



Employees' Satisfaction with The Salary System of an Educational Institution

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Abstract:

Fairness in compensation is critical for fostering employee trust and satisfaction, while transparency is a cornerstone for promoting equity and enhancing overall employee satisfaction. The primary purpose of this study is to determine the level of employees' satisfaction with the Salary System of an Educational Institution. The variables included in this study are age, sex at birth, civil status, highest educational attainment, and personal monthly Income. The employees' satisfaction appraisal of the salary system of an educational institution is divided into performance rewards and recognition, salary structure, and compensation policies. The level of employee's satisfaction with an educational institution's salary system in the performance rewards and recognition and compensation policies is interpreted as high. In contrast, in the area of salary structure, it is interpreted as a very high level. Also, results revealed no significant difference in the level of employee's satisfaction with the salary system in an educational institution in the aforementioned areas when grouped and compared according to the variables. Results of this study calls for an educational institution management to establish a fair pay system, transparent in communicating compensation policies, establish incentive mechanism, and provide competitive salary and benefits.

Keywords: Employees' satisfaction, salary system, performance rewards and recognition. salary structure, compensation policies

Introduction:

Nature of the Problem

Abidin, Z. (2019) defines satisfaction as an "evaluation process" between what was gained or received and what was expected. It also can be accurately elaborated as the perceived discrepancy between objective and accomplishment. Satisfaction is not only about the physical aspect but also the ability to form social networks, and it is a subjective reaction to an objective environment. Further, the author opined that residential satisfaction can also be defined as an indicator of homeowners' view of the general quality of their life, and it can mean that an individual's expectation of housing is met."

The rapid take-off of China's economy has ushered in the peak of development for all walks of life. However, the property management industry has a development history of more than 100 years; it is still a young industry today; nearly 30 years after the rapid expansion of the property management industry, the concentration of the industry is getting higher and higher, and the management level of property companies is also increasing. With the continuous expansion of market space and the rapid growth of the domestic property management environment, the market scale has expanded, and deep problems have gradually emerged. To a certain extent, the property management field has maintained a healthy and orderly development. However, many things could be improved in our country's property management field.

The ambiguity of service connotation, the imperfect operation mechanism of the newly established low-income residential property service, and the service level of low-income residential property are lower than the owners' needs. Specifically, the follow-up speed of the real estate support facilities needs to catch up. When the owners encounter problems, the ability to deal with the property could be more vital and even do something directly. The difficulties are delayed and not solved, resulting in contradictions. The relevant service measures of the property company could be improved so that their services do not meet the owners' needs, resulting in resource mismatches occurring from time to time. In addition, owners in the rights protection of the ideological consciousness need to be



stronger or more specific, resulting in many property companies' low awareness of service; service level has always stagnated. This series of problems requires our property management companies to establish a perfect service system to protect the reasonable rights and interests of owners and enhance the satisfaction of owners.

Current State of Knowledge

Cheng's (2019) study delved into the critical role of the salary system within enterprises, stressing the imperative for organizations to prioritize fairness and transparency in their salary structures. Cheng argued that companies can effectively enrich and optimize their human resources. This emphasis on fairness and transparency is pivotal as it directly impacts how employees perceive the equity of their pay individually. The author's research further sheds light on the notion that the transparency of corporate pay systems serves as a cornerstone for fostering trust and satisfaction among employees regarding their compensation. Furthermore, Cheng's study underscores the importance of a well-designed and empirically grounded salary system. Such a system not only brings about overarching benefits to the organization's human resources but also serves to nurture a culture of fairness within the internal salary frameworks of the organization. By aligning compensation structure with principles of fairness and transparency, companies can cultivate an environment where employees feel valued and respected, thus contributing to greater engagement, productivity, and overall organizational success.

