

# COMPENSATION MANAGEMENT IN BHARATI AXA TRICHY-A STUDY

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## Abstract

Employees need to be compensated for their efforts based on volume of time or volume of production. Compensation refers to all forms of financial rewards received by employees. It arises from their employment. It occupies an important place in the life of the employee. It is a considerable cost to the employer. Compensation dissatisfaction can lead to absenteeism, turnover, job dissatisfaction, low performance, strikes and grievances. Majority of labor-management disputes relate to compensation. Compensation is a key factor in attracting and keeping the best employees and ensuring that the organization has the competitive edge in an increasingly competitive world. This research guidelines, and examples provided in this report will help you tackle this challenging but crucial responsibility.

KEYWORD: Compensation, Rewards, Performance, Disputes

## INTRODUCTION

In today's intensely competitive and global marketplace, competitive advantage lies not just in differentiating a product or service or in becoming the low cost leader but in also being able to tap the company's special skills or core competencies. Therefore skilled and efficient employees of a company are now considered as one of the core competencies of the company. Especially for power industry; skilled, efficient and motivated employees are must which requires specialized, technical and scientific knowledge and expertise. To attain such objectives HR plays a vital role and one of the most used tools by HR in order to ensure motivation for each and every employee is a satisfactory "Compensation Package".

Employees need to be compensated for their efforts based on volume of time or volume of production. Compensation refers to all forms of financial rewards received by employees. It arises from their employment. It occupies an important place in the life of the employee. It is a considerable cost to the employer. Compensation dissatisfaction can lead to absenteeism, turnover, job dissatisfaction, low performance, strikes and grievances. Majority of labor-management disputes relate to compensation. Compensation is a key factor in attracting and keeping the best employees and ensuring that the organization has the competitive edge in an increasingly competitive world.

The Compensation Management component enables to differentiate between the remuneration strategies and those of competitors while still allowing flexibility, control and cost effectiveness. It provides a toolset for strategic remuneration planning that reflects the organization culture and pay strategies and it empowers line managers within a framework of flexible budget control.

Compensation Management allow to control bottom-line expenditures and offer competitive and motivating remuneration, be it fixed pay, variable pay, stock options, merit increases, or promotion – in other words, total compensation.

Compensation has an impact on attracting, retaining and motivating the executive. Disparities in compensation pattern often lead to dissatisfaction among executives. To make the executives comfortable to the extent possible and further to keep them from turning hostile, private companies have been giving in recent years, bigger and more frequent rises in salaries. Companies have started looking at executive compensation more proactively so that they can expect better performance from them.

**OBJECTIVES OF THE STUDY**

- To examine the socio-economic conditions of employees working in Bharti Airtel in Chennai.
- To identify the perception of employees compensation in telecom industries at Chennai.
- To analyse the level of satisfaction of employees regarding the benefits and Compensation provided by the management of telecom industries at Chennai.
- To determine the general problems faced by the Bharti Airtel in Chennai.
- To analyse the association between employee benefits and compensation in Bharti Airtel, Chennai.
- To find pitfalls and to offer suggestions to improve the performance of the employees keeping in view the goals of the organization.

**SCOPE OF THE STUDY**

Since it was contemplated to highlight the opinion of the respondents on HR practices like recruitment, training and development, compensation, retention and attrition, Telecom employees have been considered. Though the study has focused on the opinion of the respondents regarding HR practices, it takes into account employment characteristics with reference to recruitment, training and development, compensation, retention and attrition.

**RESEARCH METHODOLOGY**

The present study is a descriptive one, based on the survey method.

**LIMITATIONS OF THE STUDY**

Some of the difficulties encountered by the researcher were:

- Finding the required respondents during their working hours is difficult owing to the availing of personal leave by them.
- Contacting respondents, getting them free from work and motivating them to answer the questionnaires took more time.
- The results arrived from interpretation of data may not be applicable to other industries.
- Cent percent generalization from the data may not be advisable.

