**Non-Cash Perks and Employee Performance in Private Sector Organizations in Tanzania: A Case of Pretty Development For Poverty Reduction (PDPR) in Njombe**

**ABSTRACT**

*The study was carried out to examine the relationship between Non-cash Perks and Employee Performance at Pretty Development For Poverty Reduction (PDPR) in Njombe. This study employed a mixed method approach where both quantitative and qualitative data were used as well as* convergent research design*. In this study, the type of data collected was primary data from the field. The study involved respondents of three categories namely;- Managers, Supervisors and Common Employees as its target population, and hence all individuals were included and taken without having a sample size as their number was small to make the best conclusion in the sample. Data was collected through questionnaires and interviews as well as documentary reviews. Quantitative data were analyzed Descriptive statistics simplified by using SPSS, while qualitative data were subjected to thematic analysis. The findings revealed positive relationship between Non-cash Perks and Employee Performance at Pretty Development For Poverty Reduction (PDPR) in Njombe. The study concludes that in order to elicit the best performance from employees, there is need for some sort of motivation beyond the weekly pay check. The employees who work hard should be recognized and appreciated for their contributions to the organization.*by being given the Non Cash such as Perks; *Recognition, Work life balance, Career Advancement, Employee Survey, Customized Incentives Schemes, Employee Feedback and Promotion of Rewarding System. This study recommends that Tanzania's government should formulate friendly labour laws and HR Policies to ensure that employees in the organizations for which they are working are treated with utmost importance and to address their requirements not only for money, but also Non-cash Perks by their organizations, which recognize them and allow the employee autonomy. Also* Training programs are crucial for employee professional development. Additionally, the management must enhance Work Life Balance to their employees in both public and private sector organizations.

***Key Words: Non-cash Perks, Performance, Employee Performance, Private Sector.***

1. **INTRODUCTION**

Employee performance is a critical factor for the success and competitiveness of organizations. In recent years, there has been a growing recognition of the importance of non-cash perks as a means to enhance employee motivation, satisfaction, and overall performance. Non-cash perks, also referred to as non-monetary rewards, include benefits such as flexible working hours, professional development opportunities, recognition programs, and wellness initiatives.

Research indicates that non-cash perks significantly contribute to job satisfaction, which in turn enhances employee performance. A study by Kim and Garman (2013) found that employee recognition programs are positively correlated with job satisfaction and organizational commitment. Similarly, a study by Chi and Gursoy (2009) highlights the importance of non-monetary rewards in fostering job satisfaction among employees in the hospitality industry.

Researches indicate that in European countries, organizations face the challenge of balancing the provision of competitive salaries with non-cash perks to retain top talent in highly competitive markets (Smith, 2019). According to Jones et al., (2020), the cultural emphasis on work-life balance and employee well-being in countries such as Sweden and Germany highlight the importance of non-monetary perks such as flexible working hours and remote work options.

According to Brown and Lee, (2021), in the United States of America, characterized by its dynamic business environment and diverse workforce, organizations employ a range of non-cash perks, including recognition programs, employee empowerment initiatives, and professional development opportunities, to enhance employee engagement and retention However, the effectiveness of these incentives may vary across industries and organizational cultures that eventually leads to employee performance as well as organizational performance at large.

In the part of Asian countries, where by the hierarchical structures and collectivist cultures prevail, non-cash perks such as recognition, career development opportunities, and job security play a crucial role in fostering employee loyalty and retention (Chowdhury and Ariffin, 2021). According to Wang and Kim, (2018), the effectiveness of non-cash perks may vary across countries with differing cultural values and economic conditions, such as Japan and India

In African countries, most organizations often rely on non-cash perks such as skills development programs, inclusive workplace cultures, and opportunities for advancement to retain skilled employees (Nkomo et al., 2017). However, the impact of these incentives may be constrained by resource limitations and infrastructural deficits (Mugambi & Kariuki, 2020).

In Kenya, a rapidly developing economy with a diverse workforce, organizations face unique challenges in retaining talent and boosting their performance amidst increasing competition and globalization. Non-cash perks such as performance recognition, work-life balance initiatives, and professional growth opportunities are critical for mitigating turnover risks and enhancing employee engagement (Odhiambo & Kimani, 2019).

In the context of Tanzania, the private sector is characterized by diverse industries, including manufacturing, services, and agriculture. The competitive nature of the job market necessitates innovative approaches to employee retention and performance management. Non-cash perks, such as flexible work arrangements, training and development programs, and employee wellness initiatives, are particularly relevant in addressing the unique challenges faced by Tanzanian private sector organizations.

Tanzania, like many developing countries, is experiencing rapid economic growth and a burgeoning private sector. As organizations strive to attract and retain talent in a competitive job market, understanding the role of non-cash perks in improving employee performance becomes increasingly important. Traditional monetary incentives, while effective, may not fully address the diverse needs and motivations of employees. Non-cash perks can complement financial rewards and contribute to a more holistic approach to employee engagement and performance enhancement. A rapidly developing economy with a burgeoning workforce, organizations face unique challenges in retaining talent amidst increasing competition and globalization. Non-cash perks such as performance-based rewards, work-life balance initiatives, and supportive leadership are crucial for enhancing employee retention and sustaining organizational growth (Omar & Yusuf, 2020).