Authors Redondo et al. (2021) explored the intricate relationship between "pay and compensation" and its profound impact on employees' livelihoods. The authors articulated that "Distributive justice" revolves around how employees perceive the fairness of their compensation. In contrast, "procedural justice" centers on the fairness of the procedures employed to ascertain the amount of pay. Moreover, the authors contended that discontent among employees with the pay system could arise from their perception of receiving inadequate wages and perceived lack of fairness in how compensation is distributed. The study underscores the multifaceted nature of pay and compensation within the workplace, extending beyond mere financial transactions to encompass broader notions of justice and equity. By acknowledging the significance of distributive and procedural justice, organizations can better address employees' concerns regarding their compensation, thereby fostering a more harmonious and equitable work environment. Furthermore, recognizing the nuanced factors contributing to employees' dissatisfaction with the pay system allows targeted interventions to enhance both the perceived fairness and adequacy of compensation, ultimately promoting employee well-being and organizational success.

In their study, Serang et al. (2023) suggested that organizations should meticulously evaluate their compensation policies within work units. They emphasized the importance of maintaining policies perceived positively by employees while also being open to reviewing and refining policies that may require improvement. Further, the authors stated that compensation is deemed satisfactory when organizational policies regarding material (such as basic salary, incentive, and facilities) and non-material compensation (including commendations and insurance) align with government regulations and meet workers' expectations. This point of view underscores the significance of aligning compensation practices with regulatory requirements and employee expectations. By ensuring that compensation policies align with government standards and reflect employees' needs and preferences, organizations can foster a sense of fairness and satisfaction among their workforces. Moreover, the authors advocate for a dynamic approach to compensation management, wherein policies are continuously evaluated and adjusted to maintain relevance and effectiveness in meeting the evolving needs of employees and the organization. This proactive stance towards compensation management can enhance employee morale, engagement, and retention, ultimately driving organizational success.

The research of Kukuj et al. (2023) highlights the importance of creating customized compensation plans based on the specific needs of different industries and employee demographics. The author emphasized the significance of understanding what motivates employees in terms of pay and benefits to improve their job satisfaction. The study suggests that there may be better results than a one-size-fits-all compensation strategy and that developing compensation packages tailored to the preferences of professionals. In addition, the study of Nuraini et al. (2022) implies that Human Resource Management must strive to enhance employee job satisfaction by creating a conducive work environment. This environment encompasses various factors, including the tools employees utilize, the physical surroundings they operate in, their work methodologies, and the impact of their work on both individual and group levels. Companies can foster a positive work environment by attending to key public facilities' quality and cleanliness, such as restrooms and break areas. This can be achieved by implementing cleaning services to ensure proper maintenance of cleanliness. Further, the authors suggested that companies should improve compensation practices by providing timely financial rewards and additional benefits that align with regulatory standards and acknowledge employees' contributions and skills. Moreover, enhancing health insurance coverage can improve healthcare access for employees and their families, thus promoting their overall well-being.

Further, the authors state that by prioritizing fair and competitive compensation, universities can enhance the job satisfaction of their faculty members, thereby fostering a conducive environment for teaching, research, and overall academic excellence. This approach benefits individual faculty members and contributes to the educational institution's advancement and reputation.



Theoretical Underpinnings

This study is anchored to the "Two-Factor Theory" by Frederick Herzberg. According to authors Sharma, R. & Sharma, S. (2024), elements like pay and perks, which exist outside the core job functions, are classified as hygiene factors. On the other hand, motivators such as autonomy, job enrichment, job enlargement, recognition, appreciation, and so on are linked to the job's context. The absence of hygiene factors acts as a source of dissatisfaction, and the availability of motivational factors induces the employees to put in their best efforts. Hence, while determining wages, it is crucial to consider the roles played by hygiene and motivation factors in fostering employee satisfaction and performance.

Objectives

This study aims to determine employee satisfaction with the Salary System of an Educational Institution in one of the Cities in China for the 4th Quarter of the Calendar year 2023. Specifically, it aims to determine the following: 1) the profile of the respondents in terms of age, sex, civil status, highest educational attainment and personal monthly income; 2) the level of Employee satisfaction with the salary system of an educational institution in the area of performance rewards and recognition, salary structure, compensation policies; 3) the significant difference in the level of employee satisfaction with the salary system of an Educational System when grouped and compared according to the aforementioned variables.

