

WAGE AND SALARY ADMINISTRATION AT CREATIVE TECHNOLOGIES

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Abstract: Certainly, the recognition of the significant benefits of incorporating project management into the compensation and salary administration program is imperative for its guaranteed advantages. In some organizations, project management is considered a strategic business role, while in others, it is perceived as a part-time profession. This complexity is further heightened when dealing with key employees who report to multiple supervisors. For effective project management, it is essential that project managers have a formal or informal commitment to the employee's performance assessment. In this context, the following section presents pertinent insights into salary and compensation administration, offering a brief overview of nine primary performance appraisal methods. These methods encompass paper assessment, graphic rating scale, field study, forced choice rating, critical incident appraisal, management by objectives, work-standards approach, ranking methods, and assessment centers.

I. INTRODUCTION

Salary and compensation administration refer to the process through which pay and salary levels are established in organizational settings. Pay is remunerated for work based on frequency, expressed in hourly rates, while compensation is a comparable remuneration, delivered in daily, monthly, or annual rates. The term "wage" typically implies payments based on the number of hours worked and may vary depending on actual hours worked.

The determination of pay rates, the formulation of pay methods, and ensuring employee satisfaction regarding wages are integral aspects of compensation administration. In the realm of modern workforce management, salary and compensation administration constitute fundamental responsibilities, requiring consistent attention.

Work, as the primary component of production, implies fair remuneration for its contribution. The term "wages" is the broadest term encompassing payments for services, whether regular or overtime, based on hours worked, units of output, or other criteria. Pay and compensation administration holds paramount importance for contemporary workers, as their lifestyle and that of their families depend on adequate compensation.

There are dual perspectives on the effects of pay in organizational settings. Firstly, organizations often perceive compensation as a cost of their business operations and strive to minimize labor costs per unit of output. However, organizations also recognize the necessity of offering competitive compensation to attract and retain a skilled workforce. Secondly, employees view compensation as a means to meet their needs at a standard level, desiring remuneration comparable to peers with similar skills and responsibilities.

Economic and social perspectives further characterize the pay and compensation relationship as a dynamic process not rigidly determined by organizational contexts. Compensation is divided into wages, paid for labor with frequency-based rates, and salary, a fixed payment delivered periodically. Rules and practices in compensation administration play a vital role in ensuring equitable and satisfactory compensation for employees. The development of compensation administration rules becomes essential when rate ranges are not firmly established. Guidelines should address issues such as the duration of service for advancement, the frequency of pay increases, management of pay and compensation expenses, and criteria for moving between compensation grades.

Transparent communication about pay rates and compensation ranges is crucial for employee satisfaction and organizational harmony. While hourly workers often receive information about the pay program through employment contracts, salaried employees may lack such detailed insights into their compensation structures.

Objectives of Pay and Salary Administration:

1. Establish or draft organization HR policies.
2. Determine the compensation level and return a proportion of equivalent efforts.
3. Understand wage differentials.
4. Analyze the efficiency of entry-level workers.
5. Develop usage rates suitable for the industry.
6. Maintain parity between pay and salaries with production costs.
7. Minimize labor turnover due to pay disparities.
8. Enhance employee satisfaction and morale.
9. Investigate trends in benefits and allowances.
10. Resolve existing job-related issues regarding pay.

Aspects of Pay and Salary Administration:

1. Wage plans should consider the interests of employers, employees, clients, and the community.
2. Differentiate pay based on job requirements, such as skill, effort, responsibility, working conditions, and mental and physical requirements.
3. Wages and pay should be in line with existing conditions in the job market.
4. The pay system should recognize various jobs and workers.
5. Wage policies should be clearly defined, in writing, to avoid inconsistency and ambiguity.
6. Wage decisions should be made in accordance with the organization's established policies.
7. Employees should be informed about current compensation systems.
8. Regular evaluation of pay methods should occur, with proper support and updates.
9. Performance ratings and job descriptions should be periodically reviewed and updated for future reference.

Principles of Compensation and Salary Administration:

1. Flexibility of wage and pay plans.
2. Rigorous job analysis.
3. Consistency of wage and compensation plans within legal frameworks.

4. Alignment with social and economic goals.
5. Adaptability to changing local and national conditions.
6. Enhancement and support of other management processes.

