

## PERCEPTION ON PAY: A STUDY AMONG NON-EXECUTIVES IN SALEM STEEL PLANT, TAMIL NADU

Article Particulars:

Received: 04.12.2017

Accepted: 09.12.2017

Published: 20.01.2018

**D.DEEPIKA**

Guest Lecturer, Department of Social Work  
Government Arts College, Dharmapuri, Tamil Nadu, India

**Dr.C.GOBALAKRISHNAN**

Assistant Professor, Department of Sociology  
Periyar University, Salem, Tamil Nadu, India



### Abstract

*The growth of any organization depends on the job involvement of its employees and this job involvement always comes from job satisfaction. There are so many variables influences job satisfaction and the variable 'pay' is one among which. In the present study the researchers' analyses the perception of non-executives about pay in which they receive in Salem Steel Plant. The results indicate that good amount of respondents are not satisfied with the present structure of pay and they need some changes in it.*

### Introduction

The employees are considered as one of the important resources of any organization. The success and failure of the concerned organization depends on how the management utilizes this resource in a significant way. In this aspect the concept 'job satisfaction' plays a crucial role. There are so many variables involved to bring job satisfaction among the employees and one such variable is the 'pay'. The pay is playing a major role in recruiting, retaining and motivating staff. Pay perhaps the main criteria for accepting or declining a job offer. Therefore the variable 'pay' brings job satisfaction among the employees in one way or other. Ahmed (2015) revealed that recruitment and selection, training & development, salary and benefits, and reward have positive effect on employees' job satisfaction. Low job autonomy, low job security, low wages and lack of expectation for promotion negatively affect job satisfaction of employees (Guest 2004 and Silla et al. 2005). Masum et al. (2015) mentioned that the compensation package, job security, and working conditions were most significant contributors among the private university academics. Hossain (2014) showed that working conditions, pay, fairness, and promotion significantly influenced employee's job satisfaction. From the above said studies the variable 'pay' play crucial role to bring job satisfaction among the various categories of employees. In the present study the researchers' analyses the perception of non-executives on pay in Salem Steel Plant.

### Methodology

The unit of analysis for the present study is the non-executives, who are working in Salem Steel Plant, Salem. There are 1007 non-executives working in sixteen different departments and these departments are considered as strata. From the 1007 employees, first it is decided to select 1/3<sup>rd</sup> as a sample and latter on this percentage is rounded off with 35% and the sample size is 353. After fixing the sample size, again the researchers has fixed 35 per cent of the samples from each stratum proportionately. Thus in the present study, the researchers has used Proportionate Stratified Random Sampling Method to select the samples from the universe. After thorough review of existing literature and conducting pilot study, the researcher has developed a list of statements with five point scale for measuring the variable 'pay' and the five-point scale consists of strongly disagree = 1, disagree = 2, neutral = 3, agree = 4 and strongly agree = 5. In the present study, there are four statements used to measure the dimension 'pay' and all these four statements are positive in nature and the respondents' responses are given in the Table No.1. Along with the statements related to pay, the tool also includes the age, education, income and years of experience.

### Results

As far as the age of the respondents concerned, 41.1 per cent of the respondents belong to the age group of 36-44 years, 29.5 per cent of the respondents belong to the age group of 44-51 years, 21.1 per cent of the respondents belong to the age group of 51-58 years and remaining 8.2 per cent of the respondents comes under the age group of 23-36 years. The Mean age of the respondents works out to 44.67 years with a standard deviation of 7.765.

While considering the respondents' education, 42.25 per cent of the respondents have completed their I.T.I and Diploma, 30.6 per cent of the respondents are Under Graduate degree holders like B.Sc., B.Com., B.E., B.Ed. etc., 19.8 per cent of the respondents have completed Post Graduate degrees like M.Sc., M.B.A., MA, M.Com., M.C.A., M.E. etc., 3.96 per cent of the respondents have completed SSLC and remaining 3.39 per cent of the respondents have completed their Higher Secondary. The mean years of schooling of the respondents works out to 13.49 with a standard deviation of 2.092. Since the individual who wants to get employment in the Steel Plant, the minimum years of schooling has been fixed as 10th standard and this affects the mean years of schooling of the respondents.

With regard to years of experience, majority of respondents (43.1%) have minimum years of experiences between 5-15 years, 41.6 per cent of the respondents level between 15-26 and remaining 15.3 per cent of the respondents have more years of experience of work between 26-35 years. The Mean years of Experience of the respondents works out to 18.31 years with a Standard Deviation of 7.932. Since it is a traditional organization and that reflects the years of experience of the respondents.

As far as the monthly income of the respondents, nearly two-fifth of the respondents (38.8 %) are getting Monthly Income between Rs.37000 - Rs.44000, 29.7 per cent of the respondents are getting Monthly Income between Rs.29000 - Rs.37000, 16.7 per cent of the respondents are getting Monthly Income from Rs.44000 - Rs.52000 and remaining 14.7 per cent of the respondents are getting Monthly Income from Rs.18000- Rs.29000. The mean monthly income of the respondents works out to Rs.39614.27 with a standard division of 9357.22.

