

Analysis of Salary System Evaluation Strategies in Enterprise Human Resource Management

Chen Jing

Macau University of Science and Technology, Macau, 999078, China

Keywords: Human resource management; Compensation management system; System evaluation; Strategy analysis

Abstract: In the enterprise human resources management, one of the important management factors is the salary management system. Although most enterprises pay more attention to the salary management system of employees, there are still many imperfections, which are not conducive to the exertion and guidance of the enthusiasm of employees. The mobility of employees among enterprises is very large, which makes it difficult for enterprises to establish a more stable enterprise development team, thus affecting the stability of enterprise development. On the basis of job analysis, the corresponding job is analyzed and evaluated, and the value and importance of a job are evaluated. This is an important basis for the allocation of the right person in the right position, for the grading of the post wages, and then for the reasonable payment of the corresponding staff to provide the basis. Therefore, based on the analysis of the current situation of salary management system construction in enterprise human resources management, this paper makes an analysis and Discussion on how to do a good job of salary management system evaluation strategy.

1. Introduction

Salary management is an important part of human resource management in enterprises, which is widely recognized and concerned by the majority of business managers. But our country started late in this respect, experience is not very mature, and the enterprise's salary management system is not sound enough. In the specific practice process, there are still some problems, which affect the improvement of human resources management level and hinder the healthy and stable development of enterprises [1-3]. Therefore, it is necessary to analyze the existing problems and find solutions, so as to better improve the level of human resources management and promote the rich and innovative development of enterprise salary management system. In the process of human resource management in modern enterprises, salary management has always been the most difficult task [4-5]. Therefore, it is necessary to discuss the important role of salary management in the process of human resource management from two aspects of enterprises and employees, and put forward the concrete evaluation design model of salary management system.

2. Analysis on the Connotation and Current Development of Compensation Management in Enterprises

The salary management of enterprises refers to the process of distributing employees according to the principle of distribution according to work and other incentive mechanisms in accordance with the internal management system and relevant regulations of enterprises within the allowable scope of the national macro-labor distribution policy. Salary management includes not only the control of total salary, but also the accounting of human cost, the formulation of salary standards and the evaluation of salary effectiveness, and salary management related to bonuses, promotions, awards and so on [6]. At present, there are still some problems in the human resources of enterprises as follows:

(1) Insufficient management of wage system

Lack of scientific standards for wage evaluation in enterprises, and some employees' wages are not open, which makes the cohesion and spirit of unity and cooperation between employees within

enterprises impossible, resulting in the existence of contradictions among employees. In addition, the wages of employees can not be effectively linked to the level of performance, and the overall efficiency of the enterprise can not form a positive relationship. As a result, the wage system can not be adjusted in time, which generally suppresses the enthusiasm of workers. Especially in small and medium-sized enterprises, there are more problems in salary management. The salary management system needs to be improved and perfected.

(2) Imperfect Welfare System for Employees in Enterprises

Certain benefits of employees can effectively stimulate the enthusiasm of employees, link the contradictions between enterprises and employees, increase the cohesion between enterprises and employees, promote employees to better serve enterprises, and stimulate the enthusiasm and creativity of work. At the same time, it is also an important basis for employees to choose enterprises. Although corporate welfare is not directly reflected in money, it is also an important aspect of salary management. At present, most enterprises have the problems of single mode, limited quota and fewer times in enterprise welfare. Some enterprises even have almost no welfare, and it is difficult to meet the needs of employees in welfare. Some enterprises only pay attention to material treatment, but lack of spiritual care for employees, which is not conducive to the improvement of employees' satisfaction with enterprises. This is also one of the important factors that cause the instability of enterprise staff.

(3) The salary design in enterprise human resource management is not reasonable enough

At present, many enterprises in our country lack a sound salary system, lack flexibility, and can not meet the various needs of employees. For example, the basic salary set by enterprises is too high, while the performance salary is low, which can not stimulate the enthusiasm and enthusiasm of employees, especially the salesmen can not get a commission matching their work performance. The lack of non-monetary salary in the salary system can not effectively reflect the personal value of employees and their future development potential. Employees' salaries can not be effectively linked with their recent performance and can not stimulate their enthusiasm for work. Lacking of incentive mechanism matching the position, some enterprises in salary have neglected the particularity of some positions, lack of targeted incentive countermeasures. At the same time, there is no organic connection between positive incentive and negative incentive in incentive measures, which can not play a real incentive role. Others over-suppress the wages of employees and take the company as the basis, thus improving the operating efficiency of enterprises, reducing the loyalty of employees, resulting in instability of the staff, increasing turnover rate, and on the contrary, increasing the cost of human resources management accordingly.

In summary, the salary system of employees can be shown in Figure 1.

