employees (Feraro-Banta and Al Shaikh). It is clearly clarified that how assumptions about the future progress of fringe benefits affect the projected long run deficit of social security is explained (Chen).

Expert's validation and potential literatures reveal that, the autonomous dimensions or hypotheses. Refereeing fringe benefits are rewards and recognition in the workplace, flexible working hours, medical and life insurance coverage, end of service benefits, contributory savings, pension plans, transport and food allowances, education reimbursement and all these key factors are impacting employee performance (Somanath and Raje). Indirect benefits help companies to attract and retain highly proficient employees and this is considered as a strategic resource of competitive advantages in organizational culture. Hence, it is

mandatory for every organization to design a support system of benefits to identify and recognize the right employees (Ahmed and Ahmed). A good health insurance makes a significant impact on employees' performance and recognition of employees also takes equal weight of performance outcome (Zirra, and Mambula). The effectiveness of rewarding tools of fringe benefits can be increased only if the managers are aware that needs affect the motivation of the employees (Pasztor and Valent). In the IT industry the fringe benefits have a highly significant impact on employee engagements and creativity that increases competitive advantages rather than just retaining the employees. Some customized fringe benefits, like extended paid maternity leave, paternity leave and other some specific fringe benefits become influencing factors for the employees in the organization (Mugaa et al.). Apart from regular employee benefits from the companies as per labor law in the UAE, the extra fringe benefits reduce job change among the employees and increased the job satisfaction ratio in the UAE (Singh).

Fringe benefits are part of corporate culture and strategy. The organizational behavior is measured by the many factors including types of fringe benefits to the employees in the UAE (Cherian et al.). The end of service benefits and retirement benefits play pivotal roles in Employee benefits (Oguejiofor and Ngozi). The employee benefits and fringe benefits have positive correlation with job security and social security to the employees and reap a reputation among employees and in public (Al-Harthy et al.). Aimed at improving the employee's welfare of the private sector organizations and free zones, the United Arab Emirates (UAE) has unveiled a new end-of-service benefits scheme. This innovative system includes the establishment of savings and investment funds, which will be closely monitored by the UAE securities and commodities authority in collaboration with the Ministry of Human Resources.

Problem Statement

The UAE's compensation and benefits system, characterized by its high competitiveness and comprehensive structure, attracts talents from around the globe. This system not only meets employees' basic living needs but also incentivizes them to

unleash their full potential through diversified welfare measures. The UAE’s compensation structure is generally high, attracting numerous international talents to pursue opportunities. The UAE’s benefits system is also diverse, providing employees with comprehensive protection and support.

Understanding from the literature, job satisfaction of employees in private organizations is mainly divided into two camps, Firstly, the perspective of needs fulfilment and secondly which emphasizes the intellectual process leading to job satisfaction. In addition, fringe benefits take a role in job satisfaction among the private concerns. Job satisfaction mainly focuses on only two pivotal parameters: salary and incentives are considered to be the determinants, But the Fringe benefits in the form of monetary or non-monetary also play a notable role in job satisfaction and process improvement. Based on the review of literature and expert validation, fringe benefits are mainly rewards and recognition for efforts and work.

Research Objective

The primary objective of this study is to understand the effectiveness of fringe benefits and the secondary objective is to evaluate the efficiency of the employees associated with fringe benefits. This study addresses the impact that fringe benefits have on the level of job satisfaction and engagement of the employees. Therefore, this study sought to ascertain the influence of fringe benefits on employee performance.

- The importance of fringe benefits amongst employees
- The impact of fringe benefits on employee engagement
- The impact of fringe benefits on job satisfaction
- To gain better knowledge of the structuring of remuneration packages

Materials and Methods

This study consists of a literature review and an empirical study among employees in the private organizations of the UAE. Research methodology is systematic and theoretical investigation of the strategies applied to a field of study. This study adopted a descriptive research design and convenient random sampling method.

