

An Empirical Study on Employee Satisfaction with Compensation Packages: Analyzing the Impact on Workforce Morale and Retention

***Dr. Madhav Kumar Mathur**

Abstract

This study demonstrates how crucial salary is to workers. The goal of the study is to identify key variables that influence an employee's satisfaction with the pay plan. The aim of this research is to investigate the variables that influence the correlation between an employee's pay and work satisfaction. should be aware of the elements that raise worker satisfaction inside the company. Descriptive research design is used. Questionnaires are the approach used to gather data for this research. 91 respondents were chosen as a sample using a straightforward random selection technique. Pay encourages workers to stay motivated, raise their spirits, and stick to their objectives. Employees are motivated to act by it.

The majority of respondents firmly agree that the organisation is generally satisfied. The majority of respondents firmly agree with the compensation that the organisation has provided. They firmly agree with their working conditions, the base wage they provide their employees, benefits they provide in terms of remuneration and health care, job security, recognition for their labour, and employee welfare programs. When workers get fair remuneration and are content, their work will improve and morale will rise.

Keywords: Rewards, Employee satisfaction, compensation.

Introduction

Employee happiness is an important statistic for determining an organization's overall health. Employees with a high degree of satisfaction report positive treatment from their company. Satisfaction stems from both real and intangible variables, including salary, benefits, involvement, recognition, and effective leadership. Failure to handle both sides of the problem might result in a complacent team of contented workers.

Compensation is the reward workers get for their efforts and contributions to the organisation. It is a tool used by management for a number of goals to ensure the company's continued survival. Compensation packages may include monetary payouts like as bonuses, profit sharing, overtime pay, recognition prizes, and sales commissions, as well as non-monetary benefits like a company automobile. It may be customised based on corporate requirements, objectives, and available resources.

Literature Review

Dr. R. Priya, R. Rajkumar (2023) investigates employee satisfaction with remuneration. Primary data was acquired using a questionnaire and sampling approach. Identifying the relevance of wages and salaries. The majority of employees are content with the remuneration provided by the organisation, although there are some small issues that will be addressed by taking specific procedures.

Gladys Thuita and Yvonne Oiyee (2022) examine remuneration, working conditions, and employee

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satisfaction. The data was acquired as primary data using a descriptive study approach and a research questionnaire. Identify the employee remuneration scheme and work style. Compensation is a strong determinant of employee happiness in Kilifi zones. Although the survey discovered that remuneration and working conditions differ from one area to the next.

Christy Gomgom Ebenezer Sitorus, Rr. Erlina, and Nova Mardiana (2021) investigate the relationships between salary, transformative leadership, and employee happiness. The data was acquired as primary data and tested using multiple linear regression models. Compensation is determined based on employee competency. Compensation, transformative leadership, and employee happiness all contribute to improved employee performance.

Ni Wayan Siramiati, Surachman, Djumilah Hadiwidjojo, and Fatchur Rohman (2020) investigated the influence of performance-based remuneration on employee motivation and work satisfaction. The data that was obtained is primary data. To identify direct and indirect remuneration in terms of work satisfaction. Full support in terms of performance-based remuneration and desire to work leads to job satisfaction.

Manisha Gupta (2019) investigates the employee satisfaction with monetary remuneration practices. The main data was acquired via a questionnaire. Employee work satisfaction is influenced by many factors, and policymakers and managers should concentrate on these factors.

Objective of the Research

- To investigate employee satisfaction with remuneration at Sainath Agro Processor.
- To investigate the link between employee remuneration and work happiness.
- To determine the elements that promote employee happiness in the organisation.

Research Methodology

The study tries to identify the elements that influence employee motivation. The research design chosen for this study is "Descriptive or survey design". Primary data was acquired via questionnaires. The poll included open and closed-ended questions, with a sample size of 91. The frequency and reliability tests were employed to examine the data. Cross tabulation and chi-square tests were employed for research analysis.

Data Analysis and Interpretation

The results of the data analysis from the questionnaire. The data was evaluated using statistical techniques, such as frequency distribution tables, cross tabulation, and chi-square, based on the study goals and questionnaire questions.

Hypothesis Development

Based on the elements that influence employee motivation, the following hypotheses are developed:

Ho1: There is no substantial association between working policies for gender and age qualifications.

Ho2: There is no substantial association between the kind of my profession and its impact on my health, as well as gender and age qualifications.

Ho3: There is no substantial association between providing training programs and age criteria.

Ho4: There is no substantial association between respect for gender and age requirements.

