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# A Study on the Employee Perception towards Effectiveness of Wage and Salary Administration

Ms. S.DEEPIKA, Dr. M.R.VANITHAMANI
STUDENT[1], DIRECTOR[2]
*FACULTY OF MANAGEMENT STUDIES*
*KARPAGAM COLLEGE OF ENGINEERING, COIMBATORE-641032*

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**ABSTRACT**
Wages and salary administration is the collective term used to describe the set of activities involved in designing, implementing, and maintaining a pay system. An employee receives a wage from their employer as payment for labour that was performed. Payment may be calculated as a fixed amount for each activity that is completed, an hourly or daily fee, or both. An employment contract may contain a salary provision, which is a type of ongoing payment from the company to the employee. A salary is a predetermined amount of cash or another form of payment that an employer provides to a worker in exchange for work that is accomplished. Recognition, benefits, and status symbols are all a part of managing wages and salaries, as are non-cash rewards like leave benefits, housing, and transportation. Wage plays a significant role in an employee's life. The administration of wages and salaries aids in determining whether employees are fairly compensated for their labor. Knowing whether the workers are happy with their pay and benefits is also helpful. Knowing whether the organization is using the proper pay scale is also crucial. to be aware of numerous allowances, including perks allowance, laundry allowance, stitching allowance, and city compensatory money. The hiring and firing policy and autocratic dominance of personnel managers in organizations were abolished with the advent of HRM. HRM projected a positive image of HR departments among the employees. Also, it allows them to share their opinions and views about the policies and decisions of the organization. It fosters loyalty and trust in employees, and encourages them to perform with full potential etc. The descriptive method and questionnaire embedded were used. Data is collected from the sample size of 120, including faculty members and assistants. The level of employee perception on wage and salary administration is further revealed by the research.

**Keywords:** Employee perception, Wages, Salary, Allowance, Compensation.

## I. INTRODUCTION

Human Resources professionals perform a plethora of tasks, including recruiting, managing employee relations, and creating company policies. Smaller enterprises often have HR generalists who handle sourcing and hiring, wage and benefits, and HR operations, but HR specialists in larger organizations may specialize in particular areas.
HR teams undertake various responsibilities in an organization. They:

- Recognize current and future hiring needs.
- Ensure compliance with federal, state, and governmental labour rules and regulations.
- Attract, recruit, and retain talent.
- Manage compensation and employee benefits.
- Ensure effective employee relations.
- Manage on boarding, training, and learning and development processes to boost performance.
- Apply health and safety measures.
- Handle administrative tasks, such as payroll and taxes.
- Organize and oversee quarterly or annual performance reviews.

The human resources department is one of the most important departments of every company organisation nowadays. This department is essential in putting the right person in the correct job inside the organisation. It aids the organisation in coordinating employee performance with its goals. Additionally, it will make it possible for managers to select qualified personnel, improve their performance through training and development, the establishment of an inclusive culture, and preserve relationships.

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**Evolution of Human Resource Management**

Nowadays, human resource professionals serve as an organization's strategic business partner. In order to achieve industry-competitive goals, workforce strategies must be developed and put into action. Additionally, the organisation is strengthened and maintained in a highly competitive business climate through the use of all HR strategies, including recruitment, training, remuneration, and employee relations. The organization's HR activities have undergone a notable transformation in how they operate. In order to get the best results from employees' abilities, HR departments today are proactive and make investments in employee empowerment and engagement. The likelihood that an organization will grow is increased by ambitious and creative HR initiatives. To put it simply, HRM is clear-cut and proactive in order to maximize an organization's use of its human resources of an organization

**EMPLOYEE PERCEPTION**

The most important factor that can motivate people to work for an organisation is employee perception, which can be used to determine how satisfied an employee is with the company. It should be mentioned that a satisfied employee gave the company his all as opposed to the case with the dissatisfied person.

**FACTORS INFLUENCING EMPLOYEE PERCEPTION**

In addition to recognising environmental cues and responding to them, perception is our sensory experience of the environment around us. We learn about features and components of the environment that are essential to our existence through the perceptual process.

1. The perceiver's characteristics are: The perceiver's traits can influence perception in a number of ways. When a person examines and makes an attempt to understand what they stand for, their interpretation is often influenced by their own unique personality traits.

A). Mentalities: Perceiver attitudes have an impact on perception. Assume, for instance, that Mr. X is interviewing candidates for a crucial position in his company, one that includes negotiating contracts with suppliers, the majority of whom are men.

B) Moods: Our perception of others can be greatly influenced by our moods. When we are pleased, we think differently than when we are miserable. Additionally, we retain knowledge better when it is congruent with our mood state than when it is incongruous with it.

C). Motives: Unmet needs or motives stimulate people and may have a significant impact on how they perceive things. For instance, in the workplace, a manager who lacks confidence can see a subordinate's efforts to do a great job as a threat to his or her own position.

D). Self concept: The perceiver's self concept is another element that may influence social employee perception. A person with a positive self concept is more likely to see positive qualities in others. In contrast a negative self concept can lead a perceiver to pick out negative traits in another person.

