



A Study on Compensation Management towards Employees Satisfaction at Spectrum Dyes & Chemical PVT, LTD.

¹Mitesh Mukeshbhai Mali, ²Vaishali Vishwanathan Pillai

(B. V. Patel Institute of Management, Uka Tarsadia University, Surat India)

University, Surat, India

²Faculty, Department of Management Studies, B.V Patel Institute of management, Uka Tarsadia University, Surat, India

¹Research Scholar, Department of Management Studies, B.V Patel Institute of management, Uka Tarsadia

ABSTRACT

Employee satisfaction is used to describe whether employees are happy, contented and fulfilling their desires and need at work. Employee satisfaction is a factor in employee motivation, employee goal achievement and positive employee morale in the work place. Basically employee satisfaction is a measure of how happy workers are with their job and working environment. In this research paper there is a various variables responsible for employees satisfaction has been discuss like organization development factors, job security factors, work task factors, policies of compensation and benefit factor and opportunities which give satisfaction to employee such as promotion and career development. This research paper also deals the various ways by which one can improve employee satisfaction.

Key Words:

Compensation, satisfaction, salary

Introduction

Employee is one of the key factors of the organization success. No organization can succeed without a certain level of commitment and effort from its employees. Organizations' often attempt to satisfy its employees to gain their commitment and loyalty. However, it is not easy for the organizations to be successful in making individual satisfied because people work for a wide variety of different reasons, some want material success while others might emphasize job challenging. From an individual standpoint, job satisfaction might be one of the most desirable outcomes that employees could obtain. The employee satisfaction is the orientation of the industry towards his work role, which he is presently playing. The organization will only thrive and survive when its employees are satisfied. This makes person says completely that he is fully satisfied with the job. This study conducted so that the employees give their full, honest and frank opinion by remaining anonymous about how they feel about their jobs. Compensation is an important determinant of employees' satisfaction.

Employees who have job satisfaction more often than not have motivation to perform their jobs well. A good compensation package is important to motivate the employees to increase the organizational productivity. Unless compensation is provided no one will come and work for the organization. Thus, compensation helps in running an organization effectively and accomplishing its goals. The compensation package should be as per industry standards. Salary is just a part of the compensation system, the employees have other psychological and self-actualization needs to fulfill. Thus, compensation serves the purpose. The most competitive compensation will help the organization to attract and sustain the best talent. The compensation package should bias per industry standards.

Objective of the Study

The objective of the present study aims to understand how compensation and reward influence the performance of employees. To know the factors which increase the employee satisfaction in the organization. To examine the relationship between employee compensation and their job satisfaction.

Literature Review

Sheila Wambui Njoroge & Josephat Kwasira (2015) has studied that the adopted pay strategy of basing compensation to knowledge was effective and had ripple effects of motivating employees to further their studies which would in turn enhance employee performance and the data were collected from the secondary sources such as journals, books, libraries etc. To determine how compensation and reward influence the performance of employees at Nakuru County Government. **Pamela F. Resurrection**(2012) has studied that the owned enterprises are starting to appreciate the value that human resource management can strategically bring in their pursuit of organizational competitiveness. This study sought to determine the underlying relationships of performance management and compensation practices with organizational competitiveness. performance management, compensation, and employee benefits were all found to be congruently significant predictors of organizational competitiveness. **Bolanle Odunlami, Oludele Matthew**(2014) has studied that The Food and Beverage Industry in the Manufacturing Sector is one of the vital sectors necessitating the growth and

development of Nigerian economy. The data were collected from the secondary sources such as journals, books, libraries etc. therefore, it is vital for organisations to embark on effective compensation management policies that will protect and promote employees performance and to explore relationship between compensation management and improved productivity.

Research Method

The tentative research supported through surveys analysis which pointed out compensation factors which effects on employee's job satisfaction. Industries are taken for the research. In depth analysis is done through using questionnaire. A research is conducted to know the factors effecting on job satisfaction among industries of Palsana.

Primary and secondary data is used in this research. Primary source of data collection is used through questionnaire and secondary data is used through different articles. A descriptive questionnaire was used which consist of 23 questions. 101 questionnaires were analyzed by using SPSS analytical variable. Job satisfaction is taken as dependent variable and pay, recognition, promotion opportunity and meaningful work is taken as independent variables.

Result & analysis

Satisfied compensation of Respondent					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	neutral	1	1.0	1.0	1.0
	agree	49	48.5	48.5	49.5
	strongly agree	51	50.5	50.5	100.0
	Total	101	100.0	100.0	

From the above the table it is interpreted that out of 101 respondents only 1% of employees are neutral about their satisfied compensation, 49% of employees are agree about their satisfied compensation and 51% of employees are strongly agree about their satisfied compensation.