Ho5: There is no substantial association between providing healthcare policy and gender or age criteria.

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Findings of the study**Demographic Profile:****Table: 1 Demographic Profile of the respondents**

Demographic Variable	Frequency	Percentage (%)
Gender		
Male	71	71
Female	29	29
Age		
15-25	21	21
25-35	39	39
35-45	28	28
Above 45	12	12
Education		
HSC	21	21
Graduate	31	31
Postgraduate	26	26
Above P.G	22	22
Marital Status		
Unmarried	37	37
Married	51	51
Other specific	12	12
Monthly Income		
5,000-10,000	10	10
10,000-15,000	52	52
15,000-20,000	24	24
Above 20,000	14	14

Table 1 presents the demographic information collected from respondents. The table and graph show that males account for 70% of respondents at Sainath Agro Processor and females for 20%. The table and graph show that 20% of respondents are aged 15-25, whereas 35% are aged 25-35. Thirty percent of respondents are between the ages of 35 and 45, with 5% falling between 45 and 55. As a result, it is understood that the majority of workers. According to the table and graph, 45% of respondents completed HSC, 40% graduated, 4% pursued postgraduate studies, and 1% went beyond postgraduate studies. The data suggests that the majority of respondents are literate. The table and graph show that 38% of respondents are single, 50% are married, and 2% are other (widowed, divorced). The data suggests that the majority of respondents are married. According to the table and graph, 10% of respondents earn between 5,000-10,000, 50% between 10,000-15,000, and 25% between 15,000-20,000. 5% of respondents come from more than 20,000.

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Chi-Square Test:**Table No: 2 Test with Gender**

Variable	Test	Value	df	Sig.	Accepted/Rejected
Working policy	Pearson Chi-square	92.705	10	0.219	Rejected
Nature of work affect on	Pearson Chi-square	95.59	10	0.053	Rejected
Provide training programs	Pearson Chi-square	94.128	10	0.123	Rejected
Appreciation is important	Pearson Chi-square	93.91	10	0.153	Rejected
Provide health-care policy	Pearson Chi-square	96.095	10	0.066	Rejected

The table shows that the significance test value for Working policy, Nature of work affects health, Provide training programs, Appreciation is important, and Provide health-care policy is greater than 0.05, rejecting the null hypothesis that there is no significant relationship with age.

Table No: 3 Test with Age

Variable	Test	Value	df	Sig.	Accepted/Rejected
Working policy	Pearson Chi-square	4.364	6	0.628	Rejected
Nature of work affect on	Pearson Chi-square	7.184	6	0.304	Rejected
Provide training programs	Pearson Chi-square	3.37	6	0.761	Rejected
Appreciation is important	Pearson Chi-square	7.511	6	0.276	Rejected
Provide health-care policy	Pearson Chi-square	8.191	6	0.224	Rejected

The table shows that the significance test value for working policy, nature of work, training programs, appreciation, and healthcare policy is greater than 0.05, rejecting the null hypothesis and indicating no significant relationship with education qualifications.

Findings

The findings indicate that respondents are highly satisfied with various aspects of their work environment. Specifically, they reported a strong sense of satisfaction with the working environment itself and the relationships they maintain with their supervisors. Additionally, respondents expressed contentment with the incentives and benefits provided by the organization, as well as the appreciation and recognition they receive for their efforts. There is also a consensus that the organization adequately offers training programs for employees, which is viewed positively. Moreover, respondents strongly agree that the organization provides essential health-care benefits, further contributing to their overall job satisfaction.

Recommendations

Based on the findings, several recommendations can be made to enhance employee satisfaction within the factory. First, it is crucial for the factory to improve the overall work environment and address the impact that the nature of work has on employees. Additionally, providing a more comprehensive health policy for employees would significantly benefit their well-being. The factory should also focus on enhancing its appreciation practices by clearly communicating the criteria for receiving recognition in the workplace. Furthermore, improvements to medical facilities for both employees and their family members are essential. Lastly, the factory should consider offering more rewards and benefits to motivate employees and boost their morale, thereby fostering a more positive work culture.

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Conclusion

Compensation motivates people, boosts morale, and aligns them with their objectives. It motivates employees to act. Most respondents highly agree on their overall satisfaction with the organisation. Most respondents highly happy with their recompense provided by the organisation. Employees are satisfied with their working conditions, wages, perks, job security, appreciation, and welfare amenities. The survey found that employees had positive working relationships with their supervisors, and the organisation provides lunch and rest breaks. Respondents agree with their organization's training programs and the nature of their employment. The respondents approve with their dwelling amenities.

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