Methodology

This section presents a discussion of the research methodology used, the subjects and respondents of the study, the research instruments used, the validity and reliability of the instruments, the procedure for data gathering, and the statistical tools and procedures for data analysis.

Research Design

This study sought to determine the level of employee satisfaction with the salary system of an educational institution in one of the cities in China for the 4th quarter of the Calendar Year 2023. Three areas were considered: performance recognition and reward, salary structure, and compensation policies. A descriptive research design was employed in this study, considering the nature of the data involved. Descriptive research design is typically concerned with describing the problem and its solution. It is a more specific and purposive study. It is used to identify the target group's characteristics or the average product or service user. (3G E-Learning LCC, USA, 2022). This study focuses on an existing phenomenon, the Level of employee satisfaction with the salary system of an educational institution; the researcher chose to employ the descriptive research design because it simply collects detailed information and describes the phenomenon being studied. This type of research design was the most suitable for this study.

Study Respondents

The respondents were the employees of an educational institution. Since the number of respondents is limited, purposive sampling was employed. To get a percentage, the respondents come from different departments. The researcher purposively selected the respondents from the employees of an educational institution.

Instruments

The study used a self-made survey questionnaire. It was subjected to validity (4.93-excellent) and reliability (0.809-good). All of them were interpreted as worthy and good; respectively. The instrument was divided into two parts: Part I shows the profile of the respondents. The respondents filled in the questionnaire that determined the five (5) variables used in the study: age, sex at birth, civil status, highest educational attainment, and personal monthly income. Part II covered topics that determine the level of employee satisfaction. Three (3) satisfaction areas are included in the study: a.) Performance rewards and recognition b.) Salary Structure, and c.) Compensation Policies. There are seven (7) items each in performance rewards and recognition, salary structure, and compensation policies, or twenty-one (21) items. Employee Satisfaction with the Salary System of an Educational Institution is categorized according to a 5-part scale with the following categories: 5 as the highest or "Very High Level," 4 as "High Level," 3 as "Moderate Level," 2 as "Low Level" to 1 as the lowest or "Very Low Level."

Data Collection

After establishing the validity and reliability of the instruments, the researcher wrote a letter to the management of the educational institution asking for approval to conduct the study and administer the questionnaire to the respondents. After approval was obtained, the researcher made a schedule for conducting the survey. The survey is done within two days. Each day is allocated to a specific department of the educational institution. The



researcher instructed the respondents on how to complete the questionnaire objectively and honestly. The questionnaire was given to individual employees, and the respondents answered it personally. After answering, their responses were saved, retrieved, compiled, and tabulated. The data acquired from the respondents' responses were tallied and tabulated using the proper statistical methods. The raw data were translated into numerical ratings. Then, tabular presentations, statistical derivations, and computer processing were made possible. The data above were processed on a computer using the Statistical Package for Social Sciences (SPSS).

Data Analysis and Statistical Treatment

Objective No. 1 employs the descriptive-analytical scheme and frequency and percentage count to determine the respondent's demographic profile regarding age, sex at birth, civil status, highest educational attainment, and personal monthly income.

Objective No. 2 also employs the descriptive-analytical scheme and mean to determine the respondents' satisfaction with performance reward and recognition, salary structure, and compensation policies.

Objective No. 3 used the comparative analytical scheme and Mann-Whitney U test to determine if there was a significant difference in the level of employee satisfaction when respondents were grouped and compared according to the abovementioned variables.

Ethical Consideration

Participants' identities are confidential and must be kept secretive or anonymous, and it must also be guaranteed that self-identifying statements and information are not included. Anonymity and confidentiality are essential because they safeguard the privacy of persons who willingly consent to participate in research. The study must fully consider the possible harm to the participants, the researcher, the larger community, and the institution. The harm can be in the form of distress, shame, and worry, which are difficult to anticipate or manage, as well as bodily harm, resource loss, emotional harm, and reputational impairment.