“Employees are vital to the success of any organization, therefore it’s important to keep your employees motivated and happy. With the world being so globalized now there has been an increased importance of employing the most talented people all contribute to the complex design of reward programmers” (Gross and Friedman, 2004). “An employee’s willingness to stay on a job mostly depends on the reward system of the company” (Armstrong, 2003). “In other, for organizations to get the best out of their employees and be able to keep their employees it is important to consider various ways in which they can be compensated” (Falola, 2014).

Historically, organizations primarily relied on monetary incentives such as salaries and bonuses to retain talent. However, a paradigm shift has occurred as businesses recognize the need to adopt a more holistic approach, acknowledging the significance of non-monetary factors in employee satisfaction and loyalty. (Smith, 2018; Jones & Williams, 2020)

“One of the common strategies that organizations use to retain employees is to offer them monetary incentives, such as salary, bonuses, commissions, or stock options. Monetary incentives are assumed to be the main motivators for employees, as they can satisfy their basic needs and increase their standard of living. However, monetary incentives may not be sufficient or effective in retaining employees, especially in the context of economic downturns, budget constraints, or market fluctuations. Moreover, monetary incentives may have some negative consequences, such as creating inequity, reducing intrinsic motivation, or encouraging unethical behavior” (Armstrong, 2003).

Kosfeld (2008) emphasizes that monetary are not the only motivating factors and the financial results have a de-motivating influence on the employee. Money is not regarded as a motivating factor and often managers have found monetary value to have a negative impact on the employees. However, Bright (2009) believed that nonfinancial types of rewards are more meaningful and may bring greater employee satisfaction and job performance. The strategic use of nonmonetary awards results in positive behavior in employees and enhances employee performance and retention (Kwenin, Muathe & Nzulwa, 2013).

Therefore, organizations need to consider other types of incentives that can complement or substitute monetary incentives in retaining employees. These are known as non- cash perks, which include intangible or tangible rewards that are not directly related to money, such as recognition, feedback, autonomy, training, career development, work-life balance, or flexible work arrangements. Non-cash perks can appeal to the higher-order needs of employees, such as achievement, affiliation, or self-actualization, and enhance their psychological well-being, commitment, and loyalty (Falola, 2014).

Generally, the effectiveness of non-cash perks on employee performance may depend on various factors, such as the individual preferences, expectations, and values of employees, the organizational culture, policies, and practices, and the external environment, such as the industry, market, or country. Therefore, it is important to understand the impacts of non-cash perks on employee performance from different perspectives and contexts and to identify the best practices and challenges in designing and implementing Non-cash perks programs.

1. **The Study Objective**

The purpose of this study is to generate preliminary hypotheses about the relationship between non-cash incentives and job performance at PDPR in Njombe, based on the perceptions and experiences reported by employees.

1. **Scope of the study**

The study mainly focused on a range of Non-Cash Perks, including recognition and appreciation also Flexible Work Arrangements that provide options for work-life balance, Professional Development Opportunities such as training, workshops, and skill enhancement programs that eventually results into employee performance Pretty Development for Poverty Reduction (PDPR) in Njombe. By exploring these aspects, the research aims to provide valuable insights and recommendations to support the Pretty Development for Poverty Reduction (PDPR). The organization runs its activities through the generous support and participation of individuals and interested global entities partners. PDPR-works in partnership with rural communities on a wide range of development issues as herby listed agriculture, environmental conservation, capacity building, health, enterpreurship development, human rights, education, and mainstream cross-cutting issues in projects (HIV/AIDS, gender, drug abuse and globalizations).

The study conducted and concentrated merely within the context of the Pretty Development for Poverty Reduction (PDPR) and will not encompass other organizations or sectors. The study focused on the employees of Pretty Development for Poverty Reduction (PDPR).

**4. Significance of the Study**

1. **Beneficial to management of Pretty Development for Poverty Reduction (PDPR).**

The research findings will greatly assist management in proactively motivating and embracing non-financial methods of rewarding employees. These strategies will be effective in achieving maximum Employee Performance. Additionally, the findings will guide the organization in selecting non-cash tools and approaches that yield positive and profitable outcomes.

1. **Beneficial to Researchers**

The study will contribute to the existing literature on non-cash perks, especially in the context of the private sector organizations in Tanzania and Africa at large.

1. **Beneficial to Employees of both public and private organizations**

Employees will also be informed about the management's dedicated efforts to motivate them, encouraging them to put in more effort and stay motivated. Furthermore, the information can help employees identify their sources of motivation and understand what motivates their colleagues.

