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IMPACT OF FRINGE BENEFIT ON THE PERFORMANCE OF WORKERS IN THE HOSPITALITY INDUSTRY
A STUDY OF TOP RANK HOTELS AND NIKE LAKES RESORT HOTEL ENUGU

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Abstract

This study examined the impact of fringe benefit on the performance of workers in the hospitality industry with respect to Top Rank Hotels and Nike Lakes Resort Hotel Enugu. The researchers adopted Survey Design for the study. The population of the study comprised forty-nine staff of the organization. Having analyzed the distributed 49 questionnaires to staff of Top Rank Hotel and Nike Lakes Resort Hotel Enugu, descriptive survey approach was adopted and analyzed using SPSS regressions. The following findings were made i) Pension plans has a significant impact on workers effectiveness of the selected hotels in Enugu State. ii) fringe benefit has a significant impact on workers performance in the selected hotels in Enugu State. the study concluded that fringe benefits has significant effect on organizational. It thus recommended that management should improve its skill and also seek adequate means to motivate its staff and ensure that their payment of salary is met as at when due so as to improve the organizational performance in the selected hotels.

Keywords: Pension Plans, Workers Effectiveness, Education Reimbursement

INTRODUCTION

According to Adebayo (2016) fringe benefits is defined as all financial and non-financial payments to employees that are over and above the agreed upon basic salary rate due to the employee for the minimum results expected on the job. A benefit is an additional compensation given to employees as a reward for organizational membership. These are wide of variety of items which organizations typically pay to their workers.

Fringe benefits have been accepted to have an important place in boosting workers effectiveness and therefore are of value to the employer. Fringe benefit stem from the theory of motivation. Numerous individuals accept that expanding fringe benefits, that are not ordered, build up devotion and boosts generation among workers. A few contend that these convictions are inaccurate, but numerous others bolster them. It would be troublesome to look at the impacts of all conceivable fringe, but looking at many can grant employers a sense of how worker

efficiency can be expanded by advertising fringe benefits (Zammuto. 2015).

Fringe benefits have been recognized as one of the successful ways administration may receive for drawing in, holding and inciting faculty, particularly for spurring them to higher performance, (Flippo and Ejiofor, 2015). Hence, for any organization to meet its points of survival, benefit and development, there's the more noteworthy got to give more consideration to the definition off sound and great periphery benefits arrangement for the organization and as well, keep up a great working condition, attractive compensation and a amicable work air. The reason for this is often since lion's share of the specialists are to some degree basically concerned with the bread and butter issue, more so in today's Nigeria with the winning financial discouragement, and common hardship. The history of fringe benefits in hospitality industries can be traced to the 19th century, the time of Robert Owen from 1800 to 1825. Owen improved the working conditions in his factory, provided meals for employees in his factory and built houses for them. Few fringe benefits which are very common today started in the 25 years of that century. In 1886, the waiting house cooperation was the first to grant paid vacation to its workers (Zolthitsch, 2015).

Fringe benefits center on keeping up the quality of life for workers and giving a level of assurance and money related security for laborers and for their family individuals a few common illustrations are; retirement or benefits plans, restorative protections, instruction repayment and time off. Like base pay plans, the major objective for most organizational periphery remuneration programs is to draw in, hold and spur qualified, competent representatives.

Fringe benefits can impact organizational effectiveness in several ways. First, fringe benefits stand as an important component of worker compensation. A few benefits such as Social Security and Medicare are legitimately required and make up generally 27% of all advantage emolument. The remaining 73% of advantage stipend is comprised generally of paid take off, protections plan and retirement and investment funds plans. These benefits are regularly not subject to tax assessment and are hence cheaper to pick up through a manager than through the advertise (Alpert, 2015). Secondly, fringe benefits can act as substitutes for compensation. Baughman (2013) inspected manager study information and found that managers diminished compensation once a few benefits had been advertised to workers after some years.

Workers performance is characterized as the degree to which representatives, by the use of certain human assets, satisfies its destinations without draining its assets and without putting undue strain on its organization and/or society (Mary et al, 1996). It is the maximum combined. The goal model describes workers performance in terms of the extent to which an employee's put in their human resource effort to achieve organizational objectives. The legitimacy model respects employees' performance in terms of a foundation assessment "of component inclinations for performance and common confinements on performance from an outside natural perspective" (Zammuto. 2015). The constituency model considers employees' performance "as a set of several statements, each reflecting the evaluative criteria applied by the various constituencies" involved with the workers being assessed with an emphasis on means criteria (Connolly 2015).

