

## APPROPRIATE FORMS OF BENEFIT IN THE OPINION OF EMPLOYEES AT COSMAPROF CO., LTD.

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### ABSTRACT

*The research on appropriate forms of benefit in the opinion of employees at Cosmaprof Co., Ltd. had an aim to investigate Cosmaprof Co., Ltd.'s employees satisfaction in the benefits provided by the company and to study the need of employees for the benefits. Population of the research was employee of Cosmaprof Co., Ltd. and 100 samples were chosen to answer the questionnaires. Statistics used to analyze data were Percentage, Mean, Standard Deviation, One-way ANOVA T-test, and for correlation analysis the Regression analysis was applied.*

*They were highly satisfied with 2 items provided by the company which were holidays and bonus in accordance with the company's policy.*

*Outcome of the study recommends that the CEO should pay attention to the living condition of the personnel as well as setting compensation properly in terms of salary and benefit which should be suitable with the cost of living and similar to other companies in the same industry. This shall help employees to have better living which will make them feel more obligated to the organization. Behavioral ice breaking should take place in order to create togetherness in work and also to make the personnel relaxed. Social activities should be promoted, both on behalf of an organization and privately, through serious and appropriate budget allocation by an organization to tighten relationship between personnel and the organization.*

**Keywords:** *Employee benefits Employee satisfaction, Job satisfaction, Employee Motivation.*

### Introduction:

The global skin care products market was valued at USD 105.24 billion in 2013. Rising consumer incomes and changing lifestyles are driving the global beauty care products industry, which is forecasted to reach around 265 billion USD by 2017 (Karndee Leopairote, 2015). The cosmetics market in Thailand is highly competitive which comprised of four sectors such as hair care, make-up, skin-care and perfume. US lead the share of import market with 22 % followed by France (Jirapan Mounjaroen, 2011).

Today both men and women belonging to all age groups are conscious about the health, beauty, and skin-care due to which beauty business, skin care

clinics, and variety of leading brands of cosmetics entered into the market and try to fulfill such needs. Beauty business is therefore like a treasure waiting for smart entrepreneurs to take the chance to gain market share quickly before the others.

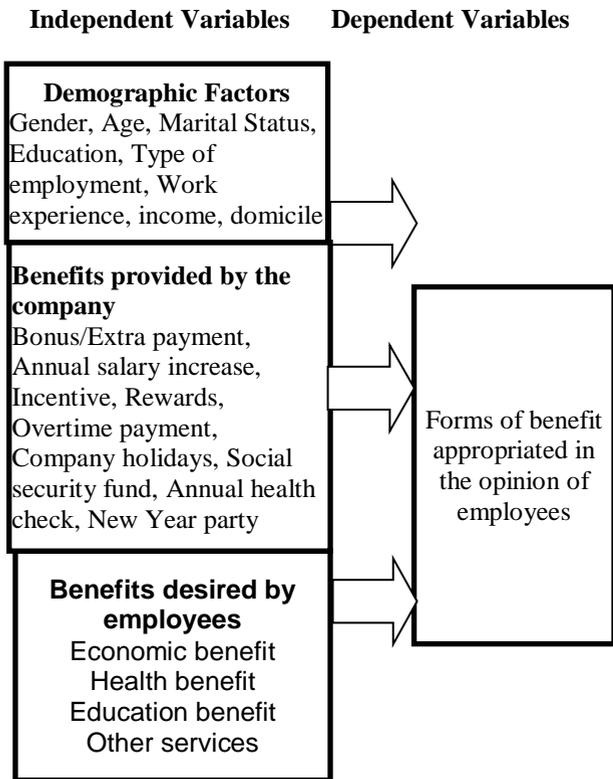
The beauty business industry highly relies on human resource due to its involvement in making the other person beautiful and healthy. The organizations that do business on beauty products will have to remodel the employee attention and keep their employees loyal towards the organization.

The current case study was conducted at Cosmaprof Co., Ltd. in order to suggest the management for the improvement of employee benefits that will realize employee satisfaction This will lead to the higher

work efficiency suitably with economic and social condition. Two particular systems, compensation and benefits and reward system, have been found to create job satisfaction (Boyt et al., 2001; Khojasteh, 1993; Miller et al., 2001).

**Research Objectives:**

1. To study the employee satisfaction in benefits provided by Cosmaprof Co., Ltd.
2. To study the employees’ desires of benefits from Cosmaprof Co., Ltd.