1. **Beneficial to Policy Makers**

The findings of the study will provide valuable evidence for Tanzanian policy makers regarding the importance of human resource management practices in promoting the use of non-cash perks for employee performance. Policymakers can utilize this information to create or revise policies and guidelines related to human resource management in both public and private organizations.

# 2.0. LITERATURE REVIEW

## 2.1 Theoretical Literature Review

The study employed two prominent theories that offer significant insights into this area are Human Capital Theory and Social Exchange Theory. These theories provide a framework for understanding how non-cash perks can influence employee performance.

##  2.1.1 Human Capital Theory

Human Capital Theory posits that employees possess skills, knowledge, and abilities that constitute a form of capital (Becker, 1964). Investments in this capital, such as training and development, lead to enhanced productivity and organizational performance (Schultz, 1961). In the context of non-cash perks. Human Capital Theory suggests that incentives like professional development opportunities, training programs, and career advancement prospects can enhance employees' skills and knowledge, thereby increasing their value to the organization (Benson & Brown, 2019). Investing in employees through non-cash perks can lead to increased job satisfaction and commitment, as employees perceive these investments as a sign of the organization's commitment to their professional growth (Noe et al., 2020). This, in turn, can enhance employee performance, as employees get high morale of working and are more likely to stay with an organization that invests in their development (O’Connell & Kung, 2020). At Pretty Development for Poverty Reduction (PDPR) in Njombe, offering career development opportunities can therefore be a strategic approach to boost the performance of employee

Additionally, Human Capital Theory highlights the importance of recognizing employees' contributions and skills, which can be achieved through non-cash perks such as recognition programs and opportunities for meaningful work. By valuing and utilizing employees' human capital, organizations can foster a more motivated and committed workforce (Wright & McMahan, 2019). This theory underscores the need for Pretty Development for Poverty Reduction (PDPR) in Njombe to implement comprehensive non-cash perks programs that recognize and develop employee potential.

**2.1.2 Maslow Hierarchy of Needs Theory**

According to Maslow’s (1943) “hierarchy of needs theory proposes that individuals must fulfil their lower-order needs (basic needs such as water and housing, safety, belonging, and esteem) before being motivated to fulfill the higher-order need for self-actualization. Normally, the theory of needs developed by Maslow is always captured in a pyramidal shape in which the basic needs are situated at the bottom while the higher needs at the top. This portends the order of importance of the needs. Physiological needs are the most vital and widest among them and were placed at the base of the pyramid”. According to Cheema, Shujaat, and Alam, (2013), “an individual goes through the hierarchy beginning with the most basic needs that is physiological needs which include food, air, sleep, shelter, clothing, salaries for employees etc. Such needs are basic and hence absolutely essential to sustain life. Until the physiological needs are fulfilled, the other needs above the hierarchy will not be considered. This is very important point to note considering that in most organizations most of the lower level employees fall at this level of the Maslow’s hierarchy”. The second most basic need is for employees to feel safe and secure. More on that Tanner, (2018), demonstrates that “Employees who feel insecure at the work place or who feel like are in harm which could be environmentally or mentally will not be in a position to perform their work above expectation. Instead, they get demotivated and this drives them to look for job offers in other companies”.

“Basically, Social Needs refers to the need for friendships, team togetherness, belonging to associations, clubs or other groups and the need to give and get love are all social needs. Employees are concerned on matters of esteem needs which include self-respect, achievement, attention, recognition and reputation. They generally need the feeling that others will think better of them or others will escalate their efforts at the work place. This is why motivation is crucial to excellent employee performance and when at this level of the hierarchy; it mainly concerns non-monetary rewards such as recognizing or praising an employee for good performance in existence of the other employees” (Tanner, 2018). Lastly, Self-Actualization is the highest level of Maslow’s hierarchy where people are looking in to their full potential, purpose, truth, wisdom and justice. A very small percentage of employees ever reach this point. In an organization, such individuals are very few and may include top management such as company proprietors and directors. Therefore, the theory is suitable in understanding the relationship between non cash perks and employee performance at Pretty Development for Poverty Reduction (PDPR).

## 2.2 Empirical Literature Review

Several studies have highlighted the importance of flexible work arrangements as a non-cash perks that significantly impacts employee retention.

The study by Warren (2017) asserted that “a good number of people abandon their jobs not mainly because they are under paid; rather, due to the fact that they believe that they are disregarded or even neglected. Employees want to work in a environment where the voices can be heard and where the suggestions they offer are taken into account. Over all, non-monetary donations are also suitable for medium-sized firms so that they can negotiate effectively with American companies to achieve and retain competitive jobs for employees. And since the size of the award is almost difficult to overcome, non-monetary incentives are the greatest at keeping staff happier at work. The incentives not only provide the staff satisfaction, but also ensure that everyone gives the organisation with which they work a high quality job”.

The study by Manyega (2016) assessed “the impact of employee motivation on work performance in private sector organizations with three specific objectives using the Venture Risk Management in Dar es Salaam Region as a case for study. Appropriate results showed that in private sector organisations, motivational factors for fair wages, a fair reception of employment, protection of employment, advancement, good job, commitment to workers, decent working practices, tacit compliance, acknowledgement and polite assistance to personal concerns are significant influences”.