The need for the development of the hospitality industry in Nigeria has been on the increase in recent times. This arose out of the greater need to diversify the revenue base of the country. Numerous researchers in nowadays society accept that Fringe benefits center on keeping up the quality of life for representatives and giving a level of security and money related security for workers and for their family members. A few common cases are; retirement or benefits plans, restorative protections, instruction repayment and time off. Like base pay plans has not been made available to staff of hospitality industries in Nigeria, many believe this may be due to bad policy formulation by managers of hospitality firm and others believes is due to general economic condition of the country (Mary et al, 1996).

Various studies and involvement of experts have appeared that whereas workers are concerned around how to win more pay and appreciate alluring conditions of benefit, managers on the other hand would be endeavoring to cut costs so as to post noteworthy benefit at the conclusion of the bookkeeping period. In the meantime, considers have appeared that arrangement of periphery advantage has been coming about in employees' expanded intrigued within the work, excitement and expanded efficiency at work and nonappearance of fringe advantage has been the other way circular. Research into employee benefits and workers performance is becoming more important because some researchers have examined the relationship between them. There is however, still some debate over fringe benefits on whether they facilitate employee productivity leading to effective performance of workers and do benefits impact on an organizations ability to attract, retain and motivate employees leading to productivity and improved organizations' performance.

Research Hypotheses

$H0_1$: Pension plans has no significant impact on workers effectiveness of the selected hotels

$H0_2$: Fringe benefit has no significant impact on workers' productivity of the selected hotels

$H0_2$: Education reimbursement has no significant impact on workers' performance of the selected hotels

LITERATURE REVIEW

Concept of Fringe Benefits

The term fringe benefits have been defined by various authors. Flippo (2015) defined fringe benefits as expenditure designed to benefit employees over and above regular wages and direct monetary incentives related to output.

Armstrong and Murlis (2016) have it defied as 'the total package offered to employees over and above salary which increases their wellbeing at some cost to the employer. French and Saward (2016) defined it as something of value, apart from agreed regular monetary payments of salaries and wages, given by an employer to an employee. Yet, another definition is that given by Johnnasheia and Page (2016); they defined fringe benefits as the reward for employment in addition to remuneration or payment of wages or salaries. Blomstrom (2010), however, opined that one of the problems which always arise in discussing fringe benefits is that of definition.

Agreeing to Mathis and Jackson (2013), fringe benefits are shapes of roundabout emolument given to an representative or gather of workers as a portion of organizational enrollment. Bratton and Gold (2009) characterize them as that portion of

the whole remunerate bundle given to workers in expansion to base or performance pay. Fringe benefits center on keeping up (or progressing) the quality of life for workers and giving a level of security and monetary security for specialists and for their family individuals. Like base pay plans, the major objective for most organizational periphery remuneration programs is to draw in, hold and spur qualified, competent representatives (Bernardin, 2017).

Mathis and Jackson (2013) proceed to state that a boss that gives a more alluring benefits bundle regularly appreciates an advantage over other bosses in enlisting and holding qualified workers when the competing firms advertised comparable base pay. In reality, such benefits may make "golden handcuffs," making workers more hesitant to move to other bosses. A few common illustrations are; retirement or benefits plans, restorative and dental protections, instruction repayment, time off, paid excursion and utilize of company car.

Organizational Effectiveness

Composition of individuals which define free commerce character for a few particular reason is commonly known as organization and getting craved result inside characterized assets is treated as viability. Organizational adequacy is the idea of how useful an organization is in finishing the results the organization points to produce (Muhammad, et al, 2011). It plays a vital part in quickening organizational improvement. It is the net fulfillment of all constituents within the process of gathering and changing inputs into yield in an effective way (Matthew et al, 2015).

Organizational effectiveness is characterized as the degree to which an organization, by the use of certain assets, satisfies its goals without exhausting its assets and without putting undue strain on its individuals and/or society (Mary et al, 1996). The objective show portrays organizational adequacy in terms of the degree to which an organization accomplishes its targets. The authenticity show respects organizational adequacy in terms of a foundation assessment "of component inclinations for execution and characteristic restrictions on performance from an outside natural perspective" (Zammuto, 2015).

