

Research on the Salary Satisfaction of Grassroots Employees in Financial Enterprises*

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Abstract—The average salary level of financial enterprises is high, and the large internal gap seriously affects the salary satisfaction of grassroots employees. Grassroots employees are representatives of product sales and services of financial enterprises, and their work efficiency and service attitude directly affect the performance and image of enterprises. Therefore, this paper analyzes the influencing factors of the salary satisfaction of grassroots employees in financial enterprises through empirical methods. This paper explores the underlying reasons and puts forward countermeasures and suggestions for improving the salary satisfaction of grassroots employees in financial enterprises.

Keywords—financial enterprises; grassroots employees; salary satisfaction

I. INTRODUCTION

Grassroots employees are the image representatives of product sales and external services of financial enterprises, and their work efficiency and service attitude directly affect the performance and image of enterprises. Unfair salary distribution, unreasonable system and unsound welfare will all lead to casual work, low enthusiasm and even dismissal of grassroots employees. These will bring adverse effects on the long-term stable development of enterprises. Therefore, it is very important to improve the salary satisfaction of grassroots employees, which is a very important link to improve the operation level of financial enterprises.

According to the annual reports of major listed companies in 2017, there is a big pay gap between different levels of employees in financial enterprises, and the pay gap between senior managers and grassroots employees is even more than 10 times. Taking Xinhua life insurance as an example, the executive compensation is 2.43 million Yuan, and the average employee compensation is only 11,500 Yuan, with a gap of 22 times. The huge salary gap seriously affects the salary satisfaction of grassroots employees in financial enterprises [1]. Therefore, this paper is of great significance to the research on the compensation satisfaction of grassroots employees in financial enterprises.

II. RELATED CONCEPTS AND REVIEWS

A. Grassroots Employees

Grassroots employees generally refer to front-line staff, whose work is mostly repetitive mechanical labor with low technical content and low entry requirements. However, they are often the people in the enterprise who directly face customers and provide services for them. They are the bridge between the enterprise and customers.

Specific to financial enterprises, grassroots employees generally refer to tellers, financial managers, account managers, etc., to provide customers with corresponding financial services. They work relatively hard and earn relatively little.

B. Salary Satisfaction

Salary satisfaction was first proposed by an American scholar Adams (1965) [2] who believed that salary satisfaction is a one-dimensional, continuous variable with positive and negative values. Whether employees are satisfied with salary depends on whether the payment is fair or not. Heneman and Schwab (1985) [3] believe that salary satisfaction can be measured from four aspects: salary level, salary increase, welfare, structure and management. Judge and Welbourne (1994) [4] believed that salary satisfaction is the accumulation of people's positive and negative emotions towards salary. If there are more positive emotions, the salary satisfaction is high; otherwise, the salary satisfaction is low. After that, many scholars divided the compensation fairness into two dimensions: procedural justice and distributive justice. Folger and Konovsky (1989) [5] pointed out that after controlling the fairness of the distribution procedure, the variance of the explanation of the fairness of distribution on salary satisfaction (18.7%) was more than twice as large as that after controlling the fairness of distribution (8.6%). The study of Deconinck and Stilwell (2004) [6] showed that distributive justice affects organizational commitment through salary satisfaction, but procedural justice has no direct influence on salary satisfaction, instead, it influences organizational commitment through satisfaction of superiors. Williams et al. (2006) [7] showed that the correlation between distributive justice and salary satisfaction (0.79) was much larger than that between procedural justice and salary satisfaction (0.42). Kand et al. (2006) [8] believed that employee salary satisfaction is a

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balance between employees' income and their pay. If the balance between giving and receiving is out of balance, salary satisfaction will be affected. Eriksson and Villeval (2008) [9] pointed out that performance pay can significantly improve employees' job involvement. To sum up, salary satisfaction is a subjective feeling of employees towards the salary they receive, and there are many factors influencing salary satisfaction. Based on the previous research results, this paper studies the salary satisfaction of grassroots employees in financial enterprises from five dimensions: basic salary, welfare level, performance reward, salary structure and salary system, and puts forward corresponding Suggestions for improvement.

III. RESEARCH HYPOTHESIS AND EMPIRICAL RESEARCH

A. Research Hypothesis

Based on the existing research results, the characteristics of financial enterprises and the special needs of grassroots employees in terms of salary, this paper proposes the following assumptions:

Hypothesis 1: there is a positive correlation between satisfaction with basic salary level and overall satisfaction with salary.