Primary data collection survey was conducted among employees of private concerns in the UAE. The research design included a survey through questionnaire, interview and opinion polls. A set of questionnaires including 30 questions were given to employees across the country in all seven emirates through various modes, in person, through email, using gadgets and other technological methods. Around 458 people responded during the period of study. We used a simple random sampling survey to choose the respondents’ inclusiveness of multi-nationality and multi- linguistic and multi age groups and all categories of employees.

We identified almost 70 potential private concerns in all categories of business including retail business, customer service, SME and MSME etc. in the UAE. The employees were contacted with the proper consent from the HR managers of the concerns. The data and findings are tabled below for better understanding.

Data Analysis and Interpretation

Table 1 Gender

Gender	Frequency	Percent
Male	356	77.7%
Female	102	22.3%
Total	458	100.0%

Table 2 Age

Age (in Years)	Frequency	Percent
18-25	90	19.7%
26-35	189	41.3%
36-45	76	16.6%
46-55	69	15.1%
Above 55	34	7.4%
Total	458	100.0%

Table 3 Nationality /Ethnicity

Nationality		Frequency	Percent
Arabs	Emiratis	6	1.3%
	Non-Emiratis	36	7.9%
Non-Arabs	Asian	288	62.9%
	European	9	2.0%
	African	77	16.8%
	Others	42	9.2%
Total		458	100.0%

The majority of the employees are in the age group between 25 and 35 is about 41 percent. And the major strength of employees is in the range 25 to 55 with 73% including both genders. Only 27% of the employees are in the lower and higher end of age group.

The UAE has more than 55 national residents and employees. Hence, the nationalities are pooled into six categories for convenience. The participants are from Emiratis, Egyptian, Palestinian, India, Pakistan, Sri Lanka, Indonesia, Philippines, Bangladesh, Nepal, Sudan, Nigeria, French and English nationals. Most of the employees are Asian and from the Indian subcontinent with 63 %, and least from Emirati employees with 1.3%. Mostly, Emiratis are employed with government organizations and few are with private organizations. Arab nationals took almost 8% and African nationals took 17% share of employees in the private concerns.

Table 4 Marital Status

Marital Status	Frequency	Percent
Single	285	62.2%
Married	159	34.7%
Divorced	12	2.6%
Separated	2	0.4%
Total	458	100.0%

The aim of this question is to understand the important needs and expectations of fringe benefits of the employees. This question leads to knowing the insights benefits, needs, cost and availability and affordability for the company and otherwise. In our study, we found that almost two third of employees have the status of single and only one third of the employees are single, that is due to the structure and design of the policy of this country and job nature and many other intrinsic factors involved. The benefits offered to the employees of single and married people makes a significance and leads to further study.

Table 5 Level of Education

Level of Education	Frequency	Percent
Doctorate (Ph.D.)	2	0.4%
Master's Degree	90	19.7%
Bachelor's Degree	200	43.7%
Diploma	98	21.4%

Secondary	60	13.1%
Others	8	1.7%
Total	458	100.0%

Level of education and awareness always plays a pivotal role in any survey. When it comes to the level of education, 65% of the participants are with at least a bachelor degree and above that is almost two third of the total participants. Even the diploma holders are quite significant in number with 21%.

Table 6 Monthly Income (in AED)

Monthly Income (in AED)	Frequency	Percent
0-1500	34	7.4%
1501-3000	67	14.6%
3001-5000	75	16.4%
5001-10000	166	36.2%
10001-20000	102	22.3%
20001-30000	12	2.6%
30001-50000	1	0.2%
Above 50000	1	0.2%
Total	458	100.0%

The monthly income of every employee in the UAE plays a major role in their status, designation, lifestyle and benefits they are liable to receive. A minimum of AED 5000 is required to have family status in the UAE as per government norms. Although many people manage their status as single in the UAE still, they can receive reasonably good salary to retain family and to enjoy their remaining benefits. Around 40 percent of the participants were from lower income groups and not eligible for family status. Remaining 60 percent are affordable for Family status.