Elements of Wage and Salary System:

The pay and compensation system should be linked to an individual's performance, satisfaction, and goal achievement. Henderson identified the following components:

1. Identifying available compensation opportunities, their costs, and assessing the value to employees.
2. Relating compensation to needs and goals.
3. Establishing quality, quantity, and time standards aligned with work and goals.
4. Determining the effort required to achieve standards.
5. Measuring actual performance.
6. Comparing performance with compensation received.
7. Measuring the job satisfaction achieved by employees.
8. Evaluating the unsatisfied needs and unmet goals of employees.
9. Identifying dissatisfaction arising from unfulfilled needs and unattained goals.
10. Adjusting compensation levels accordingly to facilitate employees reaching unmet goals and satisfying unfulfilled needs.

II. NEED OF THE STUDY

A "wage" (or pay) is the compensation paid intermittently to a worker for labor provided in the production process, commonly to a worker or laborer. "Compensation" generally refers to the hourly rate or daily rate paid to groups such as production and maintenance workers ("ordinary laborers").

The Indian Labour Organization (ILO) defines the term wage as "the compensation paid by the employer for the services of hourly, daily, weekly, and fortnightly workers."

Salary typically refers to the monthly or yearly rates paid to managerial, administrative, and professional employees ("white-collar workers").

OBJECTIVES

1. The primary purpose of pay and salary administration is to establish and maintain a fair compensation and pay structure.
2. It is concerned with the establishment and maintenance of an equitable labor cost structure, ensuring the alignment of conflicting staff interests with the reality that the satisfaction of both employees and employers is enhanced while conflicts are minimized.
3. Pay and salary administration is concerned with the financial aspects of needs, motivation, and rewards.
4. Employees should be remunerated based on the requirements of their positions, with highly skilled roles receiving higher compensation than less skilled positions.
5. To minimize the possibilities of bias.
6. To establish fair job arrangements and lines of production wherever they are applicable.

RESEARCH METHODOLOGY

The research methodology employed was random sampling. The primary objective of the survey was to cover employees at every organizational level. Therefore, a sample of respondents was chosen at each level of hierarchy within the overall offices and companies. The sample size was set at 50. Respondents were selected from four categories: Scientific Staff, Technical Staff, Administrators, and Supporting Staff.

Employee Details	Respondents			
	Supporting Staff	Technical Staff	Administrators	Scientific Staff
Total No. of Employees	700	100	105	100
Sample No. of Employees	20	10	10	10

Test choice is conflicting from the 4 classes in general.

DATA COLLECTION:

Information is recorded in degrees of peculiarities. When choosing the method for data gathering, the researcher should keep in mind two types of data: Primary Data and Secondary Data.

PRIMARY DATA:

The primary information has been collected through the Questionnaire. The questionnaire has been appropriately structured to cover all the data needed for the survey. This primary information was also collected through private interviews and collaboration with the experts and staff in the organization.

SECONDARY DATA:

Secondary information has been collected through the annual reports of the organization and from the manuals. Some information was gathered from the website of the organization. The information was also collected from various publications in magazines like HRM Review, HRD, SAP, People Sensitive, Oracle HR Finance Process and Policies, and journals like Indian Journal of Industrial Relations and the various articles published in them.

SCOPE OF THE STUDY

Wage approaches should be appropriately made, considering -

- Interest of the pioneers,
- Interest of workers,
- Interest of clients, and
- Community
- Difference of pay considering occupation necessities like skill, effort, responsibility, working circumstances, and mental and physical requirements.
- Wages and pay rates should have equity existing in the work market.

g) The payment plan should identify occupations and workers.

h) Wage procedures should be clearly defined, and it should be in written form to prevent inconsistency and ensure stability.

LIMITATIONS OF THE STUDY

1. **Job Needs** - Some require high skills, so the pay is high; basic, routine jobs where skill demand is low are paid low.
2. **Ability to pay** - Ability to pay depends on the profit-making capacity of the organization. MNCs pay relatively higher salaries due to their more significant revenue.
3. **Cost of living** - Due to inflation, real wages decline, affecting the purchasing power of workers. Therefore, dearness allowance is provided based on changes in the consumer price index.
4. **Prevailing pay rates** - Prevailing compensation rates in competing firms within an industry are considered while fixing pay, and companies that don't pay similar wages may find it challenging to attract and retain talent.
5. **Union** - Highly unionized sectors generally have higher wages since powerful unions can exert pressure on management and secure a wide range of benefits and perks for workers.

III. REVIEW OF LITERATURE

Economists describe the compensation and salary relationship as the process by which pay and salary levels are established within organizational settings. Compensation is designated for repetitive work services, usually expressed in hourly rates, while salary is a fixed remuneration provided on a monthly or yearly basis. Additionally, the term "wage" commonly refers to payments based on the number of hours worked, subject to variations based on actual hours worked.

