

Application Analysis of Compensation Management in Enterprise Human Resource Management

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Abstract: In the process of the development of enterprises in China, the development mode of enterprise internal human resource management, the management method has been optimized and adjusted to a certain extent, thus making the structure of enterprise internal talent more scientific and reasonable. During the development of human resource management, the implementation of salary management directly affects the enthusiasm and enthusiasm of employees inside the enterprise. Therefore, in the process of development, Chinese enterprises must analyze the application of salary management, constantly optimize the internal salary management system of enterprises, and ensure that personnel at all levels can get corresponding salary incentives after paying corresponding labor and creating enterprise value. Based on the above views, this paper analyzes the development and application measures of salary management.

1. Introduction

Nowadays, Chinese enterprises want to obtain greater competitiveness in the increasingly fierce competition in the economic market, they need to continuously improve the level of internal human resource management and optimize the internal talent structure of enterprises. At the same time, enterprise leaders also need to improve the salary management system, with a fair and reasonable incentive system, perfect security measures, stimulate the enthusiasm of employees, enhance the sense of belonging to the enterprise, thereby improving the efficiency of the enterprise, promote the scientific and orderly development of the enterprise.

2. Overview of compensation management

During the development of enterprise human resource management, the main contents involved in the application of salary management can be divided into the following three aspects: First, the level of salary management of enterprises. In the process of enterprise development, in order to ensure its core competitiveness, it is necessary to continuously absorb and introduce excellent talents during operation. In this context, enterprise leaders and employees need to continuously improve the salary management level of the enterprise, and attract outstanding talents needed by the enterprise with more perfect and mature welfare benefits, so as to optimize the internal talent structure of the enterprise and improve the overall industry competitiveness of the enterprise. Based

on this level, it is clear that compensation management not only effectively regulates the internal activities of enterprises, but also plays a crucial role in the external activities of enterprises. Secondly, salary management is a relatively complete system^[1]. During the period of salary management, it is not only necessary to conduct an effective analysis of the work of employees, but also to integrate the ability, technology, performance, loyalty and other aspects of employees, so as to conduct a comprehensive evaluation of the daily work of employees and give them corresponding rewards. Finally, the setting of salary structure is the most direct expression of the enterprise's human resource management ability. During the development of some enterprises, detailed analysis will be carried out on the work content of salary management, and some detailed contents of the salary management system will be used to optimize the daily behavior of employees and improve and motivate the ability of employees. However, some small enterprises in our country did not realize the significance and specific role of salary management in the development process, but simply linked the content of salary management system with the performance of employees, which led to the compensation management did not play its due effectiveness during the development of human resource management.

3. Application principles of salary management in enterprise human resource management

3.1 Fairness Principle

During the period of salary management, it mainly evaluates the work of employees comprehensively. Therefore, in order to ensure the enthusiasm and enthusiasm of employees in the enterprise, during the implementation of salary management, it is necessary to follow the principle of fairness and evaluate the overall work situation of each employee with the prescribed management system, so as to ensure that the actual salary paid by the enterprise is equal to the work value of the work, thus ensuring the work enthusiasm and improving the sense of belonging of employees in the enterprise.

3.2 Competition Principle

During the period of salary management, it is necessary to ensure the fairness and fairness of the management work and comprehensively evaluate the work situation of employees. At the same time, it is necessary to follow the principle of competition and improve the pertinence and effectiveness of salary management. First of all, fair and just compensation management does not mean that employees' compensation needs to be equalized, but should be assessed and affirmed according to the value of employees' work. Secondly, competitive salary management system is an important means to reflect the value of employees' work. Competitive salary management can make employees realize their own work advantages and understand their personal development goals, so as to carry out positive competition between employees and improve their work enthusiasm and enthusiasm. In addition, under the development of competitive salary management, it can also drive the internal competition and effective development between enterprises and the same industry, attract more excellent talents, and promote the improvement of enterprise capabilities.

3.3 Flexibility Principle

At this stage, during the development of China's economic market, in the overall stable situation, there are also some fluctuations, which will lead to certain changes in prices, wages and other factors in various regions. Therefore, enterprises need to improve the flexibility of salary management during operation. Enterprise leaders should analyze local prices, the actual needs of

employees and the wage level of the whole industry, and flexibly adjust the salary incentive standard, so as to ensure that employees can get corresponding rewards after paying corresponding labor to create value. Enterprises should reduce the negative emotions of employees at work and improve the efficiency of resource utilization.