The study by Kennedy (2016) have “investigated the impact of training and development on job performance in the Judicial Service of Ghana. The study showed that the Ghana Judicial Service was the agency that was responsible for running the courts of the region every day as an organization of the public sector. Consequently, part of the expenditure allocation was primarily meant for the recruitment of lawyers, judges and the judiciary to improve their ability to carry out their roles efficiently and successfully and fulfil the service's purpose and purpose. It was further noted that Ghana's judicial service was still unable, in spite of the massive investments, to achieve its goal and mission in reducing time-consuming court proceedings and the need to cope with emerging developments in effective judicial evidence”.

The study by Lewis (2013) asserted that “recognition and praise are ways that are considered effective in the motivation of employees in an organization. Certain non-cash perks that reflect learning opportunities, appreciation, competitive employment and advancement have been evaluated and developed as a powerful, successful method to inspire people to enhance results. The bonus award is most valued for the opportunities that it gives an individual in terms of professional growth, which for a long period is converted into greater cash incentives than wage costs being charged for small work”.

The study by Kikoito (2014) examined “the impact of reward systems on organisational performance in commercial banks in Mwanza city, Tanzania. The findings, however, showed that the proposed pay arrangements did not overwhelm workers, and salaries in the city of Mwanza were not perceived as too low and represented living costs. The analysis also found that workers were not happy with the underlying (non-financial) incentives”.

The study by Al-Mzary (2015) examined “the attitudes of administrative leaders and administrative employees concerning the training courses provided, as well as the impact of training on employee job performance at Yarmouk University in Jordan. The results found that training courses are linked to the medium-level training requirements of workers and that a variety of factors decide the placement of qualified training employees. Findings have showed that successful teaching is related to the success of workers”. Several suggestions have been made based on the findings of the report.

The sudy by Ngari (2015) conducted “a research to investigate the influence of in-service training on employee performance in the Judiciary’s Lower Courts in Nairobi, Kenya. The results of the study showed that most of the magistrates had attended induction training while the paralegal staff had not attended induction training. The studies have also demonstrated that induction training has a significant influence on employee conduct and success. The study concluded that induction training has an impact on employee accomplishments in the judiciary, by improved levels of ability, competitiveness and a positive influence on consumer satisfaction”.

The study by Ngatia (2014) assessed “the influence of recognition, career development, employee independence and flexible schedules on employee performance in Muranga water and sanitation company, Murang’a County. This study showed that the correlation between independence and success of employees is high. The research also showed that acknowledgement has essential effects on employee productivity and performance and appreciation as a award. Furthermore, the study finds that a high degree of corporate productivity is achieved if businesses see job growth as a means to significantly increase their results. Finally, the study showed that flexible job schedules give workers more consistency in how their job is performed. They can help to sustain tension at low levels, increasing positive morale and thereby enhancing productivity, not only happier, but also better overall”.

The study by Nassazi (2018) evaluated “the effects of training on employee performance, using the telecommunication industry in Uganda as case study. To explain the purpose of the research, four objectives were identified which centered on defining training programs in the sector, the goal of the training given, the approaches used and, finally, the influence of training and development on employee results”.

The study by Nduguru (2015) which is a Tanzanian context, designed to investigate on the impact of on the job training on employee’s performance in secondary schools of the Songea Municipality in the Ruvuma region. It was about on-work training among teachers in Songea’s Secondary Schools. This study has revealed that trained employees are more willing to continue working in the same organization after being trained than those who are not yet trained. One big result is that having Mastery Specific Skills one needs to successfully perform the tasks related to his/her present job after training and seeing a Career Path in one’s Present Job are strongly correlated. Hence, we confirm that on-work training is a key factor to good performance, career path and job security. Once an employee is trained, he gains opportunity to enhance his performance, his current job has direct impact on achieving the organizational objectives, his job performance outcomes are consistent with the goals of the organization and his good performance on his job gives him/her formal appreciation by the higher ups.

**2.3 Research Gap**

“It is obvious that after passing through all these empirical literature reviews, still research gap has been spotted. While most significant researches has explored the role of monetary incentives in employee retention, the impact of non-cash perks remains under-investigated, particularly within the private sector. Existing studies primarily focus on non-monetary rewards abroad contexts, leaving a substantial gap in understanding how non-monetary factors such as career development opportunities, recognition programs, and work-life balance contribute to employee retention” (Alfes et al., 2019).

The Research gap is where previous researcher focused only to mention motivational factors, but they did not show how motivated employees could help the organization to survive and how motivation could influence employee performance in the working areas. Additionally, most researches were conducted outside the Tanzanian context that can’t be compared with the real situation of our forms of non-cash perks in relation to our employees’ performance. The researcher’s purpose is to overcome the gap by showing how different non-cash perks might influence job performance at Pretty Development for Poverty Reduction (PDPR) in Njombe which has been chosen as the case study to represent all other private sector organization. At Pretty Development for Poverty Reduction (PDPR) in Njombe, there is a pressing need to identify and evaluate these non-cash perks to provide a more comprehensive understanding of their effectiveness in enhancing the so called employees performance.