Ensuring fair compensation rates, managing payment procedures, and addressing employee concerns regarding wages are integral aspects of compensation administration. Indeed, compensation and salary administration are significant responsibilities within modern workforce management.

It is an ongoing commitment but increasingly stands out as a crucial function handled by specific staff members. Therefore, professionals in the workforce sector need to consistently prioritize this essential function.

Work is a vital part of production, and equitable pay for its contribution should be the norm. The term "wages" is the broadest category encompassing various forms of compensation for workers' services, including salaries, allowances, bonuses, premiums, commissions, etc. In contemporary times, the term "wage" is used in a more limited sense, specifically referring to payment for hourly-rated or sales-related services for non-administrative and non-managerial workers.

Prof. Strait off defines wages as "the compensation for that work which creates utility." According to the ILO, wages refer to "the payment made by the employer to the worker for his services based on conditions of payment per hour, day, week, or per fortnight."

Jarod characterizes wages as "the remuneration that a worker gets for his services," and Benham states that wages are "a sum of money paid under an agreement by an employer to a worker for services rendered."

IV. COMPANY PROFILE

CREATIVE TECHNOLOGIES:

Creative Technology stands out as the leading Web Design Company in Hyderabad, catering to all aspects of web development and Digital Marketing strategies at a highly competitive cost. Whether you are a startup or a large enterprise, an online presence is an absolute necessity for every business.

E-commerce doesn't simply refer to a website, but a well-integrated, user-friendly, and visually appealing site is what is crucial for visitors to choose you over your competitors. Proficient at transforming creative business ideas into stunning web designs, Creative Technology offers comprehensive web solutions, including website design, development, standard e-commerce designs, graphic design, logo design, digital marketing, and online brand reputation, making them stand out among their competitors. Recognized as the premier web development company in Bangalore, Creative Technology provides fresh, CREATIVE, and interactive web solutions for your business.

Quality is never compromised at Creative Technology. It has consistently opted for quality over several other factors related to resources. The Quality Management System assesses the process of successful execution for each project, incorporating best practices and meticulous attention to detail for every endeavor. Creative is a prominent Web Design Company in Hyderabad that can provide you with a complete web solution package adhering to the highest standards, guidelines, and business values. Exceed your client's expectations and present them with more than they anticipate from you promptly.

COMPANY OBJECTIVES:

- Adoption and implementation of standards in the software development process by our experts based on current technologies and practices.
- Product life-cycle reviews to ensure ongoing compliance with standards and facilitate business growth in the current scenario.
- Maintenance and validation of products to deliver according to clients' requirements.

Establishing an effective connection in all endeavors with partners to enhance individual requirements. Creative Technology has a dedicated QA department that includes specialists to cover all possible aspects to meet the requirements. We are equipped with highly skilled QA professionals as well as dedicated developers to elevate the client's project to the level of excellence as per expectations. Our team is so efficient that they follow a systematic and step-wise process to accomplish the task, whether it involves a single effort or more, we give the utmost priority to meet the quality performance. As the QA team is not biased entirely towards the development team, the QA team is also not influenced by the project management team.

HISTORY OF CREATIVE TECHNOLOGY:

Having commenced in the year 2011, CREATIVE has successfully expanded across India (Hyderabad).

With more than 10 satisfied clients for previously delivered projects, CREATIVE is annually increasing its reach in the field and industry.

CREATIVE is a service-based organization with over 50 professionals across its Bangalore and Hyderabad branches. From a capital of INR 1,00,000 at the launch, with growing and accumulating revenue, CREATIVE is annually redefining its growth in the field and industry.

Creative has successfully undertaken projects in various sectors, including Healthcare, Financial, Illuminance, Travel and Hospitality, Technology, Government Sector, among many other diverse, private, governmental, and managerial organizations.

In the journey of more than 10 years, we have catalyzed significant changes that have positioned the company as the universal destination for all business domains.

ABOUT CREATIVE TECHNOLOGY:

Creative Technology is a professional web designing company in Hyderabad exploring creative ways to transform ideas into CREATIVE solutions for online presence across the web.

The crucial element that reflects your brand and business in this online world is the "Website," and web-related services because the entire landscape of today's business is online, and all business activities are facilitated through the service called a Website.

Creative Technology is recognized as a leading Web Design Company, dedicated to delivering compelling and effective web designs that yield tangible results for top-notch businesses and organizations. Web development has become a necessity in today's competitive world, and the expert team, with extensive experience, ensures the delivery of top-notch web solutions within the stipulated time frame. Their primary objective is not only to design a website for businesses but to stay with clients till the end, consistently updating it and providing 24/7 support, while also establishing a strong relationship with clients. As the best website designing company in Bangalore, they ensure their services align well with specific aspects like Dynamic Content, Interactive site design, better lead captures, and more, keeping the website updated and fresh.

