
Analysis on The Influence of Salary Level and Employee Satisfaction

Zhou Dingyang

Master of Business Administration, National University of Malaysia, UKM Bangi, Selangor, 43600, Malaysia

Email Address:

zdingyang@outlook.com

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Abstract: Enterprise salary level has a positive impact on employee satisfaction. However, with the development of society and the progress of the times, the status of enterprise salary level in many dimensions of influencing employee satisfaction is gradually declining. It is not difficult to find that most employees are dissatisfied with the salary level. This paper studies the relationship between salary level and employee satisfaction. The imbalance of salary and good growth working environment played significant roles on employee satisfaction. This study suggested that human resource management improve employees' salary satisfaction by pay attention to employees' salary satisfaction and give full of democracy to ensure smooth communication between two parties.

Keywords: Salary level, employee satisfaction, democracy

1. Introductions

In recent years, with the development of economy, the competition among enterprises has intensified. Nowadays, money is not the only factor to consider when employees make career choices. On the contrary, harmonious enterprise atmosphere, high degree of care and respect are the factors most people pay more attention to when they are employed. Many enterprises are concerned about how to design salary system to improve work performance (Young et al., 2014).

2. Related theories of employee compensation satisfaction

2.1 Brief introduction of salary satisfaction

Employee's salary satisfaction is the key factor that affects the realization of enterprise goal, and it is an important content of modern enterprise human resource management. It is the strategic need of enterprise development to improve employees' salary satisfaction. Therefore, through the research of employees' salary satisfaction, employees can get the maximum satisfaction from the salary (Lin & Zhao, 2013). The level of employee compensation satisfaction plays an important role in the use and retention of human resources. Through the investigation of employee satisfaction, the diagnosis of organization has become an important content and means of modern enterprise management. By analyzing the current situation and existing problems of employees' salary satisfaction in an enterprise, this paper puts forward relevant strategies to improve employees' salary satisfaction (Hung, Lee, & Lee, 2018). At the same time, it also provides reference for other enterprises.

2.2 Maslow's hierarchy of needs

Maslow's hierarchy of needs theory is the most far-reaching theory in the research of employee's salary satisfaction. Maslow's hierarchy of needs from low to high is: physiological needs - security needs - social needs - respect needs - self-realization needs. That is to say, only when people meet the needs of the lower level will they have the needs of the higher level. In the analysis and implementation of salary satisfaction, all enterprises should consider the salary needs of employees at different levels, so as to formulate the correct salary strategy.

*Corresponding author: zdingyang@outlook.com

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2.3 Problems often existing in enterprises

The company's work itself is simple and repetitive, without creativity; In terms of salary, the basic salary is low, and if you want to earn more money, you have to work overtime; Almost all of the work teams are under unified management and lack of spiritual care. However, the prevalence of these phenomena will greatly reduce the satisfaction of employees, and the long-term low job satisfaction of employees will lead to turnover intention and a large number of turnover behaviors, which will lead to a higher turnover rate.

3. The relationship between salary level and employee satisfaction

Employee satisfaction plays an important role in the efficiency of production and operation and the enthusiasm of employees. Modern enterprises generally attach importance to salary management (Lam, Ng, &Feldman, 2012). They hope that on the basis of ensuring the basic material needs of employees, they can exchange the minimum economic input for the maximum employee satisfaction through marginal benefits, and encourage employees to make the greatest contribution to the enterprise, so that the economic benefits of enterprises have been improved, to obtain greater market competitiveness.

3.1 The imbalance of salary level among employees of the same level

Salary system construction should adhere to the principle of fairness, the same task and salary, when different employees make the same contribution to the enterprise, they should get the corresponding salary. In real enterprises, those employees who have made outstanding contributions to the enterprise can only get the same remuneration as other employees, which leads to psychological imbalance and serious psychological doubt on the enterprise's salary system, and then on the whole enterprise, which eventually leads to the decrease of staff's satisfaction with the enterprise (Chaudhry et al., 2011). This phenomenon is more common in modern enterprises, often more than the contribution of human, many talented employees who have made outstanding contributions to the enterprise are paid very little. This makes the capable employees have a serious psychological imbalance, and eventually go slow in their posts, even job hopping (Guan et al., 2014).

3.2 The impact of enterprise environment on employees' self-development needs

Some employees enter the enterprise as a platform to meet their own personal promotion and development needs. For this kind of employees, the salary provided by the enterprise is only an affirmation of their ability, but cannot have an impact on their satisfaction (Latif et al., 2013). What can really affect this kind of employee satisfaction is whether the enterprise can provide a good growth environment and development platform (Dzwigol, Dzwigol-Barosz, & Kwilinski, 2020). If the top managers of enterprises can provide sufficient training opportunities for such employees, which can contribute to the rapid growth of employees, then employees' satisfaction with the enterprise will be relatively high. If the management and business ability of the enterprise cannot meet the needs of learning and development of such employees, then the satisfaction of such employees to the enterprise will be very low.

4. How to improve employees' salary satisfaction

4.1 Improve managers' attention to employees' salary satisfaction

Managers should pay attention to the management of employees' salary satisfaction, pay attention to the needs of employees, understand the actual needs of employees through the investigation of employees' salary satisfaction, and provide the basis for enterprises to formulate human resource management policies (Kacperczyk, 2009). Improving employee's salary satisfaction is the daily work of enterprise human resource management, and it is a process of continuous improvement. It changes with the change of enterprise situation. There is no invariable incentive, and there is no absolutely correct incentive mode. Enterprise managers must fully understand employees' salary satisfaction and demand, formulate and implement targeted incentive measures, improve employees' salary satisfaction, and stimulate employees' work enthusiasm (Jiang et al., 2017).

4.2 The company should communicate with employees more effectively

In the process of determining the salary level of enterprises, we should give full play to the role of democracy to ensure the smooth communication between human resources department and employees (Christmann, Mayer, & Volkamer, 2021). Therefore, establishing a communication mechanism to realize the transparency of salary and benefits is helpful to affirm the contribution of employees, improve their salary satisfaction, make employees feel equal, and give full play to the incentive effect of salary and performance (Young & Post, 1993). At the same time, we should pay attention to the role of internal return in salary, but if used properly, it can also improve employee satisfaction, and it has a greater

incentive effect on employees.

5. Conclusions

Employees' satisfaction with the salary level directly affects their working status and contribution to the enterprise, and then affects the realization of the enterprise's production and operation objectives. It is the need of enterprise human resource management to effectively improve employees' salary satisfaction. The establishment of salary system needs to reflect fairness and incentive, and to stimulate the enthusiasm and creativity of employees. Enterprises need to improve the internal fairness of employee compensation, so as to effectively implement salary management and improve employee satisfaction.

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