4. The application of salary management in enterprise human resource management

4.1 Unreasonable salary structure

At this stage, in the operation and development process of some small enterprises in China, the public ownership salary system of state-owned enterprises in the early stage of reform and opening up is still used. As a result, the contents of some system in the process of salary management are quite different from the actual situation, which makes the internal salary results unable to meet the needs of employees in shopping and spiritual integration, and arouses employees' dissatisfaction. It leads to a large loss of excellent employees in the enterprise. Based on the unreasonable salary structure of enterprises, this paper analyzes the salary management of G enterprises and puts forward the following questions.

4.1.1 Unreasonable salary design

In the process of the development of enterprises, the design of post wages can not only reflect the development level of enterprises, but also have a certain impact on the ability of enterprises to absorb talents. G Enterprise is a small and medium-sized manufacturing enterprise. In the process of development, the composition of salary is relatively simple, and the flexibility and variability of salary management is also relatively fixed. As a result, there are positions of the same level and the same nature of work in the enterprise, and the salary is relatively backward. G. The salary level table of enterprise employees is shown in Table 1.

Table 1: G Salary level table of enterprise employees

Rank	Post Salary	Transportation Subsidy	Communication Subsidy	Merit Pay	Annual Pay Scale
General Manager	17000	900	200	15000	397200
Deputy General Manager	11000	900	200	9000	253200
Directors	9000	600	200	8000	213600
	8000	600	200	6500	183600
Be in Charge	5500	300	100	4400	123600
	4500	300	100	3500	100800
	3500	200	100	2600	76800
Employee	3000	200	100	2150	65400
	2500	200	100	1700	54000

By observing the data in the above table, it can be found that the difference between the salaries of the two ranks in G enterprise is not obvious, and the salary levels among different types of work are relatively balanced. However, the overall position salary of G enterprise is lower than that of enterprises in the same industry, so the post salary design of G enterprise is unreasonable. In the process of enterprise development, there are some problems in recruiting general productive employees and technical talents with high technical ability, which makes it difficult for salary management to help the effective development of human resource management.

4.1.2 The supplementary salary is relatively simple

As can be seen from the above table, the supplementary wages received by employees of G company during their daily work are only transportation subsidies, communication subsidies, performance pay, etc. The types of subsidies are relatively simple, and the amount of subsidies is lower than the wage level of the same industry^[2].G In the course of operation, the enterprise will pay legal social insurance for its employees, but the employees do not have additional subsidies such as enterprise annuity and supplementary medical insurance. In addition, due to the small size of the enterprise, the equity of the enterprise is concentrated in the hands of minority shareholders in the operation process, and the employees inside the enterprise have no equity incentive system and cash dividend payment, resulting in the interests of individuals are not linked to the interests of the enterprise, so that employees do not have a sense of ownership during the work, resulting in salary management work is superficial. This cannot stimulate the internal work enthusiasm of employees.

4.2 Salary management system lacks adjustment mechanism

In the investigation and integration of the salary management system of G enterprise, it is found that in the operation stage of G enterprise, the internal salary management work has not been optimized and adjusted again, resulting in the lack of corresponding adjustment mechanism of the salary management system, reducing the flexibility and pertinence of the salary management. The compensation management adjustment mechanism can be understood as the enterprise will effectively adjust the salary of employees in various positions due to the changes of the external market during the development process, so as to maintain the dynamic balance salary conducive to attracting talents. However, when integrating the salary management system of the enterprise, it was found that the enterprise did not realize the importance of the dynamic adjustment mechanism of salary in the long-term operation, and did not adjust the salary payment system of various positions in the enterprise with the changes of the external market.