Awareness about reward program					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	neutral	7	6.9	6.9	6.9
	agree	46	45.5	45.5	52.5
	strongly agree	48	47.5	47.5	100.0
	Total	101	100.0	100.0	

From the above the table it is interpreted that out of 101 respondents 7% of employees are neutral with awareness about reward program, 46% of employees are agree with awareness about reward program and 48% of employees are strongly agree with awareness about reward program.

Organizational benefits					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	neutral	3	3.0	3.0	3.0
	agree	46	45.5	45.5	48.5
	strongly agree	52	51.5	51.5	100.0
	Total	101	100.0	100.0	

From the above the table it is interpreted that out of 101 respondents 3% of employees are neutral with organizational benefits, 46% of employees are agree with organizational benefits, 52% of employees are strongly agree with organizational benefits.

Job performance & contribution			
	Observed N	Expected N	Residual
neutral	2	33.7	-31.7
agree	52	33.7	18.3
strongly agree	47	33.7	13.3
Total	101		

From the above table organization observed that 2% of respondent is neutral about satisfied compensation for observing their organization. 34% of respondents are expected satisfied compensation. 52% of respondents are agree with satisfied compensation. And also 47% of respondents are strongly agreed with their compensation.

Conclusion

This research was conducted to know about difference issues in compensation for employees in company. Finding show that the employees should compensate properly in order to retain and motive them.

Satisfaction with job is important element for motivation and performance of the employee. The main issue of employee's is the service structure. Because our findings also showing that pay and recognition may have direct relationship with job satisfaction but main issue is promotion opportunities and meaningful work which are not getting by employee. To retain, motivate, company should focus on service structure, so that employee come back to their work from strikes and work as they should do. There is also difference exist in minimum value of different age group. Experience and income with job satisfaction but not in gender group. Employees with high income and high experience are more satisfied that low income and low experience. Employees are on still their demands and will continue their strikes if their demands will not met by company.

References

Sheila Wambui N joroge & Josepha Kwasira. (2015) Influence of compensation and reward on performance of employees at nakuru county government. **Pamela F. Resurrection**(2012) Performance management and compensation as drivers of organization competitiveness. **Bolanle Odunlami, Oludele Matthew**(2014) Compensation management and employees performance in the manufacturing sector. **Ayesha Yaseen**(2013) Effect of compensation factors on employee satisfaction. **Calvin Mzwenhlanhla Mabaso & Bongani Innocent Dlamini**(2017) Impact of compensation and benefits on job satisfaction. **Dr. Ebele .M. Onwuka, Dr. Faith Onwuchekwa**(2018) Compensation management and organizational performance a study of selected pharmaceutical companies in awka, anambra state. **Omotayo Adewale, Adenike Anthonia, Hezekiah Olubusayo, Princess Thelma** (2014) Compensation packages: a strategic tool for employees' performance and retention.

A.M.Mahaboob Basha(2016) A study on employee job satisfaction in aqua industry with respect to workmen's compensation. **Adari Tulasee Naidu, Prof. G. Satyanarayana** (2014) Employees 'satisfaction towards monetary compensation practices. **Dr. U. M. Premalatha**(2013) Impact of compensation system on employee performance – a study with special reference to service sector.**Emmanuel Erastus Yamoah**(2014)E xploratory analysis of compensation and employee job satisfaction. **Ilham Thaief, Aris Baharuddin, Priyono & Mohamad Syafi'i Idrus**(2015) Effect of training, compensation and work discipline against employee job performance. **Dr. Akpa V.O Dr. Egwuonwu T.K Akintaro, A.A (PhD Student) Shonubi A.O (PhD Student) Herbert son A.E**(2016) The effect of compensation administration on employee productivity. **Sumiyati, Masharyono, Kevin Fazar Pratama, Ridwan Purnama**(2016) The effect of social work environment on employee productivity in manufacturing company. **Akafo Vera Ami, Peter Agyekum Boaten and Patience Yamoah**(2013) An assessment of compensation determinants and its impact on employee commitment in private tertiary institutions. **Mitalo, Ruth Atidah1, Florence Muindi2, Prof. Peter K'Obonyo3, Prof. G. P. Pokhariya**2018 Employee compensation and performance of academic staff. **Ali Zeb, Façade Sultan, Khawar Hussain, Mudaser Jived, Zaheer Abbas, Muhammad Imran** (2014) The influence of compensation and benefits and employees' involvement on employees'.

