

A STUDY ON PAY ROLL SYSTEM – HERITAGE

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ABSTRACT

The pay structure of a company depends on several factors such as labor market Conditions Company's paying capacity and legal provisions. In India, different acts include different items under wages though all the Acts include basic wage and dearness allowance under the term wages. Under the workmen's Pay Roll act, 1923 wages for leave period holiday pay, overtime pay, bonus, and good conduct bonus form part of wages. Under the payments of wages act, 1936, section 2(vi) any awards of settlement and production bonus, if paid constitute wages. Under the payment of wages act 1948, retrenchment Pay Roll payment in lieu of notices and gratuity payable on discharge constitute wages. The term Allowances includes amounts paid in addition to wages over a period of time including holiday pay, overtime pay, bonus social security benefit etc. the wage structure benefits etc. the wages structure in India may be examined broadly under the following, The basic wage in India corresponds with what has been recommended by the Fair wages committee (1948) and the 15th Indian Labor conference (1957). The various awards by wage tribunals, wage boards, pay commission reports and job evaluation also serve as guiding principles in determining basic wage.

Pay Roll is what employees receive in exchange for their contribution to the organization.

Generally employees offer their services for their types of rewards. Pay refers to the base wages and salaries employee normally receive. Pay Roll forms such as bonuses, commissions, and profit sharing plans are incentives designed to encourage employees to produce results beyond normal expectation. Benefits such as insurance medical, recreational, retirement, etc represents a more indirect type of Pay Roll So, the term Pay Roll is a comprehensive one including pay, incentives and benefits offered by employers for hiring the services of employees. In addition to these, managers have to observe legal formalities that offer physical as well as financial security to employees. All these issues play an important role in any HR department's efforts to obtain maintain and retain an effective workforce. Pay Roll offered by an organization can come both directly through base pay a variable pay and indirectly through benefits. Base pay: It is the basic Pay Roll an employee gets, usually as a wage or salary.

I. INTRO

DUCTION

Pay roll:

In a company, **payroll** is the sum of all financial records of salaries for an employee, wages, bonuses and deductions. In accounting, payroll refers to the amount paid to employees for services they provided during a certain period of time. Payroll plays a major role in a company for several reasons. From an accounting point of view, payroll is crucial because payroll and payroll taxes considerably affect the net income of most companies and they are subject to laws and regulations (e.g. in the U.S. payroll is subject to federal and state regulations). From an ethics in business viewpoint payroll is a critical department as employees are responsive to payroll errors and irregularities: good employee morale requires payroll to be paid timely and accurately. The primary mission of the payroll department is to ensure that all employees are paid accurately and timely with the correct withholdings and deductions, and to ensure the withholdings and deductions are remitted in a timely manner. This includes salary payments, tax withholdings, and deductions from a paycheck.

Pay Check

A Pay Check is traditionally a paper document issued by an employer to pay an employee for services rendered. In recent times, the physical paycheck has been increasingly replaced by electronic direct deposit to bank accounts. Such employees may still receive a complete pay slip (see below) package, but the attached check is noted as non-negotiable.

In most countries with a developed wire transfer system, using a physical check for paying wages and salaries has been uncommon for the past several decades. However, vocabulary referring to the figurative "pay cheque" does exist in some languages, like German (*Gehaltsscheck*), partially due to the influence of popular media, but this commonly refers to a pay slip or stub rather than an actual cheque. Some company

payrolls have eliminated both the paper cheque and stub, in which case an electronic image of the stub is available on an Internet website.

Payroll taxes

Government agencies at various levels require employers to withhold income taxes from employees' wages.

In the United States, "payroll taxes" are separate from income taxes, although they are levied on employers in proportion to salary; the programs they fund include Social Security, and Medicare.

U.S. income and payroll taxes collected through deductions are considered to be trust fund taxes, because the employer holds the deducted money in trust for later remittance.

Human Resource Management: Objectives

- On an average, every employee at Nutrient undergoes at least 2 training programmes for a financial year and the employer in HRD requires the executive development programme at the time of intensive competition.
- So the study is aimed to know the adequacy of training given to employees and employers.
- To know whether employees and employers are having enthusiasm in knowing about training

and development programmers, training plans, implementation and participation.

- To suggest appropriate techniques and modification in training to achieve corporate goals.

Development to employers arises due to providing technical skills and conceptual skills to non-technical managers and managerial skills and conceptual skills to technical managers.

Need for basic purposes of Employee Payroll:

Employee Payroll of the employees is important if the employees are satisfied then only the organization can function smoothly increases its production, faces competition.

If employees are satisfied with their job they will carry a positive attitude. Hence the study has been undertaken to assess the employee job Payroll which is necessary for the organization in order to make sound decisions.

- 1) To increase productivity.
- 2) To improve quality.
- 3) To help a company fulfill its future personnel needs.
- 4) To improve organizational climate.
- 5) To improve health & safety.
- 6) Obsolescence prevention.
- 7) Personal growth.

SCOPE OF THE STUDY

One of the main functions of personnel management in industrial organization is to impart programmers to its employees.

