

# **SYNOPSIS**

## **Title: WAGES & SALARY ADMINISTRATION**

### **INTRODUCTION**

One of the most important areas of Human Resources Management is Compensation Management. The soundness of Compensation Management depends upon the amount of Wage and Salary paid to an Employee for a fair days work. Despite the conclusions of morale studies wage or salary is significant to most of the employees as it constitutes a major share of their income pay in one form or another is certainly one of the main springs of physical needs. It provides recognition a sense of accomplishment and determines social status. Hence formulation and administration of sound remuneration policy to attract and retain right personnel in right position is the prime responsibility of any organization. Wage And salary Administration is essentially the application of a systematic approach to the problem of ensuring that employees are paid in a logical, equitable and fair manner.

### **Wage:**

Wage and Salary are often discussed in loose sense, as they are used interchangeably. But ILO defined the term wage as “the remuneration paid by, the employer for the services of hourly, daily, weekly and fortnightly employees.” It also means that remuneration paid to production and maintenance or blue collar employees.

### **Salary:**

The term salary is defined as “the remuneration paid to all clerical and managerial personnel

employed on monthly or annual basis.” “The direct compensation paid to an employee compensating his services to an organization”. Salary is also known as ‘basic pay’.

### **NEED FOR THE STUDY:**

The wage and salary administration plays a vital role in Human Resource Management. The Human Resource Management is also plays a vital role in any organization. One of the biggest factors affecting industrial relations is the salary or wage of an employee receives for a fair day’s work.

It is necessary to understand clearly the implications of various concepts and `principles that are related to the area of wage and salary administration.

The wage and salary structure is the most important element in the Management of the employees. It includes areas as job evaluation, maintenance of wage structure, incentives, profit sharing, supplementary payments and control of compensation and other related pay items. The attention has been devoted to the study of internal structure and Human Resource Management Policies.

### **Need for Sound Salary Administration:**

Management has to formulate and administer the salary policies on sound lines as:

Most of the employees’ satisfaction and work performance are based on pay.

Internal inequalities in pay are more serious to certain employees.

Employees compare their pay with that of others.

Employees act only to gross external inequalities.

Employee comparisons of pay are uninfluenced by levels of aspirations and pay history.

Employees compare the pay of different employees with their skill, knowledge, performance,

etc.

Evaluating the unsatisfied wants and unreachd goals of the employees.

Finding out the dissatisfaction arising from unfulfilled needs and unattained goals.

Adjusting the salary levels accordingly with a view to enabling the employees to reach unreachd goals and fulfill the unfulfilled needs.

## **OBJECTIVES OF THE STUDY**

To know about the Wage and Salary administration of the Hero Motors, Hyderabad.

To know about the different types of allowances in the Hero Motors, Hyderabad.

To study about the employees' Pay structure in the company.

To assess the employees perception about the Wage and Salary structure of the company.

To identify problems, if any, in the Wage and Salary administration of the company and to make suggestions.

## **METHODOLOGY OF THE STUDY**

The information for the study has been gathered from two sources namely

- Primary data
- Secondary data

### **Primary data:**

Primary data have been collected through personal observations, discussions and interviews with various officials and management and from the Human Resource Department.

To evaluate the effectiveness of Wage and Salary administrations of the company a survey was conducted on a sample of 30 employees. For this purpose, a structured

Questionnaire with close-ended questions was prepared.

The results were tabulated, interpreted and the findings were drawn.

➤ **Secondary data:**

Secondary data have been collected from the books, company records, manuals and the reports provided by Human Resource Department, websites and magazines.

**Scope:**

It is the policy of the Institute to pay fair, equitable and competitive wages and salaries in order to attract, retain and motivate competent employees. An effort is made to recognize the relative values of the various jobs, to adapt realistic wage and salary ranges and to make comparative studies of area rates and changing job conditions to assure that the wage structure is current.

**LIMITATIONS OF THE STUDY**

Time had been a constraint for completion of present study and making out a detailed analysis.

The present study is limited only to M/s. Hero Motors, Hyderabad.

The employees are scared to quote their name and suggestions.

The employees were not willing to give the detailed information, because of their busy work schedule.

The study of project work was only 6 weeks. This period is not sufficient to cover entire area.

## **CHAPTERISATION**

**Detailed/final Project Report will include the following chapters**

### **CHAPTER –I**

- Introduction
- Significance of the study
- Need of the study
- Objective and scope of study
- Methodology
- Limitations
- Scope

(Details of methodology used in studying and collecting the data and issue will be described)

### **CHAPTER –II**

- Literature review
- Theoretical study

### **CHAPTER –III**

- Industry & company profile

### **CHAPTER –IV**

#### **Analysis of the topic & Interpretation**

(Descriptive work on the topic, this chapter will include analysis and interpretation of data tabulation and categorization)

### **CHAPTER –V**

- Recommendation
- Bibliography
- Appendix

## **BIBLIOGRAPHY**

### **BOOKS:**

Essential of the Human Resource Management and Industrial Relations

-P.Subba Rao.

Human Resource Management

-Dr. C.B.Gupta.

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### **WEBSITES:**

[www.heromotocorp.com](http://www.heromotocorp.com)

[www.indiastat.com](http://www.indiastat.com)

[www.google.com](http://www.google.com)