Incentivizing Employees Through Benefits and Recognition Programs at Pace University

Diana Dumitru

Pace University Dyson College

Follow this and additional works at: http://digitalcommons.pace.edu/dyson_mpa

Part of the Higher Education Commons, Nonprofit Administration and Management Commons, and the Public Administration Commons

Recommended Citation

Dumitru, Diana, "Incentivizing Employees Through Benefits and Recognition Programs at Pace University" (2014). Master in Public Administration Theses. 28.

http://digitalcommons.pace.edu/dyson_mpa/28

This Thesis is brought to you for free and open access by the Dyson College of Arts & Sciences at DigitalCommons@Pace. It has been accepted for inclusion in Master in Public Administration Theses by an authorized administrator of DigitalCommons@Pace. For more information, please contact rracelis@pace.edu.
INCENTIVIZING EMPLOYEES THROUGH BENEFITS AND RECOGNITION PROGRAMS AT PACE UNIVERSITY

BY

DIANA DUMITRU

SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF PUBLIC ADMINISTRATION

Pace University

Graduate Department of Public Administration

Dyson College of Arts and Sciences

Approved by ______________________

December, 2014
Thank you to the Faculty and Staff of the Masters of Public Administration Department at Pace University for their support. Thank you to all my friends and family who have encouraged me in the process.

A special thank you to my son, Colton, and husband, Malcolm, for supporting me in achieving this major milestone. I couldn’t have done it without you!
# Table of Contents

List of Tables ......................................................................................... v
List of Figures ...................................................................................... vi
Abstract .............................................................................................. viii
Chapter I: Introduction ........................................................................ 1
Chapter II: Literature Review .............................................................. 6
   The Theory of Incentives: The Agency Theory .............................. 6
   Types of Motivation ......................................................................... 8
   Types of Incentives ......................................................................... 9
   Fringe Benefits as Incentives in Nonprofits ................................. 10
   Barriers in Implementing Additional Benefits in Nonprofits .. 12
   The Correlation between Incentives and Motivation ................ 14
   Incentives in Higher Education .................................................... 16
Chapter III: Methodology ................................................................. 21
   Research Questions ........................................................................ 21
   Research Design and Purpose of the Research Paper ................. 21
   Key Variables and Concepts ......................................................... 22
   Hypotheses ....................................................................................... 23
   Data Collection ................................................................................ 24
   Data Analysis Plan .......................................................................... 26
   Appreciative Inquiry Model ......................................................... 28
   Limitations ...................................................................................... 29
   Ethical Considerations ................................................................. 30
List of Tables

Table 1: Number and Finances of Reporting Public Charities by Subsector…….. 17
Table 2: Number, Revenue and Assets of Reporting Public Charities by Subsector…………………………………………………………………………. 18
Table 3: Variables………………………………………………………………… 23
Table 4: Data Analysis Plan……………………………………………………….. 26
Table 5: Age Variable…………………………………………………………… 47
Table 6: Gender Variable………………………………………………………… 48
Table 7: Status of Employment Variable……………………………………….. 49
Table 8: Campus of Employment Variable……………………………………. 50
Table 9: Years of Service Variable……………………………………………… 51
Table 10: Most Rewarding Experience………………………………………..... 54
List of Figures

Figure 1: Very Important Aspects of Employee Job Satisfaction .................... 16
Figure 2: Age ............................................................................................ 38
Figure 3: Gender ...................................................................................... 39
Figure 4: Ethnicity ................................................................................... 39
Figure 5: Level of Education ..................................................................... 40
Figure 6: Employment Status .................................................................... 41
Figure 7: Campus of Employment ............................................................. 41
Figure 8: Years of Employment at Pace University ...................................... 42
Figure 9: Reasons for being drawn to Pace University ............................... 46
Figure 10: Age Variable ........................................................................... 47
Figure 11: Gender Variable ....................................................................... 48
Figure 12: Employment Status Variable .................................................... 50
Figure 13: Campus of Employment Variable ............................................. 51
Figure 14: Years of Employment Variable ................................................ 52
Figure 15: Motivation to stay at Pace University ......................................... 53
Figure 16: Motivation .............................................................................. 53
Figure 17: Awareness of Benefits .............................................................. 55
Figure 18: Level of Awareness by Age ..................................................... 56
Figure 19: Level of Awareness by Gender ................................................ 57
Figure 20: Level of Awareness by Employment Status ................................ 57
Figure 21: Level of Awareness by Years of Employment ............................ 58
Figure 22: Level of Awareness by Campus of Employment ......................... 59
<table>
<thead>
<tr>
<th>Figure</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>Level of Satisfaction with Awards</td>
<td>59</td>
</tr>
<tr>
<td>24</td>
<td>Nominated Percentages</td>
<td>60</td>
</tr>
<tr>
<td>25</td>
<td>Nomination Percentages</td>
<td>60</td>
</tr>
<tr>
<td>26</td>
<td>Benefits Pace Employees are enrolled in</td>
<td>61</td>
</tr>
<tr>
<td>27</td>
<td>Understanding Benefits</td>
<td>62</td>
</tr>
<tr>
<td>28</td>
<td>Frequency of Contact</td>
<td>62</td>
</tr>
<tr>
<td>29</td>
<td>Method of Contact</td>
<td>63</td>
</tr>
<tr>
<td>30</td>
<td>Health Benefits</td>
<td>64</td>
</tr>
<tr>
<td>31</td>
<td>Financial Benefits</td>
<td>64</td>
</tr>
<tr>
<td>32</td>
<td>Paid Time off</td>
<td>65</td>
</tr>
<tr>
<td>33</td>
<td>Additional Benefits</td>
<td>65</td>
</tr>
<tr>
<td>34</td>
<td>Additional Benefits Suggested</td>
<td>68</td>
</tr>
<tr>
<td>35</td>
<td>Additional Awards and Recognition Programs Suggested</td>
<td>69</td>
</tr>
</tbody>
</table>
Abstract

The nonprofit sector has seen a 20% increase in the number of higher education institutions over a period of 10 years, from 2000-2010, (Blackwood et al. 2012), which had a big impact on the public charity revenues and expenses. In this fast-paced growing environment, employees working in higher education are directly influenced by the changes and increase in the number of students. Motivating employees in such an environment can be challenging, therefore finding a comprehensive package that includes fair compensation levels, benefits, awards and recognition ceremonies and other incentives such as promotions and opportunities for growth are important for the success of universities in particular and any organization in general.

This research paper used both qualitative and quantitative methods and an appreciative inquiry model to identify the benefits and awards and recognition programs that are available to full-time Pace University employees, which are both family-friendly and family-neutral and implicit incentives. Through the analysis it was identified that: Pace employees are driven by both intrinsic and extrinsic motivation; the level of awareness of the benefits is at 69% and of the awards and recognition programs at 68%, and that employees are most satisfied with the health insurance benefits (63%), the retirement plan (69%), the number of vacations provided (77%) and the tuition remission benefits (42%). Additionally, Pace University employees are interested in receiving additional benefits and awards and recognition programs. 83% of the respondents were interested in receiving additional benefits or improving existing benefits programs and 74% of the respondents suggested the need of additional awards or changes in the current incentive programs at Pace University.
Chapter I

Introduction

The nonprofit sector in the United States (US) consists of approximately 2.3 million nonprofit organizations (Blackwood et al., 2012). There has been a 24% increase in the number of registered nonprofits and a 41% in financial growth from 2000 to 2010. When taking into consideration that the growth of the Gross Domestic Product (GDP) was only 16% in the same timeframe, the nonprofit sector became the fastest developing sector in the US (Blackwood et al., 2012), making this sector an important subject of study.

Incentivizing employees is a difficult mission for managers in both the nonprofit and for-profit sectors. However, the nonprofit sector in the US is identified in multiple studies as a sector with less compensation incentives than the business sector, due to the specific characteristics that define it, often restricting the adoption of incentive systems from the for-profit sector (Speckbacher, 2011).

Studies have identified two different types of motivation: extrinsic and intrinsic motivation. Intrinsic motivation is defined as work motivation related to the job or task that the employee is performing (Lee & Wilkins, 2011). Of the two, some studies have identified that employees in the nonprofit sector are inclined to be intrinsically motivated (Benz, 2005), as they are not focused only on the monetary incentives. Employees in the nonprofit sector also tend to care more about serving the public and are inclined to be more committed to the philosophy of the organization (Schepers et al., 2005). Schepers
(2005) identifies that employees in the nonprofit sector possess specific values, personality and behavioral dimensions, therefore they are motivated by different factors.

Other studies disagree. Borzaga & Tortia (2006) and Speckbacher (2011) discuss the different types of rewards that nonprofit organizations offer in order to attract and manage employees who would be motivated to behave in the best interests of the organization. These studies state that employees find both extrinsic and intrinsic incentives when pursuing careers in a nonprofit organization and the rewards can be both monetary and nonmonetary (Borzaga & Tortia, 2006). However, according to Borzaga & Tortia (2006), studies have found that lower wage levels in nonprofit organizations do not have a negative effect in worker satisfaction, because these employees find more satisfaction in their work due to their belief in the mission and vision of their organization.

Speckbacher (2011) recommends the design of incentive packages, even if the employees in the nonprofit sector are generally intrinsically motivated. The reasoning behind creating incentive packages is based on the fact that intrinsically motivated employees can have various interests which might not be a perfect fit in terms of the organization’s mission. As a result, the employee’s performance would not be perfectly aligned with the organization’s desired outcomes. The recommendation is to use identified motivation instead, which ensures that the employee is motivated because he/she serves the values and mission of the organization and doesn’t focus only on intrinsic motivation (Speckbacher, 2011).

Incentives can come in many shapes, from monetary incentives like bonuses and salary increase to promotions, public recognition and praise (Speckbacher, 2011).
“Charities find that small rewards or even a simple 'thank you' can have a big impact on employee morale” (Gardyn, 2004). Incentives in the nonprofit sector can also come in the shape of fringe benefits. Lowen & Sicilian (2008) identify two types of fringe benefits: family-friendly benefits (child care subsidies, paid parental leave, flexible work schedules, sick leave) and family-neutral benefits (insurance –medical, dental and life insurance, retirement benefits, tuition reimbursement).

Best practices in offering incentives in nonprofits include the implementation of family-friendly policies in addition to the family-neutral benefits, which allow employees flexibility when it comes to their work-life balance. Examples of such policies are flexible work schedules, providing daycare at little or no cost, condensed workweeks, telecommuting (Lee & Wilkins, 2011). Lee & Hong (2011) identify additional family-friendly benefits such as job sharing, dependent care services, leave for family responsibilities, domestic partner benefits, legal assistance, paid parental leave, on-site day care, elder care assistance, alternative work schedules, and part-time employment.

Hollenshead et al. (2005) also discuss the positive impact of policies that encourage work-life balance. These family-friendly policies improve employee morale and are cost effective in the long run (Hollenshead et al., 2005). Improved benefits in these areas are increasingly important and are recognized by a growing number of nonprofits. Additionally, fringe benefits are perceived as a substitute for wages (Artz, 2010).

Universities are not typical nonprofits. Most of their revenue is received from a fee for service unlike most public charities, which obtain their revenues through donations. Nonprofit higher education organizations represent less than 1% of total public
charities, but 10% of public charity revenues and expenses (Blackwood, 2012). A rapid increase in higher education institutions from 1,773 (in 2000) to 2,129 (in 2010) also emphasizes the importance of studying higher education as a developing and changing sector (Blackwood, et al.2012).

