

## **EMPLOYEE PAY CYCLE MANAGEMENT WITH REFERENCE TO THE INNOVATIVE HEALTH CARE (INDIA) PVT. LTD. MADURANTAGAM.**

**Dr. T. Vijayalakshmi<sup>1</sup>, Arun Prabakaran J<sup>2</sup>, Deepika N<sup>3</sup>, Kabil V<sup>4</sup>, Monisha R<sup>5</sup>,  
Nandhini RD<sup>6</sup>, Navaneethan K<sup>7</sup>, Pooja K<sup>8</sup>, Shivkumar S<sup>9</sup>, Tamilarasi K<sup>10</sup>, Yashika K<sup>11</sup>**

<sup>1</sup> Assistant Professor, Department of Master of Business Administration, KSR College of Engineering (Autonomous), Tiruchengode– 637215

<sup>2,3,4,5,6,7,8,9,10,11</sup> II MBA, KSR College of Engineering (Autonomous), Tiruchengode– 637215

### **ABSTRACT**

This study investigates employee pay-cycle management issues within Innovative Health Care (India) Pvt. Ltd. Through quantitative surveys and qualitative interviews, the research aims to identify challenges, analyze their impact on employee satisfaction and organizational efficiency, and propose solutions for improvement. Key objectives include understanding primary challenges, assessing employee perceptions, and identifying recurring issues. The study aims to offer practical recommendations to streamline pay-cycle management processes and enhance organizational success. The effective management of employee pay cycles is crucial for the smooth functioning of any organization, especially in sectors like healthcare where workforce stability and satisfaction directly impact service quality. Understanding these common issues will enable the organization to implement targeted solutions to improve payroll management efficiency and employee satisfaction. Overall, the findings from this study will provide valuable insights into the employee payroll management landscape within Innovative Health Care Pvt. Ltd.

**Keywords:** Employee Pay-Cycle Management, Payroll Issues, Employee Satisfaction, Pay Cycle Challenges.

### **INTRODUCTION**

The term "pay cycle" refers to the frequency at which employees are paid. It represents the regular interval between paydays, during which employees receive their wages or salaries. Pay cycles can vary depending on the company's policies and practices. Common pay cycles include weekly, bi-weekly (every two weeks), semi-monthly (twice a month), and monthly. Understanding and managing the pay cycle is crucial for HR and payroll departments to ensure timely and accurate payment to employees. It involves processes such as collecting time and attendance data, calculating wages, and distributing payments according to the established schedule.

### **STATEMENT OF THE PROBLEM**

Each industrial and manufacturing company deals with various problems. A company without a problem doesn't exist of. The problem doesn't always go away. One of the most basic needs of people is being met by industries in order to continue growth and improve the quality of life.

About Innovative Health Care (India) Private Limited they have the problem of statement focuses on understanding issues of the pay cycle of the employees in the organization based on employee perception. It analyzes areas such as the payroll of the process by the employees who are getting late salary in the process of the payment.

**OBJECTIVES OF THE STUDY:**

- a) A study on the employee payroll management issues.
- b) To analysis of the issues on pay cycle of the employees.
- c) To evaluate the employee satisfaction with the payroll management systems.
- d) To identify the common payroll issues faced by the organization.

**SCOPE OF STUDY:**

The scope of the study is to employees working in the Innovative Health Care (India) Private Limited. In the study is to analyze the pay cycle procedures and the facilities the management for the further improvement on the same. To fulfil the objectives of the research, the study undertaken the payroll management at the Innovative Health Care (India) Private Limited.

**LIMITATIONS OF THE STUDY:**

1. It can be difficult to schedule workers when they are busy with their own work schedules.
2. Only a small percentage of respondents with less experience are knowledgeable of the organization's policies.
3. Due to the project related the total population in the specific branch considered as sample size.

**RESEARCH METHODOLOGY:**

According to Clifford Woody research comprises refining and redefining problems, formulating hypothesis or suggested solutions; collecting organizing and evaluating data; making deductions and reaching conclusions; and al last carefully testing the conclusions to determine whether they fit the formulating hypothesis.

**Research Design:**

The study examined a descriptive research design as its research methodology. Surveys and different kinds of face-finding questions are included in descriptive research. The main objective of descriptive research is to describe the present situation of factors."A research design is the setup of factors for data collection and analysis with the goal of balancing process economy with relevance to the researcher's purpose." It acts as the guide for collecting, calculating, and analyzing data.

**DATA COLLECTION:****Primary Data**

Primary data are those that are newly collected and original as a result because they were collected for the first time. The primary source of data for this study was the questionnaire.

**Secondary Data**

The data that have already been collected and analyzed statistically by someone else are known as secondary data. Secondary data was collected from company records, literature, and the internet.

### **Sampling Technique:**

The method of simple random sampling falls under the probability sampling technique. Due to the consideration of all the populations in particular branch of the organization, researcher used this method for research of the study.