The level of basic salary is the most direct measure of salary satisfaction. In general, the higher the base salary, the more attractive it is to employees, but it also means that employees have to take on more work. This will also lead to a lack of challenges for some grassroots employees to avoid high wages, so the role of salary level on salary satisfaction is not stable. Therefore, hypothesis 1 is proposed.

Hypothesis 2: there is a positive correlation between welfare level satisfaction and overall salary satisfaction.

As an important mechanism to improve employee satisfaction and motivate employees to work hard, corporate welfare not only conforms to the interests of enterprises, but also meets the needs of employees. A scientific welfare system can stimulate the enthusiasm of grassroots employees and attract talents. However, when talking with grassroots employees of financial enterprises, it is found that most financial enterprises still focus on traditional forms of welfare, such as five social insurance and one housing fund and festival welfare. Grassroots employees do not have a high degree of recognition for this, so the composition of benefits also affects salary satisfaction. Therefore, hypothesis 2 is proposed.

Hypothesis 3: there is a positive correlation between satisfaction with performance reward and overall satisfaction with salary.

As a dynamic link between performance and reward, performance reward is an important part of compensation and represents the recognition of employees by the enterprise. Performance rewards should be consistent with the company's development strategy, culture and values. For financial enterprises, clarifying performance goals and improving the efficiency of performance rewards can motivate grassroots employees to combine their personal

goals with organizational goals and enhance their personal salary satisfaction. Therefore, hypothesis 3 is proposed.

Hypothesis 4: there is a positive correlation between satisfaction with salary structure and overall satisfaction with salary.

The pay structure is the proportion of each kind of pay, reflecting the unit's view of the importance and value of each position and ability. Compensation structure is also a form of internal fairness. For financial enterprises, there is a big gap between the salaries of different employees, which leads to a decline in the salary satisfaction of grassroots employees. Therefore, financial enterprises should develop a scientific salary structure system and determine a reasonable salary grade gap while narrowing the salary gap with the same industry. This is an important way to improve employees' salary satisfaction. Therefore, hypothesis 4 is proposed.

Hypothesis 5: there is a positive correlation between salary system satisfaction and overall salary satisfaction.

Whether the compensation system is established reasonably means whether the compensation distribution is fair or not. A scientific salary system should combine the position with the employee's personality characteristics and link the salary system with the employee's performance and ability. Through this way to achieve the purpose of motivating employees, pay attention to the internal fairness, improve the salary satisfaction of grassroots employees. Therefore, hypothesis 5 is proposed.

Suppose the overall salary satisfaction is Y , and the five dimensions of salary satisfaction are X_1, X_2, X_3, X_4 and X_5 , α is a constant, β is a coefficient, ε is an error term. Therefore, the salary satisfaction model of grassroots employees in financial enterprises constructed in this paper is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$$

B. Research Tools

In this paper, SPSS24.0 was used to analyze the survey data. The salary satisfaction questionnaire is mainly divided into two parts. The first part is the statistical description of general information of grassroots employees in financial enterprises. The second part adopts Likert five-level scale. On the basis of Heneman and Schwab (1985), this paper designs a project that influences the salary satisfaction of grassroots employees in financial enterprises based on the characteristics of grassroots employees in financial enterprises.

C. Data Sources and Collation

A total of 576 copies of the questionnaire were distributed, including 92 copies in paper form and the rest in online form. All the questionnaires were recovered, among which 65 were invalid due to obvious logical errors in the answers, and the remaining 511 were valid, with an effective rate of 88.72%. In the process of questionnaire design, considering the influence of unit type on salary satisfaction, the number of questionnaires issued to various types of units is relatively average. The survey involved financial institutions such as banks, brokerages and insurance

companies. It involved receptionist, teller, administrative staff, account manager and insurance broker, etc., with working years ranging from 1 year to 10 years. According to the gender of the respondents in this survey, the proportion of male and female employees at the grassroots level in the financial industry is relatively close, and the gender difference is relatively small. In terms of age, employees under 40 years old account for 73.39% of the total number, which is more in line with the age characteristics of grassroots staff. In terms of education level, 83.94 percent of students have a bachelor's degree or above. This indicates that the overall educational status of grassroots employees in the financial industry is relatively high, which also indirectly reflects the current situation that the general educational status of employees in the financial industry is relatively high.

IV. ANALYSIS OF EMPIRICAL RESULTS

A. Questionnaire Reliability and Validity Analysis

This paper analyzed the reliability of the questionnaire through Cronbach's α reliability coefficient, and found that the

Cronbach's α coefficient of each dimension was above 0.7. The results showed that the internal consistency of the scale and subscales was good, and the reliability of the scale was high. In terms of validity, the KMO value was 0.874, greater than 0.5. The significance level of Bartley's test was 0.000, less than 0.01. The cumulative variance contribution rate of the scale reached 82.156% through principal component analysis, indicating that the scale had high structural validity.