Results and Discussion

This section presents, analyzes, and interprets the data that were gathered consistent with its predetermined objectives.

Table 2
Profile of the Respondents

Variable	Category	Frequency	Percentage (%)
Age	Younger (Below 19 years old)	22	44.0
	Older (19 years old and above)	28	56.0
	Total	50	100.0
Sex at Birth	Male	25	50.0
	Female	25	50.0
	Total	50	100.0
Civil Status	Single	21	42.0
	Married	29	58.0
	Total	50	100.0
Highest Educational Attainment	Lower (Bachelor's Degree)	37	74.0
	Higher (Master's Degree)	13	26.0
	Total	50	100.0
Personal Monthly Income	Lower (Below 13,500)	23	46.0
	Higher (13,500 and above)	27	54.0
	Total	50	100.0



Table 2 shows the frequency and percentage distribution of fifty (50) respondents regarding age, sex at birth, civil status, highest educational attainment, and personal monthly income in tabular format. Of the respondents, in terms of age, 44% comprised younger respondents, and 56% were older respondents. There are equal respondents in terms of sex at birth. Regarding civil status, 42% of the respondents were single, and 58% were married. Regarding the highest educational attainment, 74% of the respondents have lower educational attainment, and 26% have higher educational attainment. Also, in terms of personal monthly income, 46% of the respondents received a lower personal monthly income, and 54% received a higher personal monthly income.

Table 3

Level of Employee Satisfaction with the Salary System in an Educational Institution according to Performance Rewards and Recognition

Performance Rewards and Recognition Items	Mean	Interpretation
<i>As an employee, I am satisfied with...</i>		
1. Company's performance bonus system	3.94	High level
2. Contribution of rewards and recognition system towards employees' goals and aspirations	3.90	High level
3. Fairness in awarding the Company's performance rewards and recognition	3.46	Moderate level
4. Performance rewards and recognition enhances employees self-belonging and achievement	3.50	High level
5. The company's performance rewards and recognition provide value to employees	3.70	High level
6. Consistency in performance awards and recognition grant	4.02	High level
7. Performance recognition includes monetary and non-monetary rewards	3.84	High level
Overall Mean	3.77	High level

Table 3 shows the level of employee satisfaction with an educational institution's salary system according to performance rewards and recognition. The overall mean is 3.77, which is interpreted as a high level. The highest mean score in this area is 4.02, interpreted as a high level, in Item No. 6, which states, "Consistency in performance awards and recognition grant." The lowest mean score in this area is 3.46, interpreted as a moderate level, in Item No. 3, which states, "Fairness in awarding the Company's performance rewards and recognition." This suggests that employees may still doubt the fairness of the company's performance awards and recognition grants. It implies that employees believe there is a lack of transparency in granting the company's performance awards and recognition. Employees' lack of knowledge regarding the specific criteria and procedures of the company's performance awards and recognition may lead to questions about its fairness. It may also imply that if the company's performance evaluation mainly depends on the subjective judgment of the supervisor and the lack of objective evaluation indicators and data support, it is easy to lead employees to doubt the fairness of the evaluation results. When a company's performance rewards and recognition are concentrated on a few people, and the efforts and contributions of other employees are not fairly rewarded, it can lead to employee dissatisfaction and a sense of unfairness.

Cheng (2019) emphasized the importance of the salary system, stating that enterprises should promote fairness and transparency within the salary structure to enhance overall human resources richness and effectiveness. Further, the author noted that the transparency of the corporate pay system plays a crucial role in shaping employees' perceptions of pay equity on an individual level. The author further stated that a well-designed and scientifically grounded salary system not only contributes to the overall advantages of human resources but also fosters fairness within the internal salary framework of organizations.

