

A Study of Wage and Salary Administration in Simplex Mills Co. Ltd



Commerce

KEYWORDS : Wage, Salary, Administration, Compensation, Remuneration.

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ABSTRACT

Wage and Salary Administration deals with establishment and implementation of sound policies and practices of employee's compensation. It includes job evaluation, surveys of wage and salaries, analysis of organizational problems, development and maintenance of wage structure, establishing rules for administering wages, wage, incentives, profit sharing, wage changes and adjustments, supplementary payments, compensation costs etc. The Primary data collected through questionnaire and interview method. Secondary data collected through books, journals and internet. All respondents got regular wages and salaries, wage incentives and other facilities also. Their relationship with management is sound.

Introduction:

In accordance with the system of National Accounts, wages and salaries include the value of any social contribution, income tax, etc., payable to the employee even if they are actually withheld by the employer for administrative convenience or other reasons and paid directly to social insurance schemes, tax authorities, etc., on behalf of the employee. Wages and salaries may be paid in various ways, including goods or services provided to employees for remuneration in kind instead of, or in addition to, remuneration in cash.

Wages and salaries in cash consist of wages of salaries payable at regular basis like weekly, monthly or other intervals, including payments by results and piecework payments; plus allowance such as those for working overtime; plus amounts paid to employees away from work for short periods (e.g., on holiday); plus ad hoc basis and similar payments; plus commissions, gratuities and tips received by employees.

Wages and salaries in kind consist of remuneration in the form of goods and or services that are not necessary for work and can be used by employees in their own time, and at their own discretion, for the satisfaction of their own needs or wants or those of other members of their households.

Money is ranked as a key motivator as well as a reason for us to seek employment. This unit is designed to provide an understanding of the key challenges that compensation/salary management poses for the enterprise. The terms Wage /salary/ compensation are often used as synonyms. The term wage is usually associated with contractual employee whose pay is calculated according to the number of hours worked/units produced. The word salary/compensation applies to the remuneration that is paid for a fixed period and does not depend upon the number of hours worked. It is associated with white collar workers. Certain theories were propounded for determination of wages but these could not stand the test of time.

Simplex Mills Co. Limited is a leading manufacture & supplier of quality Industrial fabrics, yarns & wearable fabrics. The company was established in 1912 & it has played a pioneering role in evolution of Indian Textile Industry. They have ten decades of rich & practical experience in the business of textiles. With the thrust for constant improvement, innovation & customization, they have become one of the most preferred suppliers of industrial & wearable fabrics & yarns. They cater to the requirement of domestic as well as international clients. Company has an independent set up in Mumbai to be held export handlers.

They are Member of Bombay Textile Research Association, Mumbai a premier research association in India. Simplex Mills is a part of Simplex Group, a reputed business conglomerate of India. This company follows all rules and regulations regarding wages and salaries.

Significance:

The study of wage & salary administration helps to know the

strategy of Simplex Mill. It is helpful to understand the sound practices to achieve the objectives of wage and salary administration. The administration is very particular in the process. They followed all the rules and regulations.

A sound wage policy adopted and a job evaluation programmer in order to establish fair differentials in wages upon differences in job contents. Besides the basic factors provided for a job description and job evaluation, those that are usually taken into consideration for wage and salary administration are:

1. The organizations ability to pay.
2. Supply and demand of labor.
3. The prevailing market rate.

Methodology:

The descriptive method of research used for the study. Primary data collected by questionnaire and interview method. Secondary data collected through books, articles and annual reports of the company. Out of 750 employees 60 employees selected as a sample from various departments.

Objective:

To study the nature, schemes and techniques of Wages & Salary Administration in Simplex Mills.

Analysis and Interpretation of Data:

The data collected through questionnaire and interview analyzed as under.

Table No. 1

Particulars	No. of Respondents	Percentage
Experience:		
5-10 Years	10	16.67
10 Years and above	50	83.33
Regular Wages:		
Yes	60	100.00
No	00	00.00
Permanent :		
Yes	48	80.00
No	12	20.00
Accidental Benefits:		
Yes	60	100.00
No	00	00.00

The above table represents that, Maximum respondents have more than ten years experience. 100 percent respondents responded that, they got regular Wages and Salaries from employer. 80 percent respondents are permanent, while 20 percent are temporary. All permanent employees got benefits as per rules and regulations. 100 percents respondents got accidental benefits. Hence, they fill secured. This motivational aspect is very positive among respondents.

Table No. 2

Particulars	No. of Respondents	Percentage
Overtime:		
Yes	44	73.33
No	16	26.67
Relation with Management:		
Excellent	30	50.00
Good	20	33.33
Poor	10	16.67
Commission From Wages:		
Yes	00	00.00
No	60	100.00
Facilities:		
Yes	60	100.00

From the above table it is observed that, 73.33 percent respondents got overtime benefits. 50 percent respondents responded that, their relations with Management are excellent and 33.33 percent respondents responded that their relations with management are good while 16.67 percent respondents responded that, their relations with management are poor. 100 percent respondents responded that, they never paid any type of commission when they got Wages or Salaries. 100 percent respondents responded that, they got all types facilities i.e. education, travelling, canteen, medical etc. They have full security about their job. Thus, all employees are satisfied.

Conclusions:

Maximum respondents are graduates & Post graduates. They belong in the age group of 34 to 56 years. They all are males. 83.33 percent employees having experience more than ten years. They got regular wages, overtime, medical benefits, books, educational facilities, and canteen. Therefore, they are highly satisfied. Company organized various programmes for the employees. 80 percent employees are permanent. They full secured about their employment cause all the rules and regulations followed by the company. Their relationship with management is very strong. There is no dispute among employees and /management regarding wages and salaries. No commission is demanded form respondents from their wages and salary. 100 percent respondents are satisfied from the compensation provided by the company is case of any accident.

REFERENCE

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