

Quadrant II - Notes

Paper Code: COG 146

Module Name: Consequences pay dissatisfaction

Consequences of pay dissatisfaction.

Job dissatisfaction produces low morale among workers and low morale at work is highly undesirable. Accordingly, managers must be constantly watchful for any signs of low morale and job dissatisfaction and take corrective action as soon as possible. Some of the indicators of low morale are ,

Employee Unrest: Under this condition the employee may not attend to his job properly. Sometimes, he comes so frustrated that he may take to undesirable habits as excessive drinking. So it may affect the mental health and wellbeing of the worker. If it affects a large number of workers they may resort to collective action such as go slow, work stoppage strike and other allied group action.

Absenteeism: Less satisfied employees are more likely to be absent from work due to avoidable reasons. Management must be concerned with excessive absenteeism for it disrupts production and business operations.

Tardiness: This is also similar to absenteeism. But this is not due to some explainable reason such as getting children ready for school but only due to the fact that employees really do not care much for their work. This is indicated by excessive time spent in rest rooms, lingering in the parking lot before coming to work spending too much time on personal telephone calls. So, they actually spend time at work but that time is not spent on useful and productive work.

Employee Turnover: The organizational units with the lowest average satisfaction levels tend to have the highest turnover rates. Turnover may be voluntary , which is initiated by the employees or it may be due to job dissatisfaction or other personal reason beyond control by the management.

Union Activity: The evidence for dissatisfaction is a major cause of unionization. In addition the employees feel that individually they are unable to influence changes that would result in the alleviation, of those factors that cause job dissatisfaction. Lower level of union activities is related to the level of job dissatisfaction and lower level of job dissatisfaction may result in

grievances while higher level of job dissatisfaction may result in employee strikes.

Attractive remuneration an employee's longevity of service in a particular organisation depends more on non-financial benefits, but the role of financial benefits cannot be ruled out, particularly at the lower levels of hierarchy.

A sound wage and salary administration tries to achieve these objectives

For employees

1. Employees are paid according to requirements of their jobs, i.e., highly skilled jobs are paid more compensation than low skilled jobs. This eliminates inequalities.
2. The chances of favoritism (which creep in when wage rates are assigned) are greatly minimized.
3. Job sequences and lines of promotion are established wherever they are applicable.
4. Employees' morale and motivation are increased because a wage programme can be explained and is based upon facts.

To Employers

1. They can systematically plan for and control their labor costs.
2. In dealing with a trade union, they can explain the basis of their wage programme because it is based upon a systematic analysis of job and wage facts.
3. A wage and salary administration reduces the likelihood of friction and grievances over wage inequities.
4. It enhances an employee's morale and motivation because adequate and fairly administered wages are basic to his wants and needs.
5. It attracts qualified employees by ensuring an adequate payment for all the jobs.