B. Salary Satisfaction Dimension Analysis

1) *Analysis on the influence degree of each dimension on the overall salary satisfaction:* This paper takes five dimensions as independent variables and overall salary satisfaction as dependent variables to establish a multiple linear regression model. The regression results are shown in "Table I". According to the regression results, $R^2=0.782$, $F=23.167$, $P<0.001$, and the regression model was generally established.

TABLE I. RESULTS OF REGRESSION ANALYSIS

independent variable	β	t	P
(constant)	-0.309	-0.951	0.344
Basic salary satisfaction	0.223	2.389	0.019
Welfare level satisfaction	0.229	5.478	0.000
Performance reward satisfaction	0.419	3.112	0.002
Salary structure satisfaction	0.030	0.307	0.759
Salary system satisfaction	0.134	1.312	0.192
$F=23.167, P<0.001$			

Through the regression results, it can be found that the regression coefficient P value of the rationality of salary structure and the satisfaction of salary system is greater than 0.05. It indicates that these two independent variables do not enter the regression model, and hypothesis 4 and hypothesis 5 are not valid. Although salary structure has a great influence on salary satisfaction, its coefficient fails to pass the test, indicating that the influence of salary structure on salary satisfaction is complicated. However, the regression coefficient P values of the three independent variables, namely basic salary satisfaction, welfare level satisfaction and performance reward satisfaction, were all less than 0.05. It indicates that hypothesis 1, hypothesis 2 and hypothesis 3 are all true, and the three independent variables are all entered into the regression model. The correlation between basic salary and salary satisfaction is the highest. The influence of the three dimensions on overall salary satisfaction is ranked from the largest to the smallest: Welfare level satisfaction (0.49) > Performance reward satisfaction (0.296) > Salary satisfaction (0.223)

2) *The difference analysis of each dimension in personal information:* In order to measure the impact of individual

differences better, this paper selected several commonly used variables for the difference analysis of scale data.

a) *Differences in educational background:* According to the analysis of the survey results, the differences in each dimension of different educational background have statistical significance ($P<0.05$), as shown in "Table II". The value from high to low is: master's degree or above (3.80), bachelor's degree (3.36), junior college degree or below (2.88). This indicates that the more educated the grassroots employees are, the more satisfied they are with the salary. This situation has something to do with the fact that highly educated employees get higher basic salaries, and that highly educated employees can get higher performance rewards based on their own abilities.

TABLE II. ANALYSIS OF DIFFERENCES IN DIFFERENT EDUCATIONAL BACKGROUND DIMENSIONS

variable	Master degree or above	Undergraduate course	Junior college and below	F	P
Basic salary satisfaction	3.95±0.54	3.42±0.70	3.07±0.57	14.148	0
Welfare level satisfaction	3.88±0.60	3.43±0.77	3.01±0.65	10.818	0
Performance reward satisfaction	3.42±0.57	3.25±0.62	2.88±0.60	11.853	0
Salary structure satisfaction	2.92±0.44	2.73±0.55	2.50±0.74	8.986	0
Salary system satisfaction	3.50±0.49	3.06±0.58	2.78±0.60	11.604	0
Overall salary satisfaction	3.80±0.86	3.36±0.78	2.88±0.68	11.230	0

b) *Position differences:* According to the regression results, there are significant differences in the salary

satisfaction of grassroots employees in different positions, as shown in “Table III”.

TABLE III. ANALYSIS OF DIFFERENCES AMONG DIFFERENT POSITIONS IN DIFFERENT DIMENSIONS

variable	Receptionist	Teller	Administrative personnel	Customer manager	Insurance broker	F	P
Basic salary satisfaction	3.38±0.61	3.85±0.57	2.95±0.72	3.92±0.56	2.80±0.39	15.674	0
Welfare level satisfaction	3.46±0.70	3.79±0.74	2.91±0.66	3.89±0.53	2.77±0.61	12.510	0
Performance reward satisfaction	3.12±0.55	3.41±0.61	2.77±0.73	3.37±0.77	2.61±0.59	6.896	0
Salary structure satisfaction	2.61±0.49	2.90±0.42	2.45±0.69	2.97±0.54	2.13±0.62	7.285	0
Salary system satisfaction	3.07±0.60	3.46±0.55	2.69±0.64	3.25±0.35	2.47±0.56	11.260	0
Overall salary satisfaction	3.30±0.77	3.53±1.01	2.85±0.71	3.78±0.83	2.68±0.57	7.556	0

It can be seen that the customer manager has the highest overall salary satisfaction, while the teller and the receptionist rank second and third respectively. Executives and insurance brokers reported lower satisfaction, with insurance brokers coming in last. This is not the same as the responsibility of different positions, there is a big difference between the pressure and the salary.

c) *Company differences:* For different types of units, except for the level of welfare satisfaction, there are significant differences in basic salary, performance reward, salary structure and salary system, as shown in “Table IV”. Among them, the overall salary satisfaction degree of insurance companies is the lowest among the three, while the salary satisfaction degree of securities brokers is the highest.