## 2.4 Conceptual Framework

The conceptual framework for this study is designed to examine the relationship between non-cash perks and employee performance at Pretty Development for Poverty Reduction (PDPR) in Njombe. This framework provides a visual and theoretical model for understanding how different non-cash perks impact employee performance and how these effects can be optimized.

The independent variables in this framework include recognition, work-life balance, and career advancement. These elements are critical components of non-cash perks that have been shown to significantly influence job satisfaction, employee engagement, and overall productivity (Kuvaas et al., 2019). Recognition refers to the acknowledgment and appreciation of an employee's efforts and achievements, which can enhance their sense of value and belonging within the organization. Work-life balance encompasses the equilibrium between professional responsibilities and personal life, crucial for maintaining employee well-being and reducing burnout (Haar et al., 2019). Career advancement opportunities offer employees a clear path for growth and development, fostering long-term commitment to the organization (Deery & Jago, 2015).

Eventually, the Dependent Variable is Employee Performance which is influenced by the identified non-cash perks and the strategies for improving them. The conceptual framework thus provides a comprehensive approach to understanding and improving the relationship between non-cash perks and employee performance within the private sector organizations.

**Figure 1 Conceptual Framework**

Independent Variables Dependent Variables

**EMPLOYEE PERFORMANCE**

* **Job satisfaction**
* **High Team Work Spirit**
* **Employees Engagement**
* **High Motivational Spirit**
* **High Productivity**
* **No or Less Turnover Rate**

**NON- CASH PERKS**

* **Recognition**
* **Work life balance**
* **Career Advancement**
* **Employee Survey**
* **Customized Incentives Schemes**
* **Employee Feedback**
* **Promotion of Rewarding System**

*Source: Study Findings (2024)*

# RESEARCH METHODOLOGY

**3.1 Study Area**

The study was conducted at Pretty Development for Poverty Reduction (PDPR) in Njombe region. Njombe Region is one of Tanzania's 31 administrative regions. The region covers a land area of 21,347 km2 (8,242 sq m). The region is comparable in size to the combined land area of the nation state of El Salvador. Njombe Region is bordered to the north by the Iringa Region and Mbeya Region, to the east by Morogoro Region, to the south by the Ruvuma Region and to the west by Lake Nyasa. The regional capital is the municipality of Njombe. According to the 2012 national census, the region had a population of 702,097. The Physical address of PDPR is that it is found at Itunduma Village. Pretty Development for Poverty Reduction (PDPR) - is a local (Non-governmental Organization and non-profit making). Situated in Njombe district but operate in whole national (Zanzibar and Tanzania mainland), PDPR base in rural areas of Tanzania, target to serve women, children, youth and marginalized group who are small scale farmers and small business man in Rural areas. Its registration No is 000NGO/006208. PDPR - works under umbrella of (Njombe District Non- governmenatal Organization) NJODINGO, and her partners are ADPR, Kichiwa Farm, ARUPA, Maboma Company, Upendo foundation. PDPR-have experience of working and Farmers and rural communities also has special team for rural activities and agricultural projects. The targeted populations by PDPR are youth, women, children, elders who are small scale farmers as small business man found in rural areas. Activities implemented by PDPR since the establishment are Children rights and responsibility of societies in Mtwango ward, Essay writing competition to secondary school students on HIV/AIDS, Globalization, Environmental and climate change in Njombe region, Entrepreneurship skills, marketing skills and business skills training services to youth and secondary school students in Njombe and Dar es salaam for the past 15 months.

**3.2 Research Approach**

According to Creswell (2014) proposes that the mixed method research approach uses both qualitative and quantitative methods to collect and analyze data in a single research study. Therefore, a mixed approach was employed because the study involved the aspects of personal narrative and measurements of variables as well as statistical data. Mixed research approach is suitable for this study because it enabled the researcher to collect adequate data to answer the research questions.

## 3.3 Research Design

Research design is a blue print that guides the planning and implementation of the research (Creswell 2013). Defines research design as the arrangement of the conditions for collection and analysis of data in a manner that aims at combining relevance to research purpose with economy (Kothari, 2014). In practice the study used a convergent design under mixed research approach. Convergent design helped the researcher to validate quantitative and qualitative findings of the study.

## 3.4 Population and Sample size

## 3.4.1 Target Population

## Target population is the general population of individuals residing in the area at which findings of the study were generalized while study population is the sub-set of the target population which is directly affected by the research problem (Banerjee & Chaudhury, 2010).