### **Sample Size:**

The size of the sample is defined as the number of sampling units selected from the population. The sample size for this study is 106.

### **STATISTICAL TOOLS:**

The data collected from the employers during the survey are analyzed using various tools. The tools which are applied for this study are,

- Percentage analysis
- Chi- Square analysis
- Correlation
- One way ANOVA

### **PERCENTAGE ANALYSIS**

The particular sort of ratio is referred to as the percentage analysis method. When analyzing two or more data series, percentages are utilized. Because percentage converts data into a base, it allows for meaningful comparisons to be made.

### **CHI-SQUARE ANALYSIS TEST:**

A method of statistical analysis called the chi-square test is used to determine if two categorical variables strongly relate with one another. In order to determine if the variables are independent of one another, the test analyzes the observed frequencies with the expected frequencies.

### **CORRELATION**

A statistical measure of linearity, or the rate at which two variables change together at a constant value, is correlation. It's a widely used technique for summarizing simple relationships without proving cause and effect.

### **ONE WAY ANOVA**

ANOVA – Analysis of Variance

If the means of more than two groups need to be compared, an ANOVA statistical test is utilized. A univariate ANOVA involves just one independent variable. A two-way ANOVA has two independent variables.

### **DATA ANALYSIS AND DISCUSSION:**

#### **PERCENTAGE ANALYSIS**

<b>Particulars</b>		<b>No. of respondents</b>	<b>Percentage</b>
<b>Gender</b>	Male	74	69.8
	Female	32	30.2
<b>Age</b>	20 – 30 Years	40	37.6
	30 – 40 Years	52	49
	40 – 50 Years	9	8.5

	Above 50 Years	5	4.7
<b>Education Qualification</b>	Under Schooling	21	19.8
	Diploma	30	28.3
	Graduated	45	42.5
	Post Graduated	10	9.4
<b>Marital Status</b>	Married	64	60.4
	Unmarried	42	39.6
<b>Work Experience</b>	Below 1 Year	18	17
	1 – 5 Years	58	54.7
	5 – 10 Years	22	20.7
	Above 10 Years	8	7.6
<b>Salary</b>	Up to 1 LPA	6	5.7
	1-2 LPA	56	52.8
	2-3 LPA	41	38.7
	Above 3 LPA	3	2.8

### INTERPRETATION:

The above table shows that 106 respondent's data. In that 69.8% of respondents are male and 30.2% of respondents are female.

The above table shows that age of the respondents. In that 37.8% of respondents are 20 - 30 years, 49% of respondents are 30 – 40 years, 8.5% of the respondents are 40 – 50 years and 4.7% of the respondents are above 50 years.

The above table shows that education qualification of the respondents. In that 19.8% of respondents are under schooling, 28.3% of respondents are completed diploma, 42.5% of the respondents are graduated and 9.4% of the respondents are post graduated.

The above table shows that marital status of the respondents. In that 60.4% of respondents are married and 39.6% of respondents are unmarried.

The above table shows that experience of the respondents. In that 9.7% of respondents are experienced below 1 year, 41.7% of respondents are experienced 1 – 3 years, 35.9% of the respondents are experienced by 3 – 5 years and 12.7% of the respondents are experienced above 5 years.

The above table shows that salary of the respondents. In that 5.7% of respondents are up to 1 LPA, 52.8% of respondents are 1-2 LPA, 38.7% of the respondents are 2-3 LPA and 2.8% of the respondents are above 3 LPA.

### CHI SQUARE TEST

#### CHI SQUARE TEST BETWEEN JOB SATISFACTION AND FREQUENCY OF THE ORGANISATION PAY CYCLE.

**Null Hypothesis (H<sub>0</sub>):** There is no relationship between the job satisfaction and the frequency of the organization payroll cycle.

**Alternative Hypothesis (H<sub>1</sub>):** There is a relationship between the job satisfaction and the frequency of the organization payroll cycle.

CHI-SQUARE TESTS			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.328 <sup>a</sup>	6	.502
Likelihood Ratio	5.781	6	.448
Linear-by-Linear Association	.209	1	.648
N of Valid Cases	106		

a. 10 cells (83.3%) have expected count less than 5. The minimum expected count is .03.

**INTERPRETATION**

The Pearson Chi-square value (0.502) is greater than the significance value (0.05). Hence the null hypothesis accepted at the 5% level of significance and concludes there is no relationship between the job satisfaction and the frequency of the organization payroll cycle.

**ONE WAY ANOVA**

**ANOVA TEST BETWEEN THE PAY CHECK ERRORS AND THE WORK EXPERIENCE**

**Null Hypothesis (H<sub>0</sub>):** There is no significant difference between the pay check errors and the work experience of the employees.