**Wage and Salary Administration**

In organisational settings, determining wage and salary levels and structures is known as wage and salary administration. A salary is a similar payment expressed in weekly, monthly, or annual rates, whereas wages are compensation for labour services frequently given and indicated in hourly rates.

Wage and salary administration is the process of developing appropriate employee compensation policies and procedures and putting them into practise. One of the crucial facets of personnel administration is the management of wages and salaries. It is crucial for effective pay and salary plans and programmes. To hire, retain, develop, promote, and transfer staff in order to generate the best results possible.

The same may be stated of the current status of as we stand here at the beginning of the new millennium

There are numerous PowerPoint presentations, millions of Web pages, and dozens of computer programmes. And unlike content in books and magazines, editors leave the great majority of these items alone. The ability to share ideas with the rest of the world through new media is unprecedented, but it is also getting harder to stand out from the crowd as it continues to expand.

Effective writing can help with it. Whether you're creating a Web site for your family or enhancing the reputation of your business, you may better connect with your audience by organising and concentrating what you want to communicate. This tutorial is intended to assist you in using new media to focus and clearly deliver your message.

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**STATEMENT OF THE PROBLEM**

It is common knowledge that employees try to directly boost their pay by bargaining with their employers through a trade union, which then threatens to strike if the employers don't agree to raise their pay and benefits. Numerous employees in the public and commercial sectors are impacted economically by pay increases and fringe benefits, which may increase the unemployment rate and, in turn, inflation. Employee benefits are occasionally delayed or disallowed by management of a company as a result of cost-cutting efforts, which makes implementing them, a significant difficulty in an organization. Massive corruption, excessive personnel turnover, and low morale among workers are the results of this.

**OBJECTIVES OF THE STUDY**

- To study the fluctuations in wage and salary policies of Outsource Infotech management and employee satisfaction.
- To know the strategies adopted in the wage and salary administration practices of during the challenging situation.
- To know the impact of employee perception and satisfaction of the employees regarding the wage and salary administration.

## II. LITERATURE REVIEW

**Barbora Antonova and Zaneta Rylkova [16](2018),** "Employee Benefits in the Czech Republic and Slovakia". The aim of the study is to compare benefits that are provided in Czech Republic and Slovak Republic and at the same time confront the information gained from pri-mary and secondary research in reference period of 2009 - 2011. Implementing a suitable scheme for fringe benefits is a task for every employer, who must also know some employee benefits pay off better and some other less. A fringe benefit involving little cost for the employer, yet highly appreciated by staff, is flexible working hours and the home working option. The study recommended that it pays off to the employer to let the staff members choose which ticket or pass they would prefer or let them have another type of fringe benefit. The cafeteria system is then the easiest step to make everyone happy.

**Dr. B. Charith [18](2020),** "Impact of Fringe Benefits on Job Satisfaction in Mining and Construction Companies in India". The main objectives of the study are to determine the importance of fringe benefits amongst employees. From the statistical data it can be concluded that all employees seem to be overall satisfied with their fringe benefits and the way that they are structured to the total cost-to-company packages that are offered to the different demographical areas. The statistical data also indicates that all employees are overall motivated with an acceptable level of job satisfaction and engagement. The proposed area that needs to receive additional focus is that of the cash component of the remuneration package.

**Olumide Ayeniyo [19](2021),** "Fringe Benefits Administration and Employees' Commitment in the Lagos State Civil Service, Nigeria". The study explored the relationship between administration of fringe benefits and employees' commitment to the service of Lagos State Government, Nigeria. A total 285 copies of questionnaire were administered on various categories of workers in the state public service through systematic sampling technique, out of which 272 were recovered. The findings therefore add new knowledge that can be used to improve organizational practices for the retention of valuable staff members in the Nigerian Civil Service.

**Sevinc Kose, Hilmiye Turesin Tetik and Lale Oral Atac [20](2022),** "A General Evaluation of Fringe Benefits Provided in Turkey". This study aims to determine the fringe benefits provided by the 100 biggest industrial enterprises in Turkey announced by the Istanbul Chamber of Industry on 2013 through an in-depth review of their websites. 57 of 100 companies give information about their fringe benefits on their websites. As a result, employers who have employees that already know what they are going to have can determine a road map more easily. In ensuring work-family balance, companies mostly focus on employees who are married and have a child.

## III. RESEARCH METHODOLOGY

In study the primary data collected by means of personal interview with the help of questionnaire.

**RESEARCH DESIGN**

A research design is the arrangement of condition for collection and analysis of data in manner that aims to combine relevance to the research purpose with economy in procedure. The study is descriptive in nature. As it is describes, the effectiveness of training and development.

**PRIMARY DATA**

The information consists of data gathered from the different source. Primary data is the refresh data.

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This has been collected from various sources. The sources adopted to get data is questionnaire and through observation. Questionnaire is designed in such way that every employee can understand. It consists of 16 questions which are sample and close and open end question.

**SECONDARY DATA**

The data is collected from published reports, unpublished reports, annual reports, unpublished manuals and materials.

**POPULATION SIZE**

Population size in the Outsource Infotech is 180 and according to my convenient collected a questionnaire from 120 employees.