Dew (2012) discusses the trends in higher education. He also touches on the future of the benefits provided by universities. “As health care costs increase, and both private and state supported pension funds are diminished by poorly performing investment portfolios, institutions are increasingly dipping into their own revenues to support benefit packages and passing increases along to faculty and staff” (Dew, 2012:7-8). These causes a faster increase in the cost for benefits than for the salaries, which sometimes leads to a decrease in take-home pay (Dew, 2012).

Considering these different factors, it is important to study how to incentivize employees in higher education. This research paper examines the types of incentives Pace University uses to incentivize its employees and the employees’ familiarity with the benefits and incentives available to them. The paper will investigate whether Pace University utilizes implicit or explicit incentives to motivate its employees and what type of employee benefits, awards and recognition programs are available to Pace employees. This part of the research will be done by interviewing key employees in the human resources department. Additionally, this paper will investigate the effectiveness of the current programs and benefits by surveying employees. There are several questions that this research paper is looking to answer:

1. What types of employee benefits, awards and recognition programs does Pace University offer to incentivize employees?
2. Are Pace University employees driven by intrinsic or extrinsic motivation?

3. What is Pace employees’ level of awareness about the Pace University benefits, awards and recognition programs?

4. What benefits are most valued by Pace University employees?

5. What other benefits and incentive programs are Pace University employees interested in receiving at Pace University?
Chapter II

Literature Review

This chapter presents the literature review beginning with the agency theory of incentives, as well as the different types of motivation and incentive programs specific to nonprofits, narrowing the focus from the larger picture of incentives for employees in general, to nonprofits in particular and then to higher education as a specific part of the nonprofit industry.

The Theory of Incentives: The Agency Theory

Several studies have described agency theory as the most essential theory used in the development of employee incentives, specifically the principal-agent model (Chen et al., 2014). Agency theory distinguishes between the two different contracts in the principal-agent relationship: behavior-oriented contracts such as salaries and hierarchical governance, and outcome-oriented contracts (also known as performance-based compensation) such as stock, commissions, bonuses, property rights (Eisenhardt, 1989).

Agency theory identifies performance-based compensation as a method used to incentivize managers and employees to ensure higher productivity in order to meet the organization’s objectives (Speckbacher, 2011). Essentially, the employees receive incentives to perform better and to increase their efforts in carrying out the required tasks. The relationship between the agent and the principal can generate different types of incentives, which can benefit the agent, the principal or both. When the principal is not able to fully monitor the agent, the agent has the tendency to reduce efforts without being exposed, so an incentive to cheat (Speckbacher, 2011). On the other hand, the principal
can choose to offer the agent an incentive contract, based on the outcomes of the agent’s work and the impact it has on the principal (Speckbacher, 2011).

The principal can also choose to give the agent incentives for disclosing information. The principal would benefit from that information provided by the agent and would be able to make informed decisions pertaining to work assignments, customers, etc. Such information can only be observed by the agent who can use his expertise and knowledge in that area. In this case the agent is rewarded for being truthful (Spechbacher, 2011). Therefore, the agent’s actions (the employee) has a direct impact on the principal’s payoff (the management) (Dixit, 2002). There are three cases in which the principal will give incentives to the employees: incentives for effort, incentives for information, and costly verification, in the case of the agent having the information prior to signing the contract (Dixit, 2002).

When applying agency theory to this research project, a few factors are identified that connect agency theory to the subject of study of this research paper. It is important to note that the behavior-oriented contracts identified above are the contracts applicable to nonprofits. Additionally, behavior-oriented contracts can be applied to this research project on the incentive and benefits programs at Pace University. On the other hand, the outcome-oriented contracts are not applicable to nonprofits because in most cases bonuses and commissions are not permitted by law, as part of the characteristics that define nonprofits (Dew, 2012).
Types of Motivation

The literature review distinguishes between two different types of motivation: extrinsic and intrinsic motivation. Intrinsic motivation is defined as motivation to work related to the job or task that the employee is performing (Lee & Wilkins, 2011). Intrinsic rewards include job recognition, personal advancement, growth and development. On the other hand, extrinsic rewards, also known as hygiene factors as defined by Herzberg (Lee & Wilkins, 2011), include income, job security, incentive pay or tangible and verbal awards. Intrinsic motivation can also come from the mission of the organization, if the mission fits the values of the employee (Devaro & Brookshire, 2007). Schepers et al. (2005:192) define intrinsic motives as “the original job characteristics” such as task identity and significance, skill variety, autonomy, feedback. According to their research, intrinsic motivation comes from one’s positive internal feelings when doing well through their work.

Gagne & Deci (2005) also discuss the theory of self-determination. This theory distinguishes between two types of motivation: autonomous motivation and controlled motivation. Autonomous motivation has two main characteristics: “sense of volition and having the experience of choice” (Gagne & Deci, 2005: 333). An example of autonomous motivation is intrinsic motivation.

Out of the two types of motivation, studies have identified that employees in the nonprofit sector are inclined to be intrinsically motivated (Benz, 2005), as they are not focused on the monetary incentives. Employees in the nonprofit sector also tend to care more about serving the public and are inclined to be more committed to the philosophy of the organization (Schepers et al., 2005). Schepers identifies that employees in the
nonprofit sector possess specific values, personality and behavioral dimensions, therefore being motivated by different factors.

Additionally, Lee and Wilkins (2011: 46) discuss about the distinction between employee motives, which are identified as “rewards or factors that attracts employees to their jobs” and work motivation as the drive that makes employees’ performance good, as outlined in the public administration literature.

Other authors distinguish between intrinsic motivation and identified motivation. According to Speckbacher (2011), intrinsic motivation is related to performing a task that the employee finds enjoyable. Identified motivation, on the other hand is related to a hard and unpleasant task, but one that is performed by nonprofit employees for the greater good because they can identify it with their job’s mission.

Types of Incentives

Incentives can come in many shapes, from monetary incentives like bonuses and salary increase to promotions, public recognition and praise (Speckbacher, 2011). Other researchers like Gardyn (2004) also discuss the importance of acknowledging employees’ efforts through small rewards or even just thanking them for a job well done, especially in nonprofits. Speckbacher (2011) also identifies two types of incentives: explicit and implicit incentives. Explicit incentives are the incentives that are described in a contract, by detailing the terms of the incentives being offered. On the other hand, implicit incentives are those incentives that are expected to be received in turn for good performance, without any written rules.
Explicit incentives can only be applied if the task is “measurable, observable, and quantifiable” (Speckbacher, 2011: 1009). When the tasks performed do not fall into those three categories, they can have a negative impact on overall employee performance, because the employee could choose to focus only on those tasks that provide incentives. The drawbacks of implicit incentives can be reflected in subjectivism and favoritisms, which in turn can cause demotivation on those employees who are not rewarded via promotions or salary increases for their efforts (Speckbacher, 2011).

Opportunities for career development are also important incentives for employees, especially employees from younger generations who are expected to have several positions within different organizations throughout their careers. Opportunities for growth and development within a company will eventually produce more loyal and more engaged employees (Davila & Pina-Ramirez, 2014). Financial and external incentives like base pay, incentive pay and total rewards, including benefits are incentives that influence the employee recruitment, engagement, and retention (Davila & Pina-Ramirez, 2014).

**Fringe Benefits as Incentives in Nonprofits**

Fringe benefits are another form of incentives. Lowen & Sicilian (2008) identify two types of fringe benefits: family-friendly benefits (child care subsidies, paid parental leave, flexible work schedules, sick leave) and family-neutral benefits (insurance – medical, dental and life insurance-, retirement benefits, tuition reimbursement).

Work-life balance is very important to most employees. This can be achieved in the workplace by providing incentives such as family-friendly policies in addition to the family-neutral benefits. Examples of such policies are flexible work schedules, providing
daycare at little or no cost, condensed workweeks, telecommuting, job sharing, dependent care services, leave for family responsibilities, domestic partner benefits, legal assistance, paid parental leave, on-site day care, elder care assistance, alternative work schedules, and part-time employment.

Lee & Hong (2011) have conducted a quantitative research study in which they investigate the relationship between providing family-friendly benefits (1) child care subsidies, (2) paid leave for family care, (3) telework and (4) alternative work schedule and organizational outcomes such as turnover rates, absenteeism and performance effectiveness. Their findings show that of the four benefits provided, child care subsidies is the only benefit that has a direct positive effect towards all outcomes studied: turnover rates, absenteeism and performance. Their research indicates this benefit is perceived as organizational support, because employees perceive that the organization is concerned with their well-being. As a result they are more loyal to the organization and are incentivized to support the organization’s mission. Lee & Hong’s findings also relate that agency performance was negatively impacted by alternative work schedules.

Hollenshead et al. (2005) in their research also discuss the positive impact of policies that encourage work/life balance. These family-friendly policies improve employee morale and are cost effective in the long run (Hollenshead et al., 2005). Improved benefits in these areas are increasingly important and are recognized by a growing number of nonprofits.

Additionally, fringe benefits are often perceived as a substitute for wages (Artz, 2010). Providing attractive fringe benefits as incentives may also tackle the issue of diminishing intrinsic motivation by using extrinsic rewards. Artz argues that attractive
fringe benefits improve job satisfaction and add to the value of a job, because most of these benefits are usually not subject to taxation.

**Barriers in Implementing Additional Benefits in Nonprofits**

Implementation of different types of incentives can encounter barriers in being successful if implemented incorrectly or if not properly promoted to the employees. Burnell (2009) discusses some of the barriers that can be encountered in implementing incentive programs. These include offering benefits instead of paying salary increases, not doing a proper research by consulting with staff regarding the benefits that they are interested in or not communicating properly and efficiently regarding the availability of these programs.

Lee & Wilkins (2011) discuss the constraints that nonprofit organizations face when determining salaries and benefits. These constraints are caused by federal and state law restrictions in distributing net earnings to their employees and stakeholders (such as officers, trustees and board members). Lee & Wilkins (2011) also argue that nonprofit organizations’ management style is impacted by the type of employees that nonprofit organizations attract and needs to be reflected in the nonprofit’s organizational culture.

Researchers used quantitative data to identify important evidence regarding the use of promotions as incentives specific to the nonprofit sector. In terms of advancement Lee & Wilkins (2011) found that nonprofit organizations also have lower rates of promotions than the for-profit or the public sectors. Promotions in this case are more inclined to be correlated to job responsibilities, than with the hierarchical levels in the organization.
The data identified by Lee & Wilkins regarding promotion rates in nonprofits are also supported by Devaro & Brookshire’s research (2007), who find that nonprofits are less likely to utilize promotions as incentive mechanisms. Additionally, according to their study, nonprofits are less likely to promote employees based on performance. This is a lost opportunity for the nonprofit sector to provide professional development opportunities to incentivize its employees and to attract top talent.

Chen et al. (2013) also discuss the adversity to implement performance-related incentives in the nonprofit industry due to difficulty in defining and measuring outputs and the complexity of the nonprofit organizations. Their research used seemingly unrelated regressions to investigate different areas of incentives. The results show that employees in the nonprofit industry “have better health benefits, including medical or hospital insurance, eligibility when hired, full-time employee eligibility of insurance and health clinic on site” (Chen et al., 2013:301). On the other hand, the research shows that nonprofit organizations are less likely to adopt incentives such as performance-based pay, bonuses or profit-sharing. The final recommendation is for all types of organizations to create complex incentives that would incorporate a good mix of both non-performance-based and performance-based incentives (Chen et al., 2013).