HRM plays a large part in determining the effectiveness and efficiency of the establishment. Increase in productivity is possible only when there is an increase in quantity of output. It applies not only to new employees but also to experienced people. It can help employees and employers to increase their level of performance and to develop skills, knowledge on their present job assignments.

Objectives of Employee Payroll (HeritageFoods (India) Limited):

- To Analyze the Pay roll System in **HeritageFoods (India) Limited.**,
- To ensure effective utilization and maximum development of Employee.
- To ensure reconciliation of individual goals with those of the organization.
- To achieve and maintain high morale among employees.
- To increase to the fullest the employee's job satisfaction and self-actualization.
- To develop and maintain a quality of work life.
- To develop overall personality of each employee in its multidimensional aspect.
- To enhance employee's capabilities to perform the present job.

II. RESEARCH

METHODOLOGY

Research is scientific and systematic search pertinent information in a specific topic. The meaning of research is “A Careful Investigation (or) Inquiry.

EMPLOYEE PAYROLL is the corner stone of sound management, and it makes employees and employers more effective and productive. It is actively and intimately connected with all personnel and managerial activities.

There is a present need for EMPLOYEE PAYROLL measures. So that new and changed techniques may be taken advantage and improvements effected in new methods, which are woefully inefficient. Training is practical and of vital necessity because, apart from other advantages mentioned, and increase their “Market Value”, earning power job secure is spending for EMPLOYEE PAYROLL activities. It is introducing global concepts like

- Team Building
- Time Management

It uses all the technology available and modern equipment in EMPLOYEE PAYROLL programmers. In a contemporary study, it was revealed that it is more inflammable so the workers and superiors must concentrate on the work what they are doing. At any time if they don't concentrate on their work it is very dangerous to the whole industry.

RESEARCH METHODOLOGY

The methodology that is adopted for the study is such that it facilities the data accumulation. The information is gathered through survey method. The survey method has

been adopted for collecting the data from employees.

❖ RESEARCH DESIGN:

Research Design is defined as the specification of methods and procedures for acquiring the information needed. Generally the research design is any of the following three types- DESCRIPTIVE, EXPLORATORY and CASUAL.

❖ DESCRIPTIVE STUDY:

Descriptive study/research is marked by the prior formulations of specific research questions. The investigator already knows a substantial amount about the research problem before the project is initiated. Hence this is chosen for my research.

❖ EXPLORATORY STUDY:

The major purpose of exploratory study is the identification of problem, the more precision formulation of problem and the formulation of new alternative courses of action.

❖ CASUAL STUDY:

The study involves the determination of the causes of what the researchers are predicting. this is mainly a cause and effect study. The research design selected by the researcher in the present study is “DESCRIPTIVE” in nature.

❖ RESEARCH INSTRUMENT:

HR research has a one main research instruments in collecting primary data. That is questionnaires.

In order to extract first hand information from the respondents, a pre-tested questionnaire was

prepared and the same was administered to the respondents.

❖ DATA SOURCES:

Data means a collection of facts in real life statistical data is a collection of facts in numerical figures. The data sources are usually identified using the type of data needed. There are two types of data.

1. Primary data
2. Secondary data

❖ PRIMARY DATA:

The first hand information by the investigator by means of observation face to face questioning, telephone interview and mailing questionnaire is called primary data. Primary data consists of original information gathered for a specific purpose.

❖ SOURCES OF PRIMARY DATA:-

For the purpose of present study, the primary data collected from respondents by contacting them personally.

❖ SECONDARY DATA:

Secondary data consists of information that already exists somewhere, having been collected for another purpose

❖ SOURCES OF SECONDARY DATA:

For the purpose of present study, the secondary data was collected from published data of the companies. Population is the aggregate of objects animate and inanimate, under study in any statistical investigation. His population for the study here was employees in Met life.

SAMPLING PROCEDURE

With a view to arrive at the sample population for the study, a "Purposive-Cum convenient

sampling" was followed.

SAMPLE SIZE

The sample size includes 100 employees who are working in the **Heritage Foods (India) Limited**

LIMITATIONS

The study is limited to the policies and practices being followed in **Heritage Foods (India) Limited** get the complete data, in view of its classified nature of the organization.

- ❖ Time factor is the main constraint for the study as it was restricted only to eight-nine weeks.
- ❖ Sampling error is not taken into consideration.
- ❖ The information given by the sample frame is thought accurate by researcher.
- ❖ As the method adopted is Random Sampling, result may not be accurate and believable.
- ❖ As the sample size is 100, whole of the facts could not be collected.
- ❖ The findings of the study are confined only to the question asked in the questionnaire and through personal interviews.

The study has been carried in **Heritage Foods (India) Limited** only.

III. PAYROLL PROCESSING WITH PERSONAL SERVICE

Managing payroll of a business is

not an easy task for even the most precise and experienced human resources professionals. For many businesses, especially small businesses, payroll services offer an attractive and valuable alternative to in-house processing. Outsourcing the responsibility to service providers like Easy Account will be a wise option for those who wish to break free from the hassles and headaches of maintaining their payroll. We can provide a time saving, cost effective, and simpler means of paying employees, filing taxes, meeting HR management needs, and performing other payroll processing tasks.

