

## Research Article

# Employees Satisfaction towards Compensation and Rewards

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**Abstract:** This study determined the satisfaction level towards compensation and rewards of College of Teacher Education instructors and professors at Batangas State University JPLPC-Malvar. Specifically, this study sought answers to the following questions: What is the profile of the respondents in terms of gender, age, civil status, highest educational qualification and monthly basic salary? and What is the respondents' level of satisfaction toward compensation and rewards? Results showed that the respondents are satisfied with the compensation and reward system of the institution. However, there is a need to monitor this satisfaction level from time to time to ensure that the employees, being the most important asset of the institution, religiously carry out the assigned tasks and work productively. On this basis, it is recommended that the employees be provided challenging work and conducive working environment in order to maintain or improve their satisfaction level. Efforts exerted by faculty members may also be recognized to boost their morale that would eventually result to better performance. Further research is still needed to determine the relationship of demographic profile to the employees' satisfaction on compensation and rewards.

**Keywords:** Employee, Satisfaction, Compensation, Rewards.

## Introduction

In every institution or organization, the people who govern and primarily run these are very essential for both the continuity and prosperity of the said group. They are the ones who employ and choose the right people for specific jobs and monitor if everything is in the right condition. However, institutions and organizations will not be able to fully function without the presence of employees. Employees are important assets of an institution or organization. Their knowledge, expertise, abilities, skill-sets, and experiences are the invaluable and intangible assets in securing the future of the organization. Thus, it is vital to have effective employees who will provide services that an institution has to offer and readily devotes their selves for the sole purpose of achieving both their own and the institution's goal. Their well-being must be of the utmost priority and their satisfaction must always be ensured. Employees reflect an institution's value that is why it is essential that they are happy, motivated and satisfied.

The institution should understand that satisfied and motivated employees have higher probability of making significant contributions to the organization. A healthy working environment must be promoted so that inclusive development among employees can be established rather than a toxic and competitive one. Consequently, the goal of the employee in working will be the same with the goals of the organization. These connections will result to positive outcome and competitive institution.

Article XIV, Section 5 (5) of the 1987 Constitution expressly provides that: “The State shall assign the highest budgetary priority to education and ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment. The value of employee satisfaction and well-being is commonly overlooked but it is one of the contributory factors that aids in the achievement of the institution’s primary goal - to give quality education to all.

Staw (1991) said that job satisfaction will vary directly with the extent to which the needs of an individual which can be satisfied are actually satisfied. Needs assessment and conflict identification among employees must be practiced in order to satisfy the needs of the employees that will aid them in performing well. According to Ibrahim and Boerhaneoddin (2010), compensation encourages effective employees to remain in employment for longer periods of time. Additionally, they suggested that generous rewards retain employees and ultimately lead to job satisfaction, commitment and loyalty. The time an employee spends in his/her workplace is directly influenced by the kind of workplace that he/she is exposed.

Nawab and Bhatti (2011) reported that compensation as part of employee’s rewards is gaining popularity day by day and higher education institutions should use compensation to satisfy and retain their highly qualified academic staff. Proper compensation and commendation of employees when they get their work done is a way of boosting their morale that would further enable them to perform their best.

Lee (2016) stated that as the economy continues to improve and job seekers become more confident in securing new positions, organizations must design competitive benefits packages to attract and retain top talent. Attesting to that, Lindquist (2016) also stated that they are beacons of hope for many organizations, who simply aren’t in a position to give financial rewards or increased salaries, but who still care a great deal about their employees and want to make them happy.

One of the best ways to make an employee satisfied and motivated is to appreciate them and make them feel valued. In the field of education, faculty members may receive incentives, benefits, compensation and rewards such as loyalty cash incentive, vacation service credits, honoraria for teaching overload subject and many others.

The load that faculty members carry is too much that their salaries cannot easily compensate for the amount of effort that they give. Providing a healthy working environment and proper compensation in any form should be the utmost priority of the institution.

### **Objectives of the Study**

The study determined the satisfaction level toward compensation and reward system of CTE faculty members at Batangas State University JPLPC-Malvar. Specifically, this study sought answers to the following questions: What is the profile of the respondents in terms of gender, age, civil status, highest educational qualification and monthly basic salary? What is the respondents’ level of satisfaction in terms of compensation and rewards?

### **Methodology**

The study was conducted at Batangas State University JPLPC-Malvar with faculty members from the College of Teacher Education as the respondents. The instrument used in this study was a questionnaire developed by the researchers. For the verbal interpretation of the gathered data, a 4-point scale was used with the following interpretation:

Scale	Mean Ranges	Interpretation
4	3.51 – 4.00	Strongly Agree/ Highly Satisfied
3	2.51 – 3.50	Agree/ Satisfied
2	1.51 – 2.50	Disagree/ Not Satisfied
1	1.00 – 1.50	Strongly Disagree/ Highly Not Satisfied

## Results and Discussion

This part of the study determined the satisfaction level toward compensation and reward system of CTE faculty members. The data were presented using mean and standard deviation.

### 1. Profile of the Respondents

The succeeding tables present the data gathered through the questionnaire accomplished by the respondents. The data presented herein concern on the respondent's profile in terms of gender, age, civil status, highest educational qualification and monthly basic salary. This is found in Table 1.

**Table 1. Frequency Distribution of the Respondents in Terms of Gender**

Gender	Frequency	Percentage
Male	5	42
Female	7	58
<b>Total</b>	<b>12</b>	<b>100</b>

As shown in table 1, it reveals that female comprises the greater percentage of the respondents which consists of 58 percent out of 100. On the other hand, there were only 5 male respondents.