The constituency model considers organizational viability "as a set of a few articulations, each reflecting the evaluative criteria connected by the different constituencies" included with the organization being assessed with an accentuation on implies criteria (Connolly 2015). The frameworks asset demonstrate characterizes organizational adequacy "in terms of its (the organization's) bartering position, as reflected within the capacity of the organization, in either supreme or relative terms, to exploit its environment within the procurement of rare and esteemed Resources" and how they utilize these assets (Yuchtman, 2016).

Type of Fringe Benefit to Organization

Employment Security Benefits

Employee remuneration is not just about pay, for example, wages and salaries. It is also concerned with non-pay benefits or benefits in kind. These non-pay benefits are usually known as employee security benefits; and sometimes as perks. On adjust, the previous alludes to the more vital benefits, such as annuities, and incorporate those which are broadly connected within the organization. The last mentioned allude either to less noteworthy benefits such as private wellbeing protections, or to benefits given fundamentally as a benefit (Cole, 2012). He proceeds by saying that the work-related benefits are connected closely to the day-to-

day operational prerequisites of the organization in connection to its individuals. In this way, representatives have to be be enough fed amid the working day, appropriately prepared to legitimize their obligations and given with satisfactory implies of transport when on the organization trade.

Overtime

Overtime is the payment over and above the normal salary and wage rates where the premium may be one and a quarter to two times. It may be used among others: where the natures of the tasks are seasonally oriented such that some seasons are more heavily loaded with activity than others. Overtime should be carefully planned and controlled in order to ensure that it is not misused by employees and so that it can also be productive (Tyson, 1999). According to the Code of Regulations (2006), when it is established that an officer is required to work overtime as a matter of urgent necessity and it is not possible to allow him equivalent time off in lieu of overtime allowance, to compensate and motivate him for the time, an allowance may be granted to him with prior approval of the Authorized Officer. Compensatory time off can also be given in lieu of payment for extra time worked. However, unless it is given to non-exempt employees at the rate of one and one-half time for the hours worked over a 40-hour week, comp-time is illegal in the private sector. It can also not be carried over from one pay period to another. The only major exception to those provisions is for public-sector employees, such as fire and police employees and a limited number of other workers (Willing, 2000).

According to Employment Act of Kenya (2007), the law indicates typical number of working hours shifted by businesses. In case a worker works in overabundance of typical hours per week as indicated, the extra hours are treated as extra time. In this manner representatives can be inquired to work a sensible sum of extra minutes to total a work. Be that as it may, union contracts frequently confine the specialist of bosses with respect to extra time. Too in a few callings such as nursing a representative may be required to work extra minutes to spare life.

Annual Leave

Annual leave may be a period of time off work that a representative is entitled to after each 12 sequential months of benefit with a boss. Under section 28 of the Employment Act of Kenya, annual leave is 21 working days during which the employee is entitled to full pay. Also, the Regulation of Wages Order (of various industries), subsidiary to the Regulations of Wages and Conditions of Employment Act, specifies that an employee proceeding on annual leave is entitled to payment by his employer. The order specifies various amounts to different industries, though it has been altered and increased with time depending on various industries and factors.

According to the Ade (2016), leave is granted for recuperative purposes to enable an officer renew his energies and improve efficiency. Leave is taken without loss of seniority or benefits but is subject to exigencies of service. In addition to normal full pay, an officer who takes a minimum of one-half of his annual leave entitlement will be eligible for leave allowance once a year, the rate of which is determined by the Government from time to time. Officers stationed in any designated hardship area may proceed on leave twice a year and is eligible for payments of leave allowance twice per year.

Shellengarger (2011), states that employers give employees paid time off in a variety of circumstances. Paid lunch breaks and rest periods, holidays and vacations are common. But leaves are given for a number of other

purposes as well. Time-off benefits represent an estimated 5% to13% of total compensation. Typical time-off benefits include holiday pay, vacation pay and leaves of absence.