Table 4

Level of Employee Satisfaction with the Salary System in an Educational Institution according to Salary Structure

Salary Structure Items	Mean	Interpretation
<i>As an employee, I am satisfied with...</i>		
1. Fairness of salary structure	4.64	Very high level
2. Correctness of salary structure calculation	4.92	Very high level
3. The salary structure is within the Industry's Benchmark	4.88	Very high level
4. Salary structure policies are well-established	3.70	High level
5 Salary structure alignment with job level position	4.54	Very high level
6. Salary structure is under the provision of government laws and	4.84	Very high level



regulation

7. Administration of salary

4.46

High level

Overall Mean

4.57

Very high level

Table 4 shows the data on employee satisfaction with the salary system in an educational institution according to the area of salary structure. The overall mean is 4.57, which is interpreted as a very high level. The highest mean score in this area is 4.92, interpreted as a very high level, in Item No. 2, which states, "Correctness of salary structure calculation." The lowest mean score in this area is 3.70, interpreted as high, in Item No. 4, which states, "Salary structure policies are well-established." This may indicate that employees are not satisfied with the existing wage structure or feel that the wage structure policies need to be revised. This may imply that employees find the wage structure unclear, and they need to understand the wage structure policies of the company and be well-informed as to the composition and calculation of wages. The disparity of wages, if there is a significant gap, even if the employees with the same level of position and execute the same efforts and performance, causes employee dissatisfaction and a sense of injustice. It also implies that if the company's salary structure does not have precise mechanisms, it is difficult for employees to see their career path, leading to dissatisfaction with the salary structure.

These resonate with the study of Redondo et al. (2021). The authors stated that 'pay and compensation' relate to the monetary resources employees have for managing their lives. The authors explained that "Distributive justice" pertains to the extent to which employees view their pay as fair. In contrast 'procedural justice' focuses on the fairness of the methods used to determine the pay amount. Also, the authors expressed that employees' dissatisfaction with the pay system may stem from their perception of low wages and a lack of distributive justice.

Table 5

Level of Employee Satisfaction with the Salary System in an Educational Institution according to Compensation Policies

Compensation Policies		
Items	Mean	Interpretation
<i>As an employee, I am satisfied with...</i>		
1. Compensation policies follow government laws and provisions	4.88	Very high level
2. Employees' awareness of the Compensation Policies	3.60	High level
3. Fairness and correctness of compensation policies	3.66	High level
4. Compensation policies are well-established and are implemented	3.28	Moderate level
5. Compensation policies alignment with salary structure and performance rewards and recognition	3.38	Moderate level
6. Compensation policies allow revisions as needed in coherence with government laws and regulations	3.64	High level
7. Transparency of compensation policies	2.80	Moderate level
Overall Mean	3.61	High level

Table 5 shows the level of employee satisfaction with the salary system in an educational institution according to compensation policies. The overall mean is 3.61, which is interpreted as a high level. The highest mean score in this area is 4.88, interpreted as a very high level, in Item No. 1, which states, "Compensation policies follow government laws and provisions." The lowest mean score in this area is 2.80, interpreted as a moderate level, in Item No. 7, which states, "Transparency of compensation." This may indicate a need for more transparency in pay policies, leading to low employee satisfaction with the pay policies of an educational institution. A lack of disclosure of information may cause this circumstance in the company's compensation policy to employees. Employees may need to be better informed about the specific content and implementation of compensation policy, resulting in low transparency.

Authors Serang et al. (2023) opined that "organizations need to pay close attention to the compensation policies implemented in work units by maintaining policies considered good by workers and reviewing policies deemed necessary for improvement. Compensation is considered good when the organization's policies regarding material compensation (basic salary, incentives, and facilities) and non-material compensation (commendations and insurance) are considered appropriate by government regulations and by what is expected of the workers."