Table 7 How Many Years Working in this Organization

Working in this Company (in Years)	Frequency	Percent
0-2	56	12.2%
3-5	88	19.2%
6-10	214	46.7%
11-15	70	15.3%
More than 15 years	30	6.6%
Total	458	100.0%

It is clearly depicted that 12 percent of employees are new to this company and new joiners and first employment. Twenty percent of employees have completed at least three years of service in the same company and continuing. Remaining 67% of employees are working in their organization for more than 5 years and their knowledge about policy and benefits and affordability are well noticeable.

Table 8 How Aware are you with the Concept of Fringe Benefits Offered in your Company?

Familiarity	Frequency	Percent
Not familiar	68	14.8%
Familiar	178	38.9%
Well familiar	212	46.3%
Total	458	100.0%

This study identifies that only 15 percent of the people are unaware of the fringe benefits and its affordability from their company. Rest of the 85% participants are familiar with fringe benefits, type of benefits, eligibility and access to that.

Table 9 List of Fringe Benefits

Fringe Benefits	Utilized	Not Applicable	% of utilization
Employee stock share options	15	443	3.3%
Transportation assistance / allowance	458	0	100.0%
Free or discounted meals (working lunch)	32	426	7.0%
Refreshment (tea, coffee, etc)	122	336	26.6%
Free gym membership	15	443	3.3%
Children Tuition fee reimbursement	175	283	38.2%
Extended coverage of health insurance (dental, specs etc.)	36	422	7.9%
Childcare reimbursement	42	416	9.2%

Company-owned vehicle (Car)	72	386	15.7%
Unlimited paid time off (PTO)	6	452	1.3%
Employee discounts on stores and Shopping	154	304	33.6%
Discounted amusement park tickets	400	58	87.3%
Retirement plan contributions	26	432	5.7%
Moving expenses / Relation Allowances	26	432	5.7%
Free or discounted Accommodation	378	80	82.5%
Paid Sick Leave	458	0	100.0%
Over time and allowances	200	258	43.7%
Maternity / Paternity Leave	256	202	55.9%
Relocation Allowance	36	422	7.9%
Personal Development Opportunity	303	155	66.2%
Flexible Working Hours	36	422	7.9%
Work-Injury and disability benefit	458	0	100.0%
Performance-based Incentives	388	70	84.7%
Company cell phones	65	393	14.2%
No-additional-cost services	366	92	79.9%
Discount Coupons	458	0	100.0%
What other benefits you need (not listed)			

The above table provides the list of fringe benefits available in the private companies. But not

all benefits are provided by all companies to all the employees. Mainly four fringe benefits like company transport or allowance or own vehicle facility is provided to all employees of the organizations. No employee is left out without transport allowance or provision of vehicles in the UAE. Paid sick leave, work disability or injury, insurance or compensation, and discount coupons are given to all employees of the organization without any bias as per labor law. These four major benefits are given to all employees with 100 percent utilization.

Secondly, Amusement park discount tickets, no additional cost service, performance-based incentives and importantly, either free company accommodation or discounted quarters or housing allowance is given to more than 80 percent of employees. The very high rank people and few are not eligible for allowances due to their locality and visa status. Thirdly, Personal Development opportunity for the skilled workers and enthusiastic employees. Their work and innovations are recognized and given incentives, promotions and benefits as per company norms. Organizations never refuse to recognize the efficient employees of their company. Followed by, Maternity and paternity leaves the eligible employees are utilizing these benefits accordingly.

Few other benefits are in moderate range of utilization and applicability. Majority of the employees' requirement is a working lunch or meal to be provided by the company. Especially labor category people and their time and efforts are mostly spent preparing food and not being able to have it properly. Final row of any other benefits, the majority of the employees sought company food and refreshments only.