4.3 Performance appraisal results are not fully utilized

Table 2: G Main problems in salary management of enterprises

What problems do you think exist in the compensation management of enterprises?	Number of people	percent
underpay	43	17.10%
The remuneration is not reasonable, there is an unfair phenomenon	182	72.70%
There is little correlation between compensation and employee performance	155	62.10%
The rewards and punishments are not obvious	132	52.80%
Lack of incentives such as vacation and insurance	211	84.20%
Other circumstances	29	11.72%

G Enterprise human resource management has a good foundation. During the actual management period, it has gradually carried out organizational management, hierarchical management and other modes, and carried out comprehensive integration according to the work conditions of employees in various positions. However, under the comprehensive development of human resource management, the performance management and salary management of enterprise personnel have not been strengthened and adjusted again. The salary management staff of the enterprise did not conduct

in-depth analysis of the performance appraisal results, resulting in the performance appraisal results are not fully utilized, and it is difficult to promote the re-innovation and development of salary management. In the process of the survey, we distributed questionnaires to understand employees' views on salary management. As shown in Table 2.

When integrating the salary management problems considered by employees of G enterprise, it can be understood that most of the problems are left over from history. For example, the total salary is small, the salary is not reasonable, the salary reward is single and so on. These problems were all caused in the initial development process of G enterprise, and they were still not rectified in the later operation process. Based on the above situation, it is clear that during the implementation of performance management, the relevant personnel of G enterprise did not effectively analyze and make full use of the performance appraisal results, resulting in the main problems of salary management are relatively old and have not been effectively solved and dealt with.

5. The application strategy of salary management in enterprise human resource management

5.1 Improve the performance appraisal system

5.1.1 Optimize the performance appraisal system for senior management personnel

The decisions made by the overall ability of senior management personnel within an enterprise have a great impact on the later development and comprehensive strength of the enterprise [3]. Therefore, in the process of optimization and adjustment of salary management, it is necessary to constantly improve the performance appraisal system, formulate a sound appraisal system for senior managers and key management positions within the enterprise, and improve the ability and work enthusiasm of management personnel. When improving the evaluation system of the internal management personnel of the enterprise, the annual salary evaluation system can be implemented, and the corresponding evaluation indicators can be formulated according to the analysis of the work situation of the management personnel in each month and quarter, so as to ensure the work level and work ability of the management personnel in each stage. In the process of development and operation of Company G, in order to improve the effect of performance management, the annual salary system combination standard of senior management personnel of the company has been optimized and adjusted again, and the annual salary of senior managers is composed as follows Table 3:

Table 3: Annual salary composition of senior managers

Job category	Compensation category	Compensation income composition	percent
Senior manager	Fixed salary	Job salary	40%
		subsidy	5%
		welfare	5%
	Floating salary	Annual performance pay	40%
		Operating income bonus	10%

5.1.2 Optimize the performance appraisal system for middle managers and ordinary employees

Middle managers and ordinary employees of enterprises are the implementers and executors of various business decisions. The ability of managers and the enthusiasm of employees have a great impact on the strength of enterprises. Therefore, in the process of improving the performance

appraisal system, we must constantly optimize the performance appraisal system of middle managers and ordinary employees, and assess the daily work of personnel in a more fair and just way. When Chinese enterprises optimize the performance appraisal system of middle managers and ordinary employees, they can carry out analysis on the basis of the original appraisal and evaluation, and optimize and adjust again for different aspects. First of all, it is necessary to subdivide the annual strategic objectives formulated by the enterprise, allocate specific work to each position according to the business contents required by the objectives, and determine the key indicators, quantitative indicators, qualitative indicators and other contents, so as to ensure that personnel at all levels can fulfill their duties and seriously perform their duties and tasks during the work period. Secondly, the enterprise needs to establish a data collection system and establish a data collection review process through the combination of data sources, so that the daily situation of employees can be truly and effectively recorded, and on the basis of ensuring the authenticity and objectivity of data, the performance of employees can be comprehensively evaluated. Finally, it is necessary to establish a performance consultation and communication mechanism, so as to ensure the fairness, transparency and impartiality of the performance evaluation results of personnel at all levels. After the evaluation work, it is also necessary to review, review and summarize again, so as to understand the main reasons for the performance changes of personnel at all levels, and then propose the optimization direction and optimization points of the performance evaluation system.

