

“A Comprehensive Study on Employees Savings and Economic Advantages”

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ABSTRACT

The favourable results or advantages that people, companies, or organizations obtain in terms of money are referred to as financial benefits. This study delves into the financial benefits of remote working for employees, exploring cost savings, tax benefits, increased job opportunities, and enhanced productivity. It also addresses the challenges of remote work, such as isolation and communication issues, aiming to offer valuable insights for employees to make informed decisions and enhance their financial well-being in remote working environments. The data reveals an equal gender split among respondents, with most earning between \$100,000 and \$300,000 annually and holding graduate or post-graduate qualifications. Key findings include financial benefits, improved work-life balance, and higher job satisfaction with remote work. The history of remote working, dating back to the 1970s, is discussed, with leading companies like IBM, Amazon, Apple, Zoom, Microsoft, and Google embracing remote work for various departments. The prevalence of remote work, particularly during the COVID-19 pandemic, is highlighted, indicating its continued influence on the future of work. The study suggests having the right technology for remote work to improve productivity and emphasizes the importance of tailoring compensation and benefit strategies to individual employee needs to maximize satisfaction and loyalty in IT companies.

Key words: Remote working, Financial benefits, Employee satisfaction, Job satisfaction, Productivity

INTRODUCTION

The favourable results or advantages that people, companies, or organizations obtain in terms of money are referred to as financial benefits. These advantages are essential for raising general prosperity, accomplishing financial objectives, and improving economic well-being. Sustainable growth and stability require a grasp of and optimization of financial benefits, whether at the personal or professional level. Financial advantages can take many different forms, such as higher income, lower expenses, higher investment returns, and favourable tax treatment. To optimize these advantages and reduce financial risks, efficient financial resource management is essential. Strategic planning, well-informed decision-making, and a thorough grasp of the many financial products and marketplaces are necessary for this. The practice of employees working remotely is when they do their work from a location other than the employer's main office. These sites could be a worker's house, a shared workspace such as a co-working space, a private office, or any other location apart from the conventional corporate office building or campus. The act of carrying out work outside of a typical office setting is referred to as remote working, or telecommuting. Employees that work remotely are not obliged

to be physically present in a main office or workplace. As an alternative, they can work remotely from their homes, co-working spaces, or other locations while fulfilling their professional obligations. Technology breakthroughs, especially those related to collaborative platforms, high-speed internet, and communication tools, enable remote working. With the use of these technologies, workers may maintain virtual connections with one another, work together on projects, and obtain the resources they require without having to physically be present in the workplace. Giving people the freedom to select their own work location through this flexible work arrangement frequently leads to better work-life balance and higher levels of job satisfaction. With advantages including access to a worldwide talent pool, financial savings for both companies and individuals, and flexibility to meet different lifestyle needs, remote working is becoming more and more common across a range of businesses and professions. Companies like IBM, Amazon, Apple, Zoom, Microsoft, Google, and others offer options for remote employment.

Cost Savings:

Reduced Commuting Expenses: Remote workers can save significantly on commuting costs, including fuel, public transportation fares, and vehicle maintenance. This translates into tangible financial savings over time.

Work Attire Expenses: Employees working remotely may find that they spend less on work attire, as the dress code in a home office environment is often more relaxed compared to a traditional office setting.

Work-Life Balance:

Time Savings: Remote workers often reclaim the time they would spend commuting to and from the office. This time can be redirected towards personal activities, hobbies, or additional work-related tasks, providing a better work-life balance.

Flexible Schedules: Many remote work arrangements offer flexibility in work hours, allowing employees to optimize their schedules according to their personal preferences and peak productivity times.

Home Office Deductions:

There are several jurisdictions where remote workers can claim tax deductions for their home office expenses. Further financial advantages can be obtained by including utilities, office supplies, and a percentage of the rent or mortgage.

Geographical Flexibility:

Employees that work remotely can reside in places with a lower cost of living, which could result in a reduction in housing expenses. Due to this geographic freedom, people can select places that complement their lifestyle choices and financial objectives.

Healthcare Savings:

Costs associated with healthcare may be reduced for remote workers. Greater control over one's surroundings may provide people with the freedom to cook better meals, exercise frequently, and handle stress more skilfully, all of which may eventually result in lower medical costs.

Enhanced Productivity and Earning Potential:

Some professionals who work remotely find that having more freedom and flexibility increases workplace satisfaction, which in turn increases productivity. A higher level of output could lead to better income potential, career advancement opportunities, and promotions.

REVIEW OF LITERATURE:

- According to **Dessler (2014, 2019)**, “**Employee Compensation and Benefits**” include all forms of pay going to employees and arising from their employment, besides their regular wages or salaries. They are comprised of direct financial payments (the 13th payment, bonuses, profit-sharing, etc.) and indirect financial payments (medical coverage, health insurance, paid vacations, etc.). According to **Leibowitz (1983)**, benefits are classified into three categories. The

first one is non-taxable for private utilization and includes health insurance, sponsored lunches at the firm (also known as a brown bag), the second and third categories are taxable. In the second category are benefits such as life insurance, which the employer can offer at a low cost due to the quantity rebates, while the third category comprises paid time off.