**TABLE 1**

**NAME OF THE DEPARTMENT WISE RESPONDENTS**

SL.NO	DEPARTMENT	RESPONDENTS	PERCENTAGE
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1	Personnel Management	2	2
2	Payroll Accounting	18	14
3	Time & Labor	19	15
4	Compensate Employees	21	16
5	Self-Service Human Resources	23	18
6	Incentive Compensation	11	8
7	Organizational Management	5	4
8	Personnel Development	2	2
9	Laming Management	5	4
10	Benefits	6	5
11	Recruitment	11	8
12	HR Intelligence	7	5
Total		130	100

**Source: Primary Data**

### **INTERPRETATION**

The above data shows Self Service-Human activity have the leading position with 18 percentage, Compensate employees have the next position with 16 percentages. Time & labor have 15 percentage and Payroll accounting 14 percentages. Rest of the percentages are shared by the rest of the options.

**TABLE 2**

### **COMPANY ORGIN WISE RESPONDENTS**

<b>SL.NO</b>	<b>COMPANY ORIGIN</b>	<b>RESPONDENTS</b>	<b>PERCENTAGE</b>
1	Indian	125	96
2	MNC	5	4

Total	50	100
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**Source: Primary Data**

**INTERPRETATION**

The above data shows Indian respondents are leading position with 96 percentage and rest of the percentage by MNC with 4 percentage.

**TABLE 3  
EXPERIENCE WISE RESPONDENTS**

SL.NO	EXPERIENCE	RESPONDENTS	PERCENTAGE
1	<3 Years	66	51
2	3 to 5 Years	51	39
3	6 to 15 Years	7	5
4	More than 15 Years	6	5
Total		130	100

**Source: Primary Data**

**INTERPRETATION**

The above data shows <3 Years respondents are shows leading position with 51 percentage, the second position hold by 3 to 5 Years respondents with 39 Percentage. The third position captured by 6 to 15 Years with 5 percentage also final value is more than 15 years with 5 percentage.

**TABLE 5  
HRP PROCESSES WISE RESPONDENTS**

SL.NO	HRP PROCESSES	RESPONDENTS	PERCENTAGE
1	Forecasting	50	38

2	Preparing	42	32
3	Identifying	27	21
4	Formulating	11	8
Total		130	100

**Source: Primary Data**

### **INTERPRETATION**

The above data shows Forecasting respondents are shows leading position with 38 percentage, the second position hold by Preparing respondents with 32 Percentage. The third position captured by Identifying with 21 percentage also final value is Formulating with 8 Percentage.

**TABLE 6**

### **RECRUITMENT PROCESS WISE RESPONDENTS**

<b>SL.NO</b>	<b>RECRUITMENT PROCESS</b>	<b>RESPONDENTS</b>	<b>PERCENTAGE</b>
1	Identifies position	3	2
2	Prepare job details	26	20
3	Advertising	22	17
4	Managing	28	22
5	Short listing	25	19
6	Arrange Interviews	13	10

7	Conducting	7	5
8	Decision making	6	5
Total		130	100

**Source: Primary Data**

### **INTERPRETATION**

The above data shows job detail preparing and recruitment process managing activities lead the table with 22 and 20 percentages, and short listing and short listing and advertising options have 19 and 17 percentage. The rest of the options are rest of percentage.

**TABLE 7**  
**SELECTION PROCESS WISE RESPONDENTS**

<b>SL.NO</b>	<b>SELECTION PROCESS</b>	<b>RESPONDENTS</b>	<b>PERCENTAGE</b>
1	Preliminary	3	2
2	Screening	26	20
3	Selection	22	17
4	Background	28	22
5	Medical/ Physical	25	19
6	Reference	13	10
7	Job offer	7	5
8	Employment	6	5

Total	130	100
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**Source: Primary Data**

**INTERPRETATION**

The above data shows Background operations and screening process have the leading in the table determination with 22 and 20 percentages. Medical/Physical and selection process have the secondary options with in the table have 19 and 17 percentage. Rest of the options shares the rest of percentages.