Table 6

Difference in the Level of Employee Satisfaction with the Salary System in an Educational Institution according to Performance Rewards and Recognition, when grouped and compared according to variables

Performance Rewards and Recognition



Variables	Categories	N	Mean Rank	Mann Whitney U - test	Sig. Level	p-value	Interpretation
Age	Younger	22	24.20	279.50		0.574	Not Significant
	Older	28	26.52				
Sex at Birth	Male	25	23.88	272.00		0.428	Not Significant
	Female	25	27.12				
Civil Status	Single	21	26.10	292.00	0.05	0.804	Not Significant
	Married	29	25.07				
Highest Educational Attainment	Lower	37	23.20	155.50		0.058	Not Significant
	Higher	13	32.04				
Personal Monthly Income	Lower	23	24.63	290.50		0.695	Not Significant
	Higher	27	26.24				

Table 6 presents the different comparative analyses of employee satisfaction with the salary system in an educational institution regarding performance rewards and recognition when grouped and compared according to age, sex at birth, civil status, highest educational attainment, and personal monthly income using the Mann-Whitney U Test. As shown in the table, in terms of age, the computed mean rank in the younger group of respondents is 24.2, while for the older group respondents; the mean rank is 26.52, with a p-value of 0.574, interpreted as insignificant. Regarding sex at birth, the computed mean rank of male respondents is 23.88, while for female respondents; the mean rank is 27.12, with a p-value of 0.428, interpreted as insignificant. Regarding civil status, the computed mean rank of single respondents is 26.10, while married respondents have a computer mean rank of 25.07, with a p-value of 0.804, interpreted as insignificant. Regarding the highest educational attainment, the computed mean rank of respondents with lower educational attainment is 23.20. In comparison, respondents with higher educational attainment have a computer mean rank of 32.04, with a p-value of 0.058, which is interpreted as not significant. Also, in terms of personal monthly income, the computed mean rank of the respondents with lower income has an added mean rank of 24.63, while for a group with higher personal monthly income; the mean rank is 26.24, with a p-value of 0.695, which is interpreted as not significant.

Hence, when the respondents are grouped according to age, sex at birth, civil status, highest educational attainment, and personal monthly income, the p-values are greater than 0.05, interpreted as insignificant. Therefore, the null hypothesis, "There is no significant difference in the level of employees' satisfaction with salary system in an educational institution in the area of performance rewards and recognition when grouped and compared according to the abovementioned variables," is accepted. It implies that age, sex at birth, civil status, highest educational attainment, and personal monthly income do not affect employees' satisfaction with the salary system of an educational institution.

Table 7

Differences in the Level of Satisfaction with the Salary System in an Educational System according to Salary Structure when grouped and compared according to variables

Salary Structure							
Variables	Categories	N	Mean Rank	Mann Whitney U - test	Sig. Level	p-value	Interpretation
Age	Younger	22	24.00	275.00		0.503	Not Significant
	Older	28	26.68				
Sex at Birth	Male	25	27.48	263.00		0.318	Not Significant
	Female	25	23.52				
Civil Status	Single	21	24.05	274.00	0.05	0.533	Not Significant
	Married	29	26.55				
Highest Educational Attainment	Lower	37	24.09	188.50		0.232	Not Significant
	Higher	13	29.50				
Personal Monthly Income	Lower	23	23.59	266.50		0.373	Not Significant
	Higher	27	27.13				



Table 7 presents the different comparative analyses of employee satisfaction with the salary system in an educational institution regarding salary structure when grouped and compared according to age, sex at birth, civil status, highest educational attainment, and personal monthly income using the Mann-Whitney U Test. As shown in the table, in terms of age, the computed mean rank in the younger group of respondents is 24.00, while for the older group respondents; the mean rank is 26.68, with a p-value of 0.503, which is interpreted as insignificant. Regarding sex at birth, the computed mean rank of male respondents is 27.48, while for female respondents; the mean rank is 23.52, with a p-value of 0.318, interpreted as insignificant. Regarding civil status, the computed mean rank of single respondents is 24.05, while married respondents have a computer mean rank of 26.55, with a p-value of 0.533, which is interpreted as insignificant. Regarding the highest educational attainment, the computed mean rank of respondents with lower educational attainment is 24.09. Respondents with higher educational attainment have a computer mean rank of 29.50, with a p-value of 0.232, which is interpreted as not significant. Also, in terms of personal monthly income, the computed mean rank of the respondents with lower income has an added mean rank of 23.59, while for a group with higher personal monthly income; the mean rank is 27.13, with a p-value of 0.373, which is interpreted as not significant.