Maternity Leave

Section 29 of Employment Act, (2007) provides that a female employee shall be entitled to maternity leave on full pay if she gives not less than seven days written notice in advance, or a shorter period as may be reasonable in the circumstances, of her intention to proceed on maternity leave. A female employee is entitled to three months maternity leave in addition to any period of annual leave she is entitled to, and sick leave if she happens to fall sick during her time of confinement and with the consent of the employer. A female worker on maternity leave is also entitled to be paid her full remuneration and other benefits to which she is otherwise entitled. This is the same for the two weeks paternity leave. Many employers provide maternity and paternity benefits to employees who give birth to children. In comparison to those giving birth, a relatively small number of employees adopt children, but in the interest of fairness a growing number of organizations provide benefits for employees who also adopt children (Woodward, 2000). Also, as people get older, the benefits of a compensation package assume importance. It is the time when employees establish a family. Those benefits that will serve the family are valued, like maternity benefits, children's education, annual vacation pay (Andrews, 2009)

Educational reimbursement

Employers have found that educational and tuition aid assistance benefits are highly desired by employees. These programs have been found to aid employee retention and recruitment. The program normally covers some or all costs associated with formal education courses and degree programs, including the costs of books and laboratory materials (Mathis, 2003). An organization can also reduce unwanted employee turnover and related recruiting, hiring, and training costs by shifting these costs from developing new employees to keeping experienced employees. You can propel a worker to extend efficiency by giving openings for career advancement (preparing or tutoring). At the same time, you've got made strides the worker's abilities and appeared acknowledgment of the worker's esteem and goal. A tailored benefit can be worth as much to a worker as a pay raise. Such a advantage is viable since it likely costs no more than laborer distress and reduced efficiency and it is likely less expensive than a comparable pay increment (Harris, 2010).

Health Protection Benefits

Baase (2009) states that prove clearly appears that the wellbeing of the workforce is inseparably connected to the efficiency of the workforce and the wellbeing of the nation's economy. It moreover appears that bosses progressively recognize this interface and are fascinated by moving forward specialist wellbeing by growing workforce wellbeing assurance and wellbeing advancement advantage programs. Moreover, numerous managers permit workers to miss a constrained number of days since of sickness without losing pay. A few managers permit workers construct up">to construct up unused wiped out take off, which may be utilized in case of disastrous sicknesses. Others pay representatives for unused sick leave. Some organizations have shifted emphasis to reward people who do not use sick leave by giving them well-pay – extra pay for not taking sick leave (Mathis, 2013). Research also shows a much greater connection between employee health and productivity in the workplace than was ever realized in the past. For illustration, studies

have appeared that on normal for each one dollar went through on specialist medical/pharmacy costs, bosses assimilate two to three dollars of health-related efficiency costs (Loeppke, 2009). These costs are showed generally within the shape of presentism (a condition in which workers are on the work but not completely profitable), nonappearance, and incapacity. Compounding these issues for bosses is the effect of security issues and health-related environmental-hazard costs. Insights appear that work-related mishaps and wounds apply a gigantic toll on managers. Mishaps, overexertion, or wounds caused by intemperate lifting, carrying, or pushing, includes altogether to manager costs with a yearly affect within the billions of dollars.

Retirement Benefits

Retirement plans in addition to serving as a tax-advantaged means of accumulating retirement income, can enhance productivity. Pensions unequivocally impact workers' behavior, giving more youthful laborers a compelling reason to proceed working for their manager and empowering more seasoned specialists to resign on a opportune premise. Experimental prove shows that benefits impact the sort of specialist a firm pulls in and can offer assistance an boss pull in laborers who show alluring behavior designs. Whereas the efficiency impacts have been related for the most part with characterized advantage plans, later inquire about has appeared that 401(k) plans show comparative impacts in forming workers' behavior. In America, by the end of the 20th century, retirement was a fully institutionalized life stage for most of its workers. Retirement became an earned benefit in reward for years of service to a particular organization, to an industry, or, more generally, to the productive society. Most critically, in this move, more seasoned laborers within the last decades of the 20th century were uncovered to models of retirement that advertised relaxation, flexibility, and adaptability for the "final years" of life. Whereas a few of these models were organized around a essential component of recreation or amusement, maybe the larger part consolidated noteworthy subjects of profitable engagement (Neil, 2010).

Personnel Recognition Benefits

Employee welfare has been characterized by Mishra and Bhagat (2017) as a state of well-being, wellbeing, joy, thriving and the advancement of human assets which includes both the social and financial viewpoints. The social concept of welfare alludes to the welfare of the normal laborer, his family and his community at expansive whereas the financial viewpoint of the welfare bundle covers advancement of financial improvement by expanding generation and efficiency. On the off chance that an employee appreciates his time off, gets rest, eats well and takes care of himself, he will have more vitality to commit to the work. A cheerful domestic life ordinarily deciphers into a cheerful work life, and issues at the domestic front ordinarily clock in when the worker does.