Karen Renk, the executive director at the Incentive Marketing Association, talks about additional barriers in implementing incentive packages. She advocates for a strategy in implementing such incentives. Not having a strategy could lead to the failure of the incentive program. Additionally, Renk (2009) discusses the importance of creating incentive programs in both nonprofit and for profit companies, stating that organizations, whether for-profit or nonprofit should use the same strategies to develop incentive
programs. (Renk, 2009:6). In other words, employees in the nonprofit fields feel incentivized and motivated by the same incentives as in the for-profit field.

**The Correlation between Incentives and Motivation**

Researchers such as Speckbacher (2011) have studied the correlation between intrinsic motivation and nonprofits and have come to the conclusion that incentive packages need to be available to employees in the nonprofit sector as well, even if employees in the nonprofit sector tend to be intrinsically motivated. These incentive packages need to be introduced because intrinsically motivated employees might not be a perfect fit in terms of their interests and the organization’s mission. As a result, the employees would not perform without additional incentives. Speckbacher recommends using identified motivation instead, in order to motivate employees to determine them to serves the values and mission of the organization (Speckbacher, 2011).

Gagne & Deci (2005) discuss cognitive evaluation theory in relation to intrinsic and extrinsic motivations. Some external factors such as evaluations, rewards and deadlines, have a negative impact on an employee’s autonomy, diminishing intrinsic motivation in the process (Gagne & Deci, 2005). Other external factors such as giving the employee a choice in their task engagement, positive feedback, adequate challenging activities and the feelings of autonomy and competence, all have a positive effect on intrinsic motivation. On the other hand, negative feedback has a negative impact on both intrinsic and extrinsic motivations, creating a feeling of being “amotivated”, defined as lack of motivation (Gagne & Deci, 2005). Competition and evaluations can also have a negative effect on creativity, flexibility and problem solving, therefore reducing intrinsic
motivation (Gagne & Deci, 2005). As a result, best practices in the nonprofit industry should include systems that allow employees in the nonprofit organizations to have more flexibility and exert their intrinsic motivation.

In their latest research on employee job satisfaction, the Society for Human Resource Management (SHRM), identified that although benefits ranked higher in previous years, 53% of employees selected it as a contributor to their job satisfaction putting benefits in sixth place out of 26 aspects studied (2012), first place being voted as the most important aspect in this study, as identified in figure 1 below. Additionally, management recognition of employee job performance, ranked eight out of 26, amounting to 50% of employees who had selected this aspect as a very important factor to their job satisfaction. Paid training and tuition reimbursement was considered important to their job satisfaction by 28% of the employees. The study also reveals that female employees found this aspect more important than their male counterparts.

Another important aspect for this research is the findings on the work-life balance, which ranked 11 out of 26, first place being voted as the most important aspect in this study and represented 46% of the employees that considered this aspect important for their job satisfaction. All of this information is illustrated in figure 1.

Borzaga & Tortia (2006) discuss the different types of rewards that nonprofit organizations offer in order to attract and manage employees who would be motivated to behave in the best interests of the organization. Employees find both extrinsic and intrinsic incentives when pursuing careers in a nonprofit organization and the rewards can be both monetary and nonmonetary (Borzaga & Tortia, 2006). However, according to Borzaga & Tortia (2006), studies have found that lower wage levels in nonprofit
organizations do not have a negative effect in worker satisfaction, because these employees find more satisfaction in their work due to their belief in the mission and vision of the nonprofit organization.

Figure 1: Very Important Aspects of Employee Job Satisfaction

Figure 1: 2014. Adapted from SHRM (2012:11).
Incentives in Higher Education

Researchers have identified a need to study the incentives for employees in the higher education industry due to the continuing and rapidly changing landscape of higher education. According to Blackwood et al. (2012), nonprofit higher education organizations represent less than 1% of total public charities, but 10% of public charity revenues and expenses.

Table 1. Number and Finances of Reporting Public Charities by Subsector, 2010

<table>
<thead>
<tr>
<th>Subsector</th>
<th>Number</th>
<th>%</th>
<th>$, Billions</th>
<th>Revenues</th>
<th>Expenses</th>
<th>Assets</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All public charities</td>
<td>366,086</td>
<td>100</td>
<td>1,514.2</td>
<td>1,454.8</td>
<td>2,708.9</td>
<td></td>
<td>100 100 100</td>
</tr>
<tr>
<td>Arts, culture, and humanities</td>
<td>39,536</td>
<td>10.8</td>
<td>29.3</td>
<td>27.8</td>
<td>98.9</td>
<td></td>
<td>1.9 1.9 3.7</td>
</tr>
<tr>
<td>Education</td>
<td>66,769</td>
<td>18.2</td>
<td>248.0</td>
<td>241.6</td>
<td>806.4</td>
<td></td>
<td>16.4 16.6 29.8</td>
</tr>
<tr>
<td>Higher education</td>
<td>2,129</td>
<td>0.6</td>
<td>159.3</td>
<td>155.7</td>
<td>505.6</td>
<td></td>
<td>10.5 10.7 18.7</td>
</tr>
<tr>
<td>Other education</td>
<td>64,640</td>
<td>17.7</td>
<td>88.7</td>
<td>85.9</td>
<td>300.8</td>
<td></td>
<td>5.9 5.9 11.1</td>
</tr>
<tr>
<td>Environment and animals</td>
<td>16,383</td>
<td>4.5</td>
<td>13.7</td>
<td>12.9</td>
<td>35.2</td>
<td></td>
<td>0.9 0.9 1.3</td>
</tr>
<tr>
<td>Health</td>
<td>44,128</td>
<td>12.1</td>
<td>907.7</td>
<td>869.9</td>
<td>1,141.8</td>
<td></td>
<td>60.0 59.8 42.2</td>
</tr>
<tr>
<td>Hospitals and primary care facilities</td>
<td>7,657</td>
<td>2.1</td>
<td>773.4</td>
<td>740.9</td>
<td>926.9</td>
<td></td>
<td>51.1 50.9 34.2</td>
</tr>
<tr>
<td>Other health care</td>
<td>36,471</td>
<td>10.0</td>
<td>134.3</td>
<td>129.0</td>
<td>214.9</td>
<td></td>
<td>8.9 8.9 7.9</td>
</tr>
<tr>
<td>Human services</td>
<td>124,360</td>
<td>34.0</td>
<td>196.4</td>
<td>189.9</td>
<td>297.3</td>
<td></td>
<td>13.0 13.1 11.0</td>
</tr>
<tr>
<td>International and foreign affairs</td>
<td>7,533</td>
<td>2.1</td>
<td>31.4</td>
<td>29.7</td>
<td>31.9</td>
<td></td>
<td>2.1 2.0 1.2</td>
</tr>
<tr>
<td>Public and social benefit</td>
<td>43,875</td>
<td>12.0</td>
<td>74.4</td>
<td>70.8</td>
<td>268.1</td>
<td></td>
<td>4.9 4.9 9.9</td>
</tr>
<tr>
<td>Religion-related</td>
<td>23,502</td>
<td>6.4</td>
<td>13.0</td>
<td>12.2</td>
<td>29.2</td>
<td></td>
<td>0.9 0.8 1.1</td>
</tr>
</tbody>
</table>

Source: The Urban Institute, National Center for Charitable Statistics, Core Files (Public Charities, 2010).
Notes: All amounts are in current dollars and are not adjusted for inflation. Subtotals may not sum to total because of rounding.

Table 1: 2014. Adapted from Blackwood et al. (2012:4).

Additionally, according to Blackwood et al. (2012), there was a 20% increase in the number of higher education institutions over a period of 10 years, from 2000-2010, as showed in table 2 below, adapted from Blackwood et al. (2012:5), and it represents the economic impact that higher education has on the nonprofit industry.
Table 2. Number, Revenue and Assets of Reporting Public Charities by Subsector, 2010.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>All public charities</td>
<td>249,859</td>
<td>313,164</td>
<td>366,086</td>
<td>836.9</td>
<td>1,173.5</td>
<td>1,514.2</td>
<td>1,500.2</td>
<td>2,065.8</td>
<td>2,708.9</td>
</tr>
<tr>
<td>Arts, culture, and humanities</td>
<td>27,302</td>
<td>34,514</td>
<td>39,536</td>
<td>23.3</td>
<td>26.2</td>
<td>29.3</td>
<td>59.0</td>
<td>81.3</td>
<td>98.9</td>
</tr>
<tr>
<td>Education</td>
<td>42,591</td>
<td>56,121</td>
<td>66,769</td>
<td>163.9</td>
<td>208.4</td>
<td>248.0</td>
<td>464.3</td>
<td>663.9</td>
<td>806.4</td>
</tr>
<tr>
<td>Higher education</td>
<td>1,773</td>
<td>1,871</td>
<td>2,129</td>
<td>110.3</td>
<td>137.0</td>
<td>159.3</td>
<td>318.9</td>
<td>434.6</td>
<td>565.6</td>
</tr>
<tr>
<td>Other education</td>
<td>40,818</td>
<td>54,250</td>
<td>64,640</td>
<td>53.6</td>
<td>71.4</td>
<td>88.7</td>
<td>145.4</td>
<td>229.3</td>
<td>300.8</td>
</tr>
<tr>
<td>Environment and animals</td>
<td>6,976</td>
<td>12,754</td>
<td>16,383</td>
<td>8.2</td>
<td>10.7</td>
<td>13.7</td>
<td>18.8</td>
<td>26.4</td>
<td>35.2</td>
</tr>
<tr>
<td>Health</td>
<td>36,057</td>
<td>40,638</td>
<td>44,128</td>
<td>459.5</td>
<td>673.8</td>
<td>907.7</td>
<td>606.9</td>
<td>825.5</td>
<td>1,141.8</td>
</tr>
<tr>
<td>Hospitals and primary care facilities</td>
<td>6,929</td>
<td>7,260</td>
<td>7,657</td>
<td>383.2</td>
<td>569.2</td>
<td>773.4</td>
<td>468.2</td>
<td>652.7</td>
<td>926.9</td>
</tr>
<tr>
<td>Other health care</td>
<td>29,128</td>
<td>33,378</td>
<td>36,471</td>
<td>76.2</td>
<td>104.7</td>
<td>134.3</td>
<td>138.7</td>
<td>172.8</td>
<td>214.9</td>
</tr>
<tr>
<td>Human services</td>
<td>86,068</td>
<td>106,248</td>
<td>124,340</td>
<td>110.9</td>
<td>152.3</td>
<td>196.4</td>
<td>164.5</td>
<td>225.7</td>
<td>297.3</td>
</tr>
<tr>
<td>International and foreign affairs</td>
<td>4,364</td>
<td>5,726</td>
<td>7,533</td>
<td>13.0</td>
<td>25.3</td>
<td>31.4</td>
<td>14.4</td>
<td>23.7</td>
<td>31.9</td>
</tr>
<tr>
<td>Public and societal benefit</td>
<td>30,521</td>
<td>38,379</td>
<td>43,875</td>
<td>50.7</td>
<td>66.6</td>
<td>74.4</td>
<td>156.0</td>
<td>197.1</td>
<td>268.1</td>
</tr>
<tr>
<td>Religion-related</td>
<td>13,999</td>
<td>18,784</td>
<td>23,502</td>
<td>7.4</td>
<td>10.1</td>
<td>13.0</td>
<td>16.2</td>
<td>22.3</td>
<td>29.2</td>
</tr>
</tbody>
</table>

Source: The Urban Institute, National Center for Charitable Statistics, Core Files (Public Charities, 2000-10).
Note: All amounts are in current dollars and are not adjusted for inflation.