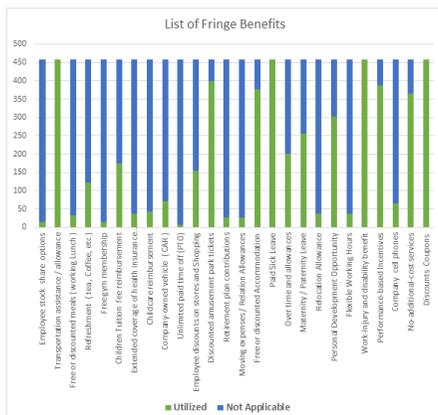


Table 10 Are you Aware of your Fringe Benefits in this Company Before joining?

Awareness	Frequency	Percent
Yes	376	82.1%
No	82	17.9%
Total	458	100.0%

People's awareness about their company and benefits well before committing the work with them is noteworthy. Educated and joining in higher designation candidates are aware of the fringe benefits offered in their company and some are demanding extra along with their package salary. About 82 percent of the employees get a minimum number of benefits and only 18 percent of employees are not aware of their benefits before signing into their company.

Table 11 Did you Choose this Company because of Fringe Benefits?

Choosing	Frequency	Percent
Yes	102	22.3%
No	356	77.7%
Total	458	100.0%

Only 22 percent of employees have chosen this current organization for the fringe benefits compared with competitors. Rest of the employees have joined mainly for the salary package and benefits as per the UAE law.

Table 12 Do you feel the Current Fringe Benefits Package in your Company meets your needs?

Satisfaction	Frequency	Percent
Yes - Completely	52	11.4%
Yes - Some Extend	256	55.9%
No - Not Really	102	22.3%
No - Not at all	48	10.5%
Total	458	100.0%

Table 13 Will you accept Lower Salary & more Fringe Benefits

New Job	Frequency	Percent
Yes	12	2.6%
No	400	87.3%
May be	46	10.0%
Total	458	100.0%

Around 68% of participants said yes to fringe benefits that meet their needs. Some employees are not eligible for the extra benefits and some are not concerned about the non-monetary benefits as they were not affordable to utilize it.

Switching to a new job is quite natural in private organizations nowadays. And the reason for job change will be firstly the line managers, secondly salary package and thirdly additional fringe benefits. Only a few participants said yes to changing jobs with a slightly lower salary than the current one with extra fringe benefits. Fringe benefits are not key players to change or accept a new job in a new organization in the UAE.

Table 14 How Frequently you Receive Fringe Benefits (Excluding Daily Benefits like Transport, Food and Refreshments etc.)

Frequency of Benefits	Frequency	Percent
Weekly	1	0.2%
Fortnightly	1	0.2%
Monthly	10	2.2%
Quarterly	30	6.6%
Half Yearly	150	32.8%
Annually	150	32.8%
Occasionally	116	25.3%
Total	458	100.0%

Apart from regular benefits like transportation allowances, discount coupons on regular basis or daily, getting fringe benefits are not on fixed period of time but all are with certain if and buts. Hence, the employees are getting the reward of benefits whenever they meet certain standards. Most of the employees get those benefits once in a year or twice or occasionally. Very few people get it more frequently because of their position and eligibility conditions.

Table 15 How many (number) benefit you received in the last one year? (Excluding Daily Benefits like Transport, Food, Refreshments etc.)

Number of Benefits	Frequency	Percent
1-2	175	38.2%
3-5	222	48.5%
6-8	26	5.7%
9-10	25	5.5%

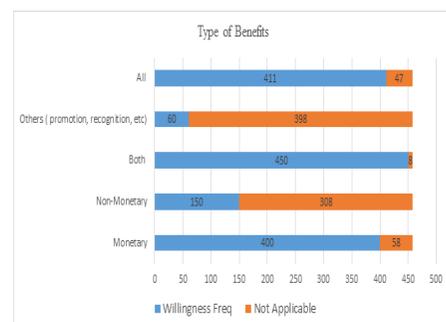
More than 10	10	2.2%
Total	458	100.0%

More than 86% of employees are getting very limited fringe benefits either two or three up to five only. But the level of benefits meets their requirements. Among fringe benefits, the number is not pivotal but the type of benefit. Hence, most of the employees are happy with the benefit they have received.