The target population for this study comprises the staff of Pretty Development for Poverty Reduction (PDPR) in Njombe, categorized into three main groups: Managers, Supervisors, and common employees. This segmentation allows for a comprehensive understanding of the influence of non-cash perks on the employee performance across different levels of the organizational hierarchy. Managers and Supervisors are integral to this study as they are responsible for the implementation and oversight of incentive programs, while the common employees are the primary recipients of these incentives. Understanding the perspectives and experiences of each group will provide a holistic view of the effectiveness and challenges associated with non-cash perks in employee performance (Guest, 2014). Therefore, the target population of the study was 89 people of which were taken all of them as a Sample size since the number is small and with the intention of getting enough responses from many respondents from the diverse workforce at Pretty Development for Poverty Reduction (PDPR) in Njombe as illustrated well in the Table 1: This population size is justified based on the need to capture a wide range of experiences and viewpoints while maintaining a manageable scope for qualitative and quantitative analysis. This approach aligns with best practices in organizational research, which emphasize the importance of inclusivity and diversity in sampling to enhance the validity and reliability of findings (Saunders, Lewis, & Thornhill, 2019).

***Table 1: Target Population (n-89)***

|  |  |  |
| --- | --- | --- |
| Category | Number of Participants | Data Collection Method |
| Managers | 8 | Interview  |
| Supervisors | 28 | Questionnaire  |
| Common Employees | 53 | Questionnaire |
| Total | **89** |  |
|  |  |  |

*Source: Research Data (2024)*

## 3.4.2 Sampling Strategy

Basically, a sampling strategy is a plan which determines methods and procedures for selection of sample size from the study population (Verma & Verma, 2021). This study employed purposive sampling for the diverse employees categories at Pretty Development for Poverty Reduction (PDPR) in Njombe, which included Managers, Supervisors, and common employees.

## 3.5 Data Collection Methods

## According to Zozus, (2020) data collection is the process of gathering the required data from the respondents by using different methods such as interviews, questionnaires, documents, and observations. This study collected data by using Questionnaires, Interviews and Documentary Review.

## 3.5.1 Questionnaire

## Questionnaire is a method of data collection which involve the use of a special form containing a list of questions that are asked to respondents. Questionnaire are administered through special forms. The questionnaire form is filled by respondents anonymously without presence of the researcher. Questionnaire can be structured, or semi-structured (Zozus, 2020). This study applied a Questionnaire to collect data from 81 respondents at Pretty Development for Poverty Reduction (PDPR) in Njombe. The questionnaires composed of closed-ended items that are coded by using 3-point Likert Scale for rating responses. Specifically, Likert Scale for rating level of agreements was used to code closed ended items with structured responses. The scale included the following closed ended choices: 1=Disagree, 3=Not Sure, 3=Agree. .

## 3.5.2 Interviews

## According to Zozus, (2020), Interview is a method of collection of data which involves conversation between researchers and respondents. Interviews can be done either face to face, online or by telephone. Interviews were held at Pretty Development for Poverty Reduction (PDPR) that merely involved the eight (8) Managers.

## 3.5.3 Documentary Reviews

## Additionally, the study reviewed relevant documents such as meeting minutes, Policies, Strategic Plan, Guidelines. The documents were obtained from the respective websites and in the offices. The documents helped to crosscheck and validate primary data collected from both questionnaires and interviews.

## 3.6 Data Analysis

## According to Awang, (2012) data analysis is the systematic process of categorizing, summarizing, organizing and examining data in order to generate findings and answer research questions. Data can be analyzed by using either quantitative or qualitative methods. For instance, quantitative data can be analyzed by methods such as descriptive statistics, correlations and regression. Therefore, the current study applied quantitative and qualitative techniques to analyze data.

## 3.6.1 Quantitative Analysis Techniques

## Data collected from structured questionnaires were analyzed by using quantitative techniques. In this study, analysis of quantitative data involved the following procedures. Variables for each item were coded on SPSS. The variables were coded on the variable view section. Then data were entered on SPSS according to the coded variables. Data Analysis by using descriptive statistics, specifically, frequencies and percentages were used to describe different levels of rating responses.

## 3.6.2 Qualitative Analysis Techniques

## Basically, thematic analysis was applied to analyze the data obtained from interviews. This involved coding of data by identifying the key themes and concepts that emerge from the interviews and documentary sources. It also involved identification of categories and codes for each theme.

**4.0 FINDINGS**

Generally, the thoroughly analysis of survey data indicates a strong positive relationship between Non-Cash Perks and Employee Performance at Pretty Development for Poverty Reduction (PDPR) in Njombe. The results demonstrate that a significant majority of employees perceive non-cash perks as a crucial factor influencing their job satisfaction that automatically leads to employee performance. Specifically, 74.3% of respondents agreed that non-cash perks increase their job satisfaction and employee performance. This finding is consistent with existing literature of Kamal & Moideen, (2022) which underscores the importance of non-monetary rewards such as recognition, career development opportunities, and work-life balance initiatives in enhancing employee performance.

