

Project Dissertation Report

On

STUDY ON BEST HR PRACTICES AND COMPENSATION STRUCTURES AT ACCENTURE SOLUTIONS PRIVATE LIMITED

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DECLARATION CERTIFICATE

I **AYESHA SIDDIQUIE** certify that this project work titled **STUDY ON BEST HR PRACTICES AND COMPENSATION STRUCTURES AT ACCENTURE SOLUTIONS PRIVATE LIMITED** presented for partial fulfilment of the criterion for the award of Post Graduate In Masters of Business Administration is my own genuine work, which I completed under the supervision of **MRS. DEEPALI MALHOTRA**. I thus declare This project report's work has not been submitted to any Institute or University for the granting of any other degree or diploma.

By noting and specifying the credits in the bibliography, I thus swear that I have faithfully recognized and given credit to published material that I have cited from other published sources. I also declare that the work presented in this report is unique and has not been plagiarized. If my work is determined to be plagiarized or duplicated, the institution has the authority to reject my project report submission.

Date: 11th MAY, 2022

**AYESHA SIDDIQUIE
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CERTIFICATE FROM GUIDE

This is to certify that Ms. Ayesha Siddiquie, under my direction and supervision, finished the project work on STUDY ON BEST HR PRACTICES AND COMPENSATION STRUCTURES AT ACCENTURE SOLUTIONS PRIVATE LIMITED for the partial fulfillment of post graduate degree in MBA.

(Signature of guide)
Deepali Malhotra

ACKNOWLEDGEMENT

As part of my MBA program, I created this project report titled STUDY ON BEST HR PRACTICES AND COMPENSATION STRUCTURES AT ACCENTURE SOLUTIONS PRIVATE LIMITED. The contents and technique of this research report were generated from interactions with Accenture workers and colleagues, as well as different procurement-related websites and training material. I'd want to express my gratitude to a number of friends and professors who, through their advice, passion, and counselling, greatly aided me.

Apart from that, I hope that my research article would encourage others to think about and debate issues like this one.

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EXECUTIVE SUMMARY

"People are our biggest asset," corporations have chanted for years. Only a few companies, however, have begun to use HRM systems that support this approach. In the Indian market, HR managers have a variety of challenges in identifying the "perfect applicant" and creating a "conducive work environment" that benefits both employees and the organization. Due to difficulties such as attrition, secrecy, and loyalty, the industry is already under stress. Other difficulties include managing people, providing incentives for employees to adopt new technology advances, hiring and training, performance management, development, and compensation management. With these difficulties, firms must rethink how they manage their personnel. In the knowledge-based economy, HR management is a major issue. HR management in the knowledge-based sector is a huge problem for HR managers since it requires multitasking. HR managers currently have a wide range of tasks. Previously, their duty was limited to administrative tasks such as controlling staff requirements and maintaining organizational rolls. It is now more strategic in response to industrial demands.

Managing People

To the present scenario of the economy, knowledge workers are in more demand. Even if there are a lot of resumes out there, organizations are still looking for someone who makes a difference. Because of their expertise and talents, talented professionals often have a lot of negotiating leverage. Those who assume responsibility at a younger age and with less experience have a different mentality. From the result of contemplation, change in the focus from organizational career devotion to customized career management.

Motivating the Workforce

Increasing competitiveness in the global market, a technology advantage backed by a talent pool has become a critical determinant for market survival. Thus the outcome is every company prioritizes technological advancement projects. HR managers are now serving as motivators for their knowledge workers to embrace new ideas.

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CHAPTER-1

INTRODUCTION TO THE INDUSTRY

1.1 Introduction

Compensation is money given to an employee in exchange for their work and contribution to the company. Wages, salaries, and tips are the most prevalent types of remuneration. Base pay and/or variable pay are the most common forms of compensation. Base pay is determined by the organization's function and the market for the competence necessary to perform that position. Variable compensation is determined by a person's performance in that job, such as how effectively that individual met his or her annual goals. Bonus programs, for example, are a type of variable remuneration. (Some individuals regard bonuses to be a perk rather than remuneration.) Some programs include both a basic and variable salary.

Compensation/pay ranges are typically linked to job descriptions in organizations. The ranges represent the lowest and maximum annual salary that may be earned in that position. Employees have money deducted from their paychecks for federal and state income taxes, FICA (social security) payments, and employee contributions to the price of certain benefits (often medical insurance and retirement). In the study, I discuss the many components of remuneration as well as the mechanism by which the employer determines them. Environmental considerations will also be considered while determining the compensation amount.

The government has enacted a law known as the "minimum wage regulation," and the paper details the many aspects of this legislation.

It is critical for an employee to understand his compensation rights and to be clear about the remuneration he is receiving from his company. This will assist the employee in getting the most value from the coverage.

All industries have the same laws and compensation ideas. The manufacturing business, which is the most flourishing in the Indian situation, is highlighted in this research. The sector is growing in double digits thanks to government intervention in the business by making regulation easier and attracting more FDI for investment. Our country is attracting a

large number of foreign participants. Some would open stores directly, while others will invest in Indian companies. Many Indian businesses have also expanded into this sector. Bharti Reliance and other companies that have entered this business are the greatest examples.

1.2 PROFILE OF THE COMPANY

Accenture Solutions Private Limited is a management consulting and professional services firm specializing in strategy, consulting, digital, technology, and operations.

It was founded in Dublin, Ireland, on September 1, 2009, and is a Fortune Global 500 business. With more than 425,000 people serving clients in more than 200 locations throughout 120 countries, the corporation generated net revenues of \$34.9 billion in 2017. In 2015, the corporation employed around 130,000 people in India, 48,000 in the United States, and 50,000 in the Philippines. The Fortune Global 100 and more than three-quarters of the Fortune Global 500 are among Accenture's current clients.

Accenture stock is traded on the NYSE and is part of the S&P 500 index on 5 July 2011.

Accenture has six divisions; these are Accenture Strategy, Accenture Consulting, Accenture Digital, Accenture Federal Services, Accenture Technology and Accenture Operations.

1.3 History

Accenture began as the business and technology consulting division of Arthur Andersen in the early 1950s, when it conducted a feasibility study for General Electric to install a computer at Appliance Park in Louisville, Kentucky, leading to GE's installation of a UNIVAC I computer and printer, which is thought to be the first commercial use of a computer in the United States. Arthur Andersen's administrative services section was headed by Joseph Glickauf, an early pioneer in computer consulting.

1.4 Emergence of Accenture

On January 1, 2001, Andersen Consulting changed its name to "Accenture." The term "Accenture" is said to come from the phrase "accent on the future." Kim Petersen, a Danish employee from the company's Oslo, Norway office, won an internal competition with the name "Accenture." Accenture believed that the name should reflect its desire to be a worldwide consulting leader and top performance, and that it should not be derogatory in any of the countries where it works.

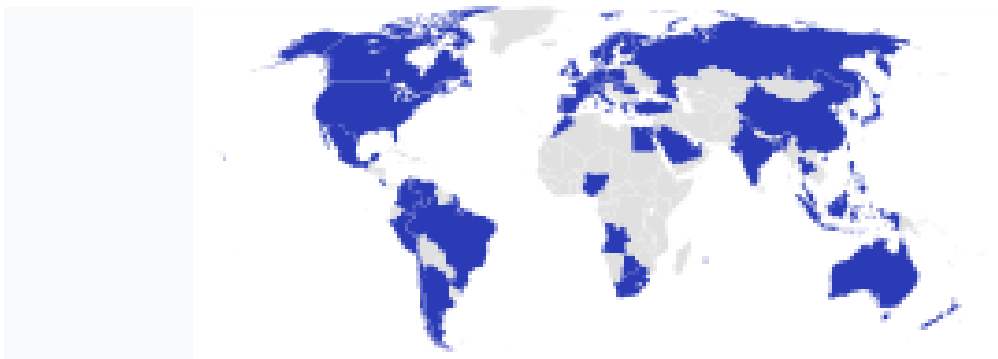


Accenture's banner hung at New York Stock Exchange (NYSE) building for its IPO on 19 July 2001.

Accenture's first public offering (IPO) banner atop the New York Stock Exchange (NYSE) building on July 19, 2001.

Accenture's initial public offering (IPO) began trading on the New York Stock Exchange on July 19, 2001, at a price of \$14.50 per share.

Services and operation



Accenture's global footprint

- Accenture Strategy delivers services in the areas of business strategy, technology strategy, and operations strategy.

Accenture Consulting offers services in technology, business, and management.

- Accenture Digital offers services in digital marketing, analytics, and mobility.

Accenture Federal Services is a federal contracting firm.

- Accenture Technology specializes on technology solutions, implementation, delivery, and research and development, as well as its Technology Labs for new technologies.

- Accenture Operations focuses on delivering services "as a service." This comprises BPO, IT, cloud, managed operations, security, and infrastructure services.

Diversity Policy

Accenture's diversity strategy includes gender-neutral toilets and clothing guidelines. "In communities that don't welcome gender diversity, Accenture's workplace can become a haven, a safe space for our transgender employees."

1.5 SWOT ANALYSIS

STRENGTHS

- Items of high quality and durability.
- In terms of product performance, outperforms competitors.
- Brand Image • Product accreditation is required.
- High levels of client satisfaction.
- A comfortable working environment • More efficient and effective service • Quicker response times
- A dedicated workforce interested in pursuing a long-term career in the field.

WEAKNESSES

- For certain industries, there are some gaps in the spectrum.
- Training is required for delivery staff.
- Customer service representatives must complete training.
- Take, for example, processes and systems.
- Management coverage is insufficient.
- Sectoral growth is constrained by low unemployment and tight competition for workers.

OPPORTUNITIES

- Profit margins will be advantageous.
- End users are receptive to novel ideas.
- It has the ability to expand internationally.
- New specialty applications.
- More favorable supplier agreements could be pursued.
- Rapid job progression opportunities across the business.
- A center for applied research to help create solutions for offering higher-value services.

THREATS

- Legislation could make a difference.
- The principal business's distribution risk.
- At risk of retaliation from large competitors.
- In remote locations, a lack of infrastructure may stymie investment.

CHAPTER –2

RESEARCH METHODOLOGY

2.1 SIGNIFICANCE OF THE STUDY

- To have knowledge and understanding of compensation policies used in the organization at different levels.
- To analyze the level of satisfaction of the employees in respect of the process followed in the organization

2.2 Managerial usefulness of the study

Compensation allows employees to exhibit new ideas, resolve difficult social relationships, and acquire insight into conduct that is considered "the way things are."

Compensation is based on the notion that individuals have a greater capacity to change inefficient and ineffective institutions and procedures.

Individual skills, on the other hand, should be supported by framework responsibility so that participants may utilise their skills to tell the story.

1. This research may be used to determine the success of compensation management.
2. This research aids in the understanding, analysis, and application of compensation principles in organizations.

2.3 OBJECTIVE OF THE STUDY

The research's major goal is to:

1. Research Accenture Solutions Pvt.HR Ltd.'s practices and compensation structure.
2. To identify the finest HR policies to suggest for the company.

3. To evaluate Accenture Solutions Pvt. Ltd.'s remuneration structures.

2.4 SCOPE OF THE STUDY

Compensation management is the process of determining how successful compensation has been for employees.