**TABLE 8  
ORGANISATION INFORMATION WISE RESPONDENTS**

SL.NO	ORGANISATION INFORMATION	RESPONDENTS	PERCENTAGE
1	Daily work	66	51
2	Concern Policies	51	39
3	Incentives	7	5
4	Welfare activities	6	5
Total		130	100

**Source: Primary Data**

**INTERPRETATION**

The above data shows Daily work respondents are shows leading position with 51 percentage, the second position hold by Concern Policies respondents with 39 Percentage. The third position captured by Incentives with 5 percentage also final value is welfare actives with 5 percentage

**TABLE 9  
EMPLOYEE TRAINING WISE RESPONDENTS**

<b>SL.NO</b>	<b>EMPLOYEE TRAINING</b>	<b>RESPONDENTS</b>	<b>PERCENTAGE</b>
1	Job Analysis	18	14
2	Training Report	22	17
3	Identification	19	15
4	Analysis Report	29	22
5	Designing	16	12
6	Trainer Details	6	5
7	Performance Info	8	6
8	Result	12	9
Total		130	100

**Source: Primary Data**

### **INTERPRETATION**

The above data shows Analysis report lead the table with 22 percentages. The second position taken by Training report with 17 percentages. Identification and Designing process are on the secondary position with 17 and 15 percentage. Rest of the options are shares the rest of the percentages.

**TABLE 10**

### **CAREER DEVELOPMENT WISE RESPONDENTS**

<b>SL.NO</b>	<b>CAREER DEVELOPMENT</b>	<b>RESPONDENTS</b>	<b>PERCENTAGE</b>
1	Performance Standards	15	12



2	Communicating	21	16
3	Measuring	19	15
4	Comparing	31	24
5	Communicating	17	13
6	Directing	5	4
7	Determining	10	8
8	Calculating	12	9
Total		130	100

**Source: Primary Data**

### INTERPRETATION

The above data shows comparing option lead the table with 24 percentage. Anthe second position taken by 16 percentage. Measuring and Communicating Process have the secondary options with 15 and 12 percentage. Rest of the options are shares the rest of the percentages.

**TABLE 11**

### COMPENSATION PROCESS WISE RESPONDENTS

SL.NO	COMPENSATION PROCESS	RESPONDENTS	PERCENTAGE
1	Direct & Indirect Payments	8	6
2	Wage & Salary Management	19	15

3	Incentive & Awards	21	16
4	Wage & Pay Commissions	32	25
5	Social Security	21	16
6	Health & Safety	8	6
7	Accident Related	9	7
8	Cumulative	12	9
Total		130	100

**Source: Primary Data**

### **INTERPRETATION**

The above data shows Wage & Pay Commissions activity lead the table with 25 percentages. Incentive & awards and social security operations are in the secondary options with each 16 percentage. Wage and Salary management have 15 percentage of respondents and rest of the operational are share the rest of the percentages.

**TABLE 12**

### **DATA MAINTENANCE PROCESS WISE RESPONDENTS**

<b>SL.NO</b>	<b>DATA MAINTENANCE</b>	<b>RESPONDENTS</b>	<b>PERCENTAGE</b>
1	Personal Information Report	31	24
2	HR Planning Report	12	9
3	Hr development Report	19	15

4	Recruitment Report	21	16
5	Compensation Report	29	22
6	PA Report	5	4
7	Health and Safety Report	3	2
8	Labour Relationship Report	10	8
Total		130	100

**Source: Primary Data**

### INTERPRETATION

The above data shows personal management activity lead the table with 24 percentages. Compensation report and Recruitment Report operations are in the secondary options with 22 and 16 percentage. HR development report management have 15 percentage of respondents and rest of the operational are share the rest of the percentages.

**TABLE 13**

### INFORMATION GENERATED FROM MANAGER WISE RESPONDENTS

SL.NO	INFORMATION GENERATED FROM MANAGER	RESPONDENTS	PERCENTAGE
1	Highly Satisfied	49	38
2	Satisfied	34	26
3	Dissatisfied	29	22
4	Highly dissatisfied	18	14

Total	130	100
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**Source: Primary Data**

### INTERPRETATION

The above data shows Highly Satisfied respondents are shows leading position with 38 percentage, the second position hold by Satisfied respondents with 26 Percentage. The third position captured by Dissatisfied with 22 percentage also final value is Highly dissatisfied with 14 Percentage

**TABLE 14**  
**INFORMATION GENERATED FROM ORGANIZATION WISE**  
**RESPONDENTS**

SL.NO	INFORMATION GENERATED FROM ORGANIZATION	RESPONDENTS	PERCENTAGE
1	Highly Satisfied	42	32
2	Satisfied	37	28
3	Dissatisfied	28	22
4	Highly dissatisfied	23	18
Total		130	100