Table 2: 2014. Adapted from Blackwood et al. (2012:5).

The data presented in these two tables show the importance of studying higher education as a developing and changing field with significant financial impact on the nonprofit sector in particular.

An important study that measured the awareness of the benefits in a university is a study made by an HR Research Group at Utah State University. The research focused on the three major employee perspectives of the benefits package: awareness, value and satisfaction (Gunter et al., 2010). The model that they used is called the Optimal Benefits Package Model and it also encompasses the employer perspective that represents: attraction and retention, cost effective and goodwill (Gunter et al., 2010). This study only focused on the employee perspective and used both qualitative and quantitative research methods to research the data. Qualitative data was gathered through preliminary interviews and focus groups, while quantitative data was gathered through surveys.
Both Altarifi (2014) and Dew (2012) discuss the future of employee incentives in higher education. Dew (2012) discusses the increase in costs for benefits and the decrease in pay for higher education employees. Altarifi (2014) advocates for higher education institutions to invest in their human capital, in order to retain their employees, especially since the higher education industry has experienced a lot of changes in the past few years due to the changes in global economy affecting so many industries and higher education in particular. Therefore researchers identify the need for both monetary and nonmonetary incentives in universities to attract and motivate employees.

Altarifi (2014) proposes utilizing internal marketing in higher education through a model that helps promote, recognize and award employees, but also encourages communication and creating the organizational culture that will attract and maintain employees. He conducted a qualitative study that focused on the internal marketing model, which has six important constructs: (1) employee development, (2) internal market research, (3) internal communications, (4) vision about excellent service, (5) organizational rewards, and (6) management support. The findings of this research demonstrate that these constructs are important to employee satisfaction, but that there are other factors that influence employee satisfaction.

All in all, the studies identified in the literature review section present both qualitative and quantitative data regarding the importance of incentive programs in the nonprofit industry and identify those incentives that motivate employees in the nonprofit sector. Although employees in the nonprofit industry tend to be motivated by intrinsic motivation, additional incentives are needed to keep employees motivated. These incentive packages include family-friendly and family-neutral benefits and are essential
especially if the level of salaries and promotion rates are lower in the nonprofit industry than in the for-profit industry. Additionally, awards and recognition programs and even thanking employees can boost their morale and improve retention. Furthermore, the literature review section focusses on higher education institutions as a growing and significant section of the nonprofit industry. This research project further narrows the focus to one specific university in the research section below.
Chapter III

Methodology

Research Questions

The following five questions are the questions guiding this research and they will be explored in detail:

1. What types of employee benefits, awards and recognition programs does Pace University offer to incentivize employees?
2. Are Pace University employees driven by intrinsic or extrinsic motivation?
3. What is Pace employees’ level of awareness about the Pace University benefits, awards and recognition programs?
4. What benefits are most valued by Pace University employees?
5. What other benefits and incentive programs are Pace University employees interested in receiving at Pace University?

Research Design and Purpose of the Research Paper

This study uses survey data, interviews, and secondary data to explore its research questions. It is an applied research study, seeking to improve Pace University benefits and incentive programs: “Applied research is any social scientific research designed to answer practical questions” (Hoyle, 2002: 332). The purpose of this study is to explore Pace University’s incentive and benefits programs, utilizing both qualitative and quantitative data. The goal of this paper is to provide a complete understanding of the incentive and benefits programs at Pace University in order to help the organization change, refine and improve its incentives and benefit programs by using an appreciative
inquiry model. This research is important because it will determine how these programs are communicated and marketed to its employees, and how the internal marketing process can be improved. Therefore, the internal validity of this research is high as it will present information that can be used by the Pace University human resources department. The human resources department at Pace University can use this applied research paper to improve and better promote Pace incentive and benefits programs.

Key Variables and Concepts

Key concepts for this research paper are employee benefits and incentive awards and recognition programs.

Key dependent variables:

- employee motivation
- employee awareness of the benefits and incentive programs
- employees satisfaction of the benefits and incentive programs

The key independent variables that influence these concepts are demographic factors such as age and gender, and information specific to the population studied such as the number of years employed at Pace University, employment status (faculty vs staff and full-time vs part-time) and main campus of employment (New York vs. Westchester).
Hypotheses

H1. Pace University offers an array of benefits, awards and recognition programs that add value to their employees’ compensation packages.

H2. Pace University Employees are driven by both intrinsic and extrinsic motivation.

H3. Pace employees’ level of awareness of the benefits and awards and recognition programs is influenced by various factors such as age, gender, status of employment, campus of employment and years of employment.

H4. Pace University employees value mostly the health insurance benefits, the retirement plan, the number of vacations provided and the tuition remission benefits.

H5. Pace University employees are interested in receiving additional benefits and incentive programs at Pace University.
Data Collection

In order to answer the five research questions this study uses a three-step approach:

1. researching quantitative data using internal resources such as e-mails sent to employees regarding the benefits, as well as public information available on the Pace University website, under the human resources tab, employees benefits

2. obtaining qualitative data by interviewing two key human resources staff on the benefits provided by Pace University, the awards and recognition ceremonies and the frequency of the e-mails sent to employees to inform them about the benefits available to them

3. obtaining additional quantitative data by sending surveys to staff members at Pace University using an appreciative inquiry model

Question 1. What types of employee benefits, awards and recognition programs does Pace University offer to incentivize its employees?

Population: two key human resources employees

Mode of Data Collection: A two-step approach was taken in order to answer question number one. The first step in the research will be done by investigating all the tools designed by the human resources department to provide incentives to their employees by researching quantitative data using internal resources such as e-mails sent to employees regarding the benefits, as well as public information available on the Pace University website, under the human resources tab, the employees benefits section. This is both internal and public data collection on Pace University’s benefits and incentive programs. The second step was to interview two key human resources employees on the type of
benefits and incentive programs provided by Pace University, how the employees are informed of the benefits packages, and the nature and frequency of communication that the human resources department sends Pace employees regarding the benefits and incentive and awards and recognition programs provided.

Presentation: The data is presented as a narrative, but also in charts and tables that present the percentages of benefits available to employees: fringe benefits and incentive programs.

Data Analysis: The interviews were structured and analyzed based on the different types of benefits. Incentive and benefits programs were also analyzed by the frequency of the e-mail and mailing communication send to their employees to determine the efficiency in promoting these incentives.

Questions 2, 3, 4, 5

2. Are Pace University employees driven by intrinsic or extrinsic motivation?

3. What is Pace employees’ level of awareness about the Pace University benefits, awards and recognition programs?

4. What benefits are most valued by Pace University employees?

5. What other benefits and incentive programs are Pace University employees interested in receiving at Pace University?

Population: 250 subjects were selected randomly from a sample population of Pace University employees, through a search of Pace University’s website a-z listing and researching every department and selecting both faculty and staff members from both New York and Pleasantville campuses. An additional 10 members signed up to a list to
receive the survey after the presentation of the research project during the New York Administrative Staff Council.

Mode of Data Collection: a 24-question assessment was distributed to the 260 employees selected randomly from our sample population using an appreciative inquiry model in order to obtain quantitative data. This questionnaire was sent via e-mail and asked questions that gathered data regarding the participants’ knowledge of the Pace University’s benefits and incentives packages available to the full-time employees. These questionnaires were divided in different sections and included a variety of question types including closed-ended questions and open-ended questions.

Presentation of data: Data is presented in charts, tables and narrative.

Data Analysis: The data was analyzed using the statistical analysis provided by the Qualtrics survey system and excel data analysis tool pack. Additionally, for the open-ended questions, the data was analyzed using a pre-determined scale and coding system to allow categorizing the data accordingly.

Data Analysis Plan

<table>
<thead>
<tr>
<th>Research Question</th>
<th>Collection of data</th>
<th>Highlight Specific Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>What types of employee benefits, awards and recognition programs does Pace University offer to incentivize employees?</td>
<td>1. Internal resources such as e-mails sent to employees regarding the benefits, as well as public information available on the Pace University website, under the human resources</td>
<td>This information will determine which benefits and incentive programs are offered by Pace University</td>
</tr>
<tr>
<td>Question</td>
<td>Survey Questions</td>
<td>Explanation</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Are Pace University employees driven by intrinsic or extrinsic motivation?</td>
<td>8-10</td>
<td>These questions asked specific information regarding the motivation that guided Pace University employees to apply for employment at Pace University and what kept them motivated to stay employed at Pace University.</td>
</tr>
<tr>
<td>What is Pace employees’ level of awareness about the Pace University benefits, awards and recognition programs?</td>
<td>11-15</td>
<td>These questions determined Pace University employees level of awareness of the Pace University benefits, awards and recognition programs, by analyzing the percentages of benefits that the employees are most aware of and which they are not aware of and which they are enrolled in. Additionally, they determined if employees know where to obtain information regarding the benefits and the form and frequency that they would like the benefits and incentive programs to be communicated to them. Additionally, these questions determined the employees’ interest in the incentive programs by defining the percentages of employees who have been nominated or have nominated other employees for awards.</td>
</tr>
<tr>
<td>What benefits are most valued by Pace University employees?</td>
<td>16-19</td>
<td>These four questions determined which of the benefits Pace University employees value most from the four categories: health benefits, financial benefits, paid time off benefits, and additional benefits.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>tab, employees benefits 2. Interviews will also determine further information regarding the benefits and incentive programs</td>
</tr>
</tbody>
</table>
What other benefits and incentive programs are Pace University employees interested in receiving at Pace University?  
Survey questions 23-24 (additional benefits and incentive recognition and awards programs)  
These two questions determined which additional benefits and incentive recognition and awards programs Pace University employees would like to receive as part of their compensation packages

| Table 4: 2014 |

**Appreciative Inquiry Model**

The appreciative inquiry model (AI) focuses on a positive approach that puts an emphasis on the strengths of an organization, department or program with the ultimate goal of moving towards a desired future, eliciting solutions and even changing the organizational culture by promoting the positive rather than focusing on the negative (Drew & Wallis, 2014). The idea is that focusing on positive behavior will lead to success (Mishra & Bhatnagar, 2012). David Cooperrider is considered the founder of AI, which he developed during his doctoral degree in 1986, and in 1987 along with Srivastva they set forth a 5 principles applicable to AI (Mishra & Bhatnagar, 2012). These 5 principles are:

1. **Constructivist Principle** relates to the way people relate to stories and the influence that these stories have on the way they think and act (Mishra & Bhatnagar, 2012). The relationship with the AI is the positive thinking that can lead to positive outcomes. The goal of the research is to create positive attitudes towards the benefits and incentive programs that will lead to positive recommendations and outcomes.

2. **Principle of Simultaneity** refers to the simultaneity of inquiry and change, they both come as a package (Mishra & Bhatnagar, 2012). The inquiry
regarding the programs and benefits will lead to a positive change and will inform Pace University employees regarding their benefits and incentive programs.

3. **Poetic Principle** refers to objectivity, the employees will focus on the activities that interests them most and would be interested in participating in (Mishra & Bhatnagar, 2012). This will generate more ideas and inform regarding the Pace University employees’ interests and needs.