Table 16 What type of Fringe Benefits you are expecting from your Company?

Type of Benefit	Willingness Frequency	Not Applicable	Willingness %
Monetary	400	58	87%
Non-Monetary	150	308	33%
Both	450	8	98%
Others*	60	398	13%
All	411	47	90%

*(promotion, recognition, etc.)



Almost 87% of the employees like monetary benefits and direct transactions. One third of the participants 33% ready to accept non-monetary funds too in lieu. Either form or all types of benefits are supported by 90% of the participants.

Table 17 How would you rate the Overall Range and Variety of Fringe Benefits Offered by your Company?

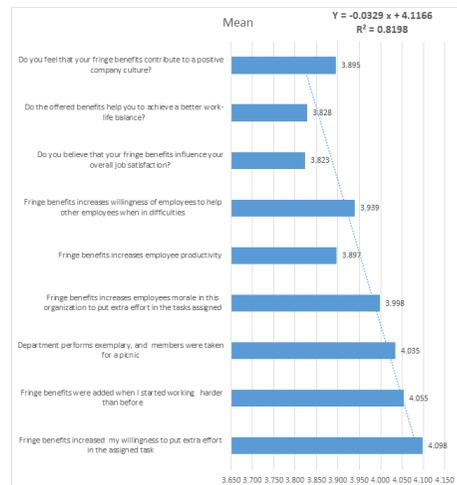
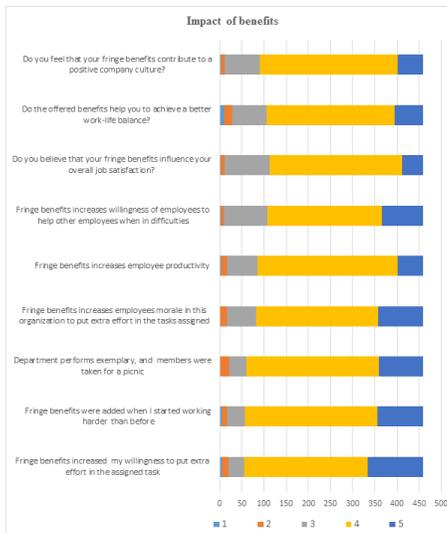
Variety of Benefits	Frequency	Percent
Very Extensive	56	12.2%
Extensive	78	17.0%
Moderate	159	34.7%
Limited	65	14.2%
Very Limited	100	21.8%
Total	458	100.0%

The number of benefits, frequency and variety play significantly. Offering similar products or benefits uniformly to all employees may not be truly beneficial. The variety and choice of benefits will motivate the employees to avail and utilize the needy ones. When benefits are coupled with

performance and job nature the variety of offers motivates employees highly to opt the benefits need based. 64% of employees have confirmed that the companies offer verities not just limited but moderate to extensive per company structure and organizational behavior.

Table 18 Impact of Fringe Benefits

Impact factors / Scale (Weights)	1	2	3	4	5	Mean	SD
Fringe benefits increased my willingness to put extra effort in the assigned task	5	15	35	278	125	4.098	0.755
Fringe benefits were added when I started working harder than before	5	11	40	300	102	4.055	0.709
Department performs exemplary, and members were taken for a picnic	1	20	40	298	99	4.035	0.705
Fringe benefits increase employees morale in this organization to put extra effort in the tasks assigned	1	16	66	275	100	3.998	0.723
Fringe benefits increase employee productivity	2	14	70	315	57	3.897	0.655
Fringe benefits increase willingness of employees to help other employees when in difficulties	3	7	97	259	92	3.939	0.728
Do you believe that your fringe benefits influence your overall job satisfaction?	3	9	100	300	46	3.823	0.653
Do the offered benefits help you to achieve a better work-life balance?	9	19	77	290	63	3.828	0.787
Do you feel that your fringe benefits contribute to a positive company culture?	2	9	80	311	56	3.895	0.636



Overall Mean = 3.951965 (79%)

The key impact factor questions are measured with scaling one to five to understand the resultant of the factors and confirming the impacts.