Additionally, the data reveals that non-cash perks make employees feel valued, whereby Feeling valued is a critical psychological aspect that fosters employee loyalty and boosts employee performance and hence reduces turnover intentions among the employee in the working areas. According to Meyer & Allen (2021) propose that when employees feel recognized and appreciated, their commitment to the organization increases, leading to higher retention rates. This is particularly important in the private sector organizations including Pretty Development for Poverty Reduction (PDPR) where employee performance can be poor due to the demanding nature of the work and the competitive job market in private sector. More on that the findings indicate that there is strong relationships between non-cash perks and job satisfaction and recommending Pretty Development for Poverty Reduction (PDPR) in Njombe as an attrcative place to work. This findings suggest that employees who are satisfied with the non-cash perks are also likely to promote the organization positively. Such advocacy is beneficial for the the organization’s reputation and can aid in attracting and retaining talent or high performing workforce (Nguyen & Pham, 2022). Therefore, eventually it is evident that non-cash perks play a vital role in employee performance at Pretty Development for Poverty Reduction (PDPR) in Njombe, highlighting the need for strategic enhancement and consistent implementation of these incentives.

Additionally, it has been discovered that introducing and expanding flexible working hours can address work-life balance concerns, which are increasingly important to today's workforce. According to Schieman and Glavin, (2021) recommend that flexible working arrangements can lead to reduced stress levels, increased job satisfaction, and a stronger commitment to the organization. For Pretty Development for Poverty Reduction (PDPR) in Njombe, adopting flexible scheduling practices, such as allowing employees to choose their shifts or work remotely when feasible, can help attract and retain talent, particularly among younger workers who prioritize work-life balance.

Eventually, providing professional development opportunities is essential for long-term employee performance. At Pretty Development for Poverty Reduction (PDPR) in Njombe, above 80 % of respondents valued professional development as a key non-cash perks . According to Tansley, Kirk, and Williams, (2019) continuous learning and growth opportunities enable employees to enhance their skills, stay motivated, and feel more invested in the organization. Implementing structured training programs, offering scholarships for further education, and creating clear career progression pathways can help employees see a future within the organization and hence boosting employee performance.

***Table 2:*** *Responses on the Relationship between Non- Cash Perks and Employee Performance (n = 89)*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Statements** | **SA** | **A** | **U** | **D** | **SD** |
| **F** | **%** | **F** | **%** | **f** | **%** | **f** | **%** | **F** | **%** |
| Enhancement of Work Life Balance improves Employee Performance | 60 | 67.5 | 25 | 28 | 4 | 4.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| PDPR provides professional development opportunities to employees | 0.0 | 0.0 | 0.0 | 0.0 | 9.0 | 10 | 75 | 84.3 | 5.0 | 5.7 |
| PDPR implements Recognition and Appreciation to the employees when they perform well | 0.0 | 0.0 | 0.0 | 0.0 | 9.0 | 10 | 75 | 84.3 | 5.0 | 5.7 |
| Recognition and reward programs motivate employees to perform better | 70 | 78.7 | 9.0 | 10 | 2.0 | 2.3 | 8.0 | 9.0 | 0.0 | 0.0 |
| Recognition and Reward Programs reduce employee complaints | 68 | 76.3 | 12 | 13.5 | 4.0 | 4.5 | 5.0 | 5.7 | 0.0 | 0.0 |
| Formal praise (Certificate) motivate employees to do quality work | 60 | 67.5 | 25 | 28 | 4.0 | 4.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| It is important to be recognized by peers and co-workers for a job well done | 49 | 55 | 21 | 23.6 | 12 | 13.5 | 4.0 | 4.5 | 3.0 | 3.4 |
| Promotion and growth opportunities improve job performance | 70 | 78.7 | 9.0 | 10 | 2.0 | 2.3 | 8.0 | 9.0 | 0.0 | 0.0 |
| Recognition is crucial improving job performance |  35 | 39.3 | 45 | 50.5 | 4.0 | 4.5 | 3.0 | 3.4 | 2.0 | 2.2 |
| Improvement of the quality of work as a result of the reward system in place | 49 | 55 | 21 | 23.6 | 12 | 13.5 | 4.0 | 4.5 | 3.0 | 3.4 |

*Source: Research Data (2024)*

**5. DISCUSSION OF FINDINGS**

Generally,the relationship between non-cash perks and employee performance at Pretty Development for Poverty Reduction (PDPR) in Njombe is evident through the strong positive correlations observed in the study findings. The data indicates that non-cash perks such as recognition programs, flexible working hours, and professional development opportunities significantly impact job satisfaction that impact employee and employees’ sense of being valued. For instance, 80.5% of respondents agreed or strongly agreed that non-cash perks increased their job satisfaction and hence increasing their performance. These findings of the study concur with the Self-Determination Theory, which suggests that fulfilling intrinsic motivators, such as autonomy, competence, and relatedness, is essential for employee satisfaction and retention (Gagné & Deci, 2019).