4. **Anticipatory Principle** connects current behavior based on the employees’ perception of the future of the organization, positive perception leading to positive behavior (Mishra & Bhatnagar, 2012). The goal of the research paper is to promote a positive perception of the future of the organization through the use of AI.

5. **Positive Principle** became prominent through the work of various researchers whose positive approach led to more excitement on the part of the employees and longer-lasting and better outcomes (Mishra & Bhatnagar, 2012). This is also the goal in relation to Pace University employees’ approach towards this research paper and will lead to more excitement regarding the benefits and incentive programs offered by Pace University.

**Limitations**

This paper has two notable limitations. First, the researcher is an employee at Pace University. However the researcher is not an employee in the human resources department, but has been part of the Special Awards Nomination Committee (2013-2014)
that decided the award winners in 2014 University wide. Although there will be a
temptation not to be objective, the researcher will use all methods to remain objective and
avoid any biases in the research process.

Secondly, this applied research paper will not present any external validity, as the
information will not be able to be applied to other nonprofit universities as they might
offer other incentives for their employees and might be utilizing them differently.
Therefore, it is not generalizable.

Ethical Considerations

In terms of ethical considerations, this research paper interviewed and surveyed
employees who volunteer in the process and who signed a consent form informing them
of the research topic. Additionally all employees surveyed and interviewed were
guaranteed anonymity. The paper did not quote any individual directly and no individual
employee was discussed.
Chapter IV

Findings

This chapter presents the findings from the interviews done with the two key human resources employees and surveys distributed to Pace University employees, as well as information from the website and from internal e-mails.

Preliminary Sample Data Overview

The data for this research project was collected from Thursday, October 30th, 2014 through Friday, November 15th, 2014. These formed our working dataset. The data was collected threefold:

- by analyzing information available via internal e-mails and on the human resources website
- by conducting interviews with two key human resources employees
- by sending surveys to 260 Pace employees

Data Overview from Analysis of Website and Communication to Employees

Pace University offers the benefits presented below. The benefits are described in detail on the Pace University website and are accessible to the public:


On the Pace University website, the benefits for full-time faculty and staff are divided in five distinct categories, each exemplified by additional subcategories as follows:

1. Health Benefits:
   - Medical Plan
• Dental Plan

2. Income Protection Benefits:
   • Short Term Disability Salary and Benefit Continuation
   • Long Term Disability Insurance
   • Worker’s Compensation
   • Long Term Care
   • Life Insurance

3. Work/Life Benefits
   • Employee Assistance Program
   • Health Flexible Spending Account
   • Dependent Care Flexible Spending Account
   • Commuter Reimbursement Accounts
   • Academic Federal Credit Union
   • Healthy Rewards
   • Paid University Holidays
   • Paid Vacation/Personal Days
   • Leaves of Absence

   • 403(b) Defined Contribution Retirement Plan
   • Post Retirement Benefits (if eligible)

5. Education Benefits
   • On campus Tuition Remission
   • Off-Campus Graduate Tuition Remission
• Off Campus Dependent Tuition Reimbursement
• Tuition Exchange Programs
• New York 529 College Savings Program (Data collected from Pace University Benefits Page, 2014)

Additionally, the website presents the carrier for each applicable benefit in a table and detailed information in separate links for each of the benefits. Additionally, there is an online tutorial for the new employee orientation program, which is approximately 75 minutes in length. Individual information such as first and last name, department, supervisor and date of hire are needed in order to review this tutorial.

The Human Resources department sends once a year, at the beginning of October, a blast e-mail to all full-time employees regarding the tuition exchange program and the criteria for qualifying for this program. Every year, towards the end of the year, one e-mail blast with the University Calendar is sent to all full-time employees, accentuating the benefit of paid time off.

Every year in May there is an online benefits open enrollment, and three email blasts to all full-time employees are sent to inform regarding the opportunity to enroll in the benefits program.

At the end of the year, Pace University employees receive one e-mail regarding 403 (b) benefits. Other individual communication is being send by TIAA-CREF periodically via e-mail or regular mail. Three reminders are sent regarding the nomination database for the awards and recognition programs.
Data Overview from Interviews

The interviews were done with two key employees in the Human resources department. One of the key human resources employees was interviewed regarding the benefits and the other key employee was interviewed regarding the awards and recognition programs. The first interview had 10 questions and the second interview had 11 questions, which pertained information related to the individual categories: employee benefits and incentive awards and recognition programs.

Benefits Interview

When interviewing the human resources employee regarding the benefits the following information was gathered:

In terms of the communication of the benefits the human resources employee responded that most of the information is available on the website, this being the main method to communicate the benefits. Additionally, there are 2 e-mails sent in spring when open enrollment starts, which constitutes sufficient communication. The most utilized benefits are tuition reimbursement and medical insurance, which are also the benefits that most employees inquire information about, while the least utilized benefit is long-term care. Generally, employees are satisfied with their benefits, and dissatisfaction is only expressed when the premiums go up. One dissatisfaction is expressed with the rates for life insurance as employees are stating that they can find better rates with other insurance companies.

The human resources representative to employee ratio is 2 people to 1000 employees. Another person would be needed to service all the employees, and there was an additional person servicing them but when she retired, it was a departmental decision
to not fill in the position, partially because a lot of the processes got automated. The employees’ favorite method of communication is via phone call because through this method they obtain their responses immediately.

Awards and Recognition Interview

Based on the interview with the human resources representative the following information was gathered:

The goal of the awards and recognition programs is to grow engagement and retention. In terms of promoting the awards and recognition ceremony the human resources department uses extensive methods of communication: website, e-blast to all Pace Faculty and Staff listserv by sending 5 emails. This method works best in terms of communication. Additionally, the information is presented at the Westchester Staff and Faculty Councils and NY Staff and Faculty Councils, Social Media announcements (Facebook and Twitter), Operations Committee, posters on campus, through the Marketing and Communications department, Opportunitas, announcements on Portal, mini cards, and handouts at meetings. The awards and recognition program evolved over the years, before 2006 the University was honoring just the service individuals and then it evolved to leadership and special awards. Then, in 2008, the University developed YES awards and in 2011 they added the student awards followed by the Star awards in 2012.

Out of approximately 1200 employees the breakdown is as below

- YES awards: 400-450 nominations
- Leadership awards: 100 per year
Service honorees: average 300, (with the mention that) not everyone comes to the ceremony- perhaps less than half, but they all get to order a gift of a value from $50-$400 according to the years of service.

In terms of winners the breakdown is as below:

- YES: 4
- Leadership- 3-4 outstanding per campus, so 7-8 University wide
- 1 President extra mile award per campus, so 2 University wide
- 1 for excellence per campus, so 2 University wide
- 1 star award per campus, so 2 University wide

The human resources interviewee’s opinion is that there should be less awards, about half: “less is more” because the quality and the status of the award decreases when a larger amount of awards are given out, and also because there are a lot of categories for each award and sometimes there is only one nomination for a category which leaves little room for deliberation.

In terms of satisfaction, the employees are satisfied with the awards and recognition ceremony and the satisfaction has increased in the recent years. The human resources department sends a survey (through Qualtrics) every year after the recognition ceremony to all service honorees and all employees that are being recognized, regardless if they are attending or not, along with a photo with the President that they take during the ceremony and a certificate. Special awards recipients get plaques and a check.

Awards compensation depends on the award and they range from $50-$500, some are monetary like President Award, and some are value based. A suggestion and idea that the human resources department is looking into is to provide only non-monetary awards.
as providing monetary awards is not a current practice. Instead they need to be more relevant to the individual type of award and recognition.

The role of the Special Awards Nomination Committee is to review the nominations, vote and determine the winner. Human resources tallies the initial votes based on the committee’s initial review and the nomination committee decides the winners. This committee is a volunteer based committee, and volunteer opportunities for this committee are announced in the same e-mail blast when the database is open. The human resources department wants representation from every school and at least one faculty and at least one student. Usually the committee has between 7-9 people. They try to keep it at odd number in case there is a tie.

The human resources department is in the process of changing the vendor that provides the online database for the years of service gifts. The current vendor has an outdated presentation and selections of gifts, the new one will offer more branded and a better experience (more upscale) with what they are ordering and enhance the experience of the award. The new vendor will be Tiffany’s. Additionally the goal is to streamline the awards and plaques that will be provided to employees, as they are currently made in house and the quality is different based on different awards offered.

**Data Overview from Surveys**

Of the 120 initial responses recorded through Qualtrics, only 106 responses were validated because 11 of the respondents were recorded as not having finished the survey in its entirety, making their data invalid and irrelevant. One additional respondent did not finish their survey but filled in most of the data making their survey valid and relevant.
An additional three surveys were deleted because two of the respondents were adjunct faculty and one was a part-time staff and they didn’t represent the population of study for this research paper because they don’t receive all the benefits that are researched in this paper.

Seven demographic questions were asked in the survey, but only five were used as variables for the purpose of this research paper: age, gender, years of employment, employment status and campus of employment. Ethnicity and level of education were not used as variables, because they didn’t present relevant information for the purpose of this research paper. The distribution of the data presented in the survey is reported below in figures 2-8.

Participants’ Age

Of the 106 respondents, 6% of the respondents were 18-25 (n=6) and 14% ages 25-35 (n=15), 34% ages 35-50 (n=36), 36% ages 50-65 (n=38) and 10% as 65+ (n=11) as distributed in the below Figure 2.

![Figure 2: Age](image-url)
Participants’ Gender

Of the 106 respondents, 19% of the respondents identified themselves as male (n=20) and 81% as female (n= 86) as distributed in the below Figure 3.

![Figure 3: GENDER](image)

Figure 3: 2014.

Participants’ Ethnicity

Of the 106 respondents, 75% of the respondents identified themselves as White (Caucasian) (n=80) and 10% as Hispanic (n= 11), 3% as African American (n=3), 8% as Asian/Pacific Islander (n=8), 3% as Bi-racial (n=3) and 1% as White/Latino (n=1)

![Figure 4: Ethnicity](image)

Figure 4: 2014.
Participants’ Level of Education

Of the 106 respondents, 6% of the responses indicated that their level of education was a high-school graduate, diploma or the equivalent (n=6) and 6 % as Associates Degree (n= 6), 28% as bachelor’s degree (n=30), 38% as masters degree (n=40), 23% as doctoral degree (n=24) as distributed in the below Figure 5.

Figure 5: Level of Education

![Figure 5: Level of Education]

Figure 5: 2014.

Participants’ Employment Status

Of the 106 respondents, 78% of the respondents indicated that they were full-time staff (n=85) and 21% as full-time faculty (n=22), as distributed in the below Figure 6. Note that this does not equate to 100% because some employees might be a combination of the values presented.
Participants’ Campus of Employment

Of the 106 respondents, 56% of the respondents are employed in one of the New York City campuses (n=59) and 44% in one of the Westchester campuses (n=47) as distributed in the below Figure 7.
Participants’ Years of Employment at Pace University

Of the 106 respondents, 45% of the respondents indicated that they have been employees at Pace University for more than 10 years (n=48), 22% as 5-10 years (n=22), 27% as 1-5 years (n=29), 7% as less than a year (n=7), as distributed in Figure 8.

**FIGURE 8: YEARS OF EMPLOYMENT AT PACE UNIVERSITY**

Figure 8: 2014.

