

## An Empirical Study on Payscale Measurement Practices in Hospitals Sector

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### ABSTRACT

Human resource management practices are to manage the employee salaries, benefits and allowances in systemic manner. It involves managing a payroll department by introducing them to the most applicable core management skills. It builds on the foundation of a Payroll Compliance Practitioner's experience, knowledge and application of legislative monitoring and effective communication of payroll programs and policies. The research is descriptive type of research. The data was collected from the employees working in the Care Hospital, Hyderabad, Andhra Pradesh, India. The instruments were prepared using Likert Scale, i.e., ordinal scale. The data was analysis using Statistical Package for the Social Sciences (SPSS) correlation, Regression, and Chi-Square test.

**Keywords:** human capital management, human resource management (HRM), pay scale

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### INTRODUCTION

This is to guarantee the accessibility of a skilled and willing workforce to an association. To recognize the role of human resource management in bringing about organizational effectiveness and supporting all the departments functions. To assist employees in achieving employee personal goals, at least insofar as these goals enhance the individual's contribution to the organization.

The objective of the human resource management is sought to be met by discharging functions as human resource (HR) planning, recruitment and selection, training and development and performance appraisal.

Human resource management refers to the environment within which human resource professionals need to function. The forces are political, legal, economic, technological, cultural, unions, organizational culture and conflict, and professional bodies. The first four together forms the external environment and the

last three factors constitute the internal environment of the human resource department.

Human resource management actively involved in employee audit process, employee engagement activities, compensation benefits, leave management, statutory benefits, and employee appraisal systems for motivating the employees and function the effective organization. Payroll system software was developed for organizing employee activities, i.e., salaries, calculating wages, taxes and deduction, printing, exit management, absentees, incentive calculation, printing of bills.

### REVIEW OF LITERATURE

According to Zena Brand, Elisa Lane, Richard Wilson (2001), a payroll system plays the online analysis payroll information of a prior period of analysis. As per his research consider, payroll software was developed for improving the efficiency of human resource in banking sector. The system was determining

working segment salaries based according to the shift rates and employee's payment rates for the shift allowance.

According to James Canfield (2005) stated that computers are improving the efficiency and faster the human resource process and transparency in the work efficiency. The research was conducted in the manufacture industries and calculating the information like database of the employees and assigning the roles and promotion through online.

### OBJECTIVE

To study impact of human resource management practice among the employees working in the health care sector.

### RESEARCH PROBLEM

- Employee audit process and employee engagement activates can improve employee performance in the organization.
- Employees are satisfied with their salary and pay scale management practices in organization.

### SCOPE OF THE STUDY

- This study can have added value to the HR personal.
- Study helps to understand employee needs matches with respect to compensation in the organization.
- The study came enough evidence about impact of pay scale management among the employee This study can added value to the HR personal
- The study came enough evidence about impact of pay scale management among the employees.

### SIGNIFICANCE

- Organization rewards monetary benefits/non-monetary benefits of the employees.
- Fair wage practices as per market competitors.
- Company allow employee to avail the leave benefits when requested like Sick

Leave (SL), Earned Leaves (EL), maternity leaves (ML).

### RESEARCH METHODOLOGY

#### Data Source

**Primary data:** The primary data was collected by survey method, which is conducted by taking feedback of the employees through structured questionnaires.

**Secondary data:** The secondary data was collected from various websites.

**Sample size:** The sample size in the current study is taken 100 employees in the organization.

**Sampling Technique:** For the collection of data researcher used convenience sampling in the form of structured questionnaire.

**Tools and Techniques:** The research data was analyzed using percentage table and bar diagrams.

### LIMITATIONS

- The research is restricted to employees working in Care Hospital Hi-tech city, Hyderabad.
- The research is instructed to doctors, nurses, managers, technicians, assistants, and executives.
- The questionnaires are prepared only on topics of pay scale management.
- The project work is done time duration 60 days, i.e., 1<sup>st</sup> May 2017 to 30<sup>th</sup> June 2017.

### DATA ANALYSIS

*Table 1. Age of the respondents.*

Age	Respondents	Percentage
20–25	37	37%
26–30	42	42%
31–35	12	12%
36–40	6	6%
41 and above	3	3%
Total	100	100%

*Analysis:* From the Table 1, 37% of the employees are 20–25 years of age, 42% of the employees are 26–30 years, 12% of the employees are 31–35 years, 6% of the employees are 36–40 years and 3% of the employees are 41 years old and above.

*Analysis:* From the above table 2. 41% of the employees are nurses, 18% of the employees are doctors and the sample related to other departments are less in number.

*Analysis:* From Table 4, 67% employees are with the qualification degree, 2% with diploma degree, 1% with inter, 29% with PG, 1% with SSC.

*Analysis:* According to Table 5, the reliability test, the Cronbach’s Alpha value is 0.807 means, the instruments are significant.

*Analysis:* According to the Table 6. mean value is 4.17 means employees audit process in organization are effective.

*Analysis:* According the table no. 9, employee audit process in organization has

positive correlation between statutory benefits, employee’s appraisal systems, employees’ engagement and employees pending process.