- This research will make recommendations for improving the current training and development system.
- It will direct the organization's actions, dealing with different employees differently.

RESEARCH METHODOLOGY

A methodical approach to issue solving is called research. It's simply an inquiry, recording, and analysis of evidence with the goal of learning something new. "Research entails identifying and reframing the issue, developing hypotheses or recommended solutions, gathering, organizing, and assessing data, drawing conclusions, and testing those conclusions to see if they match the formulated hypothesis," says Clifford Woody.

Sampling Design

A sample design is a finite plan for obtaining a sample from a given population. Simple random sampling is used for this study.

Sample Size

Number of the sampling units selected from the population is called the size of the sample. Sample of 50 respondents were obtained from the population which is 100% of the employees working in corporate office of Accenture.

Methods of Data Collection

Primary source and secondary source data are collected for the analysis.

Primary Sources

The data is in the raw form in which statistical methods are applied for the purpose of analysis and interpretation.

Primary source of the data is collected from the responses of the employees through questionnaire.

Secondary Sources

Secondary data is collected from company's website, journals, magazines, online sites.

Nature of Research

Data and features regarding the population or phenomena being examined are described in descriptive research, also known as statistical research. The questions who, what, where, when, and how are answered through descriptive research.

Questionnaire

A well-defined questionnaire is used to collect information on different component. The question was arranged accordingly with relevance and proper order.

Nature of Questions Asked

The questionnaire consists of open-ended questions which comprises of rating from best to poor and multiple-choice type.

Sample

Total no. of 50 respondents have been selected. The responses for each question were calculated and then presented in the Percentage format for statistical analysis and represented in charts.

Presentation of Data

Different charts and tables are used for presenting the data in percentage format.

Tools and Techniques for Analysis

For data interpretation and analysis MS Excel is used.

CHAPTER-3

CONCEPTUAL DISCUSSIONS

Compensation Management

Individuals' services to organizations must be fairly compensated. In addition to salary, this remuneration often consists of monetary transfers such as pensions, bonuses for good performance, and shared profits. Promotion or words of appreciation can likewise be used as forms of compensation. Workers also receive some personal gratification as a reward for a job well done. It is impossible to summarise and describe every aspect of compensation payment.- Aside from pay, employees want various types of employment compensation, such as job satisfaction, job content, responsibility, and inventiveness.

Compensation building blocks

Total compensation, according to Effective Compensation, is a deliberate grouping of a variety of programs designed to achieve certain corporate goals. The following categories can be applied to the programs:

Base-pay - The predetermined amount to be paid (typically for performance) according to a job categorization system or market-based criteria.

Incentives - Incentives are additional variable pay that is paid in cash, shares, or tax-deferred arrangements depending on success against objectives.

Protective - Protective programs cover employees against death or loss of earning capacity, as well as against big current costs.

- Life insurance
- Medical insurance
- Survivor's income
- Dental insurance
- Disability income

Capital Accumulation – schemes, generally shares that ensure to build a personal estate for beneficiary terms. Long-term incentives and phantom equity agreements are examples of this type of structure.

Retirement Plans - Retirement income programs are those that postpone payment for services to a later period (qualified plans such as pensions, profit sharing, and thrift plans as well as supplemental programs and employment contracts).

Perquisites - Allowances given by the firm in addition to direct compensation are called perquisites.

Paid time-off - Vacations, family leave, and other paid time off are all available. Furthermore, the manner in which remuneration is distributed and conveyed to employees has an impact on the performance of the organization.

Types of Compensation

Various types of compensation-

DIRECT COMPENSATION -

Employees receive direct remuneration in the form of monetary rewards in exchange for their contributions to the company. Basic wage, housing rent allowance, transportation, leave travel allowance, medical reimbursements, special allowances, bonus, Pf/Gratuity, and other monetary advantages are among the monetary perks. They are supplied on a set schedule.

Basic Salary

Salary is the amount paid to an employee in exchange for labour performed over a certain span of time. It is the money that an employee receives from his or her employer for providing services.

Rent Assistance

Organizations either give housing or home rent allowances to their employees who come from distant states or countries. This is done to ensure their financial stability and to encourage them to work.

Conveyance

Employees are provided with taxi services by their employers. Few companies now give automobiles and fuel allowances to workers for motivation.



Travel Allowance on Leave

These benefits are offered to help the company retain its finest employees. Employees are provided allowances to take their families to any location they like. The allowances are tiered according to the employee's status within the company.

Medical Assistance

Organizations are likewise concerned about their workers' health. Employees are given medical benefits for themselves and their families. Health insurance and treatment bill reimbursements are included in these medical claims.

Employees receive a bonus over the holiday season to stimulate them and provide them with social security. The bonus is normally equal to one month's pay for the employee.

Additional Compensation

Employees are given special allowances such as overtime, mobile allowances, food, commissions, travel costs, lower interest loans, insurance, club memberships, and so on to offer social security and motivate them, resulting in increased organizational productivity.

INDIRECT COMPENSATION

Retirement income programs are those that delay payment for services to a later period.

Policy on Leave

Employees have the right to take as much time off as they need while working for the company. Paid leaves, such as casual leaves, medical leaves (sick leave), and maternity leaves, as well as statutory compensation, are provided by the organizations.

Overtime Policy

Employees should be given enough allowances and facilities for working overtime, such as transportation, overtime pay, and so on.

Hospitalization

Employees should be given allowances to obtain annual physicals. Their dependents should also be entitled for the medical claims that provide them with emotional and social security.

Need for Compensation Management

A good remuneration plan is necessary to encourage employees and boost organizational productivity.

No one will come to work for the group unless they are paid. As a result, compensation aids in the efficient operation of a business and the achievement of its objectives.

Employees have different psychological and self-actualization demands to meet than salary. As a result, compensation is necessary. Competitive pay will aid the firm in attracting and retaining top people. Compensation should be as per organization standards.

Objectives of compensation planning

Compensation planning has several important goals, including:

Attracting Talent: To recruit great talent, compensation should be competitive. Organizations vying for the best employees, the pay package must be competitive.

Retain talent: Employees may leave in dissatisfaction if remuneration levels fall significantly short of their expectations or are not competitive.

Ensure equity: Ensure that remuneration is commensurate with the job's value. Similar jobs should pay similarly, while persons with better qualifications should be paid more.

New and desired behaviors: Employees may feel compelled to leave if the organization does not encourage new and desirable conduct.

Control costs-hiring individuals shouldn't be too expensive... efficient pay management guarantees that employees are neither overpaid nor underpaid.

Comply with legal requirements: Compensation schemes must always meet government requirements for minimum salaries, allowances, bonuses, and perks, among other things. Compensation management should be simple to comprehend and use.

Compensation amounts are affected by a number of factors:

Employee salary should represent the employee's work, the degree of difficulties encountered when using his energy, and the industry's competitive rates. The elements impacting the salary levels include: demand and supply

Job Needs - The difficulty, complexity, and challenge of tasks vary widely. Some need a high degree of ability and understanding, while others are simple enough for virtually anybody to manage. Simple, regular jobs that can be completed by a large number of persons with only rudimentary abilities are paid very little. Complex, difficult projects that need a small number of individuals with high skill levels, on the other hand, usually pay well.

Ability to pay - The payment capacity of a company is determined by its ability to pay projects. Companies can afford to pay greater wages since their profits are large. This helps to explain why software businesses pay higher wages than commodity-based industries.

Living Cost - Employees' buying power is eroded by rising living costs. To combat this, unions and employees seek to tie pay to the cost of living index. Wages grow in lockstep with the index as prices rise.

Prevailing wage rates - These are taken into consideration while determining salaries at finishing enterprises within the industry. Employees may find it challenging to stay with a firm that does not provide equal compensation.

Unions-Institutions with much of unionisation usually pay higher salaries because well organized unions may exert influence on management and gain all benefits and concessions for workers.

Productivity- Private organizations, where employees' remuneration are tied to their productivity levels; if you do a good job, you earn high pay.

State regulation- The pay sector in an industry is determined by state regulation, which includes minimum wages, bonuses, DA, and allowances.

Labor supply and demand- the salary is determined by the demand for and supply of certain talents. Higher earnings are guaranteed for software developers, pharmaceutical R&D specialists, telecom and electronics engineers, financial analysts, and management consultants. Oversupply reduces demand for a certain group of workers, resulting in salary reductions.

Compensation management should be approached as a process in order to accomplish its objectives. The following are the steps in this procedure in order:

- Organization's strategy
- Reimbursement policy
- Job analysis and assessment
- Analysis of contingent factors
- Design and implementation of compensation plan
- Evaluation and review

POLICIES OF COMPENSATION

The company's entire HRM strategy and policy inform the pay policy. To be successful at reward management, the company must clearly define its remuneration policy, which must contain the reasons for deciding remuneration, rewards, including perks, along with various types of perks for different levels of employees. The policy will ensure the company's strategic and human resource objectives. During the job analysis and assessment, external elements that impact the policies must also be evaluated. The former is focused with a work's various components and duties, whereas the latter is interested with the skills and talents necessary for job performance.

Job analysis also serves as a foundation for job evaluation, which analyses the relative value of various occupations within the company. The remuneration package associated with each job is determined by the relative worth of distinct jobs.

Contingent Factors Analysis: Compensation plans are constantly developed in light of different external and internal elements that influence the functioning of the human resource management system. External influences include labour market conditions, cost of living, economic development level, social issues, trade union pressure, and various labour regulations governing pay management. Internal considerations include the company's capacity to pay and employee-related criteria like work performance, seniority, and abilities. Wage/salary surveys can be used to investigate these aspects. These things will have an influence.

The pay policy is influenced by the company's complete HR strategy and policy. To be effective at performance appraisal, the organization must have a well-defined pay policy that includes the rationale for selecting remuneration, benefits, including perks, and various sorts of privileges for staff at all levels. The policy will help accomplish its strategic and human resource goals. External factors that influence policies must therefore be addressed throughout the job analysis and appraisal. The former is concerned with the many components and responsibilities of a job, whereas the latter is concerned with the talents and capabilities required for job performance.

Assessment and Review: Compensation management should review and update the compensation plan. After the strategy is put in place, it will provide results in terms of intermediate variables like staff satisfaction and morale, as well as end-result variables like higher output. Because it is impacted by a multitude of dynamic happenings, a compensation plan is dynamic rather than rigid and set.

In light of this, the compensation approach must be assessed. If the method does not function as intended, it should be reevaluated and a new strategy used.

Compensation types include:

1. Primary compensation and
2. Incentive compensation.

1 Primary compensation: Basic compensation in the form of wages or salary is primary compensation. Payments to hourly rated manufacturing workers are referred to as wage, whereas payments to administrative, supervisory, and management staff are referred to as salary.

Time as a Form of Payment

The most basic and widely used method of compensating employees is to pay them by the hour, day, week, month, or year.

The system's advantages:

1. It is easy to comprehend.
2. Trade unions appreciate it because it ensures a fixed salary for a set amount of time.
3. It aids in the maintenance of output quality.
4. It prevents overworking and damage to the machine.
5. It safeguards employees against overwork and tiredness.
6. When the output is neither identifiable or quantifiable, it is the only system that works.