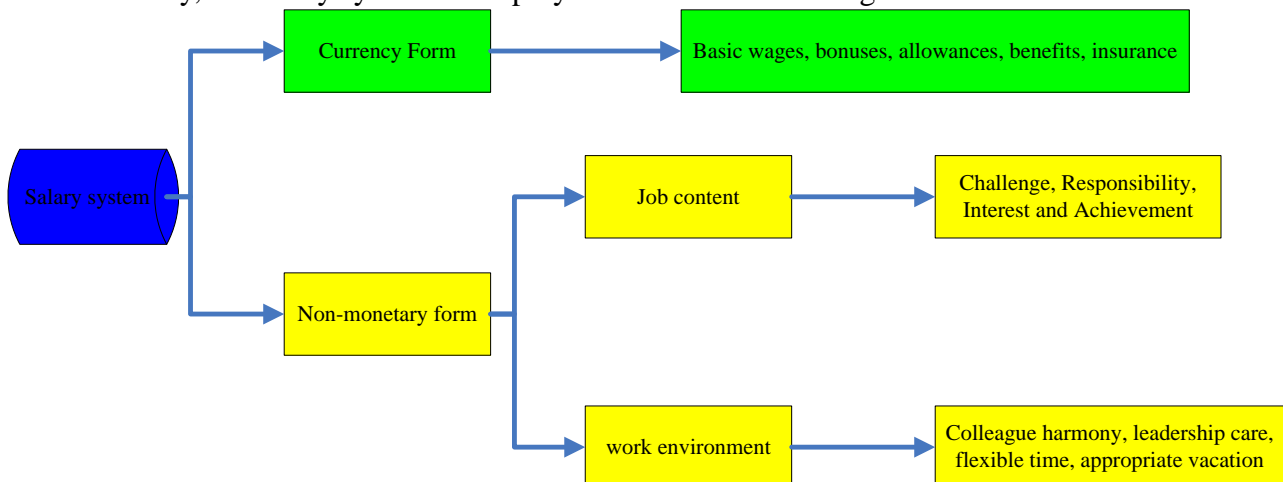


Figure 1 Employee salary system

3. The Important Role of Salary Management in Human Resource Management of Enterprises

3.1 The important role of compensation management in enterprises

Compensation management can help enterprises construct their own core human resources, which requires the compensation design of enterprises to have external competitiveness and internal fairness.

(1) The external competitiveness embodied by salary. The external competitiveness reflected by salary can improve the visibility of enterprises, attract talents from outside enterprises to enterprises, and increase the human resources advantages of enterprises. Especially with the complexity of salary design, it is more difficult for candidates to judge the external competitiveness of salary. At present, the salary forms of enterprises mainly include salary, welfare, insurance and so on. Employees will make their own judgement on the competitiveness of enterprises' salary according to their own needs.

(2) Promoting the internal fairness and transparency of the pay system. A reasonable and scientific salary design can promote the overall richness and advantages of human resources in enterprises, and also promote the increasingly fair internal salary system in enterprises. At the same time, the transparency of corporate pay will also affect employees' specific perception of pay equity. As a result, some enterprises adopt the way of keeping employees' salary secret to eliminate the disputes that may be caused by unfairness. However, if not handled properly, it will accelerate employees' dissatisfaction with the enterprise salary system and lead to an increase in the turnover rate of employees. Others adopt a completely open and transparent way, and regard effective salary communication as an important way for enterprises to establish good communication with employees, indirectly promoting the increase of enterprise performance. However, in such a process, we should grasp the degree of information disclosure and avoid the problem of vicious competition among employees.

(3) Promoting the realization of strategic objectives of enterprises. Reasonable salary management can effectively stimulate and guide employees to do the desired behavior of the enterprise, and promote the process of achieving the strategic objectives of the enterprise. Whether the strategic goal of an enterprise is to expand its scale, increase its profits, save its costs or innovate its services, the realization of employees' salary can effectively promote the achievement of its strategic objectives and achieve a win-win situation between the enterprise and its employees. But in the process of implementation, it is necessary to ensure that the strategic objectives of the enterprise are fully compatible with the management of employees, so as to ensure the maximum effectiveness of salary management.

3.2 The significance of salary management for employees

(1) Reasonable salary management can improve the quality of life of employees. In the process of comprehensive salary management, the benefits paid by enterprises to employees are mainly non-cash, which is the key to improve the quality of life of employees. This includes apartments for employees, meals for work, increased commercial insurance for employees and medical insurance for children. This can provide employees with a superior working environment, reduce their distracted work energy due to life, and effectively improve the quality of life of employees.