Compilation of Data Collected

There were three methods to collect data for this research paper using both qualitative (interviews) and quantitative methods (surveys and website and e-mail analysis). All the data gathered were essential in forming a comprehensive picture of the benefits and awards and recognition ceremony. The data presented multiple points of view, from the human resources department’s point of view and their efforts to communicate information regarding the benefits, to the employees’ point of view and how they perceive the benefits and incentive programs offered and how the information
is communicated to them. Additionally, an objective review of the public information available on the website as well as analyzing human resource’s internal marketing efforts.
Chapter V

Data Analysis

This chapter analyzes the data gathered through both qualitative and quantitative research methods. The qualitative data was gathered through the interviews done with two key employees. The quantitative data was gathered through analysis of the e-mails and the website and the survey data. Each of the hypothesis below was studied based on the data gathered and will be demonstrated as valid or invalid.

Hypothesis 1

H1. Pace University offers an array of benefits, awards and recognition programs that add value to their employees’ compensation packages.

Based on the analysis of the website the benefits can be categorized into two different types of fringe benefits using the classification provided by Lowen & Sicilian (2008).

Family-friendly benefits: employee assistance program, dependent care flexible spending account, paid university holidays, generous paid vacation/personal days package, leaves of absence, on campus dependent tuition remission, off-campus dependent graduate tuition remission, off campus dependent tuition reimbursement, tuition exchange programs, New York 529 college savings program.

Family-neutral benefits: medical and dental plan, short term disability salary and benefit continuation, long term disability insurance, worker’s compensation, long term care, life insurance, 403(b) defined contribution retirement plan, post-retirement benefits (if eligible), on campus tuition remission, off-campus graduate tuition remission,
commuter reimbursement accounts, academic federal credit union, health flexible spending account, healthy rewards.

Based on the benefits provided, the conclusion is that Pace University offers a diverse array of benefits that include both family-friendly and family neutral benefits and that add value to the compensation packages provided by the university to its employees.

Additionally, based on the interviews, it was identified that out of approximately 1200 full-time employees there are on an average 450 employees nominated for the YES awards, representing 38% of the total full-time employees and about 100 leadership awards representing 8% of the total full-time employees. Of the average of 550 total nominees, there are 18 winners University wide, which represent 2% of the total full-time employees. On the other hand, the service honorees are on an average 300 and they represent 25% of the total full-time employees.

Based on this data, hypothesis one is confirmed as Pace University offers a wide array of benefits along with a wide array of incentive programs that add value to their compensation benefits programs.

Hypothesis 2

H2. Pace University Employees are driven by both intrinsic and extrinsic motivation.

Hypothesis 2 was analyzed based on survey questions 8-10 and it was researched whether Pace University employees are driven by intrinsic or extrinsic motivation. Organizational culture includes the mission and values of the organization, therefore encompassing intrinsic motivation. Of 101 respondents, 36% (n=37) chose organizational culture as the reason why they were first drawn to apply to Pace University. This ranked
first place of the 6 values that were included in the survey. Second in place was benefits with 22%, followed by a close 21% for title, 16% for job security, 3% salary and 2% awards and recognition ceremonies.

Figure 9: 2014.

Age Variable

All age groups studied except for group age 25-35 were first drawn by organizational culture at Pace. In contrast, age group 25-35 were first drawn to apply to Pace University by the benefits (40%). Almost in all cases, except for the 18-25 group, benefits came in second, followed by title, job security salary and awards and recognition ceremony as exemplified in table 5 and figure 10 below.
<table>
<thead>
<tr>
<th>Age Groups</th>
<th>Organizational Culture</th>
<th>Benefits</th>
<th>Awards and Recognition ceremony</th>
<th>Salary</th>
<th>Title</th>
<th>Job Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-25</td>
<td>50%</td>
<td></td>
<td></td>
<td>7%</td>
<td></td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>N=6</td>
<td>N=3</td>
<td></td>
<td>N=1</td>
<td></td>
<td>N=3</td>
</tr>
<tr>
<td>25-35</td>
<td>20%</td>
<td>40%</td>
<td></td>
<td>20%</td>
<td></td>
<td>13%</td>
</tr>
<tr>
<td></td>
<td>N=15</td>
<td>N=3</td>
<td></td>
<td>N=3</td>
<td></td>
<td>N=2</td>
</tr>
<tr>
<td>35-50</td>
<td>31.5%</td>
<td>23%</td>
<td>31.5%</td>
<td>14%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N=35</td>
<td>N=8</td>
<td>N=11</td>
<td>N=5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50-65</td>
<td>44%</td>
<td>15%</td>
<td>6%</td>
<td>17%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N=34</td>
<td>N=5</td>
<td>N=1</td>
<td>N=6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>65+</td>
<td>46%</td>
<td>27%</td>
<td>9%</td>
<td>9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N=11</td>
<td>N=3</td>
<td>N=1</td>
<td>N=1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5: 2014

![Figure 10: Age Variable](image-url)
Gender Variable

Both female and male respondents considered organizational culture as the most important factor that attracted them to Pace University: male by 30% and female by 38%.

This was followed by benefits and title, then by job security for female respondents and salary for male respondents as shown in table 6 and figure 11 below.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Organizational Culture</th>
<th>Benefits</th>
<th>Awards and Recognition ceremony</th>
<th>Salary</th>
<th>Title</th>
<th>Job Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>30% N=6</td>
<td>25% N=5</td>
<td>5% N=1</td>
<td>15% N=3</td>
<td>25% N=5</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>38% N=31</td>
<td>21% N=17</td>
<td>1% N=1</td>
<td>20% N=16</td>
<td>20% N=16</td>
<td></td>
</tr>
</tbody>
</table>

Table 6: 2014.

Figure 11: Gender Variable
Status of Employment Variable

Both full-time faculty and staff considered organizational culture as the defining factor for being attracted to Pace University. This was followed with a close percentage by benefits selected by staff, but not by faculty, none of whom selected benefits as the deciding factor to be attracted by Pace University. Their second motivator was title, followed by job security and salary. Staff members ranked title third, followed by job security and the awards and recognition ceremony in the last place as shown below.

<table>
<thead>
<tr>
<th></th>
<th>Organizational Culture</th>
<th>Benefits</th>
<th>Awards and Recognition ceremony</th>
<th>Salary</th>
<th>Title</th>
<th>Job Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time Staff vs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Faculty N= number</td>
<td>32% N=26</td>
<td>27% N=22</td>
<td>2% N=2</td>
<td>20% N=16</td>
<td>17% N=14</td>
<td></td>
</tr>
<tr>
<td>respondents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-time Staff N=82</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-time Faculty N=20</td>
<td>55% N=11</td>
<td></td>
<td></td>
<td>5% N=1</td>
<td>30% N=6</td>
<td>10% N=2</td>
</tr>
</tbody>
</table>

Table 7: 2014.
Campus of Employment

Employees in both campuses ranked organizational culture as the most important factor in their decision to come to Pace University, followed by benefits for the Westchester campus and by title in the NYC campus as shown in the table below.

<table>
<thead>
<tr>
<th>Campus of employment</th>
<th>Organizational Culture</th>
<th>Benefits</th>
<th>Awards and Recognition ceremony</th>
<th>Salary</th>
<th>Title</th>
<th>Job Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYC Campuses N=57</td>
<td>39% N=22</td>
<td>14% N=8</td>
<td>1% N=1</td>
<td>5% N=3</td>
<td>23% N=13</td>
<td>18% N=10</td>
</tr>
<tr>
<td>Westchester Campuses N=44</td>
<td>34% N=15</td>
<td>32% N=14</td>
<td>2% N=1</td>
<td>18% N=8</td>
<td>14% N=6</td>
<td></td>
</tr>
</tbody>
</table>

Table 8: 2014.
Figure 13: 2014.

Years of Service Variable

All groups of years of service considered organizational culture as the most important factor in their decision to come to Pace except for the 5-10 years group who considered most important job security.

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Organizational Culture</th>
<th>Benefits</th>
<th>Awards and Recognition</th>
<th>Salary</th>
<th>Title</th>
<th>Job Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than a year</td>
<td>57% N=4</td>
<td></td>
<td></td>
<td></td>
<td>14% N=1</td>
<td>29% N=2</td>
</tr>
<tr>
<td>1-5 years</td>
<td>38% N=11</td>
<td>28% N=8</td>
<td></td>
<td></td>
<td>24% N=7</td>
<td>10% N=3</td>
</tr>
<tr>
<td>5-10 years</td>
<td>23% N=5</td>
<td>18% N=4</td>
<td></td>
<td>5% N=1</td>
<td>18% N=4</td>
<td>32% N=7</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>39% N=17</td>
<td>23% N=10</td>
<td>5% N=2</td>
<td>5% N=2</td>
<td>20% N=9</td>
<td>9% N=4</td>
</tr>
</tbody>
</table>

Table 9: 2014
The second question in this series, survey question #9, regarding the motivation to stay at Pace University is directly correlated to the first question regarding the reason the employees were drawn to Pace University. Therefore out of the 105 responses, only 101 were validated, because 4 of the respondents had not responded to survey question 8. This question also had an open ended answer choice and the responses were further divided in four categories: organizational culture, benefits (these two adding to the responses already recorded), job responsibilities and opportunities.

Organizational culture represented 36% of the respondents who were motivated to stay at Pace University, being ranked first of the eight values that were categorized, followed closely by benefits 30%, job security 14%, job responsibilities 10%, title 6% and opportunities 1%. There were no respondents for awards and recognition programs. These valued are presented in figure 15 below.
When comparing the results regarding motivation prior to employment and the current motivation to stay employed at Pace University, the results are very similar in percentages as exemplified in table 16 below.

As a result hypothesis 2 proves valid, Pace employees are interested in both intrinsic and extrinsic motivation prior to applying to Pace University as well as during
their employment at Pace University. It is also important to note that organizational culture ranked one of six in all the data studied regardless of the variables, which confirms the literature review that intrinsic motivation is an important factor for the employees working in the nonprofit field.

Question 10 regarding the most rewarding experience that the employees had at Pace University is an open-ended question and there were 91 responses gathered through the survey. These responses were organized into 4 categories that are represented in the table below with the percentages and number of responses.

<table>
<thead>
<tr>
<th>Organizational Culture</th>
<th>Benefits</th>
<th>Job Responsibilities</th>
<th>Awards and Recognition Ceremony</th>
</tr>
</thead>
<tbody>
<tr>
<td>48% N=44</td>
<td>16% N=14</td>
<td>33% N=30</td>
<td>3% N=3</td>
</tr>
<tr>
<td>Close Peer &amp; Student Relationships</td>
<td>Tuition Remission</td>
<td>Teaching</td>
<td>Awards</td>
</tr>
</tbody>
</table>

Table 10: 2014.

Of the responses regarding organizational culture the most frequent responses were the close relationships with peers and students. Of the benefits responses the most frequent were the benefit of tuition remission for family and employees. Teaching was the most frequent response in the job responsibilities section and being recognized with awards constituted the majority of the responses in the awards and recognition section.