The following are the system's flaws:

1. This method makes no distinction between productive and ineffective employees. Workers are paid equally regardless of the amount of labor they produce. As a result, the more efficient among them must either slow down or leave the company.
2. Supervision becomes important to get the workers to work without the wastage of time. This raises the manufacturing amount.

Pre-requisite primary structure of compensation:

1. Internal equity
2. External competitiveness

3. Compensation based on Performance

1. Internal Equity

It indicates that the earnings and compensation of various roles inside the company should be in line. Job appraisal is the source of wage inequity.

2. External Competitiveness

For establishing external arrangement, management must firstly understand community's typical rates for its main job.

Average rates can be set.

1. Surplus of workers.
2. Company is losing money.
3. Cost of living falls.
4. Track record of reliable employer without dismissal.
5. Company provides long-term fringe reimbursement.
6. Salaries have been connected to rising or declining efficiency.

3. Payment on the basis of performance

Finally, management must consider if all employees in similar positions should be paid the same or should be paid differently, and how this should be established. The single rate method, informal approach, automated approach, and merit approach are the four primary techniques to determining individual pay.

(1) Single rates: Single rates are typically given to employees on occupations when the performance of the employee does not differ much on the job since everyone has to operate at same speed for example - office duty. Employees may perceive wage disparities between such occupations as favoritism.

(2) Informal method: Individual pay choices are sometimes made without explicit guidelines or restrictions in an informal manner. This is extremely inappropriate since it

leads to inequity and misunderstanding among employees about what is expected of them. Pay choices may also be impacted by personal favoritism due to a lack of company-wide norms.

(3) The automated method: The amount of the salary raise and the review period are normally predetermined in this technique. Because little regard is given to a worker's particular performance or merit under this strategy, he lacks sufficient motivation to make more efficient work.

(4) Merit method: If individual disparities in performance and production are essential to a corporation, a system for paying workers should be shown for variations. Merit grading is a management technique for aligning employee remuneration with genuine variations in job performance. Even if performance cannot be quantified objectively, merit grading systems presume that it can be observed with adequate precision.

Wage structure in India

Wages are defined generally in economic theory as any monetary remuneration made by an employer to his employees under the terms of a contract for services delivered. Pay, in the traditional sense, include basic wages as well as various wage-related allowances such as dearness allowances and so on. In India, the GOI established a council on Fair Wages (1948), shortly after independence, to define several pay ideas. Minimum wage, livable wage, and fair wage are the terms used to describe these notions. The notion of a minimal pay based on necessity was later included. (K, 2005)

Minimum wage

A minimum wage is a stipend that must be provided to employees regardless of the employer's financial situation. The aforementioned committee believes that

"The minimum wage must cover not just the basic necessities of living, but also the workers' productivity. Minimum wage must include some form of education, medical care, and other luxuries for this reason."

The 15th labour union conference (1957) formally quantified the term “minimum wage” thus-

Women's, children's, and teenage earnings should be ignored when determining the minimum wage.

Minimum food requirements should be calculated using a set of calories recommended by Dr. Aykroyd for an ideal Indian person with adequate action, and clothing essentials should be calculated using a per capita basis of 18 yards per year, giving a total of 72 yards for an average worker family of four.

When it comes to housing, the rent for a minimum space supplied through the government's Industrial Housing Scheme should be factored into the 10 minimum salaries.

20 % is the minimum wage that should be spent on fuel, lights, and other expenses.

WAGE PAYMENT TECHNIQUES

The fundamental question that arises when creating a pay-determination system is if allowances will be tied to spend schedule at work/productivity done over a given span. As a result, there are two types of compensation: time and piece. Both of them have advantages and disadvantages. Combined approaches were used for assuring the reimbursement of minimal amount in order to prevent causing hardship to employees. The balancing approach is what it's called. Let's have a look at how these approaches function.

Time Wage System

The wage is calculated using the time worked technique, which might be hourly, daily, weekly, monthly, or any other time frame. A worker gets paid for the time he works, regardless of his productivity. This is perhaps the oldest and most used method of wage payment.

Piece Wage System

Workers are paid piece pay based on the quantity of product produced over a set period of time. This can be determined based on the quantity generated or execution of work when the yield is not measured in individual component. The piece pay technique has advantages and disadvantages.

Incentive compensation

The term "incentive" refers to any reward or advantage offered to an employee in addition to his or her compensation or salary in order to motivate him or her to do well at work. Both monetary and non-monetary prizes can be used as incentives. A plan to inspire individual or group achievement is referred to as an incentive system.

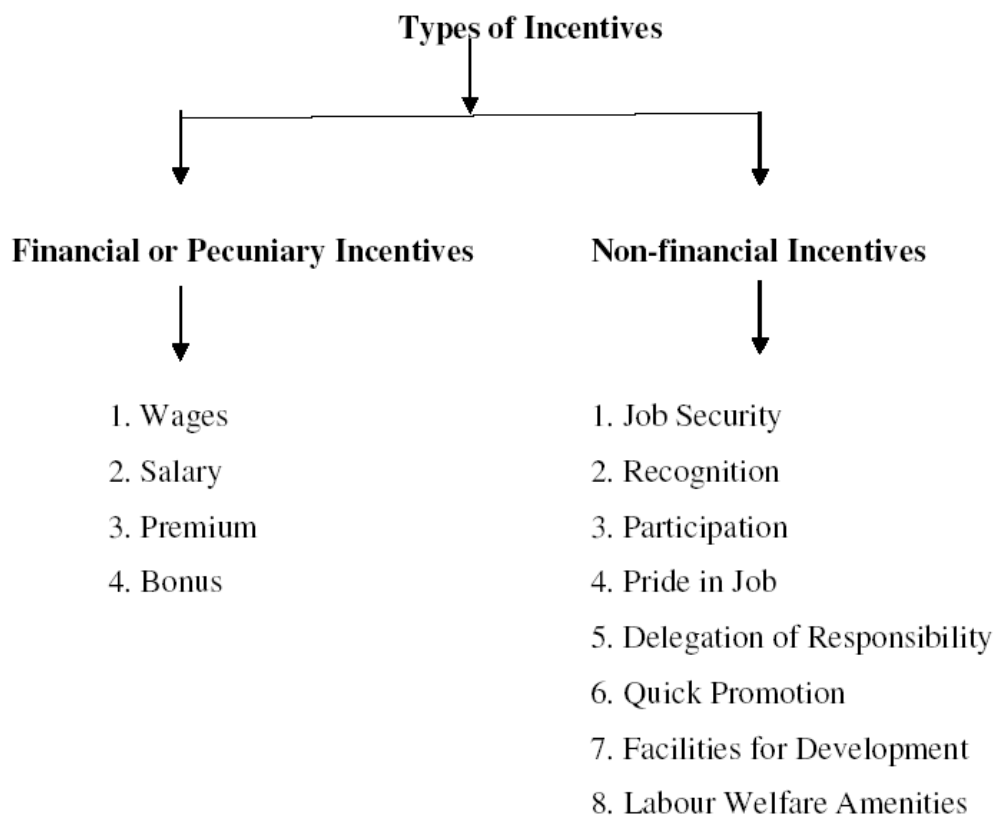
Need for incentives:

Monetary incentive is a significant factor in an employee's decision to work. However, workers will not be satisfied with their jobs if they only get paid. Even if a person is highly compensated, it is impossible to expect efficient performance from him if he is unhappy

with his job. According to sociologists and industrial psychologists, money isn't the main motivator.

CLASSIFICATION OF INCENTIVES

Financial incentives and non-financial incentives are the two types of incentives that can be generally classified. These incentives can be further broken down into different types. The following diagram can assist to clarify these types:



Financial Incentives

Financial incentives, often known as pecuniary incentives, are the most unique of all the rewards. It's expressed in monetary terms. Up to a point, financial incentives remain the most important influencing and motivating element. Because workers may only rely on

monetary compensation to meet their basic requirements for food, clothing, and shelter. Direct or indirect financial incentives are available. Wages, bonuses, and other monetary prizes are examples of direct incentives.

Non-financial incentives

All other planned or spontaneous impacts that induce exertion are classified as non-financial or non-pecuniary incentives. A monetary incentive will not be sufficient to assist management in resolving all labour unrest challenges. Employees may be tempted to spend their extra pay on vices such as gambling or drinking. In such circumstances, nonmonetary incentives are crucial. These forms of incentives aid in the development of a positive work environment and the transformation of employee attitudes. They fight to ensure the economic and social stability of the working class. Non-monetary incentives, in other words, allow workers to live a richer and more fulfilling life. Experiments in various nations have found a significant amount of dependency, particularly in the United Kingdom, America, and Japan.

Non-Financial Incentive Examples

Non-monetary incentives come in many kinds and sizes. A few well-known instances are:

1. **Job Security:** Management must make every effort to ensure that people feel secure in their jobs. Retrenchment, demotion, or termination should not be an option. Employee productivity has also been shown to be lower in workplaces where workers do not feel safe and secure. It is, however, extremely potent among people who feel secure in their jobs.
2. **Job Appreciation:** It is critical to recognize strong labor. People that are successful and capable want to be recognized for their accomplishments. A sign of appreciation could be even more effective than a monetary incentive. Supervisors, understandably, are unable to congratulate everyone on everything they accomplish. On the other side, praise should be utilized as often as feasible.

3. Employee participation: When employees have the ability to speak up about the company's operations, they are more satisfied. Their cooperation is secured because they are actively involved in decision-making.

4. Genuine sympathy for subordinates: Employees should be proud of their achievements. There are several strategies to achieve workplace pride. Food items, dynamic leadership, fair treatment, ethical behaviour, and other elements make employees proud of their jobs and the company.

Other motivators include speedy promotions, development and training opportunities, and labour welfare advantages, among others.

Incentives' Advantages

Some of the advantages of offering incentives to employees include:

1. Increased output: An employer can urge his employees to work harder by providing incentives. Productivity rises as a result.

2. Higher earnings: It goes without saying that more output equals higher profits. There are two approaches to this. First, the cost per unit decreases, and second, the company can maintain a low selling price, resulting in more sales.

3. Idle time is not a problem: Employees who are not provided enough incentives are more inclined to waste time in the workplace. Workers become more time sensitive when appropriate incentives are offered. They start thinking about each minute in monetary terms.

4. Supervision is not an issue: When appropriate incentives are present, people become more aware of their responsibilities. As a result, no continuous monitoring is required.

5. Highly effective staff might earn more through performance bonuses, increased commissions, and other incentives.

6. Ability to identify inefficient and uninteresting employees: If some employees can earn only their regular wage despite incentive programs, this should indicate that they are

inherently dull. As a result, the employer must determine whether or not to keep them or send them for more training.

Problems with incentives:

The following challenges are almost expected to develop during the deployment of an incentive strategy:

1. Worker quality may be compromised: Workers, especially those in the production field, may place an excessive emphasis on quantity while overlooking quality. A corporation can only overcome such a hurdle with a competent quality control system.
2. Interpersonal relationships may worsen as a result of incentives that favour the most efficient employees. As a result, employees may have negative feelings.
3. Machine wear and tear may be greater: Because staff are always looking for ways to increase output, they may treat machinery carelessly. As a result, machines wear out more quickly.
4. Employees' health may be jeopardized: Some employees overwork to make more money, which can be harmful to their health.
5. Increased accidents: Regardless of safety regulations, there is always a push to boost production, which may result in an increase in workplace mishaps.

