

The Impact of Employee Benefits on Job Satisfaction in the Sales Industry: An Analytical Study Using Maslow's Hierarchy of Needs and Herzberg's Two-Factor Theory

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Abstract: This study aims to explore the relationship between employee benefits and job satisfaction in the sales industry and analyze how improving employee benefit programs can affect employee job satisfaction. Through literature review and in-depth interviews with employees of sales companies of different sizes, this paper analyzed various types of employee benefits and their potential impact on employee satisfaction. The study utilized psychological and social theoretical models, such as Maslow's Hierarchy of Needs and Herzberg's Two-Factor Theory, to construct an analytical framework. The research findings indicate that certain key elements in employee benefit programs, such as health insurance, training and development opportunities, and work-life balance policies, have a significant effect on improving sales personnel's job satisfaction. Furthermore, through a case study of Starbucks Corporation, this paper further verified that implementing comprehensive and competitive employee welfare strategies in a sales environment can significantly enhance employee loyalty and reduce turnover rates. The study provides specific management recommendations for enterprises in the sales industry, emphasizing the importance of establishing or improving employee benefit plans to enhance employee satisfaction and business performance.

Keywords: Employee Benefits, Job Satisfaction, Sales Industry, Human Resource Management.

1. Introduction

The sales industry is renowned for its high-intensity work pressure and fierce market competition, where employees are often required to operate in a dynamic and demanding environment. In such a context, recent research shows that employee benefits are crucial in improving job satisfaction, enhancing employee loyalty, and reducing attrition [1]. This paper aims to analyze the importance of a good employee benefits program in the sales industry and its impact on employee outcomes.

High-intensity work pressure and fierce market competition are inherent characteristics of the market sales industry that can lead to employee burnout and turnover if not properly managed [2]. In this regard, employee benefits are a strategic tool to foster a positive workplace culture, boost morale, and encourage a loyal and productive workforce. Research has shown that companies with comprehensive employee benefit programs report higher levels of job satisfaction among their

employees [3]. Furthermore, these companies also experience lower rates of employee turnover, indicating that employee benefits contribute significantly to employee loyalty.

A good employee benefits program is essential in the sales industry due to the nature of the work and the competitive environment. As noted, "Employee compensation serve as a key component of the overall reward package, helping to attract and retain top talent." [4]. In addition to financial incentives, there are many different kinds of non-financial benefits such as flexible working hours, health insurance, and professional development opportunities.

In conclusion, the sales industry presents unique challenges for employees, making it imperative for organizations to implement effective employee benefit programs. By doing so, companies can improve job satisfaction, enhance employee loyalty, and reduce attrition, ultimately leading to better organizational performance and success.

2. Literature Review

The present literature review focuses on the impact of employee benefits on job satisfaction and work engagement, particularly in the sales industry. The importance of this topic is underscored by the high-intensity work pressure and fierce market competition that characterize the sales environment, which can lead to employee burnout and turnover if not properly managed [5].

The recent study examined the impact of employee loyalty and satisfaction on the employee performance in a trading company [6]. The findings revealed that higher working conditions scores increased overall employee satisfaction. At the same time, based on the model hypothesis, job motivation is the dominant variable that influenced employee performance. The findings revealed that employees are often motivated by incentives such as money or interesting work. It can be concluded that employee benefits can motivate employees, and these measures improve employees' job satisfaction and performance.

Secondly, in the article "Effect of work motivation and job satisfaction on employee performance: Mediating role of employee engagement ", authors analyzed that the relationship between employee well-being, job satisfaction, and job performance [7]. It was found that employee benefits indirectly improve job performance by increasing job satisfaction. Health insurance, vacation systems, and retirement benefits were identified as important factors affecting employee satisfaction. These findings provide empirical support for the strategic value of benefit programs in human resource management and suggest that improving employee benefits can indirectly enhance employee performance.

The third study mainly focuses on the relationship between employee benefits and job satisfaction [8]. The researchers examined employees in different departments of multinational companies and found that the length and pace of work had a significant impact on the relationship between employee happiness and job satisfaction. In this company, almost all department employees expressed dissatisfaction with teamwork and working hours. Due to the longer working hours, employees reported an impact on both their physical and mental health. At the same time, working long hours prevents them from enjoying family time. Authors believes that family-friendly welfare policies are particularly effective in improving employee satisfaction. The research in this paper shows that multinational enterprises customize more personalized benefits and incentive policies for employees according to different cultural backgrounds and needs.

In conclusion, the literature review reveals that employee benefits play a crucial role in shaping job satisfaction and performance in the sales industry. By considering individual needs, enhancing communication about benefit values, and tailoring programs to cultural differences, companies can harness the full potential of their benefit programs. As the sales industry continues to evolve, organizations must prioritize and refine their employee benefits to attract, retain, and motivate their workforce in this competitive landscape.

Through extensive reading, the author found that most of the articles focused on the impact of employee benefits on job satisfaction and employees' keen perception of the price of benefit plans. In contrast, few scholars pay attention to how to adjust and improve employee welfare.

