



A Study on How Compensation Affects Employee Motivation at Cavin Kare Retail

M MANAS KRISHNA¹, S V PRAVEEN²

MBA Student, Jerusalem College of Engineering, Chennai -600100

Assistant Professor, Jerusalem College of Engineering, Chennai – 600100, India

Abstract - - This study explores the impact of compensation on employee motivation at CavinKare Retail, focusing on key components such as salary, incentives, benefits, and recognition. Using a descriptive research design and data collected from 100 employees through questionnaires, the study employed chi-square, correlation, and regression analysis to examine the relationship between compensation and factors like job satisfaction and organizational commitment. The findings reveal that while compensation influences motivation to an extent, there is no strong statistical correlation with employee performance or satisfaction alone. The study concludes that a holistic approach—combining fair pay, career development opportunities, and non-monetary rewards—is more effective in enhancing employee engagement and reducing turnover.

Key Words: [Compensation, Employee Motivation, Salary]

1. INTRODUCTION (Size 11, cambria font)

The study titled "How Compensation Affects Employee Motivation in CavinKare Retail" explores how various forms of compensation—salary, incentives, benefits, and recognition—impact employee motivation and job satisfaction. Focusing on employee perceptions at CavinKare, the research aims to assess the fairness and effectiveness of compensation in driving organizational commitment and retention. The findings are intended to guide HR in creating strategic, employee-focused compensation policies to boost performance and reduce turnover.

1) 1.1 Objectives of the Study

- To analyze the role of compensation in fostering organizational commitment and loyalty.
- To assess whether employees perceive their compensation as fair and aligned with their job responsibilities.

2. METHODOLOGY

Descriptive research

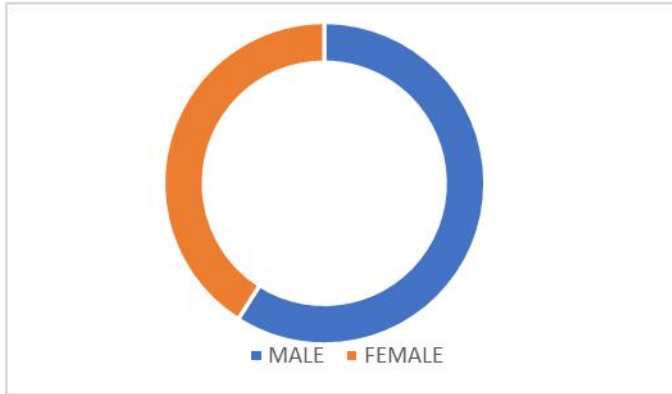
Descriptive Research design has been used in this study. Descriptive research is a research method used to try and determine the characteristics of a population or particular phenomenon. Descriptive research is used to identify patterns in the characteristics of a group to essentially establish everything you need to understand apart from why something has happened.

Table -1: Gender

Gender	Frequency	percentage
Male	59	59%
Female	41	41%
Total	100	100

From the above table of 100 respondents, majority (59%) of the respondent are in the category of gender

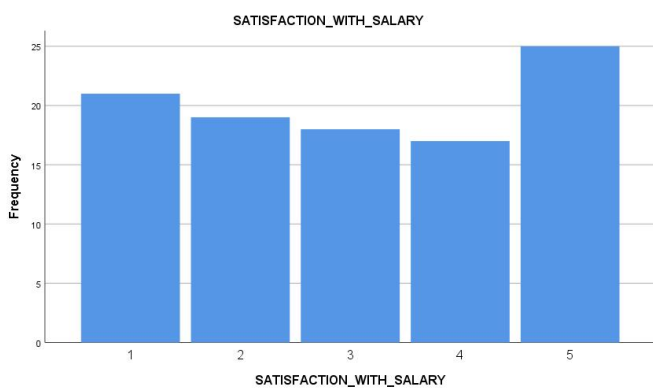
Chart -1: Name of the chart



From the above table of 100 respondents, majority (59%) of the respondent are in the category of gender

TABLE NO 2. ARE YOU SATISFIED WITH YOUR CURRENT SALARY AND BENEFIT OF RESPONDENT.

SATISFACTION_WITH_SALARY					
		Frequency	Percent	Valid Percent	Cum Percent
	Very satisfied	21	20.8	21.0	21.0
	Satisfied	19	18.8	19.0	40.0
	Neutral	18	17.8	18.0	58.0
	Dissatisfied	17	16.8	17.0	75.0
	Very dissatisfied	25	24.8	25.0	100.0
	Total	100	100	100.0	
Total		100	100.0		



From the above respondents, majority (25%) of respondent are in the category of very dissatisfied.

Fig -1: CHI SQUARE TEST

H0: There is no significant relationship between gender and the perception of compensation review frequency.

H1: There is significant relationship between gender and the perception of compensation review frequency.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.438 ^a	3	.329
Likelihood Ratio	3.554	3	.314
Linear-by-Linear Association	.302	1	.582
N of Valid Cases	100		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 8.20.

INFERENCE:

- (0.329 > 0.05) Since the p-value (0.329) is greater than the significance level of 0.05, there is **no significant relationship** between gender and the perception of compensation review frequency.. Therefore, the null hypothesis (H₀) is accepted.

Fig -2: REGRESSION

- H0: There is no significant relationship between compensation rating and satisfaction with salary
- H1: There is a significant relationship between compensation rating and satisfaction with salary.

INFERENCE:

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.630	.318		8.266	.000
	COMPENSATION_RATING	.157	.103	.153	1.529	.130

a. Dependent Variable: SATISFACTION_WITH_SALARY

- (0.130 > 0.05) Since the p-value (0.130) is greater than the significance level of 0.05, there is **no significant relationship** between compensation rating and satisfaction with salary. Therefore, the null hypothesis (H₀) is accepted.

3. CONCLUSIONS

The study emphasizes that while financial incentives impact employee motivation at CavinKare Retail, factors like work-life balance, recognition, and career growth also play a vital role. Employees who see their compensation as fair and performance-based show higher motivation.



However, salary alone isn't a strong motivator—a **holistic approach** combining fair pay, development opportunities, and positive workplace culture is more effective for boosting engagement and productivity.

REFERENCES

- Awoitau, R. (2023). *The Influence of Motivation, Training, and Compensation on Employee Performance*. [Survey-based study analyzing motivation, training, compensation, and their effect on performance].
- Khalid, J. (2021). *Impact of Compensation, Job Enrichment and Enlargement, and Performance Appraisal on Employee Motivation*. [Questionnaire-based research on compensation and job design factors affecting motivation].
- Mohapatra, P. (2021). *A Literature Review on Compensation Management Practices*. [Systematic review of compensation management's role in job satisfaction and motivation].
- Apriliani, N. (2023). *The Role of Compensation and Work Motivation on Employee Performance*. [HRM-focused literature review analyzing data from 2015–2024].
- Zahari, A. S. M. (2020). *The Relationship Between Compensation Systems and Employee Performance*. [Systematic literature review of compensation structures and their impact on performance]