Creative Technology is committed to offering the latest web design solutions to clients. Their skilled team uses advanced technologies such as HTML5, Bootstraps, CSS3, and Query to design a unique site that meets clients' requirements and is search engine-friendly. Their emphasis on coding is crucial as search engines focus on coding rather than design and text while crawling for indexing purposes.

The completion of a project involves thorough testing of each element across different browsers (such as IE, Firefox, Chrome) and devices (Mobile, Tablet, Computers) to ensure that the designed website is responsive and browser-friendly. The team at Creative Technology combines technical and design expertise to ensure clients receive the best return on investment for their web development.

Designs play a crucial role in engaging users, surpassing the importance of content. With an CREATIVE team, Creative Technology uses the latest tools such as CorelDraw, Adobe Suite, Illustrator, etc., to create visually

appealing designs. By placing images in a way that attracts viewers and conveys the intended message, the team ensures the content is more noticeable than a simple text over a generic page.

In addition to development and design, Creative Technology has a proficient team dedicated to content writing, adding value to the existing services. The success of a particular website depends on the accurate information delivered alongside creative design. The web design services offered by CREATIVE will collaborate with clients to enhance business-related information and enable full control over content.

DATA ANALYSIS AND INTERPRETATION

1.

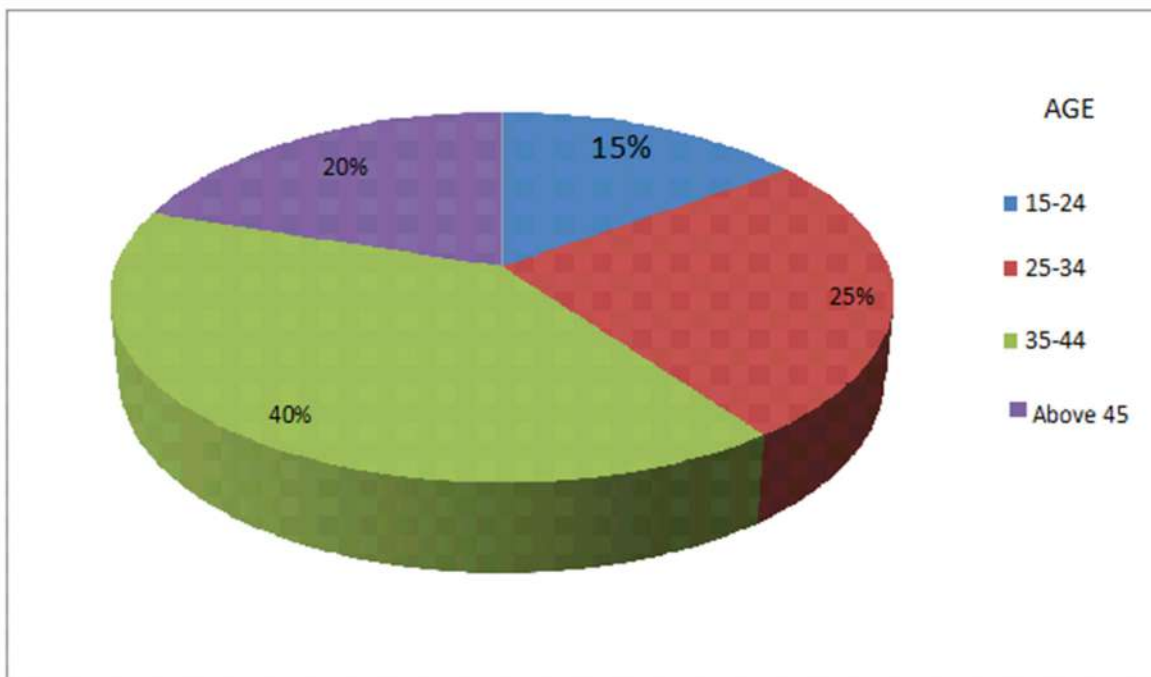
AGE GROUP OF THE RESPONDENT

S.NO	AGE	No. Of respondent	Percentage
1	15-24	22	15
2	25-34	38	25
3	35-44	60	40
4	Above 45	30	20
	Total	150	100

INTERPRETATION

From the above table it is inferred that 40% of the respondents age group is 35-44, 25% of the respondents are in the age group is 25- 34, 20% of the respondents are in the age group above 45 and 15% of the respondents are in the age group of 15 -24.