**Source: Primary Data**

### INTERPRETATION

The above data shows Highly Satisfied respondents are shows leading position with 32 percentage, the second position hold by Satisfied respondents with 28 Percentage. The third position captured by Dissatisfied with 22 percentage also final value is Highly dissatisfied with 18 Percentage

### FINDINGS

- Indian respondents are leading position with 96 percentage and rest of the percentage by MNC with 4 percentage.
- <3 Years respondents are shows leading position with 51 percentage, the second position hold by 3 to 5 Years respondents with 39 Percentage. The third position captured by 6 to 15 Years with 5 percentage also final value is more than 15 years with 5 percentage.
- Less than 100 Employees respondents are shows leading position with 37 percentage, the second position hold by 101 to 300 respondents with 27 Percentage. The third position captured by 301 to 2,000 Employees with 23 percentage also final value is 2,001 and more Employees with 13 Percentage
- Forecasting respondents are shows leading position with 38 percentage, the second position hold by Preparing respondents with 32 Percentage. The third position captured by Identifying with 21 percentage also final value is Formulating with 8 Percentage.
- job detail preparing and recruitment process managing activities lead the table with 22 and 20 percentages, and short listing and short listing and advertising options have 19 and 17 percentage. The rest of the options are rest of percentage.
- Background operations and screening process have the leading in the table determination with 22 and 20 percentages. Medical/Physical and selection process have the secondary options with in the table have 19 and 17 percentage. Rest of the options shares the rest of percentages.
- Daily work respondents are shows leading position with 51 percentage, the second position hold by Concern Policies respondents with 39 Percentage The third position captured by Incentives with 5 percentage also final value is welfare actives with 5 percentage
- Analysis report lead the table with 22 percentages. The second position taken by Training report with 17 percentages. Identification and Designing process are on the secondary position with 17 and 15 percentage. Rest of the options are shares the rest of the percentages.
- Identification respondents are shows leading position with 35 percentage, the second position hold by individual respondents with 29 Percentage. The third position captured by skills with 21 percentage also final value is opportunities with 15 Percentage
- comparing option lead the table with 24 percentage. Anthe second position taken by 16 percentage. Measuring and Communicating Process have the secondary options with 15 and 12 percentage. Rest of the options are shares the rest of the percentages.
- Wage & Pay Commissions activity lead the table with 25 percentages. Incentive & awards and social security operations are in the secondary options with each 16 percentage. Wage and Salary management have 15 percentage of respondents and rest of the operational are share the rest of the percentages.
- HR development activity lead the table with 25 percentages. Employee – employer communication and Recruitment operations are in the secondary options with each 16 percentage. Personal information management have 15 percentage of respondents and rest of the operational are share the rest of the percentages.
- personal management activity lead the table with 24 percentages. Compensation report and Recruitment Report operations are in the secondary options with 22 and 16 percentage. HR development report management have 15 percentage of respondents and rest of the operational are share the rest of the percentages.
- Highly Satisfied respondents are shows leading position with 38 percentage, the second position hold by Satisfied respondents with 26 Percentage. The third position

captured by Dissatisfied with 22 percentage also final value is Highly dissatisfied with 14 Percentage

## **SUGGESTIONS**

Policy basically implies that the management of organizations think futuristically to handle the difficult situations in future. They try to define the future/ intended course of action. The problem of employee Compensation management is a perennial problem in the labour scarce industry like the IT. Hence, it is imperative that the managements in this industry should have their policies defined as to how they should be deal with the problem and restrict the problem affecting the organization. Though we have listed 24 strategies the IT companies in Trichy have adopted, it is suggested that they need to think and adopted their policies on employee Compensation management giving significance to the following strategic areas of employee Compensation management

## **CONCLUSION:**

Effective managing Compensation management in your organization isn't easy. It takes extensive analysis, a thorough understanding of the many strategies and practices available and the ability to put Compensation management plans into action and learn from their outcomes. But given the increasing difficulty of keeping valued employees on board in the face of major shifts in the talent landscape, it is well worth the effort. To get the most from your Compensation management plans, you will need to Analyze the nature of turnover in your organization and the extent to which it is a problem. Understand research findings on the drivers of employee turnover and the ways in which workers make turnover decisions it should affected productivity. Job Design, implements, and evaluates strategies to improve Compensation management in ways that meet your organization's unique needs. This research guidelines, and examples provided in this report will help you tackle this challenging but crucial responsibility.

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