- According to **Anari (2020)**, in his paper titled “**Positive Impact of Financial Benefits on Employee Productivity,**” financial benefits, such as competitive salaries, performance-based bonuses, and allowances, play a vital role in encouraging workers as well as enhancing their productivity. Studies have shown that employees who perceive their financial compensation as commensurate with their contributions tend to exhibit higher levels of job satisfaction, engagement, and commitment. This, in turn, positively influences their productivity.

- According to **Nemanja Deretic (December 2023)** in the paper titled “**Impact of salaries and incentives on employee satisfaction in an IT company,**” the impact of experience, education, and position in the company on employee preferences regarding salaries and incentives can be concluded that there is a differentiated approach to compensation based on these factors as In terms of experience, less experienced employees (0–3 years of experience) are motivated by higher salaries and bonuses due to the desire for rapid professional advancement. Employees with 3-5 years of experience value a balance between salary and benefits while focusing on additional perks that contribute to quality of life.

- According to **Rituparna Roy (2020)** in the paper titled “**Workplace Happiness: A Conceptual Framework**” the findings from the analysis indicate that benefits can have a significant impact on employee financial behaviour. Retirement benefits, healthcare benefits, paid time off, financial education, and gender and diversity were identified as key factors that can impact employee financial behaviour and reduce financial stress. The interpretation of these findings suggests that benefits can have a significant impact on employee financial behaviour. However, the effectiveness of benefits in improving financial well-being may depend on factors such as the type of benefit, the level of contribution by employees, and the targeted needs of different employee groups. The study also discusses the limitations of the existing research and provides directions for future studies. The findings of this study have practical implications for employers in designing and optimizing benefit packages to enhance employee financial well-being.

NEED OF THE STUDY:

To comprehend and measure the financial advantages to workers in remote work environments with job satisfaction. To provide useful information to workers that would help them make wise decisions and possibly enhance their financial well-being.

OBJECTIVES:

- To analyze the cost savings of employees in remote working companies compared to traditional office-based work.
- To examine the potential tax benefits of workers.
- To explore the financial impact of reduced transportation expenses for employees.
- To study the perception of employees towards remote working.

RESEARCH METHODOLOGY:

Primary data: A standard questionnaire was prepared to collect the data, and the data was analysed using a frequency table. A sample size of 66 respondents was selected to gather insights and their satisfaction level from remote workers through a structured questionnaire.

Secondary data: The data is gathered from several resources that includes published articles, journals, records and reports

SCOPE OF THE STUDY: Examining the financial advantages of remote work, its growing popularity, and its effects on worker satisfaction, output, and cost-effectiveness for companies.

LIMITATIONS OF THE STUDY:

- The results are applied only to the sample of remote employees and companies that made up the study.

- The scope of the study is limited as it is focused on a limited area and restricted to a particular period of time. Long-term financial trends may be missed.
- Subjective perceptions and recollection bias are created, which can affect the data gathered from surveys and interviews.
- The study has not considered other variables, like differences in local cost of living that could affect the financial advantages.

DATA ANALYSIS AND INTERPRETATION-

Table 1: Age Group of the Respondents:

Parameters	Respondents	Percentage
<21	28	42.4%
22 – 25	27	40.9%
25 – 30	09	13.3%
<50	02	3%
Total	66	100%

Interpretation

The above table shows insightful demographic details about a group of 66 respondents. Examining the age distribution, younger individuals, with a staggering 42.4%, second-largest group, comprising 40.9% of respondents, falls within the 22–25 age range. Interestingly, only 13.3% are between 25-30 years old, while a mere 3% are over 50 years of age.

Table 2: Gender of the Respondents

Parameters	Respondents	Percentage
Male	33	50%
Female	33	50%
Total	66	100%

Interpretation

The table shows an equal gender distribution, with 50% male and 50% female, allowing for balanced representation in product, service, or messaging design.

Table 3: Income of the Respondent

Parameters	Respondents	Percentage
100000 – 300000	14	21.2%
300000 – 500000	31	47%
500000 – 700000	21	31.8%

Total	66	100%
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Interpretation

The largest segment corresponds to the income range of 300000 – 500000, which accounts for 47% of the responses. The second segment 500000 – 700000 which for 31.8% which is followed by 21.2% for 100,000-300,00

Table 4: Qualification of the Respondents

Parameters	Respondents	Percentage
Graduate	28	42.5%
Post graduate	38	57.5%
Total	66	100%

Interpretation

The table shows that 57.5% of the surveyed participants have post-graduate qualifications, while 42.5% have graduated, indicating a higher level of post-graduate education.