This study will focus on how to customize benefits programs based on employee needs and cultural differences. In addition to the theoretical model analysis, the paper also contains some specific management suggestions, emphasizing the importance of establishing or improving employee benefit programs to improve employee satisfaction and corporate performance.

3. Case Description

The case selected in this article is the employee welfare strategy of Starbucks. Starbucks, as an internationally renowned coffee chain, relies on its extensive customer service team for its sales performance. Starbucks views its employees as "partners" and is committed to providing superior employee benefits and a positive work environment. In 2018, Starbucks implemented a comprehensive benefits program, which included competitive compensation, flexible work schedules, educational opportunities, and health insurance for both full-time and part-time employees. The objective of this initiative was to improve employee satisfaction and loyalty, with the expectation of enhancing customer service quality [9].

The employee benefit plan specifically includes the following four points, which are: offer more competitive pay and flexible work schedules. Increase employee education programs, including full scholarships to fund online courses at ASU. Provide better health insurance options for full-time and part-time employees. The company launched the Starbucks Stock Plan, which enables employees to buy company stock at a discounted price.

According to data released by Starbucks, these changes have had a positive impact on employee satisfaction. For example, the Employee Engagement survey showed that in the year following the implementation of the new benefits, the overall employee satisfaction index increased by 10% and the employee turnover rate decreased by 5%. In addition, more than 60 percent of employees who participated in educational programs offered by their companies said the programs increased their enthusiasm for their jobs and their willingness to work there [10]. From the compensation perspective, Starbucks raised its minimum wage by 5%, which makes most employees more than twice the local minimum wage. This change had a direct impact on the quality of life and motivation of employees, with positive evaluations of the company increasing by 20%. In terms of health insurance, Starbucks offers more comprehensive health insurance coverage for full - and part-time employees, including preventive care, emergency services, and prescription drugs. According to statistics, this benefit has increased employee satisfaction with health insurance from 55% to 80%. The introduction of share schemes has also greatly stimulated employee motivation. After the stock purchase program was introduced, approximately 40% of eligible employees chose to participate, which not only increased employees' financial investment in the company but also enhanced their sense of belonging and long-term career commitment. In its 2018 annual report, Starbucks said: "Our partners (employees) are the face of our brand and we continue to invest in their well-being and development. By raising wages, expanding comprehensive health benefits, and increasing education and career opportunities, we are committed to being the best place to work in the retail industry [11].

4. Analysis of the Problem

This study combines the two theories to construct an analytical framework for discussing the role of employee benefit plans in the sales industry. The first is Maslow's hierarchy of needs, which divides human needs into five levels, from basic physiological needs to the highest level of self-actualization [12]. This theory can help us understand the different benefits employees need. The second is

Herzberg's two-factor theory, which divides work factors into two categories: motivators (related to work content) and hygiene (related to work environment) [13]. After combining the two theories, a comprehensive analytical model is designed to evaluate and design employee welfare plans. This model emphasizes that in the sales industry, employee benefits programs would be meeting basic needs: Ensure that the basic physical and safety needs of employees are met by providing adequate salary and health insurance. Promote good interpersonal relationships: meet social needs by building a positive team environment and strengthening teamwork. Support career growth: respond to the need for respect and self-fulfillment by providing recognition, rewards, and career development opportunities. Stimulate enthusiasm for work: meet employees' needs for self-realization through training personal growth opportunities and challenging responsibilities. This comprehensive model not only helps managers understand the needs of employees at different levels but also guides them to design more effective employee welfare plans, thus improving employee satisfaction and enhancing the motivation and efficiency of the sales team.

4.1. Physiological and Safety Needs

According to the new analytical framework, employee benefit plans should provide basic benefits such as adequate salary and health insurance to ensure that employees' physiological and safety needs are met, which are basic hygiene factors. In its 2018 benefits plan, Starbucks emphasized more competitive compensation and better health insurance options, which not only ensure that the physical and safety needs of employees are met, but also apply to those who work part-time. At the same time, the company also introduced the Starbucks Stock Program, which allowed employees to buy company stock at a discount, providing another layer of basic financial security.

This factor refers to meeting the social needs of employees and enhancing team cohesion through team-building activities and a good working environment, which is also part of the hygiene factor. According to Herzberg's theory, this is essential to prevent employee dissatisfaction. Although there is no specific mention of social programs in the 2018 plan, employees can actively participate in social networking through educational programs to exchange experiences and build friendships with employees with similar backgrounds.

Meeting employees' needs for respect and self-actualization by providing recognition, rewards, career development opportunities, and training are all motivational factors that can significantly increase employees' job satisfaction and loyalty. The employee education program and training mechanism launched by the company can help employees improve their skills and knowledge and realize their potential, which is the key to meeting self-realization needs. Those who receive full scholarships are also more likely to have access to career development opportunities, which can help improve employees' long-term motivation and desire to take on more responsibilities.