Theoretical Framework

Reinforcement Theory

This study is anchored on reinforcement theory. Reinforcement theory was propounded by psychologist Skinner of Harvard in 1921. Reinforcement theory states that a response followed by a reward is more likely to recur in the future (Thorndike's Law of Effect). The implication for compensation management is that high employee performance followed by a monetary reward will make future high performance more likely. By the same token, high performance not followed by a reward will make it less likely in the future. The theory emphasizes

the importance of a person actually experiencing the reward.

Reinforcement theory focuses on the link between rewards and behaviors (instrumentality perceptions), although it emphasizes expected (rather than experienced) rewards (i.e., incentives). Motivation is also a function of two other factors: expectancy, the perceived link between effort and performance, and valence, the expected value of outcomes (e.g., rewards). Compensation systems differ according to their impact on these motivational components. By and large talking, pay frameworks vary most in their effect on instrumentally: the seen interface between behaviors and pay, moreover alluded to within the pay writing as "line of locate." Valence of pay results ought to stay the same beneath diverse pay frameworks. Anticipation recognitions frequently have more to do with work plan and preparing than pay framework.

Two later empirical studies give great cases of the sorts of counterproductive behaviors that can happen as a result of seen imbalance. Within the to begin with consider, Greenberg (2010) inspected how an organization communicated pay cuts to its workers and the impacts on robbery rates and seen value. Two organization units gotten 15% across-the-board pay cuts. A third unit gotten no pay cut and served as a control gather. The reasons for the pay cuts were communicated totally different ways to the two pay-cut bunches. Within the "satisfactory clarification" pay-cut gather, management provided a critical degree of data to clarify its reasons for the pay cut, conjointly communicated noteworthy regret. In differentiate, the "lacking clarification" bunch gotten much less data and no sign of regret. The control gathers gotten no pay cut (and hence no clarification).

The control gather and the two pay-cut bunches started with the same burglary rates and value recognitions. After the pay cut, the burglary rate was 54% higher within the adequate explanation gather than within the control gather. Be that as it may, within the "insufficient clarification" condition, the burglary rate was 141% than within the control bunch. In this case, communication had a huge, free impact on employees' demeanors and behaviors.

The important aspect of reinforcement theory is that people make subjective judgment about fairness in the rewarding system related to inputs (such as their competencies, qualifications and effort), in comparison of rewards of others. If they feel that they are not equitably treated they may be dissatisfied. In case they feel that they are getting more rewards, at that point they will progress their amount and quality of work or they may markdown their rewards. (Adams). Bowditch and Buono (2015) accepted that in spite of the fact that value hypothesis was initially concerned with contrasts in pay, it can be connected to other shapes of substantial and intangible rewards within the work environment. The motivation process will be difficult if the input- output ratio is not in balance.

Empirical Framework

Eungkyoon (2009) conducted a study on the impacts of fringe benefits within the stipend bundle on execution of the Korean firms. Hypothetically, periphery benefits have two suggestions in connection to workers: they are compelling disobedient that give motivations; at the same time, a few periphery benefits, particularly the power-related benefits, are frequently utilized for exploitation of self-interests. Employing a six-year board information of the Korean fabricating firms, we do a relapse

investigation and distinguish the joins between periphery benefits and execution of the Korean firms. The result suggests that, in common, these sorts of compensations don't advance great execution of firms. The result too inferred that maybe a few plans in pay for execution in Korea are not productive.

Manzoor (2012) conducted a study on factors that effects employee motivation and examining the relationship between organizational effectiveness and employee motivation. The literature and different studies concluded that components: strengthening and acknowledgment had positive impact on representative inspiration. More the strengthening and acknowledgment of workers in an organization is expanded, more will their inspiration to work will improve. Moreover, there exists a positive relationship between worker inspiration and organizational viability. The more the representatives are rationale to errands achievement higher will the organizational execution and victory. The organizations ought to plan their rules, arrangements and organizational structures that grant space to the worker to work well and appreciate them on their assignments fulfillment and accomplishments. This will doubtlessly lead to organizational development.

Adekoya (2013) conducted a study on impact of organizational compensation management system on the performance of employees in the public sector. The methodology focused on the techniques employed in the research for the collection of data for the study. In show disdain toward of the different benefits and preferences of emolument administration and its effect on employee's performance, it cannot still be said that having stipend administration approach may be a nostrum for victory in assessing, and overseeing employee's performance. It is in this manner the obligation of all supervisors to guarantee that the use of compensating arrangement meets employee's desire in arrange to have great and compelling performance.