Hypothesis 3

H3. Pace employees’ level of awareness of the benefits and rewards and recognition programs is influenced by various factors such as age, gender, status of employment, campus of employment and years of employment.
To determine the level of awareness of Pace University employees regarding the benefits offered, survey question 11 inquired which of the benefits are offered by Pace University, giving the option to select multiple answers and giving the option of all benefits that are offered. The below table shows the respondents’ level of awareness regarding the benefits offered at Pace University. Medical/Vision health insurance ranked first out of the 14 benefits. There were 106 respondents and 95% of those respondents selected Medical/Vision Health Insurance as a benefit offered by Pace University. The benefit that Pace University employees is least aware of is the New York 529 College Savings Program, which was ranked 14 of the 14 benefits presented, with a 26% response rate.

![Figure 17: Awareness of Benefits](image)

Figure 17: 2014.

Analyzing the data even further, the employee’s level of awareness of the Pace University benefits averages at 69% of the responses gathered.
Of the 106 respondents, only 12 selected all the 14 benefits as benefits offered by Pace University representing 11% of the respondents who are aware of all the benefits offered by Pace University.

**Age Variable**

Employees ranging 35-50 were most aware of the benefits at Pace University with a 73% awareness, followed by 71% for employees ranging from 50-65, 65% employees ages 25-35, 61% employees 65+ and 56% employees 18-25.

![Figure 18: Level of Awareness by Age](image)

Figure 18: 2014.

**Gender Variable**

Of the 106 respondents male respondents (n=20) had a higher percentage of awareness at 75% as compared to the female respondents with 68% (n=86).
Employment Status

Full-time faculty’s level of awareness of the benefits offered by Pace University was at 77% (n=22), while full-time staff’s level of awareness was at 67%.
Campus of Employment Variable

Employees on both the New York City campuses and the Westchester campuses had the same average level of awareness of 69%.

![Figure 21: Level of Awareness by Campus of Employment](image)

Figure 21: 2014.

Years of Employment Variable

The level of awareness of the benefits at Pace University was at the highest level for employees who have been employed for more than 10 years (72%), and decreased with the years of employment: 5-10 years (68%), 1-5 years (67%), and less than a year (64%).
Data from survey question 12 show which awards Pace employees are most satisfied with. Of the 88 respondents 50% were most satisfied with the YES awards, 39% with the Service Awards and 11% with the Special Awards.

The below two figures contain data taken from the survey questions 13 and 14 and present information regarding the level of engagement in the awards and recognition.
programs. 58% of the 104 respondents have been nominated for awards, while 42% have never been nominated for awards.

Figure 24: 2014.

68% have nominated a fellow employee for an award while 32% have never nominated a fellow employee for an award.

Figure 25: 2014.
This data show that there is a high level of engagement in the awards nomination therefore a high level of awareness of the programs offered.

The last survey question in this series asked employees to identify the benefits and programs that they are enrolled in at Pace University. Below is the table that presents the percentages of employees who selected the benefits they are enrolled in or utilizing at Pace University.

![Figure 26: Benefits Pace Employees are Enrolled in](image)

Survey question 20 was designed to research if Pace University employees understand the benefits offered in their workplace. 42% of 104 respondents state that they understand their benefit options, while 33% know where to find information about the benefits and 25% know whom to contact to find information regarding their benefits.
Figure 27: 2014.

Data from survey question number 21 collected from 102 respondents show that Pace University employees prefer to be contacted monthly (48%) and quarterly (44%) with only 2% bi-weekly and 2% weekly.

Figure 28: 2014.

Additionally, 86% of 105 respondents prefer to be contacted via e-mail, 10% in-person information sessions and 2% via social media or interoffice mail.
In conclusion, Pace employees’ level of awareness of their benefits and awards and recognition programs is influenced by various factors such as age, number of years of employment, gender, and employment status, but remains constant in terms of the campus of employment. As a result, this hypothesis is partially confirmed.

**Hypothesis 4**

H4. Pace University employees value mostly the health insurance benefits, the retirement plan, the number of vacations provided and the tuition remission benefits.

In order to answer this research question, there were 4 questions utilized to determine which benefits Pace University employees are most satisfied with. The questions were divided into four different categories: Health Benefits, Financial Benefits, Paid Time Off Benefits and Additional Benefits.

Of 99 respondents 63% considered the health insurance options as the benefit that they were most satisfied with out of the 6 options presented, followed by life insurance (16%), dental plan options (10%), short-term disability insurance (7%), vision plan options (4%), and there were no respondents that selected long-term disability insurance (0%).

---

**Figure 29: 2014.**

In conclusion, Pace employees’ level of awareness of their benefits and awards and recognition programs is influenced by various factors such as age, number of years of employment, gender, and employment status, but remains constant in terms of the campus of employment. As a result, this hypothesis is partially confirmed.

**Hypothesis 4**

H4. Pace University employees value mostly the health insurance benefits, the retirement plan, the number of vacations provided and the tuition remission benefits.

In order to answer this research question, there were 4 questions utilized to determine which benefits Pace University employees are most satisfied with. The questions were divided into four different categories: Health Benefits, Financial Benefits, Paid Time Off Benefits and Additional Benefits.

Of 99 respondents 63% considered the health insurance options as the benefit that they were most satisfied with out of the 6 options presented, followed by life insurance (16%), dental plan options (10%), short-term disability insurance (7%), vision plan options (4%), and there were no respondents that selected long-term disability insurance (0%).
Figure 30: 2014.

Of the 99 respondents 69% selected the retirement plan as the benefit that they were most satisfied with in terms of financial benefits, followed by salary (19%), opportunities for promotion (11%) and opportunities for raises (1%).

Figure 31: 2014.
Of the 99 respondents 77% were most satisfied with the number of vacation days in terms of paid time off, followed by number of sick days (17%), number of personal days (4%) and duration of maternity leave (2%).

![Figure 32: Paid Time Off](image)

Of the 95 respondents, 42% were most satisfied with the tuition reimbursement program, followed by commuter reimbursement (18%), training opportunities (17%), continuing education (14%), exchange tuition programs (7%) and NY 529 College Savings Program (1%).

![Figure 33: Additional Benefits](image)

Figure 32: 2014.

Figure 33: 2014.
In conclusion, hypothesis 4 is confirmed that Pace University employees are most satisfied with

- the health insurance options of the Health Benefits provided by Pace University
- retirement plan of the Financial Benefits provided by Pace University
- Number of vacation days of the Paid Time off Benefits offered by Pace University
- Tuition reimbursement programs of the additional benefits offered by Pace University

Hypothesis 5

H5. Pace University employees are interested in receiving additional benefits and incentive programs at Pace University.

Survey questions 23 and 24 were designed to answer the fifth research question to determine if Pace University employees are interested in receiving additional benefits and incentive programs. These two questions were open-ended and therefore needed further categorization once the results were received. Some responses contained multiple suggestions therefore those responses were divided into multiple items based on the category that they were applicable for.

**Additional Benefits**

There were 63 responses for question 23 and they were categorized into the following sections:

- Tuition remission and tuition exchange benefits changes: 14 responses
- No additional benefits: 11 responses
- Child care services: 10 responses
- Gym membership: 7 responses
- Dental coverage changes: 5 responses
- Medical benefits changes: 5 responses
- Paid time off benefits: 4 responses
- Compensation: 4 responses
- Professional development: 3 responses
- Commuter reimbursement: 3 responses
- Retirement plan: 3 responses
- Promotion: 3 responses
- Flex work schedule: 2 responses
- Wellness program: 2 responses
- Other: 4 responses

Of the 63 respondents 17% considered that there is no need for additional benefits, while 83% considered that they would either like to receive more benefits or see changes to the current benefits as presented in the table below.
A current theme that resonated from this results is the suggestion to provide child care services as part of the benefits at Pace University (n=10), which is consisted with the literature review as well as reimbursement for gym membership (n=7). There were 14 responses that suggested changes to the tuition remission and tuition exchange programs to include better doctoral programs coverage, and off-campus tuition remission and coverage. In terms of paid-time off the suggestions included longer maternity leave and paid sabbaticals for staff as well as more time off during the summer.

In terms of the dental benefits, the suggestions included enhancing the coverage to include implants and cosmetic dental benefits. Respondents also suggested more professional development sessions and commuter reimbursement benefits as well as more family-friendly benefits such as flex work/ telecommuting and higher compensation and merit based promotions. Improvements of the health care benefits included lower medical deductible and improvement of the wellness program.
Additional Awards and Recognition Programs

In terms of survey question 24 regarding additional awards and recognition programs, there were 47 responses that were categorized in the following sections:

- No additional awards needed: 12 responses
- Raises: 9 responses
- Change in existing awards program: 7 responses
- New awards: 7 responses
- Recognition: 5 responses
- Paid leave: 3 responses
- Other: 4 responses

26% of the respondents considered that there are no additional awards and recognition programs needed, while 74% suggested additional awards or changes in the current programs.

![Figure 35: Additional Awards and Recognition Programs Suggested](image)

Figure 35: 2014.
Suggestions in this sections included receiving merit based raises and raises for years of service. Additionally awarding staff release time was also suggested as well as paid sabbaticals for employees. In terms of recognition, the suggestions were made to recognize accomplishments for non-managerial staff including recognition for staff who earn additional degrees such as masters degrees since such recognition is common for full-time and adjunct faculty. The suggestion is to include monetary and change in title recognition for staff.

In terms of changes to existing programs other suggestions were to have departmental or division specific awards, but also to change the monthly YES selection awards to be selection-based rather than random. The years of service prize selection options also need improvement. Another suggestion was to display on campus or on the web pictures of employees for years of service who have reached major milestones - 25, 30, 35, 40, 45, 50.

Suggestions for new awards were for new employees with good performance like a rising star award, mentorship awards, awards for innovation, leadership development programs, student nominated awards and rewards for staff who don’t take sick days.

In conclusion, hypothesis 5 is also valid as employees are looking for additional benefits or changes in current benefits and for additional awards and recognition programs or changing in the existing programs.

In summary, the findings based on all the data collected through interviews, analyzing the website and internal e-mail communication, and the surveys support and
confirm all the five hypothesis of this research paper. Based on these findings the conclusions are that:

- Pace University offers an array of benefits, awards and recognition programs that add value to their employees’ compensation packages.

- Pace University employees are driven by both intrinsic and extrinsic motivation.

- Pace employees’ level of awareness of the benefits and awards and recognition programs is influenced by various factors such as age, gender, status of employment, and years of employment, but not by campus of employment.

- Pace University employees value mostly the health insurance benefits, the retirement plan, the number of vacations provided and the tuition remission benefits.

- Pace University employees are interested in receiving additional benefits and incentive programs at Pace University.

By using the appreciative inquiry model throughout the survey and the interviews, this research paper was able to capture data that was presented as constructive suggestions by Pace employees on which benefits can be changed or improved and which additional benefits are desirable. The appreciative inquiry model had the same impact on the suggestions for the awards and recognition program, presenting valuable suggestions on the improvements that will be presented as recommendations in the last chapter of this research project.
Chapter VI
Conclusions and Recommendations

Conclusions

The goal of this research project was to study the benefits and the awards and recognition programs offered to full-time staff and faculty at Pace University. Based on the findings through the various qualitative and quantitative methods used to collect data, it was found that Pace University offers an array of benefits, awards and recognition programs that add value to their employees’ compensation packages. Relevant information to demonstrate this hypothesis was found both by studying the Pace website and by interviewing two key employees in the respective sections: benefits and awards and recognition programs. The incentive programs offered at Pace University are implicit, because they are not detailed in the employees’ individual contracts.