Nine qualities of organizational culture, productivity and impact factors of fringe benefits for those traits are discussed here. The least one is that fringe benefits influencing overall job satisfaction is with a mean value 3.823 out of five resulting in 76.5 % acceptance. This confirms that more than 75% of employees' job satisfaction rely on fringe benefits. Similarly, this survey confirms that the employees'

interest and willingness to put extra efforts in their job to receive fringe benefits resulted in high average of 4.098 showed 82% of employees are eager. Remaining parameters resulting in the impact of fringe benefits between the said two extreme values. Hence, it is evidence that all quality characters and productivity of the company have significant impact on fringe benefits of employees receiving from the organizations.

The organizational behavior, employee satisfaction, productivity and cultural change are the key benefits of fringe benefits to the organizations. Resulting overall productivity, retention rate of employees and job satisfaction. The overall Mean value of all quality traits is 3.951965 resulting 79 %. Further, the coefficient of determination among the mean values of the said characteristics is $R^2 = 0.8198$ that is more than 90% strong positive correlation.

Table 19 How satisfied are you with your Current Job

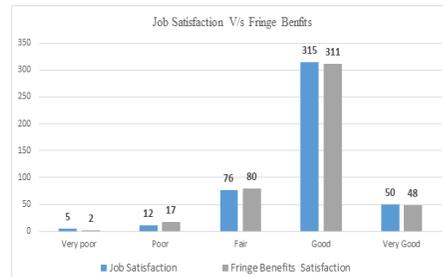
Job Satisfaction	Frequency	Percent
Very Poor	5	1.1%
Poor	12	2.6%
Fair	76	16.6%
Good	315	68.8%
Very Good	50	10.9%
Total	458	100.0%
Mean	3.858	77.2%
SD	0.678	

Table 20 Overall Satisfaction of Fringe Benefits

Job Satisfaction	Frequency	Percent
Very Poor	2	0.4%
Poor	17	3.7%
Fair	80	17.5%
Good	311	67.9%
Very Good	48	10.5%
Total	458	100.0%
Mean	3.858	76.9%
SD	0.666	

From table 19, we used the scales from very poor to very good with weights one to five to measure the satisfaction quantitatively. The job satisfaction of employees revealed with mean value 3.858 out of 5 resulting 77.2 percent. More than three fourth of the

employees confirmed their job satisfaction with their company and 17 percent of employees were given rating of fair that falls within standard deviation and the overall job satisfaction reaches 96%. Only four percent of employees showed dissatisfaction with their job and company culture. This result of satisfaction is highly significant and favors private organizations functionality in the UAE.



Overall satisfaction of employees about their fringe benefits also reflects a perfect satisfaction level among employees. The average satisfaction is 3.843 and resulted in 77%. Only 4.1% of employees are unhappy with fringe benefits apart from regular packages and benefits. Remaining 96 % of employees have shown happiness with fringe benefits in its type, variety, frequency, and package.

Comparing Both Overall satisfaction and fringe benefits for employees reflects a perfect and positive correlation with coefficient of correlation $\rho=0.999572978$. This is a highly significant result that fringe benefits impacts job satisfaction of employees positively.

Job Satisfaction and Employee Retention

Job satisfaction in private organizations has three pivotal parameters: compensation and benefits, Work-life balance and Job security. These three parameters put together yields employee retention and leads to localization. Usually, floating employee populations negatively affect the organization’s reputation. These three parameters are pivotal to avoid negativity, sustaining in the market, retaining reputation and achieving excellence all through depend of employee’s happiness and reflects positively with productivity and quality.

Labor market competition and global trends drastically impacted fringe benefits for the employees in the UAE. However, it is important to

consider that the potential employee in the UAE is still looking for a better salary package and benefits while considering job prospectus in recent years. This means that offering fringe benefits is a good way to create a well-rounded EVP (Employer Value Proposition), it can't simply replace competitive wages. Instead, these benefits must be part of a holistic hiring process.