Iyida (2015) conducted a study on the effect of Increase in Wage and Fringe Benefits on the Productivity of Workers in Nigeria: A case study of federal Ministry of Transportation (works) Enugu. Data were generated through primary and secondary sources. The analyses revealed among other things that increased wage in the Federal Ministry of Transportation enhance the productivity of workers to a large extent thereby affecting their attitude to work. Also, that the improved fringe benefits will only reduce agitation for salary increase to a very small extent. From the findings, the study recommended among other things, that government should not take hasty actions in upwards review of workers' salaries and fringe benefits. Financial reward system should be tied to performance and regular promotion, job security, regular payment of salaries, good working relationship, and better conditions of service to boost job satisfaction among workers and improve their performance/productivity.

Amah (2014) conducted a study to decide how benefits influence work fulfillment and performance among staff within the private medical foundations in Port Harcourt, Nigeria. The study examined pertinent writing within the area and concluded that the benefits and compensation within the private restorative division in Port Harcourt, Nigeria is destitute and the level of work fulfillment is additionally moo driving to moo work performance.

Anike (2017) conducted a study on impact of training and development on organizational effectiveness in public sector in Nigeria. The study looked for to decide the nature of the relationship between training/development

and organizational adequacy; to highlight the benefits of preparing and improvement in Nigeria open division and to discover the effect of training/development on organizational exhibitions. Sixty-six (66) duplicates of the survey were managed. 55 were appropriately completed and returned whereas 11 were not returned. The information produced from the field were displayed and analyzed with expressive measurement whereas the comparing theories were tried with the chi-square, Pearson's Correlation and direct relapse. The finding shown that: There was positive relationship between training/development and organizational adequacy. The increment in work fulfillment and diminish employee turnover are the good thing about preparing and advancement in open segment. Inter-personal and collaboration are the impact of training/development on organizational performance. The consider concluded that effective preparing is a venture within the human assets of an organization, with both immediate and long – range returns. In any case unimportant speculation isn't sufficient; organizations got to oversee preparing programs more viably so that they can get the most noteworthy returns from their investment.

Kamau (2015) conducted study to find out fringe benefits effects on employee productivity in the public sector, Nairobi County. This study received descriptive overview plan which is concerned with deciding the recurrence with which something happens or the relationship between factors. This consider was carried out at the State Office of Water, where the full populace is 189. The analyst focused on 30% of the complete populace which stands at 58 representatives. The analyst utilized survey to gather the information conjointly counseled auxiliary sources and writing for comparison. The quantitative information was analyzed employing a statistical package of social sciences (SPSS) and Excel expectations spreadsheets. From the study it was set up that security benefits such as dinner, transport and house remittances contributed emphatically to worker efficiency, that wellbeing of the workforce is inseparably connected to the efficiency of the workforce and the wellbeing of the nation's economy, that retirement benefits emphatically impacted workers‟ behavior, giving more youthful specialists a compelling reason to proceed working for their manager and empowering more seasoned specialists to resign on a convenient premise and at long last that, recognizing and fulfilling workers for a work well done upgrades representative efficiency. Since all p-values for all factors were found to be less than 0.05, it was measurably concluded from the think about that periphery benefits have a noteworthy impact on worker efficiency within the public sector.

Adimora (2015) conducted a study on the effects of wage incentives and other fringe benefits on the productivity of Nigerian Workers. (A study of Enugu State Local Government Service Commission, from 1999-2007). The methodology adopted in this study is empirical approach. Data for the research were generated from both primary and secondary source. Primary sources included questionnaire and personal interview. In the area of secondary sources, documented materials used include text books, journals, conference and seminar papers, newspapers, the internet and other non-classified documents. The major findings of this study were that irregular and inadequate wages/salaries, low level of fringe benefits and lack of collective bargaining process brought about low productivity of workers of Enugu State Local Government Service Commission. The research also found out that financial as well as non-

financial reward, promotion and conversion are strategic in the promotion of productivity in organizations. On the basis of the findings, the following recommendations were made; salaries and allowances should be very regular, free education at all levels, especially workers children, buying own houses and cars through mortgage system-partnership with government and other financial institutions, sustainable welfare scheme and insurance policy for workers, reward for efficiency and hard work and timely promotion and conversion of workers.