Categories of Incentive Plans

Incentive plans fall under two categories:

- (i) Individual incentive plans and
- (ii) Group incentive plans

Individual reward plans are now in the works.

Individual incentive plans reward employees for exceeding certain performance goals. These plans can be further divided into:

Time-based incentive plans and output-based incentive plans are the two types of incentive programs.

A standard time for the project is defined in time-based plans, and the worker is only paid if the work is completed in less time than the standard time. The standard output is defined in output-based programs, and the worker receives his incentive only if he produces more than the standard output.

GROUPS' INCENTIVE PLANS :

❖ Profits are shared out.

The most common technique of compensating employees is profit sharing. Employees are given a percentage of the company's net earnings as an incentive in addition to their regular salary.

❖ Profit Sharing Characteristics

The following are the main characteristics of profit sharing:

1. It is founded on a contract between the employer and the employees.
2. It is a payment paid once the net earnings of the company have been determined. As a result, it is not a profit tax.
3. The workers are given money in addition to their regular wage.
4. The amount to be paid is calculated using the formulae that have been agreed upon.
5. Individual employees' salaries are determined by their seniority and compensation level.

❖ Additional Advantages

In addition to their normal income or remuneration, employees receive fringe benefits.

Fringe benefits are monetary and non-monetary incentives given to employees during and after their employment that are related to their job but have nothing to do with their contribution to the company.

1. Employee Expectations
2. Requirements of Trade Unions
3. Preferences of employers
4. As a Social Security benefit recipient
5. To enhance interpersonal relationships

❖ Objectives

1. Creating and maintaining positive working relationships.
2. To improve employee morale.
3. Recognize and meet employees' unmet needs to keep them motivated.
4. To provide a pleasant working environment and a fulfilling career.
5. To protect employees against social risks such as maternity and retirement benefits.
6. Maintaining staff health and safety in the case of an accident
7. Encourage employee satisfaction by providing benefits such as recreation facilities.
8. Create a sense of belonging among staff
9. To satisfy the requirements of various fringe benefit laws.

FRINGE BENEFITS TYPES

1. **Job stability** Unemployment insurance, technological adjustment pay, travel pay, overtime pay, pregnancy leave, cost of living bonus, call back money, layoff pay, retirement rooms, and roles for employee's sons and daughters are all included in this area.
2. **Health Protection** Accident insurance, disability insurance, health insurance, hospitalization, life insurance, medical care, sick benefits, and sick leave are examples of health protection benefits.
3. **For Retirement and Old Age Benefits** Pensions, gratuities, provident funds, old age pensions, old age counselling, medical benefits for retired employees, and retired employee travel concessions are all covered.
4. **For personnel identification** This category includes anniversary rewards, attendance bonuses, canteens, cooperative credit societies, educational facilities, beauty salon services, housing, income tax relief, counselling, and other perks.

Advantages of Fringe Benefits

- Non-monetary incentives have the following advantages:
- Non-monetary incentives encourage employees to improve their performance.
- Employee self-esteem is boosted by non-monetary rewards.
- Employees become more committed to the company.
- These benefits create an environment that supports change and can be provided at no additional cost.
- Establish a solid relationship between the company and its employees.
- Fringe benefits have their drawbacks.

- Non-monetary incentives, notwithstanding their benefits, have the following drawbacks.
- If the approaches are not transparent, these benefits demotivate employees.
- These incentives may encourage people to make rash decisions.
- These incentives may encourage unhealthy competition in the workplace.
- Work disrupts employees' personal lives. v Employees believe management prioritizes non-cost objectives.
- If the monetary rewards are insufficient, these incentives will not work.

Chapter-4

DATA ANALYSIS

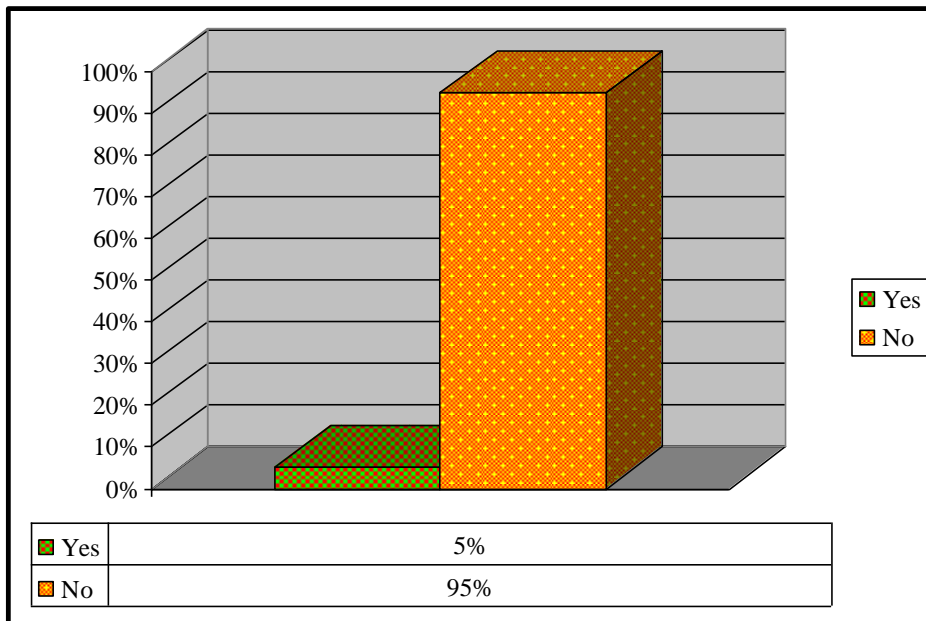
1. Since when are you working in this company?

The highest duration of an employee working with ACCENTURE was 3.2 years. The average duration was found out to be 1.5 years.

2. Is this your first job?

⇒ Yes----- 5%

⇒ No----- 95%

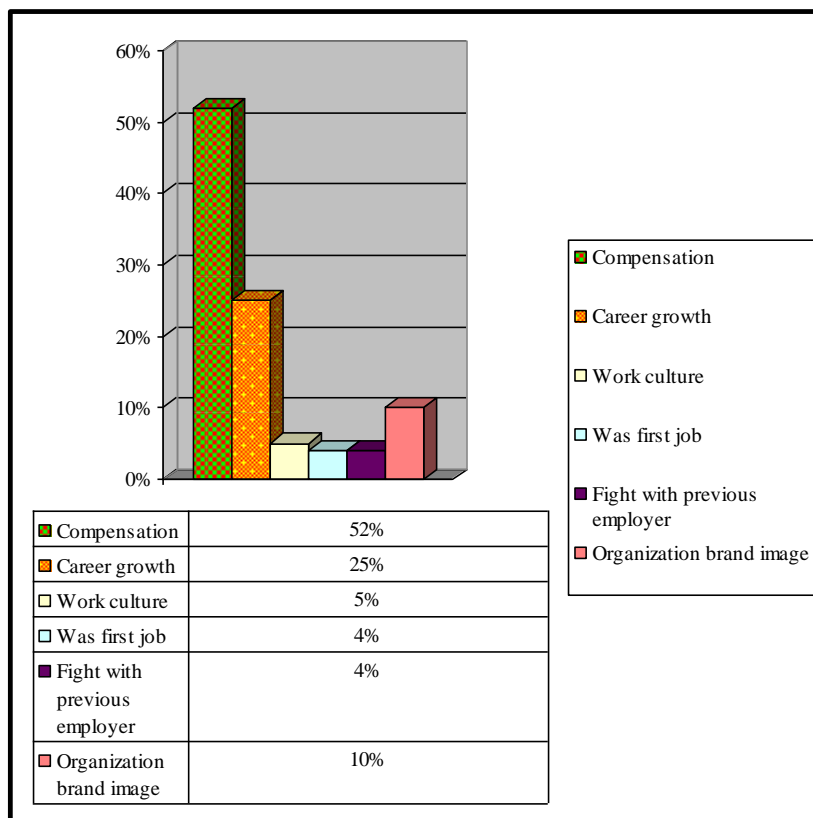


95 % of the respondents said that their job in ACCENTURE is not their first job. 5% of the fresher were those in the executive level and the sales guys.

3. What made you join this organization?

When asked about the reason of joining ACCENTURE, the following data was received:

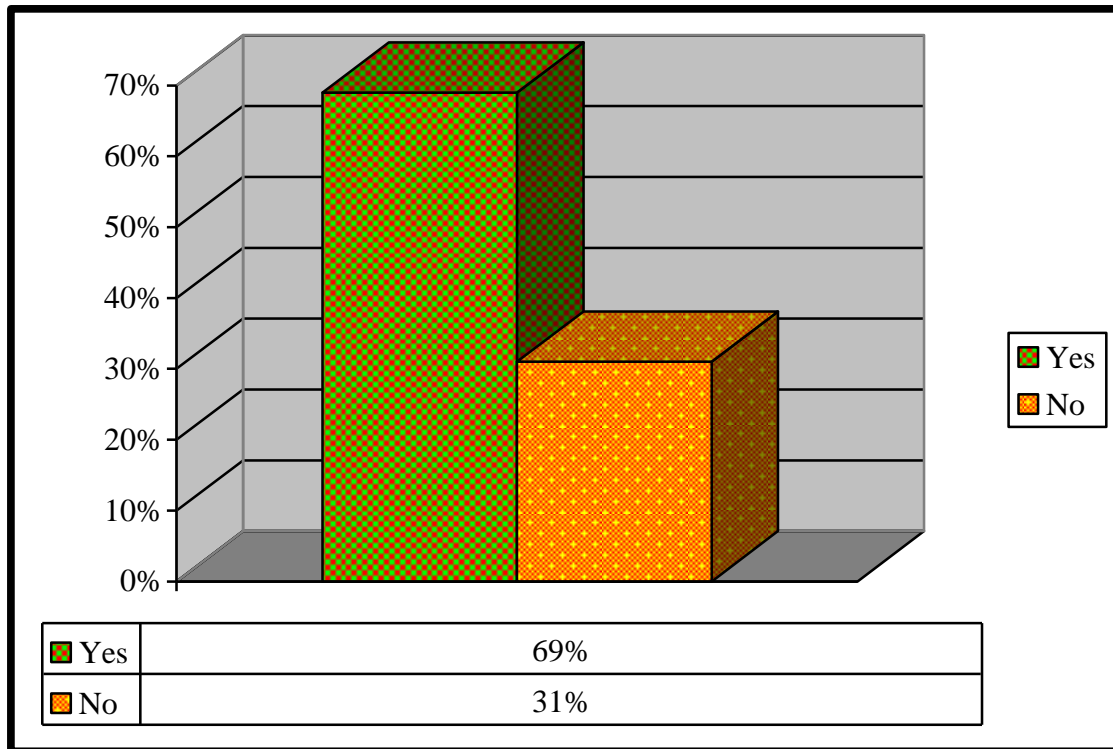
⇒ Compensation-----	52%
⇒ Career growth-----	25%
⇒ Work culture-----	5%
⇒ Was first job-----	4%
⇒ Fight with previous employer-----	4%
⇒ Organization brand image-----	10%



It is interpreted that 52% of the employee joined the company due to good compensation growth and 25% joined because of good career growth.