Understanding Fringe Benefits

All employees are eligible for some common fringe benefits and those will be included in the hiring package. Some benefits are for specific employees and some are based on the performance and eligibility criterion. Such benefits will be given as per HR policy of the company. Some companies are providing cell phones to the specific category employees and some are given iPhone. These are specific and not applicable to all. Similarly, providing a laptop instead of Desktop for an employee is also a kind of fringe benefit and some employees were given the option of Work from home and itself a fringe benefit. Interest free loans, providing child care crèche, some special permission to female employees, new mothers and similar benefits are customized and uncommon.

An inclusiveness of fringe benefits along with salary packages can deliver significant value to both employees and employers. By offering a range of fringe benefits that support employee well-being and work-life balance, employers can improve job satisfaction, increase productivity, and gain a competitive advantage in the job market.

Findings and Discussion

The importance of fringe benefits: The reason behind the importance of fringe benefits are the three vital situations employee retention, employee engagement and wellness of employees. (Galanaki) pinpoints the importance of fringe benefits for workers and employers in global enterprises and impacts. This has been repeatedly raised by the Human resource department to protect employees and their rights gender wise without any compromise. Many authors have penned the same issues in their literature about the benefits for being gender specific. The fringe benefits are nowadays inevitable in every

organization and many organizations provide them along with salary packages

The impact of fringe benefits on employee engagement: Employee engagement is the key to improving performance. If any stage of the organizational structure fails to address the importance and affordability of the human resources, employees fail to fully engage themselves in their job and lead to response in mismanagement. Evidently, fringe benefits yield job satisfaction, employee commitment and organizational culture. Simply, Fringe benefits improve employee engagement and resulting success. Our study has confirmed that Fringe benefits offered in the private concerns in the UAE have significantly increased employee engagements. Engaged employees are like assets of the company. They are emotionally attached to their organization and their involvement is very high in their work culture and passion for the success of the employer and organization, product /service. Eventually, it leads to organizational excellence. The employee engagement makes the employee to going extra miles beyond their contract and agreement is the key for success

The impact of fringe benefits on job satisfaction: Our Study has depicted that the impact of fringe benefits has a highly significant impact with job satisfaction. Apart from common benefits, the uncommon specific gender specific benefits make a notable impact with job satisfaction of the employees. The benefits types, varieties and conditions vary company to company and especially sector wise varies. Even then, the extra benefits always play a pivotal role in job satisfaction in every organization. Job satisfaction is a key to performance of the employee and productivity and work-life balance. Quality of product depends on the employee engagement and job satisfaction of the employees. Job satisfaction of the employees leads to reputation retention rate of employees and therefore, Fringe benefits being pivotal to job satisfaction.

To gain better knowledge of the structuring of remuneration packages : If the fringe benefit does not fulfill the needs of employees, then that won't attract employees and job satisfaction will not be at par. Hence, customizing benefits specifically to satisfy employees' needs and interests as well as gender

based. Some employees expressed their interest in getting monetary benefits in the form of salary increments etc. Our study is impeccable in analyzing the mood and need of employees' benefits in the private sector organizations of the UAE.

Conclusion

This study focused on the impact of fringe benefits for the employees in private organizations in the UAE. From the insights of our study, it is identified that welfare benefits contribute to the commitment of employees in their job. Secondly, study confirmed that fringe benefits motivate employees and make significant increases in employee engagement and commitment and lead to job satisfaction. Job satisfaction has an impact on employee performance, increased productivity and results towards organizational excellence. Hence, it is important for an organization to understand the employee satisfaction and impact factors. Especially in the UAE during this highly competitive business environment, employee retention, reputation and productivity, and quality of their product or service rely on the vital factor of job satisfaction and employee compensation packages. Therefore, it is important for every private concern in the UAE to adhere to the current and future workforce composition and offer the right salary package and fringe benefits package of rewards and other programs to attract, retain and engage the workforce.

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