Anthony (2015) conducted a study on the impact of fringe benefits on the performance of workers in the Hotel and Catering industry, with a view to establishing its importance to the workers and to the industry. The findings of the study reveal that fringe benefit is of great importance to the workers in the industry, and to the industry. And also, that poor fringe benefit schemes could serve as an impediment to the development of the sub-sector because of its importance. The study made recommendations that will help to remedy the situation, to engender a smooth and faster development of the Hotel and Catering industry in Nigeria.

Michael (2016) conducted a study on the Impact of Monetization of Fringe Benefits on the Productivity of Nigerian Workers with specific focus on the Federal Polytechnic. The data -From the questionnaire were subjected to statistical analysis. The analysis revealed among other things that although the policy is partially implemented, it has boosted the morale of workers and enhanced job performance through positive change in work attitude. Besides, the study appears that increment in compensations through monetized benefits isn't sufficient to meet the essential needs of specialists within the confront of rising taken a toll of living. The study moreover found that the frequency of dissatisfaction, fear and uneasiness within the Polytechnic workforce is due to the conservation component of the arrangement and usually bound to have a negative impact on workers' efficiency. The study recommended among other things the full implementation of the policy in order to harvest the best from workers; adoption of measures to boost morale of workers since this is necessary to retain able and competent employees; the implementation of reform measures that have human face; the use of more financial rewards which should be tied to performance and regular promotions, job security, regular payment of salaries, good working relationship, better conditions of service to boost job satisfaction among workers and improve their performance productivity .

METHODOLOGY

The researchers adopted the survey research design for the study. The study obtained data from primary sources. The primary data were collected with the used of well-structured questionnaire and it will be administered to randomly to selected staff of Top Rank Hotels and Nike Lakes Resort Hotel Enugu. Other relevant information was obtained from Secondary such as libraries and the internet. The population of the study comprised of forty-nine (49) staff of Top Rank Hotels and Nike Lakes Resort Hotel Enugu, Nigeria. The researchers adopted the exact population as the sample size since the population was small.

Description of the Instrument

The instrument for collection of data for this research study is the questionnaire, as this was used to obtain the necessary data from the respondents of Top Rank Hotels and Nike

Lakes Resort Hotel Enugu. The extent of existence for all variables in the research area was measured on a five-point Likert scale ranging from strongly disagree to Strongly Agree, ranging from 1 -5. Where Strongly Disagree (SD) =1; Disagree (D) =2; Neutral (N) = 3, Agree (A) =4 and-Strongly Agree (SA) = 5.

Reliability of the Instrument

In first instance 21 questionnaire were distributed to the respondents. After two weeks interval, another 28 questionnaires were distributed to another set of respondents, and the two set of results remained the same, hereby the instrument is reliable.

Method of Data Analysis

Upon collecting data, several methods were used to process and analyze the data. All the data collected were checked for results on completion of the procedure, compiled, sorted, edited, classified and coded. To improve on data accuracy and relevancy, it was tabulated to reveal the frequencies and percentage scores of different study attributes. The objectives were analyzed using descriptive statistics while hypotheses were analyzed using multiple regression with the help of SPSS to clearly establish the cause and the effect of the relationship between fringe benefit and organization effectiveness.

RESULTS AND DISCUSSION

Table 3.10.1 Distribution of questionnaire

Distribution	Frequency	Percentage (%)
Number completed and returned	43	87.76
Number returned but not completed	4	8.16
Number not returned	2	6.12
Total	**49**	**100.00**

Source: Field survey, 2022

Table 3.10.1 above, shows the distribution of questionnaire to respondents. From the table it can be seen that out of the total forty-nine questionnaires distributed only forty-three were actually completed and returned constituting 87.76%, while a total of four and three were either returned not completed or not returned at all constituting 8.16% and6.12% respectively.

The researcher based his analysis from the forty-three questionnaire correctly filled and returned questionnaires which formed about 87.76 percent of respondents who co-operated with the researcher. The high percentage of those who co-operated with the researcher meant they were familiar with the topic under consideration.