**Alternative Hypothesis (H<sub>1</sub>):** There is a significant difference between the pay check errors and the work experience of the employees.

ANOVA					
Experience with the current payroll?					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.439	3	.480	.502	.682
Within Groups	97.505	102	.956		
Total	98.943	105			

**INTERPRETATION**

Here accept the null hypothesis because (0.682) is greater than the significant value (0.05). Hence there is no significance difference between the pay check errors and the work experience.

**CORRELATION**

**CORRELATION ANALYSIS BETWEEN THE JOB SATISFACTION AND WORK EXPERIENCE**

CORRELATIONS			
		Job Satisfaction	Work Experience
Job Satisfaction	Pearson Correlation	1	-.157
	Sig. (2-tailed)		.108
	N	106	106
Work Experience	Pearson Correlation	-.157	1
	Sig. (2-tailed)	.108	
	N	106	106

**INTERPRETATION**

The Pearson correlation value (-0.157) is negatively correlated between the job satisfaction and work experience of the employees in Innovative Health Care (India) Pvt. Ltd.

**CORRELATION ANALYSIS BETWEEN THE COMMUNICATIONS REGARDING PAYROLL AND THE PAY CHECKS RECEIVES ON TIME**

<b>CORRELATIONS</b>			
		Satisfaction with the communication regarding your payroll	Receive pay checks on time
Satisfaction with the communication regarding your payroll	Pearson Correlation	1	-.017
	Sig. (2-tailed)		.859
	N	106	106
Receive pay checks on time	Pearson Correlation	-.017	1
	Sig. (2-tailed)	.859	
	N	106	106

**INTERPRETATION**

The Pearson correlation value (-0.017) is negatively correlated between the communications regarding payroll and the pay checks receives on time in the Innovative Health Care (India) Pvt. Ltd.

**FINDINGS**

1. Majority of 69.8% of respondents are male
2. Majority of 49% respondents are 30 – 40 years.
3. Majority of 52.8% respondents are 1- 2 LPA.
4. Majority of 60.4% respondents are married.
5. Majority of 42.5% respondents are under graduated.
6. Majority of 41.7% respondents are experienced 1 – 3 years.
7. Majority of 53.4% respondents are feeling very satisfied.
8. The Pearson Chi-square value (0.502) is greater than the significance value (0.05). Hence the null hypothesis accepted at the 5% level of significance and concludes there is no relationship between the job satisfaction and the frequency of the organization payroll cycle.
9. The Pearson Chi-square value (0.026) is less than the significance value (0.05). Hence the null hypothesis rejected at the 5% level of significance and concludes there is a significant relationship between the experience with the current payroll and transparency of the pay cycle process.
10. The Pearson Chi-square value (0.717) is greater than the significance value (0.05). Hence we accept the null hypothesis at the 5% level of significance and conclude that there is no relationship between the timeliness of payroll processing and security of payroll processing.
11. The Pearson correlation value (-0.157) is negatively correlated between the job satisfaction and the work experience of the employees in the Innovative Health Care (India) Pvt. Ltd.

12. The Pearson correlation value (-0.017) is negatively correlated between the communications regarding payroll and the pay checks receives on time in the Innovative Health Care (India) Pvt. Ltd.
13. The Pearson correlation value (0.088) is positively correlated between the transparency of the pay cycle and encounter errors on pay check.
14. Here we reject the null hypothesis because (0.006) is less than the significant value (0.05). Hence there is a significant difference between the communication regarding payroll and the security of the payroll system.
15. Here we accept the null hypothesis because (0.682) is greater than the significant value (0.05). Hence there is no significant difference between the communication regarding payroll and security of the payroll system.
16. Here we accept the null hypothesis because (0.206) is greater than the significant value (0.05). Hence there is no significant difference between the accuracy of the payroll system and experience among the current payroll.

## SUGGESTIONS

1. Improve communication channels between HR/payroll departments and employees to address concerns and provide updates on pay cycle procedures.
2. Conduct regular audits of pay cycle procedures to identify areas for improvement and ensure compliance with regulations.
3. Provide support channels for employees to address any payroll-related queries or concerns.
4. Regularly review and evaluate pay cycle procedures, solicit feedback, and implement changes as needed to ensure continuous improvement.
5. Maintain transparency in pay cycle policies and procedures to foster trust and confidence among employees.
6. Clearly communicate the pay cycle schedule, deductions, and any changes to ensure employees are informed.

## CONCLUSION

In conclusion, the study undertaken on employee pay-cycle management within Innovative Health Care (India) Private Limited has provided valuable insights into the challenges and opportunities inherent in payroll processing. Through a thorough examination of the pay cycle procedures, employee perceptions, and organizational objectives, several key findings have emerged. Firstly, it is evident that the timely and accurate processing of payroll is essential for ensuring employee satisfaction and organizational efficiency. The analysis revealed areas for improvement in the pay cycle procedures.

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