4. Did the employer give clarity in your roles and responsibility to your satisfaction level?

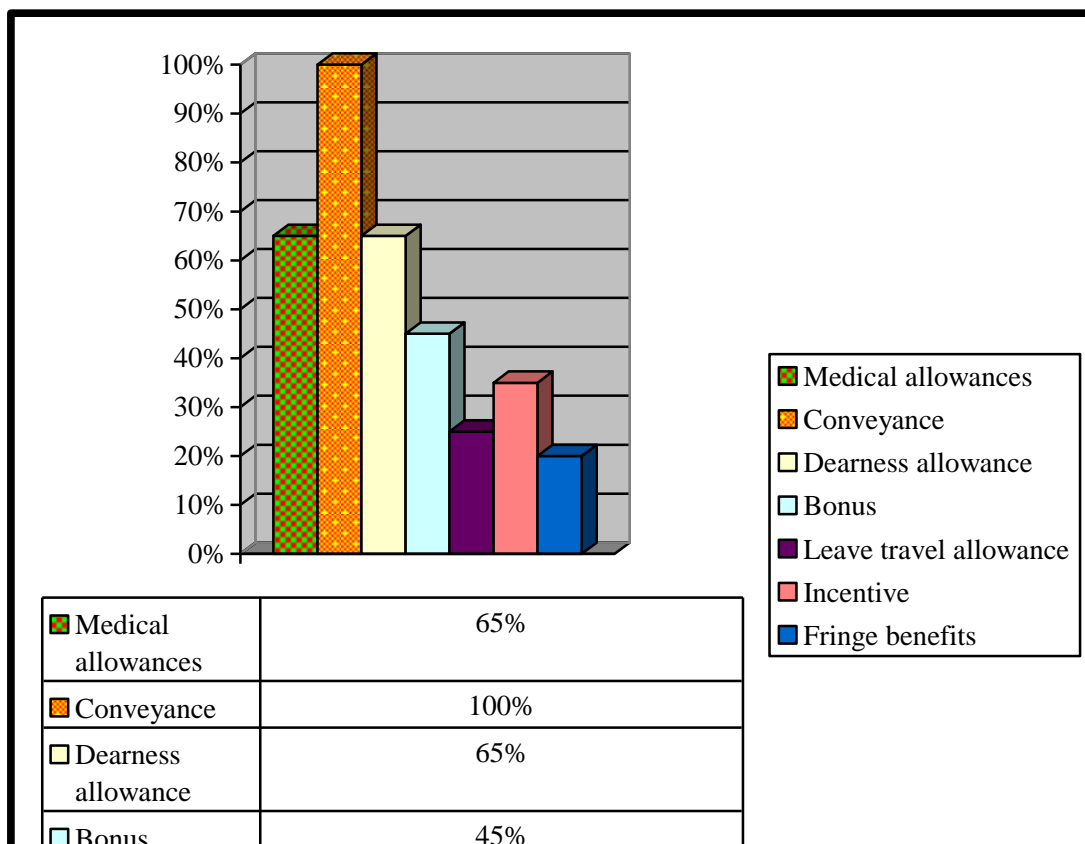
- ☐ Yes----- 69%
- ☐ No----- 31%



It is interpreted that the majority of the employee has clarity about their roles and responsibility and satisfied with the job they are assigned with whereas 31% of the employee said they can't meet upto the mark in their job roles and responsibilities.

5. What benefits (in extra to your salary) do you get from the company?

⇒ Medical allowances – -----	65%
⇒ Conveyance- -----	100%
⇒ Dearness allowance-----	65%
⇒ Bonus-----	45%
⇒ Leave travel allowance-----	25%
⇒ Incentive- -----	35%
⇒ Fringe benefits-----	20%



From the survey it clearly shows that the organization provide 100% conveyance allowances irrespective of the level of the employee.

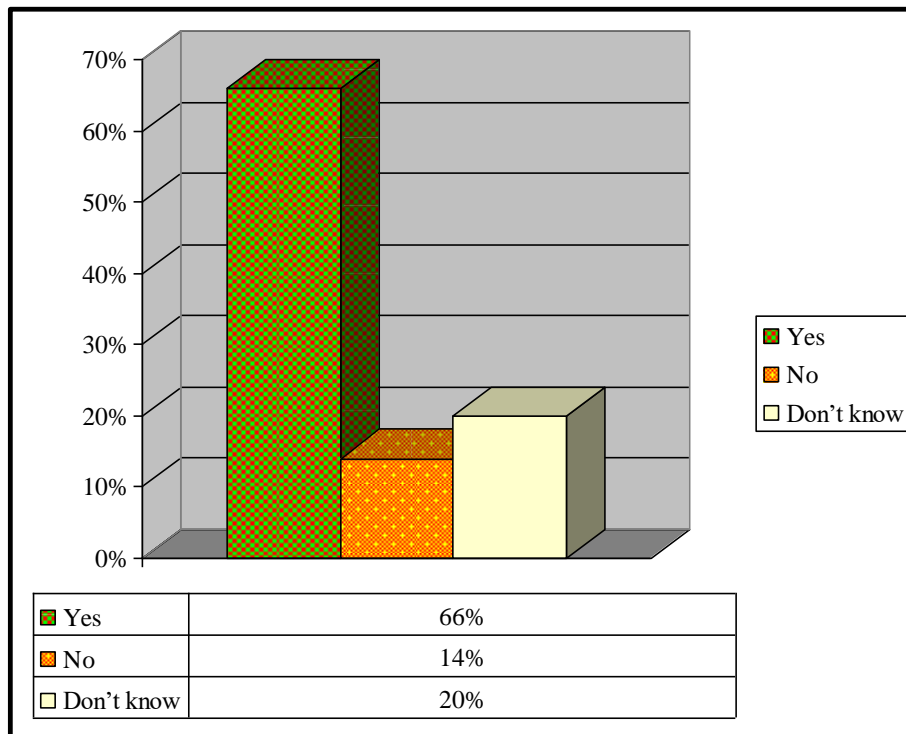
- Leave allowances are not provided to everyone as the survey taken was random so we cannot say anything concretely and hence only 25% has answered.
- Medical allowances is provided to the employee.

6. Is your basic salary in line with the minimum wage regulation of India?

⇒ Yes-----66%

⇒ No-----14%

⇒ Don't know-----20%



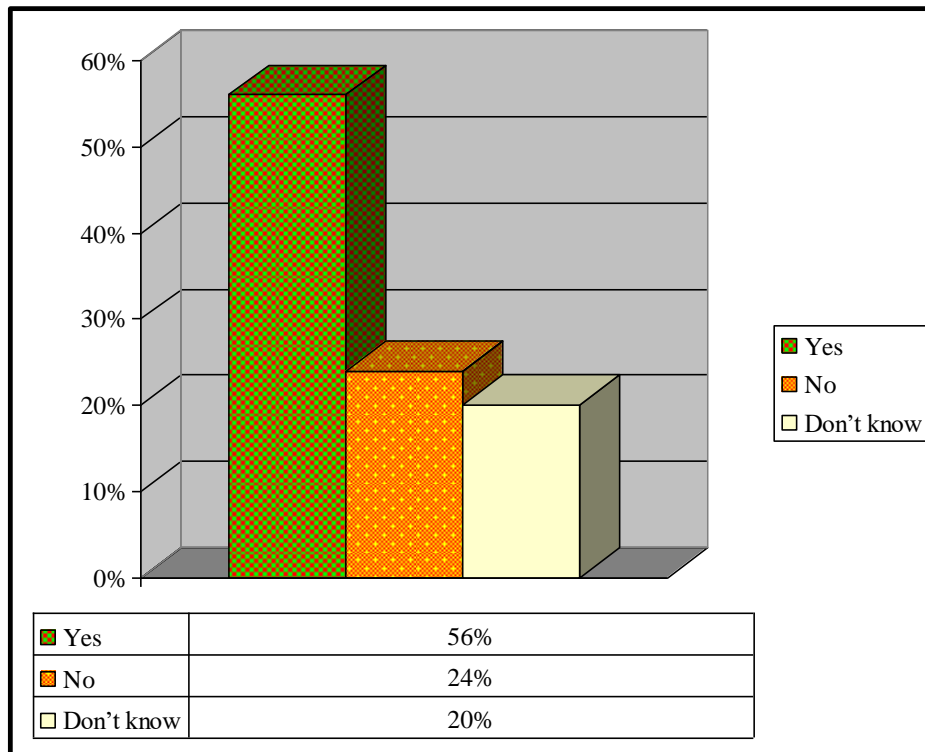
According to the data collected, it can be interpreted that 66% of the employee are aware of the minimum wage policy of India whereas overall 34% of the employee are unaware about minimum monthly wages policy.

7. Does your company provide you monetary benefits for some extraordinary achievements?

⇒ Yes-----56%

⇒ No-----24%

⇒ Don't know-----20%



From this analysis it can be interpreted that 56% of the employee are given the monetary benefits are mostly from middle to higher positioned employees. And lower-level employees who are about 24% do not receive monetary benefits whereas 20% of the employee does not know about the monetary benefits they receive.

8. In the order of preference please arrange the following w.r.t. motivating factors for you. (1 being least important, 5 being most important)