4.2. Employee Benefits in Sales positions

Based on the factor analysis above, different types of welfare can also bring different impacts. Firstly, basic benefits, such as health insurance and retirement plans, can meet employees' safety needs and reduce uncertainty and anxiety at work. In addition, those performance-related benefits (bonus, commission) are directly linked to employees' work performance as incentive factors to stimulate employees' enthusiasm. This is a bonus on top of their base salary, and it can encourage work activity. Furthermore, development-related benefits (such as training, and career planning) can meet employees' personal growth needs, provide career development paths, and enhance employees' career satisfaction and loyalty.

4.3. Problem identified Analysis

The 2018 employee benefit plan doesn't have a clear mention of what happens after retirement. Job stability and retirement planning are clearly part of basic security. Ensuring career stability and appropriate retirement planning can meet security needs and reduce anxiety about the uncertainty of the future, which is also an important hygiene factor. The absence of a relevant measure would cause employees to choose to leave early as they approach retirement age in search of job opportunities that offer better retirement benefits. This not only increases the company's recruitment and training costs but also risks the loss of valuable experience and knowledge. In the years since, however, Starbucks has refined its benefits program. For example, in the Chinese market, Starbucks launched the "Parental Care Program" and "Partner Home Program", which reflect the company's emphasis on and support for employees' family responsibilities [14]. By providing wholly owned support for employees' parents' critical illness insurance and allowing employees to apply for the opportunity to work in their hometown, Starbucks has eased employees' worries and enhanced their sense of belonging and loyalty.

Although Starbucks includes flexible work schedules in its employee benefits program, this measure, while offering employees the possibility of some degree of work-life balance, is still limited in meeting the needs of employees to pursue challenging jobs. Challenging tasks are not only a kind of work assignment, but also a key factor to stimulate the potential, enthusiasm, and creativity of employees. Lack of opportunities to incorporate meaningful and challenging tasks into their daily work can make it difficult for employees to fully utilize their professional skills and innovation, affecting their career growth and self-fulfillment. This absence may result in employees feeling that work is no longer attractive and motivating, which in turn may reduce job satisfaction and the overall productivity of the firm. Therefore, the working environment with only flexible time arrangements and a lack of challenging tasks supports the basic needs of employees to a certain extent but fails to fully stimulate the potential and creativity of employees, which is a problem that cannot be ignored for enterprises pursuing excellence and innovation. However, in the Chinese market, the "Partner to Know the World" program and the "Partner to go Home" program were launched in 2015, so that employees can apply to work in different regions or even overseas stores or return to their hometown stores [15]. This kind of talent exchange not only satisfies employees' desire to explore but also provides them with a broader space for career development.

5. Suggestions

How to design a more effective employee welfare strategy has always been a difficult problem. Analysis of This study proves that multiple theoretical systems should be considered to analyze the needs of employees. A quality employee benefit plan should meet multiple levels of needs and ensure that the benefit plan covers all aspects from basic needs to advanced needs. It's not just about employee pay. As Herzberg said, only motivational factors can bring satisfaction, while health factors can only eliminate dissatisfaction, but not satisfaction. Employee benefits should be performance-linked, aligning benefits with individual and team performance to motivate higher performance. For example, the salary design of sales staff should be divided into two parts: basic salary and sales commission. Basic salary should be a health factor, while sales commission is an incentive factor. For sales staff, their work is often low salary and high commission, to encourage sales staff to do as much business as possible. Also set up incentives beyond basic needs, such as promotions or bonuses. Furthermore, the makers should take into account the personalized benefits required by employees and provide customized benefits options for employees to choose according to their needs and preferences. Finally, management must continuously evaluate and adjust plans. Regularly evaluating the effectiveness of benefits programs can help you better understand employee needs and adjust

them in response to feedback and market changes. Through such an analytical framework, relevant responsible persons can more comprehensively understand the important role of employee welfare plans in the sales industry, and design effective welfare strategies that can not only meet the needs of employees at all levels but also motivate employees to improve their performance.

6. Conclusion

The findings of this study have important business value for the sales industry and the individual companies operating in it. By showing a positive relationship between employee benefits and job satisfaction, this study highlights the strategic importance of investing in comprehensive benefits programs. For the sales industry, which faces intense competition and high turnover, these insights can guide efforts to retain top talent, increase employee loyalty, and ultimately drive business growth and success. In addition, the novel analytical model constructed through this study can help companies to reexamine and improve their employee benefits programs, and implementing these recommendations can improve workplace morale, increase productivity, and reduce recruitment costs associated with high turnover. In conclusion, this study provides practical insights that directly impact HRM practices and positively impact the bottom line of the sales industry. Although this study provides valuable insights into understanding the relationship between employee benefits and job satisfaction in the sales industry, there are certain limitations. A notable limitation is the primary reliance on secondary data, which may not capture the details of individual experiences as accurately as the original data. In addition, the scope of this study is limited to a specific region and industry, which may affect the generality of the findings in other contexts. Future research could overcome these limitations by using primary data collection methods such as direct surveys or interviews with employees. This would allow for a more detailed exploration of individual views and experiences. In addition, expanding the scope of the study to include different geographical locations and sales environments could improve the external validity of the findings and provide a more complete understanding of the relationship in different cultural and organizational contexts.

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