AGE GROUP OF THE RESPONDENTS



2.

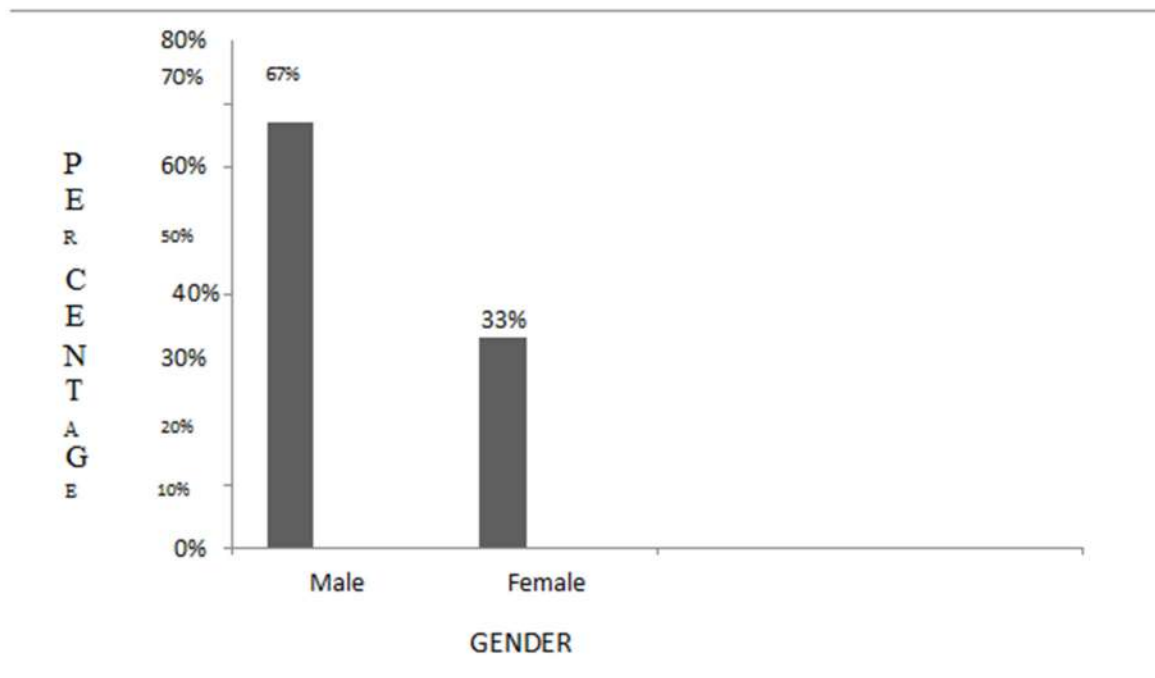
GENDER OF THE RESPONDENT

S.NO	Gender	No. Of respondent	Percentage
1	Male	100	33
2	Female	50	67
3	Total	150	100

INTERPRETATION:

From the above table it is inferred that 67% of the respondents are male and 33 %of the respondents are female.