Hence, when the respondents are grouped according to age, sex at birth, civil status, highest educational attainment, and personal monthly income, the p-values are greater than 0.05, interpreted as insignificant. Therefore, the null hypothesis, "There is no significant difference in the level of employees' satisfaction with salary system in an educational area of salary structure when grouped and compared according to the abovementioned variables," is accepted. It implies that age, sex at birth, civil status, highest educational attainment, and personal monthly income do not affect employees' satisfaction with the salary system of an educational institution.

Table 8
Differences in Satisfaction with the Salary System in an Educational according to Compensation Policies when grouped and compared according to variables

Compensation Policies							
Variables	Categories	N	Mean Rank	Mann Whitney U - test	Sig. Level	P-value	Interpretation
Age	Younger	22	27.48	264.50		0.383	Not Significant
	Older	28	23.95				
Sex at Birth	Male	25	22.22	230.50		0.102	Not Significant
	Female	25	28.78				
Civil Status	Single	21	27.19	269.00	0.05	0.474	Not Significant
	Married	29	24.28				
Highest Educational Attainment	Lower	37	27.01	184.50		0.204	Not Significant
	Higher	13	21.19				
Personal Monthly Income	Lower	23	28.50	241.50		0.168	Not Significant
	Higher	27	22.94				

Table 8 presents the different comparative analyses of employees' satisfaction with the salary system in an educational institution regarding company policies when grouped and compared according to sex, age, highest educational attainment, and average monthly income using the Mann-Whitney U Test. As shown in the table, in terms of age, the computed mean rank in the younger group of respondents is 27.48, while for the older group of respondents; the mean rank is 23.95, with a p-value of 0.383, which is interpreted as insignificant. Regarding sex at birth, the computed mean rank of male respondents is 22.22, while for female respondents; the mean rank is 28.78, with a p-value of 0.102, interpreted as insignificant. Regarding civil status, the computed mean rank of single respondents is 24.05, while married respondents have a computer mean rank of 26.55, with a p-value of 0.533, which is interpreted as insignificant. Regarding highest educational attainment, the computed mean rank of respondents with lower educational attainment is 27.19. In comparison, respondents with higher educational attainment have a computer mean rank of 24.28, with a p-value of 0.474, which is interpreted as not significant. Also, in terms of personal monthly income, the computed mean rank of the respondents with lower income has an added mean rank of 28.50, while for a group with higher personal monthly income, the mean rank is 22.94, with a p-value of 0.168, which is interpreted as not significant.

Hence, when the respondents are grouped according to age, sex at birth, civil status, highest educational attainment, and personal monthly income, the p-values are greater than 0.05, interpreted as insignificant. Therefore, the null hypothesis, "There is no significant difference in the level of employees' satisfaction with salary system in an educational in the area of compensation policies when grouped and compared according to the abovementioned variables," is accepted. It implies that age, sex at birth, civil status, highest educational



attainment, and personal monthly income do not affect employees' satisfaction with the salary system of an educational institution.

Conclusions

In conclusion, the purpose of this study is to determine the level of employee satisfaction with the salary system of an educational institution. The level of employee satisfaction with the salary system of an educational institution is very high in salary structure. This means that employees in an educational institution have a high sense of satisfaction when salary structure calculation is fair and correct, aligns with job level position, follows government laws and regulations, and is properly administered. The area of compensation policies was found to have the lowest average mean regarding employee satisfaction with the salary system. Employees believed there needed to be more transparency in the compensation policies of the educational institution. This may be due to an undisclosed salary structure where employees need to learn their and other employees' salary levels, and it is not easy to assess salary fairness. The company's lack of communication and explanation of the formulation and adjustment of the compensation policy may result in misunderstanding and acceptance of the compensation policy among the employees. Results of this study calls for an educational institution management to establish a fair pay system, transparent in communicating compensation policies, establish incentive mechanism, and provide competitive salary and benefits.

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