Payroll Services

RGBSI is a leading provider of Payrolling services and benefits Administration for contract workforce. Our process, Program Management and customer service expertise enables our clients to focus on their core business.

The Contract workforce may include Independent Contractors, 1099s, W-2 employees, retirees, summer interns, etc. Since these workers become employees of RGBSI, you eliminate paperwork, benefits, payroll and related tax issues and minimize co-employment risks.

Easy PAY - Payroll Management Software

Easy PAY is very easy, flexible and user-friendly Payroll Management software that takes care of all your requirements relating to accounting and management of employee's Payroll. This versatile, user friendly, package, offers user defined Earning / Deduction / Loan Heads & Calculation Formulae / Tables. The package generates all the outputs & statutory

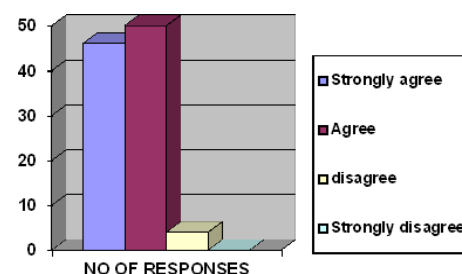


reports required by a Payroll application.

IV. DATA ANALYSIS AND INTERPRETATION

1. Your organization provides opportunity for growth and security.

OPTIONS	NO OF RESPONSES
Strongly agree	56
Agree	40
Disagree	04
Strongly disagree	0



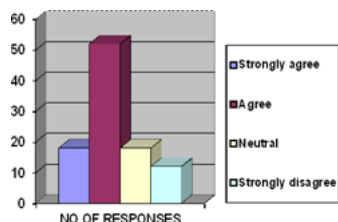
Interpretation:

The survey revealed that most of the employees strongly agree that the **Heritage foods India limited** provides opportunity for growth and security and some are disagree about this.

2. Pay and compensation package is adequate and fair in comparison to performance.

OPTIONS	NO OF RESPONSES
Strongly agree	19
Agree	51

Neutral	17
Strongly disagree	13

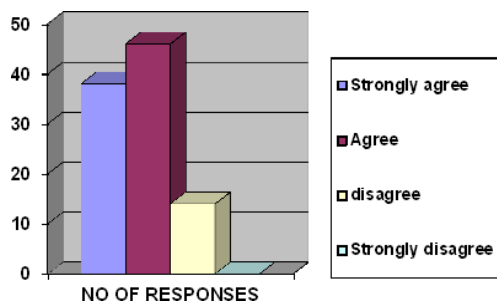


Interpretation:

The survey revealed that most of the employees agree for the reason of their pay and compensation package is adequate and fair in comparison to performance and some are disagree.

3. Medical facilities provided by the organization suites your health needs?

OPTIONS	NO OF RESPONSES
Strongly agree	36
Agree	45
disagree	19
Strongly disagree	0



Interpretation:

The survey revealed that most of the employees agree and strongly agree for the reason of the medical facilities provided by the organization which suits their health needs, and few are disagree.

V. FINDINGS

- Those responsible for approving time worked are independent of those responsible for payroll preparation, determining cheque payments and the preparation and distribution of pay.
- Those responsible for maintaining personnel records are independent of those responsible for preparing the payroll.
- Those responsible for payroll preparation are independent of those responsible for the preparation and distribution of pay, particularly where casual labor is employed or where there is no separate and independent personnel department.
- Those responsible for maintaining Personnel records or originating entries on the personnel records are independent of those responsible for preparing pay packets or distributing pay.
- Those responsible for payroll preparation should be independent of those authorizing cheque payments, authorize bank transfers, etc.
- Those responsible for distributing pay should be independent of those determining cheque payments.

VI. SUGGESTIONS

- To improve the comfortness of Employees.
- Skilled and experienced persons should be provided at service center, so that

problems of the Employees should be resolved completely.

- It is suggested that some more Benefits should be provided for Employees.
- To provide better service to Employees at work shop.
- To make the Organization more spacious inside for development of Employees.
- To increase the place of R&D at work shop.

VII. CONCLUSION

“The global business environment is buzzing with the single most important issue of Building a competitive edge by creating and retaining a large number of Employees than their goods and services every organization is therefore seized of the task of establishing sustaining its worth to the customer, who has been rendered unpredictable by competition”

Therefore every business is making a continuous effort for achieving Employees effort for achieving Employees loyalty

In short it is total organizational culture and brand equity, which face challenge. So that there is a perennial struggle amongst organizations to sustain their existence in the market place, and hence in order to sustain the stiff competition the company has to take up market Research frequently to know the changing needs & preference of the Employees.

This helps the company to reframe the policies in providing cutting edge technology to satisfy the Employees & retain him for a life time.

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APPROACH**

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WAYNE F CASCIO

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