Test of Hypotheses

Hypothesis one

$H0_1$: Pension plans has no significant impact on workers effectiveness of the selected hotels

Regression results between Pension plans and workers effectiveness of the selected hotels

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.882[a]	.733	.727	.74397

a. Predictors: (Constant), Organizational market share

Dependent variable: Organizational productivity

Variable	Estimated Coefficients	Standard Error	T-Statistic	P- Value
Constant	32.998	1.743	3.197	.000
Organizational effectiveness	4.029	.609	7.14	.002
R	= 0.882			
R-Square	= 0.733			
Adjusted R-Square	= 0.727			
F – Statistic	= 5.574			

Source: Field Survey 2022

From the above table, coefficient of determination R-square of 0.733 implies that 73.3% of the sample variation in the dependent variable is explained or caused by the explanatory variable while 26.7% is unexplained. The remaining 26.7% could be caused by other factors or variables not built into the model. The high value of R-square is an indication of a very good relationship between the dependent variable. The value of the adjusted R^2 is 0.727 this shows that the regression line which captures 72.7 percent of the total variation in the dependent variable is caused by variation in the explanatory variable specified in the model with 26.7 percent accounting for the stochastic error term. The F-statistics was also used to test the overall significant of the mode. The high and positive F-value of 5.574 is an indication that the model is statistically significant at 5 percent level of significance.

Hypothesis Two

H_0: Fringe benefit has no significant impact on workers' productivity organizational productivity.

Regression results of effects of Fringe benefit on workers' Productivity

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.982[a]	.933	.927	.74397

a. Predictors: (Constant), Organizational productivity

Dependent variable: Productivity

Variable	Estimated Coefficients	Standard Error	T-Statistic	P- Value
Constant	5.615	.557	5.667	.000
Org Productivity	.572	.051	5.244	.001
R	=	0.982		
R-Square	=	0.933		
Adjusted R-Square	=	0.927		
F – Statistic	=	3.698		

Source: Researcher's Estimation 2022

From the table above, the coefficient of determination R-square of 0.933 implies that 93.3% of the sample variation in the dependent variable is explained or caused by the explanatory variable while 6.7% is unexplained. The remaining 6.7% could be caused by other factors or variables not built into the model. The high value of R-square is an indication of a very good relationship between the dependent variable. The value of the adjusted R^2 is 0.927 this shows that the regression line which captures 92.7 percent of the total variation in the dependent variable is caused by variation in the explanatory variable specified in the model with 6.7 percent accounting for the stochastic error term. The F-statistics was also used to test the overall significant of the mode. The high and positive F-value of 3.698 is an indication that the model is statistically significant at 5 percent level of significance (Mary et al, 1996).

Discussion of Findings

The study examined impact of fringe benefit on organizational effectiveness in selected hostels in Enugu State. It empirically examined three essentials: Poor management, finance, lack of staff training, lack of staff motivation, non-payment of salary. These policies have been used in the present study to evaluate the effect of fringe benefits on organizational goals.

Following the empirical result, the study revealed that fringe benefits are forms of indirect compensation given to an employee or group of employees as a part of organizational membership. Bratton and Gold (2009) defined them as that part of the

total reward package provided to employees in addition to base or performance pay. Fringe benefits focus on maintaining (or improving) the quality of life for employees and providing a level of protection and financial security for workers and for their family members. Like base pay plans, the major objective for most organizational fringe compensation programs is to attract, retain and motivate qualified, competent employees (Bernardin, 2017).

The result of the hypothesis one revealed that Pension plans has a significant impact on organizational market share in the selected hotels in Enugu State. This result is in consonance with the finding obtained by Ayode (2009) who found out that one of the best ways to increase organizational market shares is by pension plans. The study recommended that employees should constantly be motivated through pension plans, workshop and refresher courses to abreast their employees on the latest development in their field.

CONCLUSION

A benefit is an additional compensation given to employees as a reward for organizational membership. There are wide variety of items which organizations typically pay to their workers. Based on the empirical analysis, the regression results showed that the estimated coefficients of the regression parameter all have positive signs. The researcher therefore concludes that fringe benefits has significant effect on organizations. This therefore implies, that for any organization to meet its aims of survival, profit and growth, there is the greater need to devote more attention to the formulation of sound and good fringe benefits programme for the organization and as well, maintain a good working condition, attractive salary and a congenial work atmosphere. Based on the summary of findings, the following are recommended;

1. As fringe benefit have been identified as one of the effective ways management may adopt for attracting, retaining and actuating personnel, management should enhance theses benefit so as to have in increase and improvement in organizational effectiveness.
2. Management should improve its skill and also seek adequate means to motivate staff its staff and ensure that their payment of salary is met as at when due so as to improve the organizational performance in the selected hotels
3. Education of hotel staff should also be a priority of the management because this aids in customer relationship management which in turn aids organizational performance and effectiveness.
4. Hotel staff should be adequately trained so as to help the organization maintain its customer and also to improve its organizational effectiveness and performance

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