While considering the statement **“The salaries which we receive are good compared with other organizations”**, nearly half of the respondents (46.5 %) agreed, one-fourth of the respondents (21.0 %) strongly agreed, 15.9 per cent of the respondents disagreed, another 15.3 per cent of the respondents strongly disagreed the statement and 1.4 per cent neither agreed nor disagreed. For this statement nearly one-third of the respondents (31.2%) responded negatively and these respondents mentioned that during that during 1990's the Salem Steel Plant paid comparatively better salary to the employees than other public sector organizations like BHEL, Coal India limited, IONGC and the like. During that time in Salem Steel Plant the educational qualification for entry level i.e. for N1 level was 8<sup>th</sup> standard and for N2 level was 10<sup>th</sup> standard. According to the educational qualification, the salary was fixed by the SAIL and that was quite high among the other public sector organizations during 1990's. But at present, the minimum qualification for entry level was enhanced by ITI and for N2 level was Diploma respectively. Even though the SAIL revised the minimum qualification at the entry level but has not revised the salary too much while comparing to other public sector organizations viz BHEL, Coal India Limited, IONGC and the like at present. For these reasons, nearly one-third of the respondents (31.2%) responded negatively to the statement.

**Table No 4.4.1 Distribution of the Respondents based upon their PAY**

S. No.	Statements	S.A. * (%)	A* (%)	N* (%)	D.A.* (%)	S.D.A.* (%)	Total (%)	Mean (S.D.)
1.	The salaries which we receive are good compared with other organizations.	74 (21.0)	164 (46.5)	5 (1.4)	56 (15.9)	54 (15.3)	353 (100)	2.42 (1.22)
2.	The employees feel that being paid a fair amount for the work they do	30 (8.5)	155 (43.9)	44 (12.5)	9 (2.5)	115 (32.6)	353 (100)	2.93 (1.45)
3.	Incentives which are given in the Salem steel plant is satisfactory	58 (16.4)	100 (28.3)	47 (13.3)	89 (25.2)	59 (16.7)	353 (100)	3.03 (1.36)
4.	Employees feel satisfied with their pay increase	34 (9.6)	77 (21.8)	111 (31.4)	65 (18.4)	66 (18.7)	353 (100)	2.85 (1.25)
Overall Mean Score (SD): 11.23(3.801)								

\*- S.A: Strongly Agree, A: Agree, N: Neutral, D.A.: Disagree, S.D.A: Strongly Disagree.

With regard to the statement “**Employees feel that they are being paid a fair amount for the work they do**”, more than two-fifth of the respondents (43.9 %) agreed, 32.6 per cent of the respondents strongly disagreed, 12.5 per cent neither agreed nor disagreed, 8.5 per cent of the respondents strongly agreed the statement and 2.5 per cent disagreed with the statement. For this statement more than one-third of the respondents (35.1%) responded negatively and these respondents revealed that the Bachelor of Engineer (B.E) degree holders also joined at the entry level like N1 and N2 category. But for these categories, the minimum qualification was ITI and Diploma respectively. Due to the prevalence unemployment problem in the society and they are not able to find other suitable employment, they joined at the entry level and they received low salary like ITI and Diploma holders. For these reasons, more than one-third of the respondents (35.1%) responded negatively to the statement.

As far as to the statement “**Incentives which are given in the Salem steel plant is satisfactory**”, more than one-fourth of the respondents (28.3 %) agreed, one-fourth of the respondents (25.2 %) disagreed, nearly one-fifth of the respondents (16.7 %) strongly disagreed, 16.4 per cent of the respondents strongly agreed and 13.3 per cent of the respondents took neutral opinion. Around two-fifth of the respondents (41.9%) responded negatively and these respondents mentioned that those who complete their target fully are eligible to receive 100 percent incentives and those who fail to complete their target are not eligible to receive 100 percent incentives and they would able to receive the incentives on the basis of completion of their target. It means that the high achievers would able to get high incentives and low achievers would able to get low incentives. For these reasons, more than two-fifth of the respondents (41.9%) responded negatively to the statement.

While analyzing the next statement “**Employees feel satisfied with their pay increase**”, nearly one-third of the respondents (31.4%) expressed neutral opinion, one-fifth of the respondents (21.8 %) agreed, nearly one-fifth of the respondents (18.7 %) strongly disagreed, 18.4 per cent of the respondents disagreed and 9.6 per cent strongly agreed the statement. For this statement nearly two-fifth of the respondents (37.1%) responded negatively and these respondents mentioned that the yearly increment is 3 percent and this percentage of increment is routine procedure. However the employees demand the management to pay the yearly increment by 5 percent but the management denied the demand of the employees. For these reasons, nearly two-fifth of the respondents (37.1%) responded negatively to the statement.

## Conclusion

The respondents secured a minimum score of 4 and a maximum score of 16 with a mean score of 11.23 and a standard deviation of 3.801 for the four statements which have used in the present study to measure the variable ‘pay’ in Salem Steel Plant among the non-executives. The mean score shows that good amount of respondents are not satisfied with the present structure of pay. Therefore the management comes forward to sit with the employees for sorting out this specific issue and if the perception of the employees goes on like these in future then it will affect their job involvement and this lack of job involvement certainly pose a threat to this age old organization for not earning the profit.

## References

1. Ahmed RU. (2015). A comparative research on job satisfaction and human resource management practices: Empirical investigation of few commercial bank employees in Bangladesh. *International Journal of Human Resource Studies* 5: 290-300.
2. Guest DE. (2004). 'Flexible employment contracts, the psychological contract and employee outcomes: an analysis and review of the evidence'. *International Journal of Management Review*, 5-6 (1), pp 1-19.
3. Hossain MS (2014) Job satisfaction of bank employees in Bangladesh. *Research Journal of Finance and Accounting* 5: 1-8.
4. Masum AKM, Azad MAK, Beh LS (2015) Determinants of academics' job satisfaction: Empirical evidence from Private Universities in Bangladesh. *PLoS ONE* 10: e0117834.
5. Silla I, Gracia F, Peiró JM (2005), job insecurity and health-related outcomes among different types of temporary workers, *Economic and Industrial Democracy*, 26, pp 89-117.