GENDER OF THE RESPONDENT



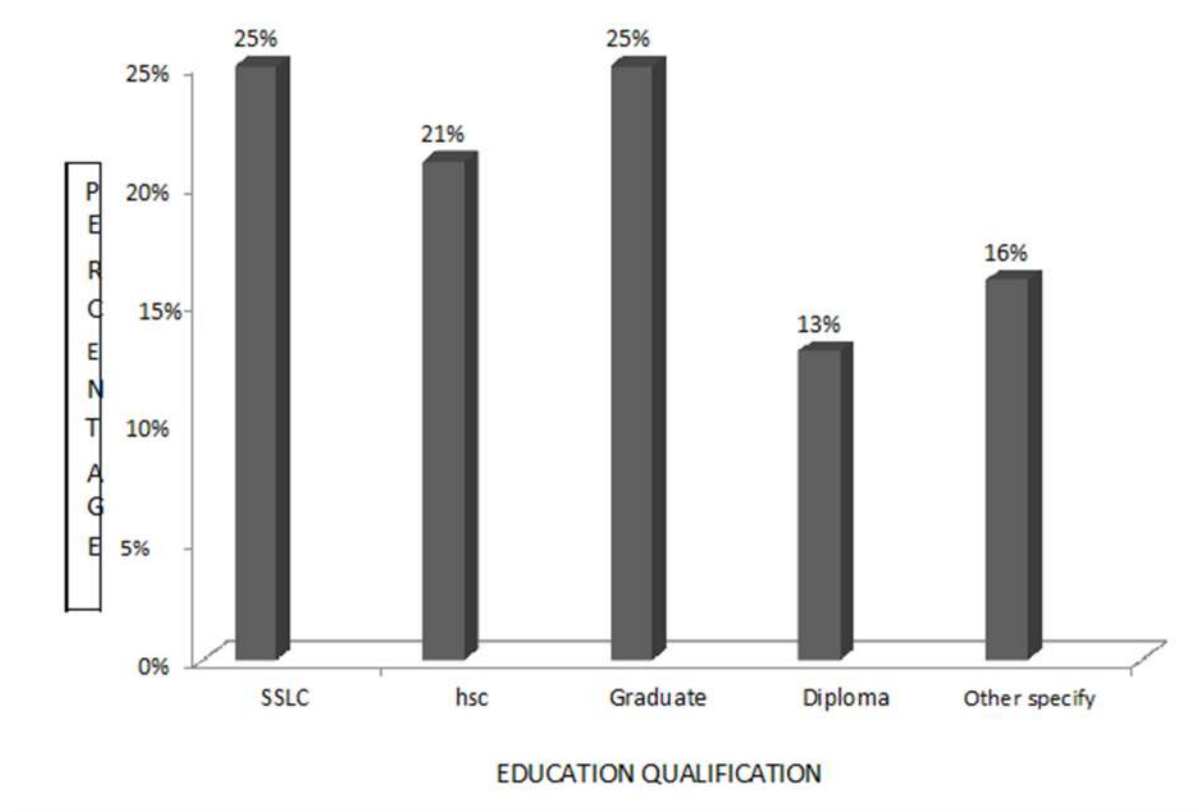
3. EDUCATION QUALIFICATION OF RESPONDENTS

S.NO	Educational qualification	No. of respondent	Percentage
1	SSLC	38	25
2	Hsc	32	21
3	Graduate	37	25
4	Diploma	20	13
5	Other specify	23	16
	Total	150	100

INTERPRETATION

From the above table it is inferred that 25 % of the respondents completed SSLC & Graduation respectively, 21% of the respondents completed HSC, 13 % of the respondents completed diploma and 16 % the respondents completed technical courses.

EDUCATION QUALIFICATION OF RESPONDENTS



4.