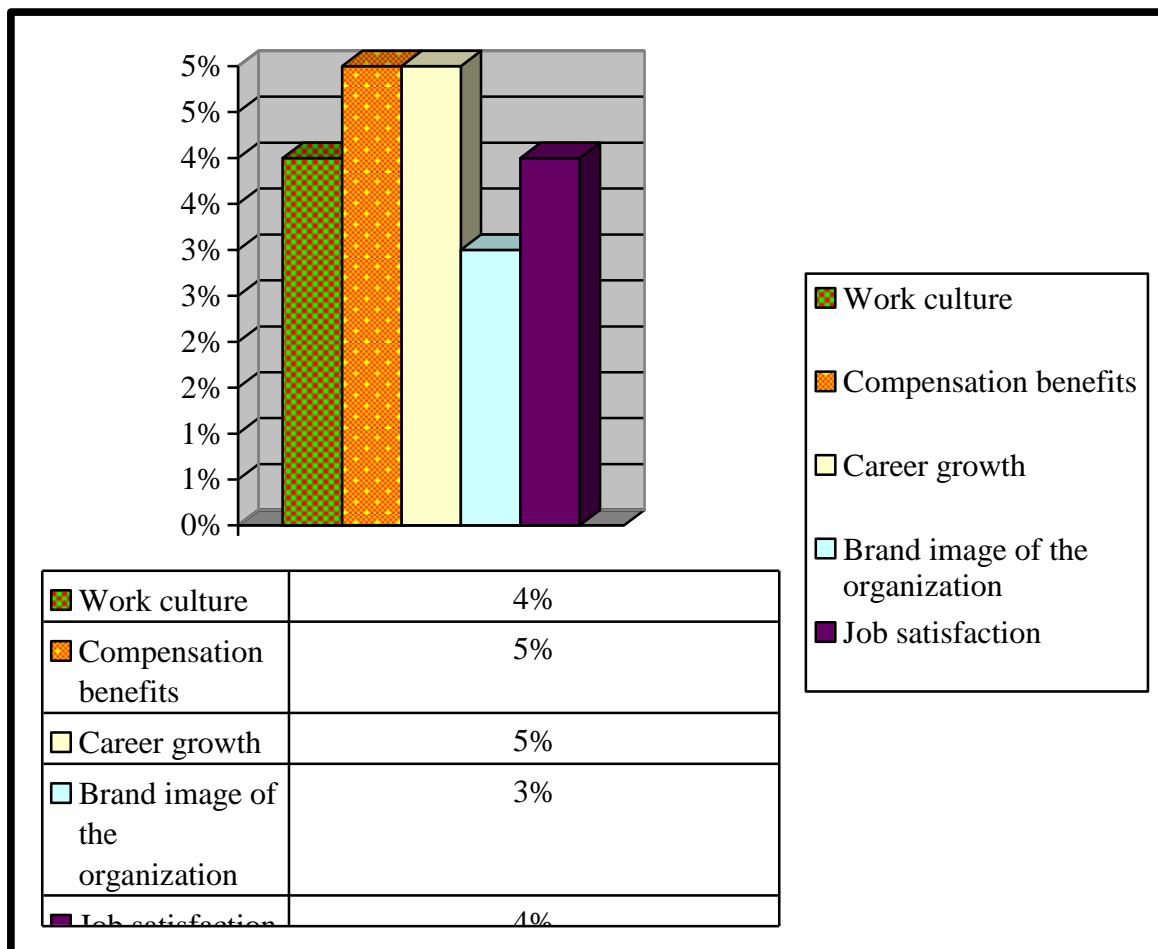
⇒ Work culture----- 4

⇒ Compensation benefits----- 5

⇒ Career growth----- 5

⇒ Brand image of the organization----- 3

⇒ Job satisfaction----- 4

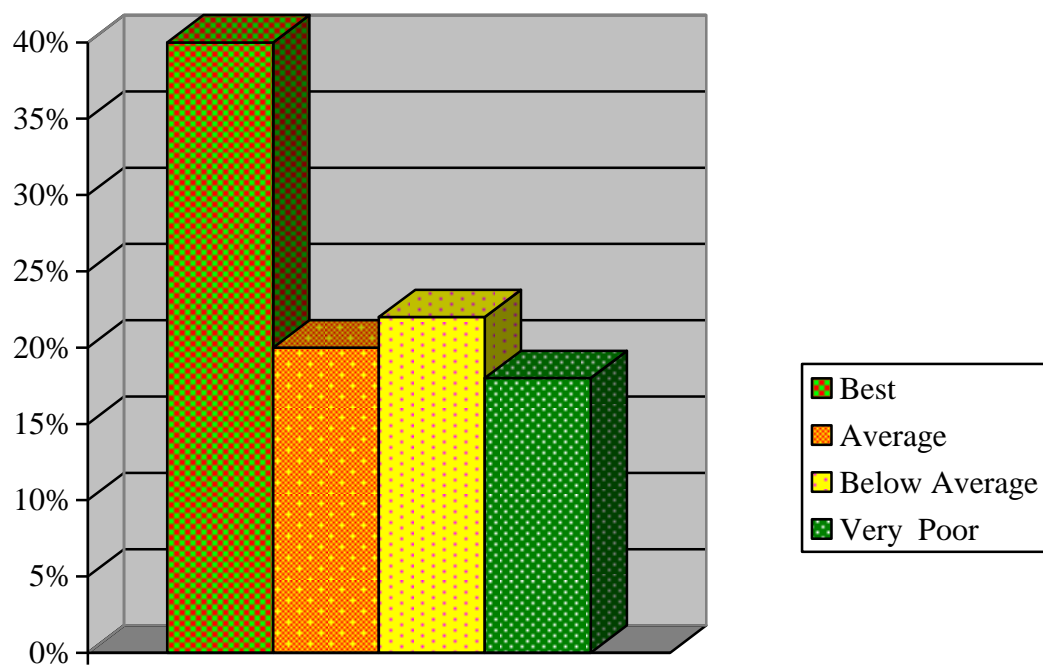


Compensation benefits has been preferred the most along with the career growth opportunities followed by work culture and job satisfaction level and brand image being the least preferred motivating factor among all.

9. How would you rate the following of ACCENTURE in line with the trend in the market?

Salary

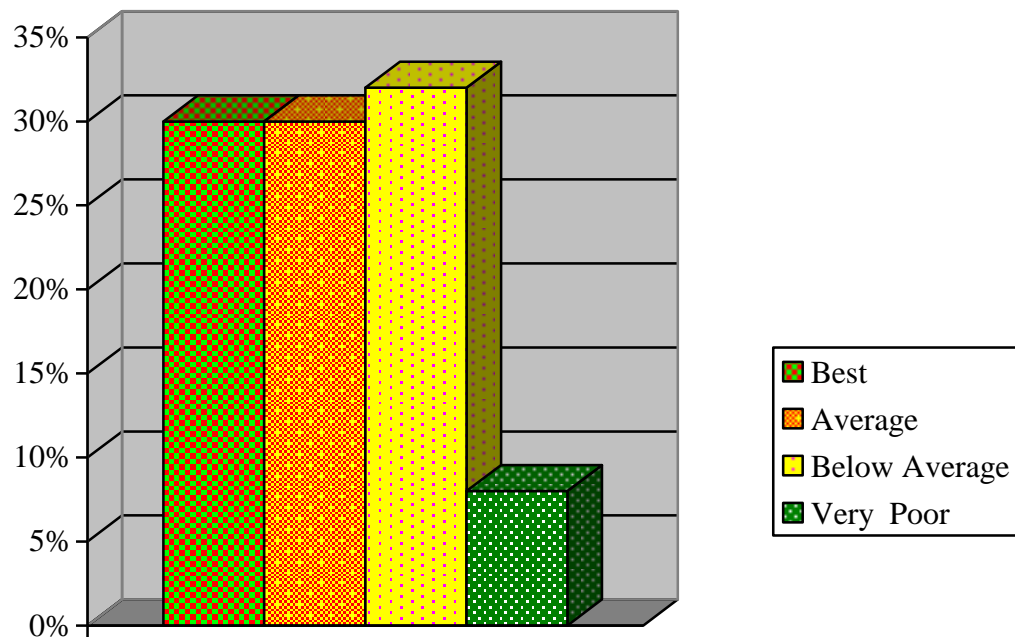
⇒ Best-----	40%
⇒ Average-----	20%
⇒ Below Average -----	22%
⇒ Very Poor-----	18%



■ Best	40%
■ Average	20%
■ Below Average	22%
■ Very Poor	18%

Incentive

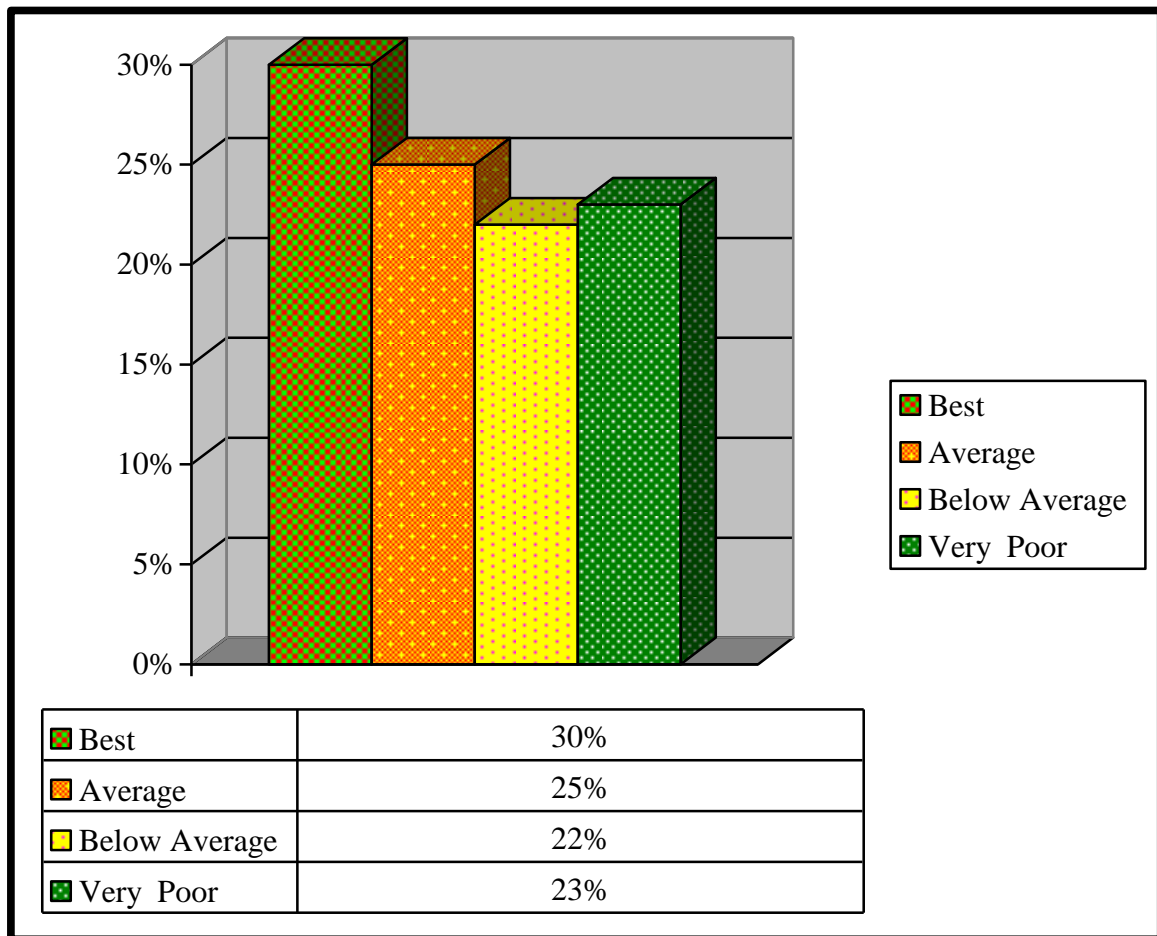
⇒ Best-----	30%
⇒ Average-----	30%
⇒ Below Average -----	32%
⇒ Very Poor-----	08%