5.2 Strengthen salary management work security measures

5.2.1 Organization guarantee

In order to improve the quality of salary management, we should build a more perfect organizational security system to ensure the effective implementation of salary management system and improve the perfection of salary design. First of all, during the development of organizational security management, a professional security group should be established, with the general manager of the enterprise as the leader of the group, and the heads of various departments within the enterprise as the members of the group. At the same time, the office is set up under the group, and the responsible personnel of the human resources management department is the director of the office to ensure the effective implementation of the organizational security work. The main work content of the internal organizational security team is concentrated in the following three aspects: 1. Salary and welfare management organization. The salary and welfare system is closely related to the daily life of employees, so the security team needs to understand the current employees' thoughts on salary and welfare during the daily work, find out the relevant problems of the salary and welfare management system, and constantly optimize and adjust the corresponding contents of the salary and welfare management system. Second, performance management. During the work period, the security team needs to ensure the effective implementation of performance management, and conduct hierarchical review and multi-department joint review of the performance appraisal results of various departments to ensure the fairness, comprehensiveness and effectiveness of the assessment management. Third, social security fund management. The leader of the security team needs to conduct a comprehensive analysis and effective adjustment of the internal social security provident fund management system of the enterprise to ensure that the annual inspection and continuity of social security provident fund of various departments within the enterprise can be effectively carried out ^[4]. In addition, during the development of the social security provident fund work, it is also necessary to effectively integrate the personnel file agent and other related matters for enterprise employees to ensure the comprehensiveness of personnel information and the authenticity of recorded data.

5.2.2 Regulatory guarantee

The implementation of salary management is closely related to the quality of supervision and security work. Therefore, in the process of enterprise development, it is necessary to continuously strengthen the strength of supervision and security to ensure the effective implementation of salary management. During the period of supervision and security work, it is necessary to analyze the following aspects: First, strengthen the connection between the salary system post setting and supervision and security. In some enterprises, the internal department managers are responsible for the job setting process, which leads to the problem of single decision in the job determination. During the period of post setting, if the problem of lack of supervision occurs for a long time, it will induce the phenomenon of excess human resources and improper supervision of human resources allocation. Therefore, when the supervision and guarantee is carried out, it is necessary to analyze and effectively supervise the position setting within the enterprise, improve the restraint of the position setting, and ensure the reasonable allocation of human resources.

5.3 Promote dynamic adjustment of salary management system

During the development of human resource management, certain changes will occur with the influence of external economic factors. Therefore, the salary management system is analyzed in combination with external market changes and performance appraisal results, and thus dynamic adjustments are carried out. We can effectively plan and set according to the actual situation. (1) General salary adjustment. In the process of development, enterprises must analyze the changes in policies implemented by the local government and domestic laws and regulations, and effectively adjust the internal salary system of enterprises to ensure that employees of all positions can adapt to the changes in the situation. Second, the enterprise should make special adjustments to the payment. Some enterprises in our country will have business off-season and business peak season in the operation process. In this case, enterprise personnel need to analyze the completion of long-term and short-term goals at the current stage, and adjust the performance appraisal of business departments or individuals. During the development of the enterprise, if there are more special employees with greater contribution, the enterprise needs to make an exception to adjust their salaries, so as to mobilize the enthusiasm of other employees^[5]. Iii. Pay scale adjustment. During the development of salary management, it is not only necessary to integrate the daily work of employees, but also to improve the promotion enthusiasm of employees. Therefore, in the process of dynamic adjustment of salary management system, pay scale adjustment should be paid attention to. According to the performance of the employees, the promotion or demotion of the position is carried out, so that the salary of the employees is adjusted in a targeted manner, and the internal personnel composition of the enterprise is effectively adjusted^[6]. Fourth, assessment is closely linked to salary. The operating efficiency and development of an enterprise are closely related to the work enthusiasm and enthusiasm of employees. Therefore, in the process of dynamic salary adjustment, it is necessary to effectively evaluate the performance of employees at each stage, so as to give employees certain salary incentives and improve their work enthusiasm. For example, in the development process, an enterprise can integrate the performance of all employees last year, and if it has improved, it needs to rank employees according to their performance, and give compensation incentives to the top 10% of employees. After the end of the incentive, it is also necessary to focus on the observation of the bottom 10% of the employees and pay punishment, so as to improve the enthusiasm of employees.

6. Conclusion

To sum up, in order to improve the application effect of salary management in enterprise human resource management, enterprise leaders need to analyze the performance appraisal system, constantly optimize and improve the appraisal system of internal managers and ordinary employees, and formulate perfect appraisal indicators. At the same time, it is also necessary to strengthen the safeguard measures for salary management, and effectively promote the dynamic adjustment of the salary management system, so as to improve the enthusiasm of employees and enhance the core competitiveness of enterprises.

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