**Table 2. Frequency Distribution of the Respondents in Terms of Age**

Age	Frequency	Percentage
60 – 65	1	8
50 – 59	2	17
40 – 49	4	33
30 – 39	3	25
20 – 29	2	17
<b>Total</b>	<b>12</b>	<b>100</b>

This table shows that majority of the respondents are 40-49 years old which obtains 33 percent of the population while 60-65 years old got the lowest frequency of 1 which obtained 8 percent of the population.

**Table 3. Frequency Distribution of the Respondents in Terms of Civil Status**

Civil Status	Frequency	Percentage
Single	5	42
Married	6	50
Widow	1	8
<b>Total</b>	<b>12</b>	<b>100</b>

As shown in table 3, married respondents got the highest frequency which consists of 6 with the percentage of 50 percent followed by single with the frequency of 5 and widow with the frequency of 1.

**Table 4. Frequency Distribution of the Respondents in Terms of Highest Educational Qualification**

Highest Educational Qualification	Frequency	Percentage
Ph.D/Ed.D/D.E.M	5	42
M.S/M.A/M.E.M with Ph.d/Ed.D units	1	8
M.S/M.A/M.E.M	4	33
B.S/B.A with M.S M.A units	2	17
<b>Total</b>	<b>12</b>	<b>100</b>

Table 4 reveals that majority of the respondent's highest educational qualification are Ph.D/ Ed D/ D.E.M with the frequency of 5 and the percentage of 42. While M.S/M.A/M.E.M with Ph D/Ed D units got the lowest frequency which consists of 1 and a percentage of 8. This shows that the college has a very strong workforce in terms of educational qualification.

**Table 5. Frequency Distribution of the Respondents in Terms of Monthly Basic Salary**

Monthly Basic Salary	Frequency	Percentage
60,000 and above	1	8
50,000 – 59,999	2	17
40,000 – 49,999	1	8
30,000 – 39,999	2	17
20,000 – 29,999	6	50
<b>Total</b>	<b>12</b>	<b>100</b>

The result indicates that most of respondents have a monthly basic salary of 20,000- 29,000 with the frequency of 6 or 50 percent. It was followed by the monthly basic salary 50,000-59,000 and 30,000-39,000 with a frequency of 2 or 17 percent. Both, monthly basic salary 40,000-49,000 and 60,000 and above got the least frequency of 1 or 8 percent of the population. This implies that most of the respondents belong to the average income group.

## 2. Respondents' Satisfaction on their Compensation and Rewards

This part of the study determined the respondents' satisfaction on their compensation and reward. It reveals the computed mean and standard deviation for each statement with its corresponding interpretation.

**Table 6. Respondents' Satisfaction on their Compensation**

Item Statements	Mean	Standard Deviation	Verbal Interpretation
1. Faculty members are being paid a fair amount for the work they do.	3.00	0.95	Agree
2. The salary that faculty members receive is sufficient compared to what other academic institutions can offer.	3.00	0.95	Agree
3. Fringe benefits like clothing allowance, PEI and bonuses are given promptly to faculty members.	3.25	0.62	Agree
4. Honorarium given to faculty members is higher compared to what other higher education institutions can give.	3.58	0.51	Strongly Agree
5. Proportional vacation pay for faculty members is granted before the end of June and July.	3.42	0.67	Agree
<b>Composite Mean</b>	<b>3.25</b>	<b>0.74</b>	<b>Satisfied</b>

The table reveals that the respondents strongly agree that honorarium given to faculty members is higher compared to what other higher education institution can give with a mean rating of 3.58. This implies that the university acknowledges more the faculty members' time and effort compared to other institutions. It can also be seen in the table that in all other statements, the respondents agree with the mean ratings ranging from 3.00- 3.42. This indicates that faculty members are all satisfied to the compensation and rewards that the university offers. According to Mabaso and Dlamini (2017), compensation is a useful instrument in the hand of the management to contribute to the organizational effectiveness and can impact positively on the behavior and productivity of employees.

**Table 7. Respondents' Satisfaction on their Rewards**

Item Statements	Mean	Standard Deviation	Verbal Interpretation
1. Promotions and reclassifications through NBC 461 are granted consistently.	2.58	0.79	Agree
2. Recognitions are given to deserving faculty for an exemplary performance.	3.00	0.43	Agree
3. Service awards are conferred after ten years then after every five years.	3.67	0.49	Strongly Agree
4. Rewards for overtime or any other extra works are given to faculty members.	3.33	0.49	Agree
5. Loyalty awards are granted to faculty members after ten years then after every five years.	3.58	0.51	Strongly Agree
<b>Composite Mean</b>	<b>3.23</b>	<b>0.54</b>	<b>Satisfied</b>

It can be observed in Table 7 that respondents strongly agreed that service awards are conferred after 10 years then after every 5 years and loyalty awards are granted to faculty members after 10 years then after every 5 years. This indicates that service and loyalty awards are vital aspects of institution's recognition strategy and are expected by the faculty members at key milestones. Aside from these two, the respondents agreed on other items. It implies that the faculty members were satisfied to the university's rewards and recognitions. According to King (2017), earning recognition and having a sense of belonging is important. Also, he stated that recognition and rewards are critical to enhancing employees' engagement and performance.

### Conclusion and Recommendation

This study revealed that the respondents are satisfied with the compensation and reward system of the institution. However, there is a need to monitor this satisfaction level from time to time to ensure that the employees, being the most important asset of the institution, religiously carry out the assigned tasks and work productively. On these bases, it is recommended that the employees be provided challenging work and conducive working environment in order to maintain or improve their satisfaction level. Efforts exerted by faculty members may also be recognized to boost their morale that would eventually result to better performance. Further research is still needed to determine the relationship of demographic profile to the employees' satisfaction on compensation and rewards.

**Conflicts of interest:** There is no conflict of interest of any kind.

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