(2) Assist employees to achieve the goal of work-life coordination. Enterprises provide employees with benefits such as paid vacation, Festival fees, etc. These welfare systems can help employees rationally arrange their life after work, rationally allocate their work and rest time, effectively coordinate the work and life time of employees, and achieve the balance between the two.

4. Evaluation and Optimum Design of Salary Management System

From the above, it can be seen that in order to maintain the sustainable development of the

company, retain outstanding talents and enhance the comprehensive competitiveness of the enterprise, the enterprise urgently needs to optimize the current salary system. The idea of optimization is shown in Figure 2.

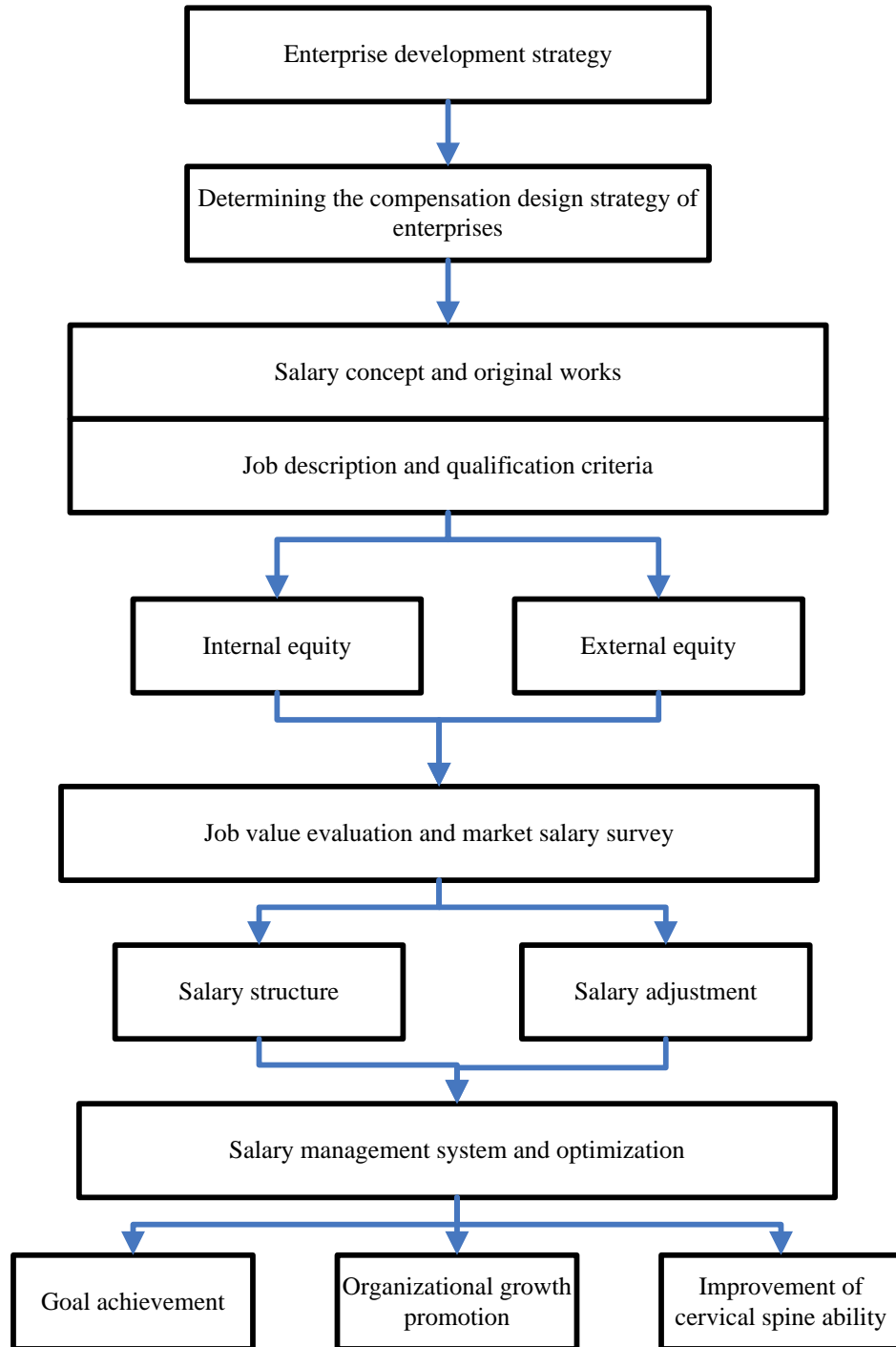


Figure 2 Thoughts on salary optimization

The core idea of optimizing the existing compensation management system should be “value creator-oriented”. The main principles are as follows: the income of employees should be closely related to the value promotion of the company; and the competitiveness of core value creation employees' salaries in the same industry and in the same region should be strengthened. The salary should have the dynamic management of rising and falling. The salary of the same rank should be managed regionally, and the enthusiasm and responsibility of the staff should be fully mobilized. To rationally allocate the human resources cost of enterprises, we should consider the company's affordability, profit and reasonable accumulation, and reasonably formulate salary, so that employees and enterprises can share interests. Compensation management should be adapted to the

company's business strategy, not only focusing on short-term development, but also on long-term development.