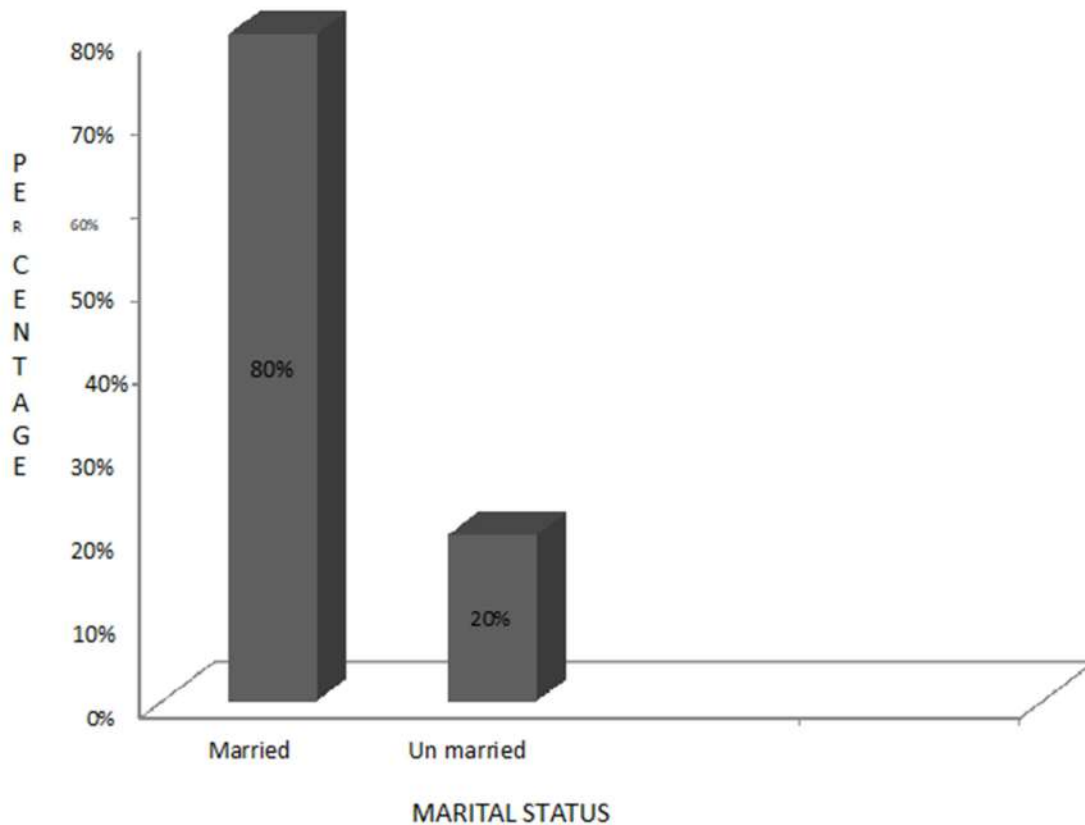
MARITAL STATUS OF RESPONDENTS

S.NO	Marital status	No. Of Respondent	Percentage
1	Married	120	80
2	Un married	30	20
3	Total	150	100

INTERPRETATION

from the above table it is inferred that 80% of respondents are married and 20 % of respondents are unmarried.

MARITAL STATUS OF RESPONDENTS

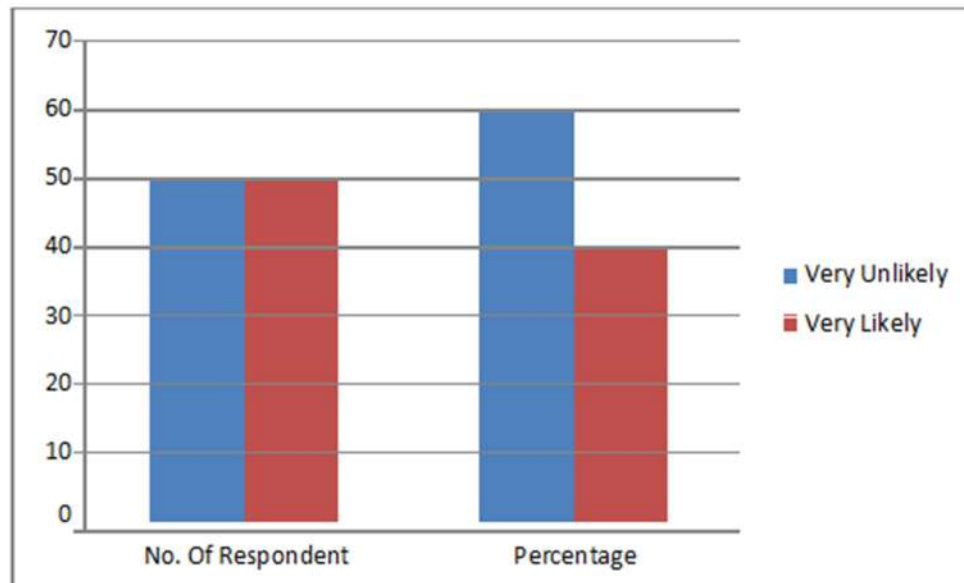


5. How likely are you to recommend your friends and family to work with us?

S.NO	Recommend	No. Of Respondent	Percentage
1	Very Unlikely	50	60
2	Very Likely	50	40
	Total	100	100

INTERPRETATION

From the above table it is inferred that the respondents for very unlikely were 60% whereas for very likely it is 40%.

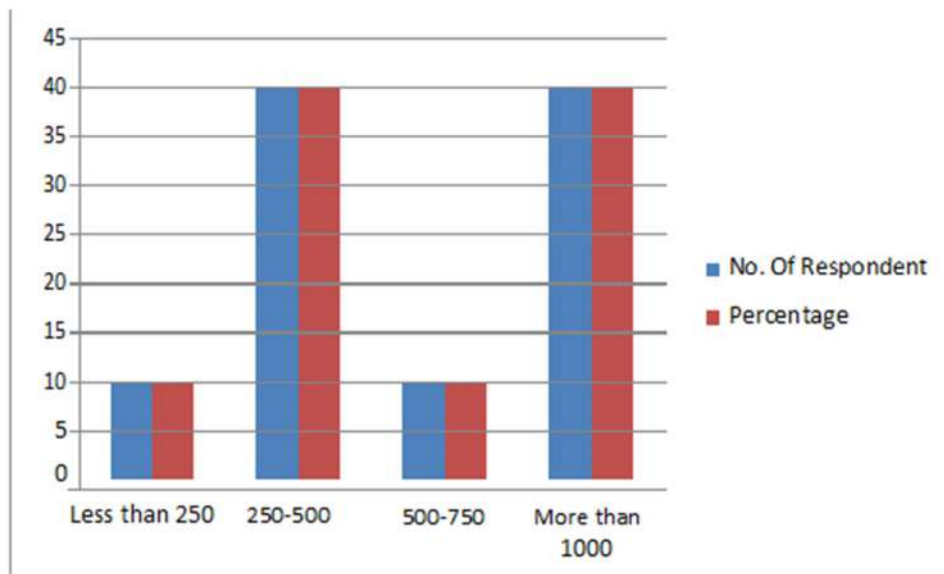


6. What is the number of employee in your organization?

S.NO	No of employees	No. Of Respondent	Percentage
1	Less than 250	10	10
2	250-500	40	40
3	500-750	10	10
4	More than 1000	40	40
	Total	100	100