**Literature Review:**

The current study focuses on four benefits that are received by the employees from the organization as per the study conducted by Pichet Sornsiri (2010). Economic benefits have clear financial value such as bonus, commissions, food allowance, position allowance, and living expenditures Social benefits involve making easier life and moral support such as public holidays and annual leave. Security benefits include medical service, retirement fund, pension, provident fund, and group insurance for example. Supporting benefits are such thing as transportation, uniform, award on working period, and annual health check.

**Related Research:**

Sorasak et al (2014) conducted an empirical study in Thailand among the professionals working

manufacturing industry about the effects of HRM practices on employee retention. The practices of Human Resource Management covered in this research were compensation & benefits management and reward system, and training & development. The sample size was 400 top management, human resources managers/leaders and line managers of Thailand FDI’s key industrial zone in Rayong province. The proposed model is empirically tested by using AMOS of a Path Analysis modeling approach. Both compensation & benefits management and reward system, and training & development have a direct and indirect effect on employee retention, even if training & development does not have a complete role in determining employee retention for direct effect.

Another study by Richard et al (2007), conducted among 959 Thai employees in 10 Japanese and American transplanted corporations in the Bangkok area about the extent and determinants of organizational commitment. These data were supplemented with in-depth interviews of Thai, Japanese and US managers in 24 transplanted corporations and follow-up interviews. Based on the results, it was inferred that there are higher levels of identification and behavioral commitment found among the employees of US firms. Additionally, confiding in one’s supervisor was positively related to both identification and behavioral commitment in Japanese firms. To conclude, the female employees are behaviorally committed more towards Japanese firms while their counterparts are inclined towards U.S. firms.

**Research Methodology:**

Quantitative methodology was adopted to achieve the objective and a structured questionnaire was designed which consisted of four parts such as

Part 1 Personal data of questionnaire respondents. It contains general information such as gender, age, status, education, type of employment, organization, monthly income, and domicile. Questions were closed-ended and respondent had to choose one answer from choices.

Part 2 Rating scale questions in 5 levels about satisfaction on the benefits provided by the company.

Part 3 Rating scale questions in 5 levels about the need of employees for benefits.

Part 4 Recommendation from the questionnaire respondents. This part contains open-ended questions allowing respondents to express their opinion and useful suggestions.

A total of 100 employees working in Cosmaprof Co., Ltd. were administered with the questionnaire. Descriptive statistics used to analyze data were Percentage, Mean, and Standard Deviation. Inferential statistics used to test the hypothesis were One-way ANOVA, T-test, and correlation analysis which was Regression Analysis.

**Research Findings**

The research found 2 benefits satisfactory in high level consisting of public holidays and bonus. The research indicated that most of the questionnaire respondents were female, age 20-30, single, graduated Bachelor's degree, employed as salary worker working in factory section, 5 months to 1 year work experience, monthly income 9,000 Baht, and had hometown in other provinces than Bangkok.ss Hypothesis test result as per regression analysis indicated that benefits provided by the company had relationship with satisfaction in the forms of benefit appropriated in the employees' opinion. Public holidays and New Year party had significant impact on employee satisfaction in the benefits provided.

**Discussion and Conclusion:**

The overall means of satisfaction level that were in a high level included public holidays and bonus. The study results was in line with the previous studies. This study indicated that CEO should pay attention to the living of personnel and to the setting of compensation in terms of salary as well as benefits to be suitable with the cost of living, making it close to those of other companies in the similar industry. Behavioral ice breaking should be conducted in order to promote togetherness in the work place. Data retrieved from the study could be applied to improve employees' benefits provided by Cosmaprof Co., Ltd. to suit with their needs.

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**Table 1: Shows hypothesis test result by regression value. Benefits provided by the company had relationship with satisfaction in appropriate forms of benefit in employees’ opinion.**

Coefficients <sup>a</sup>					
Benefits provided by the company	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.503	.813		3.079	.003
Bonus (according to company’s profit)	.468	.287	.254	1.628	.107
Annual salary increase/ Evaluation/ Promotion	-.290	.283	-.174	-1.025	.308
Incentives	-.110	.237	-.062	-.464	.644
Rewards	-.313	.198	-.194	-1.577	.118
Overtime pay	-.046	.230	-.027	-.202	.841
Holidays	.374	.185	.233	2.026	.046
Social security fund/ Accident insurance fund	.036	.218	.021	.166	.868
Annual health check	.236	.180	.155	1.313	.193
New Year party	-.310	.140	-.238	-2.217	.029

a. Dependent Variable: Appropriate forms of benefit in employees’ opinion

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