**Hypothesis Testing (Chi-Square)**

*Hypothesis 1*

- H1a: Organization is concentrating on employee engagement
- H10: Organization is not concentrating on employee engagement  
(Reference table no 7,8,10,11, & 12)

**Hypothesis 2**

- H2a: Employees are satisfied with compensation benefits
- H20: Employees are not satisfied with compensation benefits

**Table 2. Departments of the respondents.**

Department	Respondents	Percentage
BD	2	2%
Bio Medical	2	2%
Communication	4	4%
CSSD	1	1%
Doctor	18	18%
Emergency	1	1%
Finance	4	4%
Front office	2	2%
HID	2	2%
Hospital Administration	3	3%
IMA	1	1%
Internal Audit	1	1%
Internal Medicine	2	2%
Lab	7	7%
Nursing	41	41%
Ophthalmology	1	1%
PRE	5	5%
Pulmonology	1	1%
Purchase	1	1%
Quality	1	1%
Total	100	100%

**Table 4. Qualifications of respondents**

Qualification	Respondents	Percentage
Degree	67	67%
Diploma	2	2%
Inter	1	1%
PG	29	29%
Secondary School Certificate SSC	1	1%
Total	100	100%

**Table 5. Reliability Test**

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.807	0.821	20

**Table 6. T-Test**

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Employees Audit Process in Organization	100	4.1700	.63652	.06365
Employees Engagement	100	3.8500	.90314	.09031
Compensation Benefits on Employees	100	3.2200	1.05006	.10501

**Table 7. One-Sample test between employee audit, employee engagement & Compensation**

One-Sample Test						
	Test Value = 0			Mean Difference	95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)		Lower	Upper
	Employees Audit Process in Organization	65.513	99		.000	4.17000
Employees Engagement	42.629	99	.000	3.85000	3.6708	4.0292
Compensation Benefits on Employees	30.665	99	.000	3.22000	3.0116	3.4284

**Table 8. Correlation between Leave management with employee's audit process**

Correlations			
		Leaves Management	Employees Audit Process in Organization
Leaves Management	Pearson Correlation	1	.065
	Sig. (2-tailed)		.524
	N	100	100
Employees Audit Process in Organization	Pearson Correlation	.065	1
	Sig. (2-tailed)	.524	
	N	100	100

**Table 9. Factor Analysis.**

Correlation Matrix						
		EAP	EAS	EE	SB	EP
Correlation	Employees Audit Process in Organization (EAP)	1.000	.440	.238	.415	.248
	Employees Appraisal System (EAS)	.440	1.000	.126	.326	.181
	Employees Engagement (EE)	.238	.126	1.000	.323	.267
	Statutory Benefits (SB)	.415	.326	.323	1.000	.319
	Employees Pending (EP)	.248	.181	.267	.319	1.000

**Table 11. Compensation Benefits on Employees**

**Table 10. Employees Engagement**

Employees Engagement			
	Observed N	Expected N	Residual
Strongly Disagree	2	20.0	-18.0
Disagree	5	20.0	-15.0
Natural	22	20.0	2.0
Agree	48	20.0	28.0
Strongly Agree	23	20.0	3.0
Total	100		

Compensation Benefits on Employees			
	Observed N	Expected N	Residual
Strongly Disagree	7	20.0	-13.0
Disagree	14	20.0	-6.0
Natural	40	20.0	20.0
Agree	28	20.0	8.0
Strongly Agree	11	20.0	-9.0
Total	100		

**Table 12. Chi-Square test Results**

Test Statistics		
	Employees Engagement	Compensation Benefits on Employees
Chi-Square	67.300 <sup>a</sup>	37.500 <sup>a</sup>
Degree of freedom (df)	4	4
asymptotic significance	.000	.000
a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0.		

**Hypothesis 1**

- Chi-Square calculate value is 67.30
- Chi-Square table value is 9.487, degree of freedom is 4
- Significant Value: 0.05 (5%)
- The chi-square table value is less than Chi square calculate value i.e., organization is concentrating on employee engagement.

**Hypothesis 2**

- Chi-Square Calculate value is 37.50
- Chi-Square table value is 9.487, degree of freedom is 4
- Significant Value: 0.05 (5%)

The Chi-Square table value is less than Chi-Square calculate value, i.e., employees are satisfied with compensation benefits.

**Findings**

- 60% of the employees agree and satisfied that the payroll records are properly audited and filed as per the Standard operating procedures (SOP) standards.
- Most of the employees are satisfied with market standards of the company.
- 42% of the employees are agree and satisfied with appraisal process of the company.
- 48% of the respondents from the collected sample are agreed to get rewarded by monetary/non-monetary benefits.
- Employees are not satisfied with Over Time (OT) allowances given by the company.
- 14% of the respondents are not satisfied with the compensation given by the company.
- All the employees in the organization are paid through bank accounts.

**CONCLUSION**

The study had confirmed that the employees are not highly satisfied with compensation given by the company. Very frequently engagement activities are done by the company. It will allow the employees to take leaves such as CL, EL, SL and maternity leaves. Most of the employees agree and satisfied that the payroll records are properly audited and filed as per the SOP standards. Employees are not satisfied with OT allowances given by the company. Company must give OT, allowances and reimbursement who are eligible. They must increase the compensation benefits given to the employees.

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