■ Best	30%
■ Average	30%
■ Below Average	32%
■ Very Poor	8%

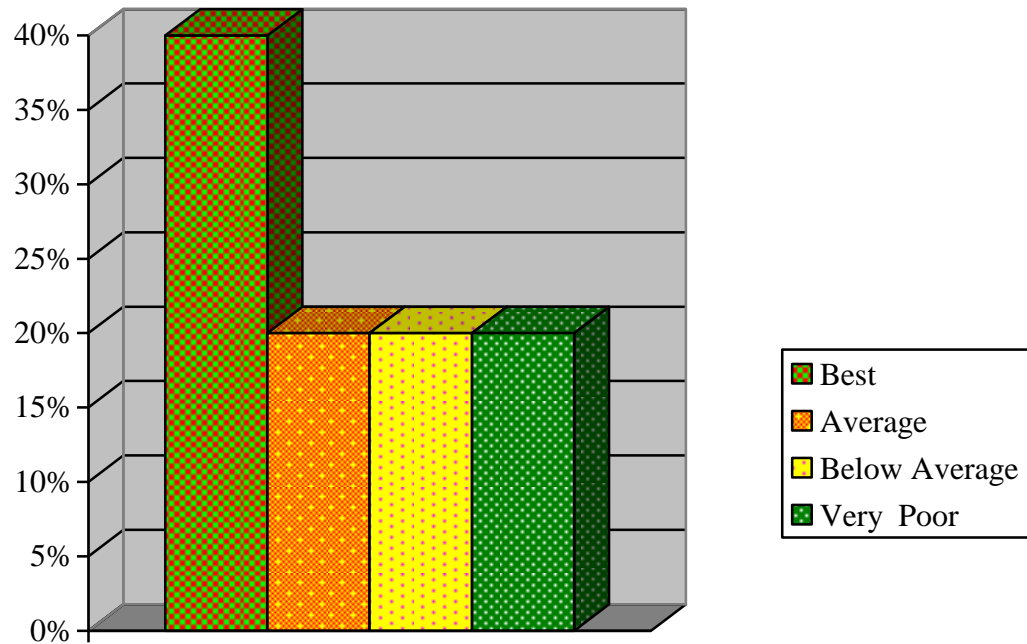
Conveyance

⇒ Best-----	30%
⇒ Average-----	25%
⇒ Below Average -----	22%
⇒ Very poor-----	23%



Bonus

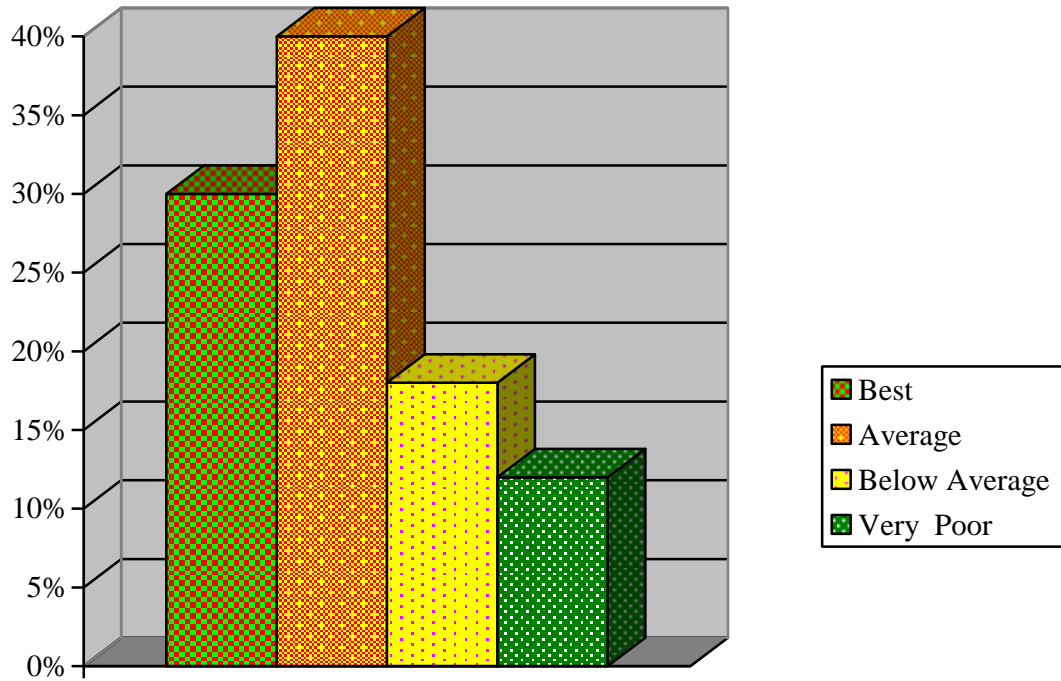
⇒ Best-----	40%
⇒ Average-----	20%
⇒ Below Average -----	20%
⇒ Very Poor-----	20%



■ Best	40%
■ Average	20%
■ Below Average	20%
■ Very Poor	20%

Work Environment

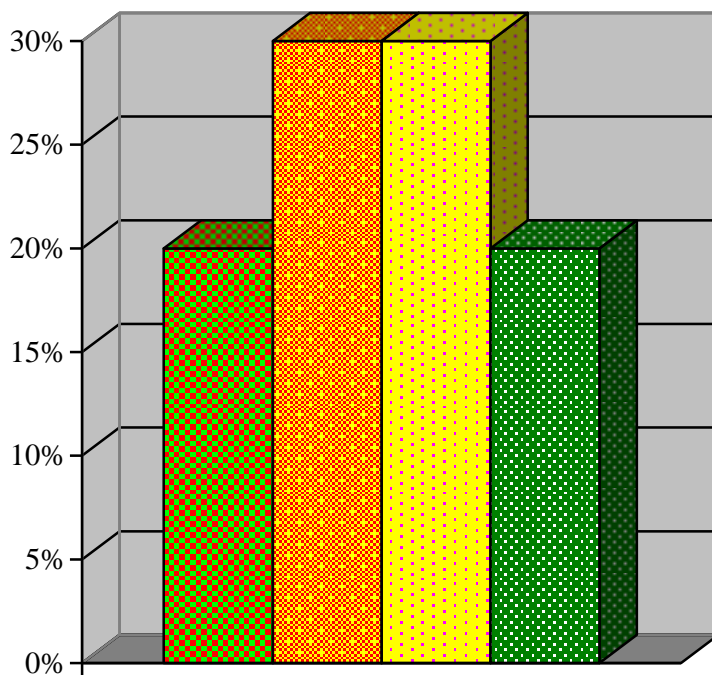
⇒ Best-----	30%
⇒ Average-----	40%
⇒ Below Average -----	18%
⇒ Very Poor-----	12%



■ Best	30%
■ Average	40%
■ Below Average	18%
■ Very Poor	12%

Internal Parity in Salary

⇒ Best-----	20%
⇒ Average-----	30%
⇒ Below Average -----	30%
⇒ Very Poor-----	20%

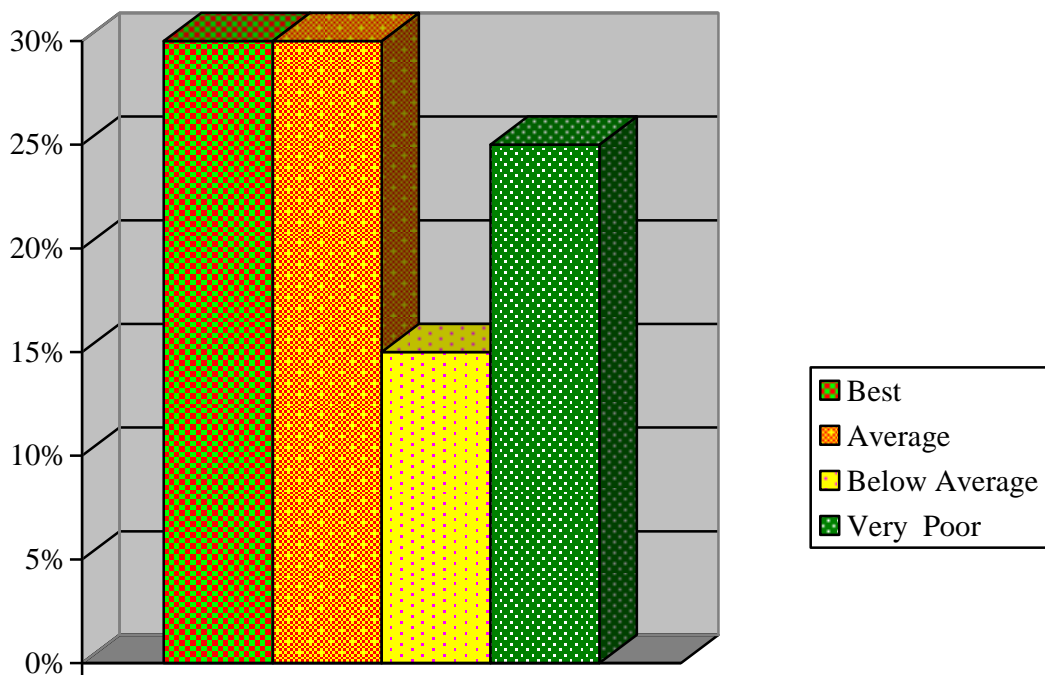


■ Best
■ Average
■ Below Average
■ Very Poor

■ Best	20%
■ Average	30%
■ Below Average	30%
■ Very Poor	20%

Recognition

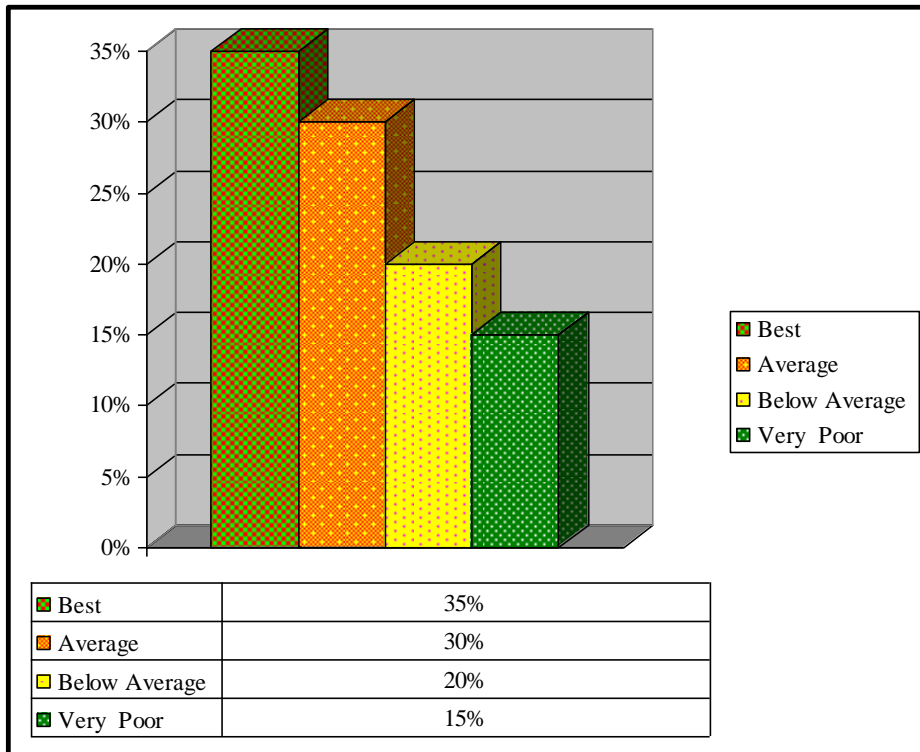
⇒ Best-----	30%
⇒ Average-----	30%
⇒ Below Average -----	15%
⇒ Very Poor-----	25%