Furthermore, non-cash perks contribute to enhancing the overall work-life balance, among the employees which is a significant factor in employee performance. This is because, the study findings revealed that high percentage of the respondents agreed or strongly agreed that these non-cash perks improve their work-life balance, which in turn positively resulted them to perform better in the organization The positive relationship between improved work-life balance and employee performance underscores the importance of non-cash perks in creating a supportive and conducive work environment in most working areas particularly in private sector organizations. It is obvious that the implementation of effective non-cash perks can be a strategic approach to enhancing employee performance. This is merely supported by empirical evidence which shows that employees who perceive a higher level of organizational support and recognition are more likely to stay committed to their organization (Eisenberger & Stinglhamber, 2019). Therefore, Pretty Development for Poverty Reduction (PDPR) in Njombe and other related private sector organizations can benefit significantly by prioritizing and continually improving their non-cash perks programs.

**6. CONCLUSION**

Basically,conclusions were drawn on the basis of the main aim of the current study. The study concluded that there is positive relationship between Non Cash Perks and Employee Performance. To elicit the best performance from employees, there is need for some sort of motivation beyond the weekly pay check. At Pretty Development for Poverty Reduction (PDPR), employees who work hard should be recognized and appreciated for their contributions to the organization. If this is not achieved, the dedicated worker will quickly seek an organisation that recognize and rewards them for all their wonderful achievements. Workers have needs that a workplace ought to fulfil in order to avoid demotivation or distraction from work. Therefore, the management of Pretty Development for Poverty Reduction (PDPR) needs to place emphasis on Non Cash Perks to retain, attract, increase workers’ performance, satisfaction and high commitment. Finally, the results obtained from the perspectives and experience of employees reached in the field should be applicable to other private sector organizations in Tanzania or similar contexts.

**7. RECOMMENDATIONS**

The following recommendations are aimed at improving areas of concern in order to enhance employees’ Non Cash Perks on employee performance at Pretty Development for Poverty Reduction (PDPR) in Njombe.

1. The current study advises that the Pretty Development for Poverty Reduction (PDPR) decrease its reliance on financial incentives such as salaries, instead the focus should be on non-cash perks primarily through appreciation, autonomy, flexible working hours as well as encouragement of learning opportunities for their workers. These forms of rewards would undoubtedly significantly increase employee performance and improve company efficacy.
2. The Policy makers in the Human Resource Management field should consider the current study’s findings when formulating policies related to employee welfare and motivation in the organization. The evidence from the study findings suggest that non-cash perks can be a cost-effective means of enhancing employee satisfaction and performance. Therefore, policies should encourage organizations to invest in comprehensive incentive programs that include professional development opportunities, flexible working hours, and recognition programs. According to Dessler, (2019) proposes that friendly Labour Laws and HR Policies can help create a more stable and motivated workforce, which is essential for maintaining high service standards in the both public and private sector organizations.
3. This study proposes that Pretty Development for Poverty Reduction (PDPR) does not implement effectively the proposed Non Cash Perks and their effect on the performance of workers. Therefore, the management implement them effectively to enhance organizational performance. This would help them understand the issues surrounding administration and the corresponding influence of Non Cash Perks towards employee job performance. They will contribute greatly to developing their reward strategies to boost their competitive advantage particularly in private sector organizations.
4. Training programs are crucial for employee professional development. It also benefits the organizations particularly private sector organizations as it improves employee job performance. The Pretty Development for Poverty Reduction (PDPR) needs to understand the concept of employee training and properly reward and recognize employees for their actions as way of encouraging them to keep aiming higher while enhancing job performance.
5. Management at Pretty Development for Poverty Reduction (PDPR) Njombe and other related organizations should prioritize addressing some challenges facing the whole process of implementing non-cash rewarding system to effectively implement non-cash perks. It is recommended that management enhance communication channels to ensure that employees are well-informed about available incentives and how to access them in the organization. Additionally, management should provide continuous support and allocate sufficient resources to sustain these incentive programs. According to Kumar & Mathimaran, (2020) regular feedback mechanisms should be established to assess the effectiveness of the incentives and make necessary adjustments. By adopting these practices, management can create a more engaging and supportive work environment, leading to higher employee performance.
6. More on that, the study recommends that Tanzania's government should formulate labor policies which are friendly to the employees that involve both public and private sector organizations to ensure that employees in the organizations for which they are working are treated with utmost importance and to address their requirements not only for money, but also non-cash perks by their organizations, which recognize them and allow their autonomy.
7. Finally, the Future research should focus on exploring the specific elements of non-cash perks that have the most significant influence on employee performance. This is because the current study contributes to the existing body of knowledge by highlighting the critical role of non-cash perks in employee performance. It emphasizes the need for a deeper understanding of how different types of incentives impact employee motivation and satisfaction and employee performance. According to Armstrong & Taylor, (2020), comparative studies across different industries or field can provide a broader perspective on the effectiveness of these incentives.

**COMPETING INTERESTS DISCLAIMER:**

**I, Norbert P. Nyoni (Author) declare that to the best of my knowledge have no known competing financial interests OR non-financial interests OR personal relationships that could have appeared to influence the work reported in this paper.**

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