The remaining four hypotheses were demonstrated by analyzing quantitative data gathered from surveys sent to 260 Pace University employees. The second hypothesis that Pace University employees are driven by both intrinsic and extrinsic motivation was demonstrated using five variables: age, gender, status of employment, campus of employment and years of employment. All the findings were aligned with the literature review that employees in nonprofit organizations are driven by intrinsic motivation 36%, but that additional benefits and incentives are necessary in order to create a comprehensive package that would keep employees motivated: benefits 22%, followed by a close 21% for title, 16% for job security, 3% salary and 2% awards and recognition
ceremonies. Therefore Pace University employees are driven by both intrinsic and extrinsic motivation.

In terms of the Pace employees’ level of awareness of the benefits and awards and recognition programs studied based on research question three, it was determined that the level of awareness is indeed influenced by various factors such as age, gender, status of employment, and years of employment, but not by campus of employment. Each variable was studied independently based on the respondents’ information. Overall the level of awareness of the benefits programs averaged at 69%.

When studying which benefits Pace University employees value mostly of the four categories presented: Health Benefits, Financial Benefits, Time-Off Benefits and Additional Benefits, it was determined that the health insurance benefits (63%), the retirement plan (69%), the number of vacations provided (77%) and the tuition remission benefits (42%) are the ones that Pace University employees are most satisfied with, which demonstrates the fourth hypothesis.

The fifth hypothesis was also validated by asking 2 open-ended questions, and categorizing the responses based on the suggestions that were given in the surveys, concluding that 83% of the respondents were interested in receiving additional benefits or improving existing benefits programs. Additionally, 74% of the respondents suggested the need of additional awards or changes in the current incentive programs at Pace University.
Recommendations

Based on the findings there are a few major recommendations regarding the benefits and incentive programs offered at Pace University.

The first recommendation is introducing in-person training sessions regarding the benefits programs at Pace University. 10% of the respondents were interested in receiving in-person trainings as the method to receive communication regarding their benefits. As our literature suggests internal marketing is an important tool used to promote benefits. These in-person training sessions could be offered at the Staff Development Day for example. According to Altarifi’s model (2014) important constructs of the internal marketing model include among others employee development, internal communications, and organizational rewards. Utilizing these 3 tools to further promote the benefits would be beneficial to Pace University.

Another recommendation is to use targeted communication regarding the benefits, either by age, by gender, by years of service or by campus of employment. For example to include information regarding health care benefits, New York 529 College Saving’s Plan and Dependent Care Flexible Spending Account in the e-mail sent to expectant mothers when they inquire regarding maternity leave benefits. Another example is to contact the employees when they are having their one year anniversary to remind them about enrollment in the 403 (b) plan.

In terms of the health benefits, revamping the wellness program was a request that came from many employees of our targeted population. The recommendation was to add to the wellness program discounts or reimbursement for gym membership, in order to promote healthier lifestyles.
Another suggestion that came from the survey responses was to provide child care services. This was a benefit that Pace employees have confirmed that used to be provided at Pace University a longer time ago, perhaps as long as 30 years ago, but is no longer provided. This would attract young employees and increase motivation and retention.

In terms of the incentive and recognition programs, a major recommendation is division or departmental specific awards and a committee based selection of the monthly YES awards rather than the current random selection.

Additional paid-time off and sabbaticals for employees based on merit and years of service was another suggested item that would make the benefits more attractive to full-time staff who have been working at Pace University for an extended period of time.

Lastly, professional development and opportunities for internal promotions and raises in collaboration with the human resources department is essential in creating loyal employees and increasing retention for staff employees, as faculty members have more upward mobility than staff members do, therefore creating a disconnect between the benefits offered for staff employees vs. faculty employees. This recommendation is also supported by the literature review that states that providing opportunities for growth and development within a company leads to more loyal and more engaged employees (Davila & Pina-Ramirez, 2014).

In conclusion, Pace University offers a varied array of benefits and incentive programs, of which the most utilized ones are health benefits and tuition remission for employees and dependents, making Pace University a nonprofit organization that attracts and retains employees who are both intrinsically and extrinsically motivated.
References


Appendices

Appendix A

Consent Form

Thank you for taking the time to participate in this research. This research is being conducted as part of a masters requirement at Pace University and your time and assistance is greatly appreciated. You are being asked to participate in a research study designed to explore the benefits and incentives at Pace University. This survey contains demographic questions and some questions related to your personal understanding of the benefits and incentives programs available at Pace University. The entire survey should take approximately 10 to 15 minutes to complete. As this is a short questionnaire, you are not expected to immediately benefit from your participation. There are no risks involved in this study.

All of the information obtained through this research project is confidential. The use of numerical codes will ensure participant confidentiality. This research will not identify any of the participants in any way. Your participation is greatly appreciated; however, participation is voluntary and there is no penalty for deciding not to complete the survey. Some questions may be considered as personal and sensitive. You may discontinue the questionnaire at any time. Your consent to participate will be indicated with your clicking “I agree to participate” below and by completing the survey.

If you should have any questions, feel free to contact me at ddumitru@pace.edu. The Institutional Review Board (IRB) at Pace University has approved the solicitation of
subjects for this study. If you any questions or concerns, please contact the Office of Sponsored Research at 212.346.1273

You must be 18 years old or older to participate in the study. Please print or save a copy of this consent form for your records. If you have any questions, you can contact me at ddumitru@pace.edu. The faculty advisor for this study is Dr. Hormozi (fhormozi@pace.edu).

Thank you very much for your participation, your help is truly appreciated!

Diana Dumitru

Pace University

• I agree to participate in the present study.
Appendix B

Survey

Demographic Information

Age
- 18-25
- 25-35
- 35-50
- 50-65
- 65+

Gender
- Female
- Male
- Other_____________________

Ethnicity
- White (Caucasian)
- Hispanic
- African American
- Native American
- Asian / Pacific Islander
- Bi-racial
- Other_____________________

Education: What is the highest degree or level of school you have completed? If currently enrolled, highest degree received.

- High school graduate, diploma or the equivalent (for example: GED)
- Associate degree
- Bachelor's degree
- Master's degree
- Doctorate degree

Questionnaire:

1. What is your employment status with Pace University?
   - Full-time staff
   - Part-time staff
   - Full-time faculty
   - Adjunct faculty
   - Student aide

2. What is your main campus of employment?
   - New York City campuses
   - Westchester campuses

3. How long have you been a Pace employee?
   - Less than a year
   - 1-5 years
   - 5-10 years
   - more than 10 years
4. What first drew you to Pace University?
   - Organizational culture
   - Benefits
   - Awards and Recognition Programs
   - Salary
   - Title
   - Job security

5. What has most motivated you to stay at Pace University?
   - Organizational culture
   - Benefits
   - Awards and Recognition Programs
   - Salary
   - Title
   - Job security
   - Other ______________________________

6. What has been the most rewarding experience for you at Pace University?
   ______________________________

7. Which of the below benefits are offered by Pace University? (Check all that apply)
   - Medical/Vision Health insurance
   - Dental Insurance
   - Health Care Flexible spending account
   - Child and Dependent Care Flexible spending account
• 403(b) Defined Contribution Retirement Plan
• On campus Tuition Remission
• On Campus Dependent Tuition Reimbursement
• Off Campus Graduate Tuition Remission
• Off Campus Dependent Tuition Reimbursement
• Tuition Exchange Programs
• New York 529 College Savings Program
• Supplemental Life Insurance
• Commuter Reimbursement
• Wellness Program

8. Which of the incentive recognition awards that Pace University offers do you find most valuable?
   • Employee Service Awards
   • Special Awards
   • YES (Your Excellence Shows) Awards __________________________

9. Have you ever been nominated or recognized for an employee award?
   • Yes
   • No

10. Have you ever nominated or recognized a fellow employee for an award?
    • Yes
    • No

11. Which of the below benefits are you enrolled in or participating in at Pace University? (check all that apply)
• Medical/Vision Health insurance
• Dental Insurance
• Health Care Flexible spending account
• Child and Dependent Care Flexible spending account
• 403(b) Defined Contribution Retirement Plan
• On campus Tuition Remission
• On Campus Dependent (family member or domestic partner) Tuition Reimbursement
• Off Campus Graduate Tuition Remission
• Off Campus Dependent (family member or domestic partner) Tuition Reimbursement
• Tuition Exchange Programs
• New York 529 College Savings Program
• Supplemental Life Insurance
• Commuter Reimbursement
• Wellness Program

12. Which of the Health Benefits offered by Pace University are you most satisfied with?

• health insurance options
• dental plan options
• vision plan options
• long-term disability insurance
• short-term disability insurance
• life insurance options

13. Which of the **Financial Benefits** offered by Pace University are you most satisfied with?

• retirement plan
• salary
• opportunities for promotion
• opportunities for raises

14. Which of the **Paid Time off Benefits** offered by Pace University are you most satisfied with?

• the number of vacation days
• the number of sick days
• the number personal days
• the duration of maternity leave

15. Which of the **additional benefits** offered by Pace University are you most satisfied with?

• with continuing education
• with the training opportunities (including Staff Development Day)
• with the tuition reimbursement program
• with the exchange tuition program
• commuter reimbursement
• New York 529 College Savings Program
16. Which of the following statements best describes your understanding of the benefits offered by Pace University?

- I understand my benefit options
- I know where to find information about my benefits
- I know whom to call if I have questions about my benefits

17. How often would you like to hear from the Human Resources department with updates on Benefits and other Incentive programs

- Weekly
- By-weekly
- Monthly
- Quarterly

18. What methods of communication would you like the Human resources department to utilize to communicate about benefits and other incentive programs

- E-mail
- In-person information sessions
- Social Media (Facebook, Twitter)
- Interoffice Mail

19. What other benefits would you like Pace University to offer?

______________________________

20. What other incentive recognition and awards programs would you like Pace University to offer?

______________________________
Appendix C

Interview Questions: Benefits Interview

1. What does the HR department do to inform Pace employees regarding the benefits? Are you satisfied with what the department does?

2. How often do Pace employees receive communication regarding benefits? What is your opinion, is there too much or too little communication? Is there anything you would do differently?

3. What are the most utilized benefits?

4. What are the least utilized benefits?

5. Are employees satisfied with their benefits offered? How do you know?

6. What other benefits is Pace looking to implement?

7. Have you been through the implementation of a new benefit? How easy or hard was it to implement?

8. What is the employee - benefits coordinator ratio? Do you think this is the right ratio or not?

9. What are the most frequently asked questions regarding benefits? What are the ones that you wish employees should be asking but they are not?

10. What type of communication do employees prefer to use when requesting information on benefits?
Appendix D

Interview Questions: Awards and Recognition Program Interview

1. What does the HR department do to inform Pace Employees about the awards and recognition programs? Are you satisfied with what the department does?

2. What is your opinion, is there too much or too little communication? Is there anything you would do differently?

4. How and when did the current awards and recognition program get initiated and whose initiative was it?

5. What incentive programs did Pace University have before the awards and recognition program currently in use?

6. How many nominations do you receive yearly for the awards? How many winners are there? Are you satisfied with these numbers?

5. What is the goal of the incentive program?

7. Are Pace employees satisfied with the awards and recognition program? How do you know?

8. What is the role of the Special Awards Nomination Committee?

9. How do employees find out about the Special Awards Nomination Committee to be able to participate as volunteers in this committee?

10. What type of compensation do awardees receive? Do you think this is sufficient?

11. Do you plan to implement further incentive programs in the near future? What are they?