INTERPRETATION

From the above table it is inferred that the respondents for employees were 10% for less than 250 and for 250 to 500 it was 40% 10% was 500 to 750 and for more than 1000 it was 40%.

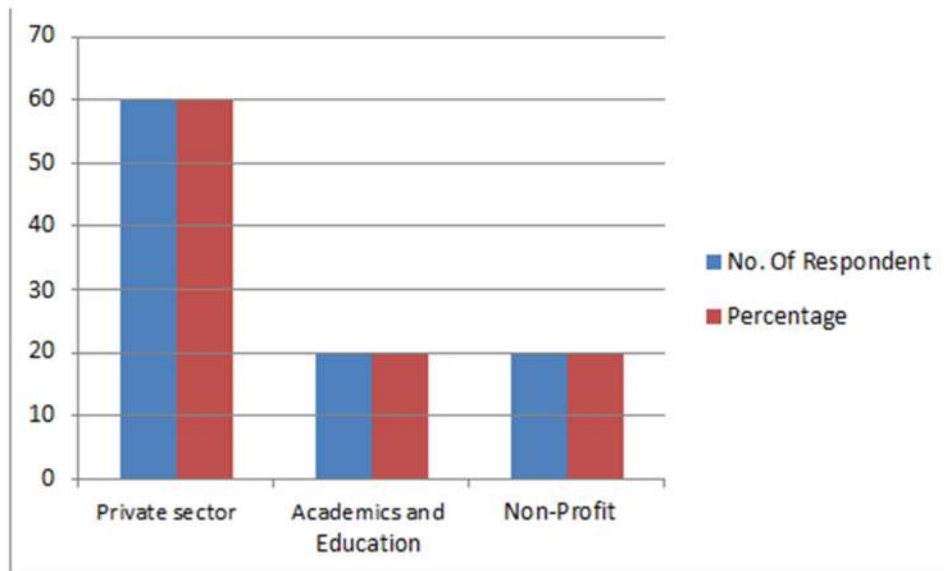


7. Please select your organization type

S.NO	Organization type	No. Of Respondent	Percentage
1	Private sector	60	60
2	Academics and Education	20	20
3	Non-Profit	20	20
	Total	100	100

INTERPRETATION

From the above table it is inferred that the organization type respondents were 60% for private sector and 20% for academics and education remaining 20% were for non-profit.



FINDINGS

- Examining the table above reveals that 40% of respondents fall within the age range of 35-44, 25% are in the age group of 25-34, 20% belong to the age group exceeding 45, and 15% are in the age group of 15-24.
- The data presented in the table indicates that 67% of the respondents are male, while 33% are female.
- Analysis of the table demonstrates that 25% of respondents completed SSLC and Graduation respectively, 21% completed HSC, 13% attained certification, and 16% completed specific courses.
- The table illustrates that 80% of respondents are married, with the remaining 20% being unmarried.
- Based on the table, it can be inferred that 60% of respondents expressed dissatisfaction, while 40% indicated satisfaction.
- Examination of the table suggests that respondents' income distribution is as follows: 10% earn less than 250, 40% earn between 250 and 500, 10% earn between 500 and 750, and 40% earn more than 1000.

- The data in the table indicates that 60% of respondents belong to the private sector, 20% are in academics and education, and the remaining 20% are associated with non-profit organizations.
- From the table, it can be gathered that 60% of respondents answered "yes," while 40% answered "no."
- The table reveals that 80% of respondents answered "yes" to a specific question, while 20% answered "no."
- Analysis of the table shows that respondents' preferences for compensation methods are as follows: 50% for Fixed compensation system, 20% for Variable compensation structure, and 30% for Balanced-Debt Method.
- From the presented table, it can be deduced that 20% of employee respondents aim to stay within the industry work market, 10% aim to stay ahead of the industry work market, and 40% aim to stay in line with industry pay practices.

V. RECOMMENDATIONS & CONCLUSIONS

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