Table 5: Savings on Communicating Costs (Transportation, Gas, and Parking) By Working Remotely

Parameters (in \$)	Respondents	Percentage
0 – 1000	23	34.8%
1000 – 2000	13	19.7%
2000 – 3000	28	42.4%
4000	01	1.5%
5000	01	1.6%
Total	66	100%

Interpretation

The table shows 42.4% of respondents reported savings between \$2000-\$3000, 34.8% between \$0-\$1000, and 19.7% between \$1000-\$2000, indicating substantial commuting costs when working on-site.

Table 6: Changes in salary after switching to remote work

Parameters	Respondents	Percentage
Yes	45	68.2%
No	21	32.8%
Total	66	100%

Interpretation

The above table shows that 68.2% say yes and 32.8% say no to their change in salary after switching to remote work.

Table 7: Utilization of Financial Incentives or Reimbursements If Offered by Companies

Parameters	Respondents	Percentage
Yes	63	95.5%
No	03	4.5%
Total	66	100%

Interpretation

The above table shows that 95.5% say yes to the utilization of financial incentives or reimbursements if offered by companies, and 4.5% say no.

Table 8: Appreciate More Time for Side Projects or Personal Errands as a Result of Remote Work

Parameters	Respondents	Percentage
Agree	37	56.1%
Neutral	26	39.4%
Disagree	03	4.5%
Total	66	100%

Interpretation

The above table shows that respondents have more time for personal errands or side hustles due to remote working. It is evident that a majority of the respondents, over half at 56.1%, agree, whereas 39.4% are neutral with the statement and 4.5% disagree.

Table 9: Respondents' Health-Related Expenses Changed as an Effect of Working Remotely

Parameters	Respondents	Percentage
Yes	54	81.8%
No	12	18.2%
Total	66	100%

Interpretation

The above table shows that 81.8% of respondents have changes in health-related expenses as an effect of remote work, while 18.2% say there are no changes in expenses.

Table 10: Type of Flexible Work

Parameters	Respondents	Percentage
Remote working	39	59.1%
On-site working	27	40.9%
Total	66	100%

Interpretation

The above table shows 39 (59.1%) respondents feel remote working is more flexible and the remaining 27 (40.9%) respondents feel on-site working to be flexible. The majority of respondents (59.1%) feel that remote working is the more flexible type of work arrangement.

Table 11: Increase in Productivity

Parameters (Range 1-5)	Respondents	Percentage
Strongly agree	11	16.7%
Agree	22	33.3%
Neutral	21	31.8%
Disagree	8	12.1%
Strongly disagree	4	6.1%
Total	66	100%

Interpretation

The majority of respondents with 33.3% perceive an increase in productivity, rating it between 2 and 3. The majority rate it as a 2 or 3, with a range of 1 to 4. The perceived increase is largely centered around the mid-range of 2 and 3, with only 6.1% rated it as the maximum 5.

Table 12: Increase in Job Satisfaction

Parameters (Range 1-5)	Respondents	Percentage
Strongly agree	13	19.7%
Agree	20	30.3%
Neutral	23	34.8%
Disagree	06	9.1%
Strongly disagree	04	6.1%
Total	66	100%

Interpretation

The majority of respondents perceive an increase in job satisfaction, with 34.8% rating it as a 3 on the scale. However, 30.3% rated it as a 2, 19.7% as a 1, and 9.1% as a 4. Overall, most respondents feel there is some level of increase in job satisfaction.

Table 13: Change in Social Behaviour while Working Remotely

Parameters	Respondents	Percentage
Yes	55	83.3%
No	11	16.7%
Total	66	100%

Interpretation

The table indicates a shift in social behaviour (83.3%) among respondents working remotely, while 16.7% of respondents believe there is no change.

SUGGESTIONS

- Having the right technology is essential for improving your productivity while working.
- Analyzing the differentiated approach to compensation based on factors such as experience, education, and position within the company to tailor compensation and benefit strategies to individual employee needs, maximizing satisfaction and loyalty in IT companies.
- Conducting a comparative analysis of financial benefits and job satisfaction between remote work and traditional office-based work to provide a comprehensive understanding of the advantages and disadvantages of each work arrangement.

CONCLUSION

Remote working offers significant financial benefits to employees, including cost savings, tax benefits, and increased job opportunities. It also enhances productivity and job satisfaction for many individuals. The data indicates a gender split among respondents, with a majority earning between \$100,000 and \$300,000 annually and holding graduate or post-graduate qualifications. This suggests that remote work is accessible to a diverse range of individuals. The history of remote working dates back to the 1970s, but its prevalence has significantly increased, especially during the COVID-19 pandemic. Remote work is expected to continue shaping the future of work, offering employees more flexibility and company's access to a broader talent pool. The findings emphasize the importance of having the right technology for remote work to improve productivity and work-life balance. Companies like IBM, Amazon, Apple, Zoom, Microsoft, and Google have been at the forefront of providing remote work opportunities, leading to benefits such as access to a wider talent pool and increased flexibility.

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