**SAMPLING SIZE**

In order to get data a sample size of 120 is taken in convenient sampling.

**STATISTICAL TOOLS**

The following statistical tools are used in the study

- Chi – square test
- Correlation test

**ANALYSIS AND INTERPRETATION**

**1. PERCENTAGE ANALYSIS**

| Demographic Profile | | No. Of. Respondents | Percentage |
|---|---|---|---|
| Age | Below 25 years | 24 | 20 |
| | 25 – 35 years | 72 | 60 |
| | 36 – 45 years | 24 | 20 |
| Gender | Male | 72 | 60 |
| | Female | 48 | 40 |
| Educational qualification | Upto HSC | 24 | 20 |
| | Graduate | 60 | 50 |
| | Professional | 36 | 30 |
| Annual income | Less than Rs. 10,000 | 12 | 10 |
| | Rs. 10,001- Rs. 50,000 | 24 | 20 |
| | Rs. 50,000 – Rs. 1,00,000 | 12 | 10 |
| | Above Rs. 1,00,000 | 72 | 60 |
| Marital status | Married | 72 | 60 |
| | Unmarried | 48 | 40 |
| Type of family | Joint family | 60 | 50 |
| | Nuclear family | 60 | 50 |
| Size of family | Less than 3 members | 12 | 10 |
| | 3 – 5 members | 72 | 60 |
| | 6 – 8 members | 36 | 30 |
| Experience | Below 5 years | 60 | 50 |
| | 5 – 10 years | 60 | 50 |
| Place of residence | Rural | 36 | 30 |
| | Urban | 60 | 50 |
| | Semi – urban | 24 | 20 |

**INTERPRETATION**

The respondents in this survey, 60% were males, 60% were between (25 - 35) years old, 50% were graduates, 60% were getting above Rs. 1,00,000, 60% were married, 50% were joint family, 60% were between 3-5 members, 50% were between 5 – 10 years of experience.

**2. Chi – square test**

**Educational Qualification and Annual Income**

$H_0$ = There is no significant relationship between the educational qualification of the respondents and their annual income.

$H_A$ = There is significant relationship between the educational qualification of the respondents and their annual income.

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| | Value | Df | Asymptotic Significance (2-sided) |
|---|---|---|---|
| Pearson Chi-Square | 35.327 | 8 | .000 |
| Likelihood Ratio | 36.137 | 8 | .000 |
| N of Valid Cases | 120 | | |

**INTERPRETATION**

Since the calculated value $X^2$ (.000) is less than the table value (35.327). Therefore it is concluded that there is no significant relationship between the educational qualification of the respondents and their annual income. Hence, Null hypothesis is accepted and Alternative hypothesis is rejected because there is significant relationship between the educational qualification of the respondents and their annual income.

**3. CORRELATION TEST**

**Grievance handling and time taken to solve the grievance**

$H_0$ = There is no significant relationship between grievance handling of the respondents and their time taken to solve the grievance

$H_A$ = There is significant relationship between grievance handling of the respondents and their time taken to solve the grievance.

| | | Does the time follow any grievance handling system | If 1, the time period taken to solve the grievance is |
|---|---|---|---|
| Does the time follow any grievance handling system | Pearson Correlation | 1 | .719** |
| | Sig. (2-tailed) | | .000 |
| | N | 120 | 120 |
| If 1, the time period taken to solve the grievance is | Pearson Correlation | .719** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 120 | 120 |

**INTERPRETATION**

The above table shoes that, coefficient of correlation relationship between grievance handling of the respondents and their time taken to solve the grievance after obtain is .719. So, there is positive relationship between grievance handling of the respondents and their time taken to solve the grievance.

## IV. FINDINGS

The respondents in this survey, 60% were males, 60% were between (25 - 35) years old, 50% were graduates, 60% were getting above Rs. 1,00,000, 60% were married, 50% were joint family, 60% were between 3-5 members, 50% were between 5 – 10 years of experience.

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## V. SUGGESTION

There should be a sustainable welfare scheme for all the categories of workers. It should not be assumed that one's salaries have been paid to workers, any other thing concerning the workers welfare has been taken care of. The management should not ignore issues like emergency assistance in cases of loss of direct relation, natural disaster, job security etc. Other issues that should be taken care of include insurance, health welfare scheme furniture allowances etc.

Promotion and conversion has also been identified as another motivational factor. Workers should be promoted as at when due. A returnee member of staff who came back from training and has acquired additional qualifications should be posted to the relevant department. And acting appointment given pending the availability of vacancy for him. Adequate promotion opportunities should be provided to all cadres who undergo various training.

## VI. CONCLUSION

This offers another opportunity to study the effect of individual differences and the attributes of the available benefit packages on the choices made by individual employees or group of employees that are characterized with the similar features, which may further contribute in attaining the intended objectives of this costly part of employees' compensations. The means of communication that suits to a particular situation is one of the significant aspects towards effective communication which can enhance attainment of benefit program goals. Thus, employers need to make strategic decisions in identifying which communication media to use by taking into considerations the local environment and how they should be employed towards attaining the intended objectives.

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