■ Best	30%
■ Average	30%
■ Below Average	15%
■ Very Poor	25%

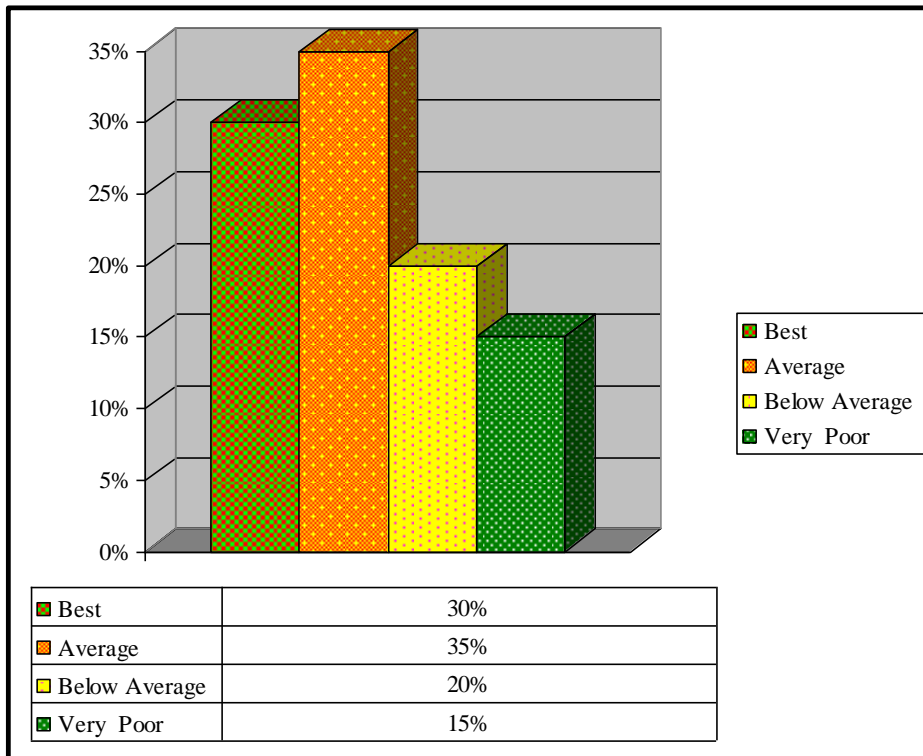
Rewards

⇒ Best-----	35%
⇒ Average-----	30%
⇒ Below Average -----	20%
⇒ Very Poor-----	15%



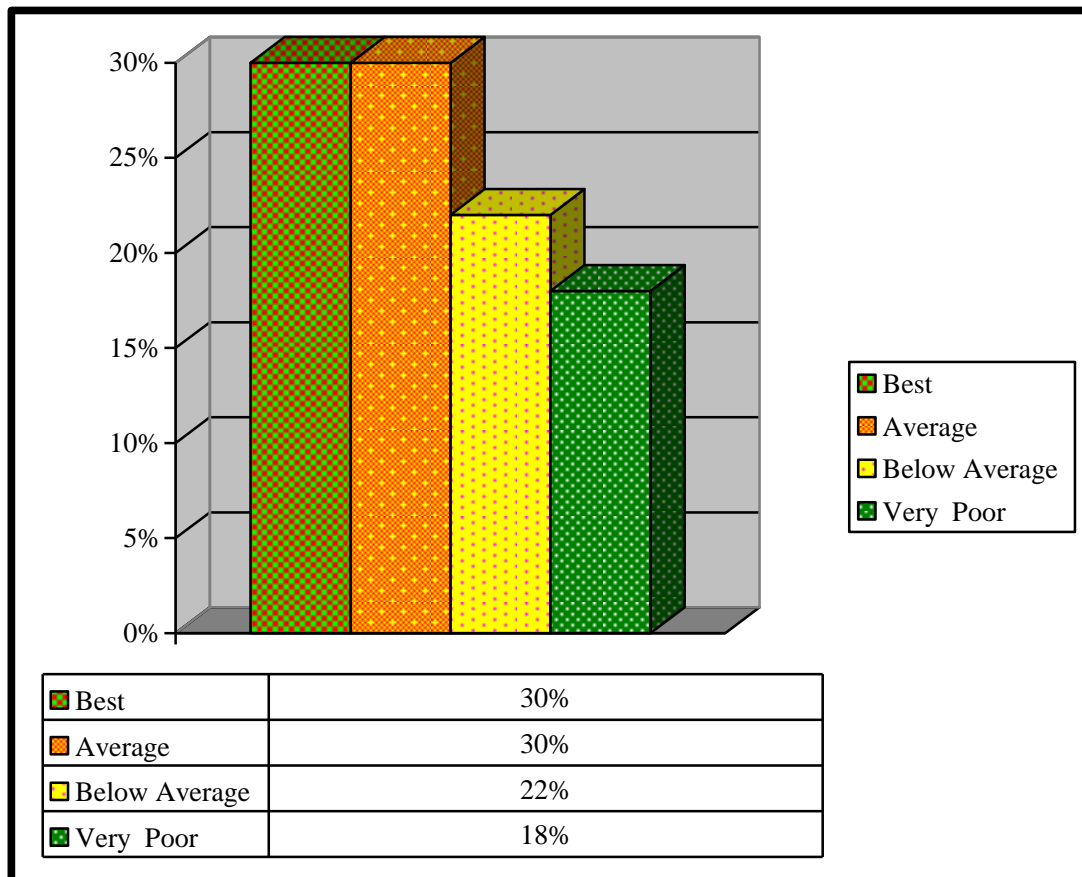
Ethics

⇒ Best-----	30%
⇒ Average-----	35%
⇒ Below Average -----	20%
⇒ Very Poor-----	15%



Career growth

⇒ Best-----	30%
⇒ Average-----	30%
⇒ Below Average -----	22%
⇒ Very poor-----	18%



Chapter-5

FINDINGS

The response of 50 respondents is taken, who are the employees of ACCENTURE SOLUTION PRIVATE LIMITED.

- | | |
|----------------------------|--|
| Medical allowances | - Are not given to the lowest level of sales people present in the showroom counter. |
| Conveyance | - this was provided to all irrespective of the grade |
| Dearness allowances | - was available from a certain designation. |
| Bonus | - was generally provided to the entire low designated employees do the counter. |
| Incentive | - is generally allotted to people in the marketing and sales profile. |
| Fringe benefits | - are allotted to people after a certain designation. |

1. When asked if they are aware of their income in relation to India's minimum wage rule, 87 % claimed they are unaware of the government regulation. They were aware of the wage market for their grade.

2. When asked if the duties and responsibilities that the employer assigned to the workers were well defined, 48 respondents replied yes.

3. For each outstanding performance, the firm awards certificates or gift certificates from ACCENTURE SOLUTION PRIVATE LIMITED. Employees do not receive any monetary compensation.

4. 56% of respondents believe that remuneration would be used by ACCENTURE SOLUTION PRIVATE LIMITED to acquire industry personnel.

CONCLUSION

ACCENTURE SOLUTION PRIVATE LIMITED is one of India's most prominent engineering and manufacturing firms. Employees feel the company's general culture is positive, and that openness is maintained throughout all divisions, resulting in a more pleasant and healthy working environment. When it comes to remuneration, the corporation follows the industry's lead. Internal salary parity is also good in the firm, and employees appear to be happy.

According to them, the company's recognition is likewise above average. Senior management bestows this distinction in the form of a certificate, and a formal ceremony is held to honor it. For the first time, team-building activities and outdoor trips have been implemented.

However, the corporation is a little cautious when it comes to monetary awards for recognition. Employees have a good career path with the company because they are given annual performance ratings based on their performance. According to the company's HR department, the turnover rate is significant due to the booming business, but it has been managed thanks to fair remuneration and a positive work culture. Low-level sales personnel see the most attrition.

RECOMMENDATION

- Compensation is the most apparent source of incentive, but work culture and brand image are also significant. Employee feels Accenture provide good career growth as well.
- Employees are given clarity about their job but company should also provide training to the employees for better understanding of their job roles and responsibilities.
- Employees with lower designations cared more about their professional development than those with higher profiles. Employees in the highest grades were thought to value job satisfaction the most. Brand image was important to management level personnel.
- An employer and employee are considered to always be at odds. Employers usually want to provide less, while employees always want more..... In the case of this study, the identical situation was seen. The recompense received by none of the respondents pleased them. Although they were satisfied, they expected more for obvious reasons. Because the incentive schemes were only for a few individuals, not all of the respondents responded.
- The majority of respondents, particularly those in higher grades, stated that the organization maintains salary equity and hence no prejudice exists.
- Though the organization has an excellent strategy of recognizing individual contributions, financial awards are not in line with the company's current trend.
- Company should provide compensation in all levels to increase efficiency of the employees.
- Company should also provide better medical allowances as per present scenario for the employee as well as for family members which shows that the company values the employee and his family.
- Company should be aware of the market competition what other companies are providing in order to retain and attract more employees.
- At all levels employees should be aware of the benefits provided which is connected to their job performance.

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- https://en.wikipedia.org/wiki/Performance_appraisal
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Magazines & Journals

- ☐ HR Executive Editorial Survey (2008), Workplace Turnover Study, Human Resource Executive Magazine
- ☐ Indian Management Magazine, Vol 44 Issue 1, Jan2008

ANNEXURE

QUESTIONNAIRE

1. Since when are you working in this company? *

- ☐ < 2 years
 - ☐ 2 to 5 years
 - ☐ > 5 years
-

2. Is this your first job? *

- ☐ Yes
- ☐ No

3. What made you join this organization? *

- ☐ Compensation
 - ☐ Career growth
 - ☐ Work culture
 - ☐ Was first job
 - ☐ Fight with previous employer
 - ☐ Organisation brand image
-

4. Did the employer give clarity in your roles and responsibility to your satisfaction level? *

- ☐ Yes
- ☐ No

5. What benefits (in extra to your salary) do you get from the company? *

- ☐ medical allowances
 - ☐ Conveyance
 - ☐ Bonus
 - ☐ Leave travel allowance
 - ☐ Incentives
 - ☐ Fringe Benefits
-

6. Is your basic salary in line with the minimum wage regulation of India? *

- ☐ Yes
- ☐ No
- ☐ Don't know

7. Does your company provide you monetary benefits for some extraordinary achievements? *

- ☐ Yes
 - ☐ No
 - ☐ Don't know
-

8. In the order of preference choose the following w.r.t. motivating factors for you. *

- ☐ Work culture
- ☐ Compensation benefits
- ☐ Career

9. How would you rate the following of ACCENTURE in line with the trend in the market? *

- ☐ Best
 - ☐ Average
 - ☐ Below Average
 - ☐ Very poor
-

Incentive *

- ☐ Best
- ☐ Average
- ☐ Below average
- ☐ Very poor

Conveyance *

- ☐ Best
 - ☐ Average
 - ☐ Below average
 - ☐ Very poor
-

Bonus *

- ☐ Best
- ☐ Average
- ☐ Below average
- ☐ Very poor

Recognition *

- ☐ Best
 - ☐ Average
 - ☐ Below Average
 - ☐ Very poor
-

Rewards *

- ☐ Best
- ☐ Average
- ☐ Below Average
- ☐ Very poor

Work Environment *

- ☐ Best
 - ☐ Average
 - ☐ Below average
 - ☐ Very poor
-

Internal Parity In Salary *

- ☐ Best
- ☐ Average
- ☐ Below average
- ☐ Very poor

Ethics *

- ☐ Best
- ☐ Average
- ☐ Below average
- ☐ Very poor

Career growth *

- ☐ Best
- ☐ Average
- ☐ Below average
- ☐ Very poor