On the basis of job analysis, the corresponding job is analyzed and evaluated, and the value and importance of a job are evaluated. This is an important basis for the allocation of the right person in the right position, for the grading of the post wages, and then for the reasonable payment of the corresponding staff to provide the basis. In fact, this step should be determined when the job description is drawn up. When the company formulates the salary level and salary structure, it should be based on the job description, and on this basis to determine the salary level of each post, and the salary ratio between posts should be relatively reasonable. This is the basic requirement of fairness.

(1) The method of job evaluation-factor scoring

Factor scoring method is a widely used method of job evaluation and quantitative analysis of job value. It sets different weights according to the importance of different factors. It is widely used in current human resources management work.

(2) Selection of elements

Job evaluation elements refer to the factors that constitute the impact of job tasks. The factors that affect job evaluation include labor responsibility, labor intensity, labor skills, labor environment, social and psychological factors, etc.

(3) Weight index design

The weight of job evaluation index refers to the relative importance of each evaluation index in the job evaluation index system, or the proportion of each evaluation index in a certain amount of total scores. The weight of job evaluation index is determined by relative evaluation index. The choice of index weight is actually a process of ranking job evaluation index.

Subjective weighting method was adopted and the leaders and colleagues of human resources department were invited to discuss. Finally, it is agreed that the weights of the evaluation elements suitable for the company are shown in the Table 1 and Figure 3 below.

Table 1 Weight Table of evaluation elements

Assessment element	The impact on the organization	Administration	Terms of reference	Qualifications and Conditions	Working environment conditions
Weight	30%	15%	35%	10%	10%

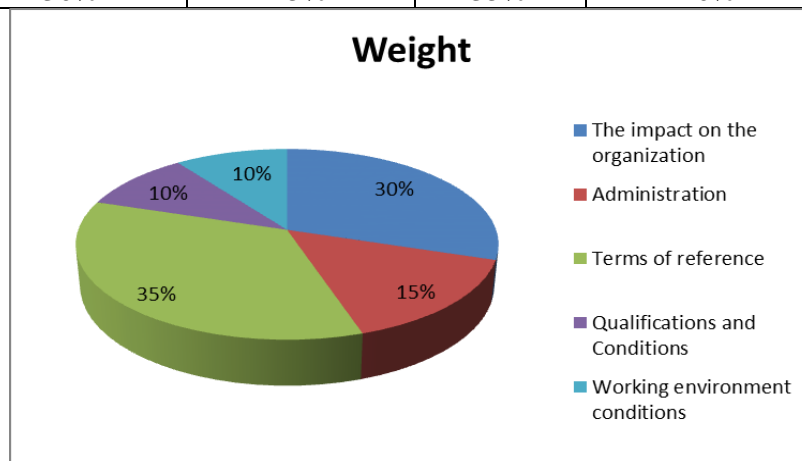


Figure 3 Weight map of evaluation elements

(4) Summary of company post evaluation results

With the help of the company's human resources department leaders and colleagues, according to the above five evaluation elements and measurement criteria, the company's existing department posts are scored, and after weighted summation, the total score of each post is finally obtained. The evaluation results of each position in our company are shown in Table 2 below.

Table 2 Company senior management job evaluation form

Job Name	Evaluation score	Influence	Administration	Terms of reference	Conditions of service	Work environment
General manager	88.3	100	99	100	76	10
Vice General Manager	88.3	96	98	90	74	10
Marketing Director	88.3	91	96	86	71	10
Director of R&D	88.3	96	81	86	76	10
Production Supervisor	88.3	96	80	86	76	10
Chief Executive	88.3	96	76	86	71	10
Chief Financial Officer	88.3	90	60	86	82	10
Director of Human Resources	88.3	90	60	86	82	10

5. Conclusion

In a word, salary management is an important part of human resources management and the core of human resources management. Its management level is directly related to the optimal allocation of internal resources and the sustainable development of enterprises. At present, there are still many problems in the salary management of enterprises in China. Enterprises need to actively carry out salary management, actively mobilize the enthusiasm of workers, and promote the improvement of the competitiveness of enterprises' talents. The salary management system, structure and system are constantly developed and improved. Through scientific and reasonable salary incentive mechanism, the potential and enthusiasm of every employee can be mobilized to improve enterprise management performance and market competitiveness.

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