TABLE IV. ANALYSIS OF DIFFERENT DIMENSIONS OF DIFFERENT COMPANY PROPERTIES

variable	Insurance company	Bank	Brokers	F	P
Salary satisfaction	2.86±0.54	3.26±0.71	3.76±0.61	22.221	0.000
Welfare level satisfaction	3.16±0.81	3.33±0.70	3.55±0.67	2.905	0.059
Performance reward satisfaction	2.52±0.67	2.99±0.65	3.33±0.52	18.282	0.000
Rationality of salary structure	2.26±0.58	2.47±0.56	2.78±0.70	7.435	0.001
Salary system satisfaction	2.53±0.56	2.82±0.74	3.24±0.52	14.502	0.000
Overall salary satisfaction	3.02±0.68	3.33±0.83	3.97±0.64	18.749	0.000

d) *Others:* In addition to the above three main aspects, it is also found that there was no significant difference in the overall satisfaction with salary between people of different genders and different ages (P>0.05). This is related to the different levels of acceptance of the challenges that performance incentives need to face at different ages. In

contrast, younger employees are more likely to accept job challenges that reward performance, while older employees are less likely to accept them.

To sum up, in the financial industry, individual differences of both enterprise types and employees have an impact on salary satisfaction.

C. Model Conclusions

1) *Overall salary satisfaction is relatively low:* It can be seen from "Table I" that the average satisfaction value of all levels of employees in financial enterprises has not exceeded 4, indicating that the satisfaction level has not yet been reached. This is closely related to the current financial industry, especially insurance companies, the relatively low barriers to entry, the lack of practical experience of most grassroots employees, and the uneven level of business. The low barriers to entry have led to a relatively low level of business for such employees in the industry, and the willingness of companies to pay is relatively low. This phenomenon has led to the unwillingness of high-level talents to enter, thus forming a vicious circle, resulting in lower overall salary satisfaction of financial enterprise grassroots employees.

2) *Performance rewards have the greatest impact on overall pay satisfaction:* Based on the results in "Table I", it is found that the performance rewards have the greatest impact on the overall salary satisfaction of financial enterprise grassroots employees. Grassroots employees face a lot of repetitive and tedious work every day, and the workload is heavy and boring. These jobs are often unable to be measured with specific data, and it is difficult to obtain corresponding performance rewards, which in turn affects overall salary satisfaction. Therefore, performance rewards have become the main factor affecting the overall salary satisfaction of financial enterprise grassroots employees.

3) *The difference between companies and positions is an important factor affecting the overall level of salary satisfaction:* From the perspective of company types, different types of companies have great differences in salary fluctuations, so it has a great impact on the overall salary satisfaction of grassroots employees. For example, the profits of securities firms are least affected by the economy and their employees' salaries are relatively stable, so their overall salary satisfaction is the highest. However, the profit of insurance companies is greatly affected by the economy, and the salary of employees is also extremely unstable. The range of changes in different economic environments is also relatively large, so the overall salary satisfaction is the lowest.

From the perspective of job types, the job contents of different positions are not the same, and there are great differences in pressure and salary, so it has a relatively large impact on the overall salary satisfaction. For account managers, although the pressure is greater, the salary is relatively higher, so the salary satisfaction is the highest. For tellers, their salary is also related to their business volume. Although their basic salary is low, their performance reward is relatively high, so their salary satisfaction is high. For receptionists, their salary is less related to their business volume, their basic salary is relatively low, and their performance reward is almost zero. However, as their work is the simplest and the pressure is the least, their salary satisfaction is general. As for administrative staff, their work

is tedious and they often need to work overtime to sort out data, but the work content is difficult to quantify and there is no corresponding performance reward, so their salary satisfaction is low. For insurance brokers, they have to face different customers every day, and they are under great work pressure. Although performance-related pay is relatively high, their basic work is relatively low, which lacks effective protection. Therefore, they have the lowest salary satisfaction.

V. COUNTERMEASURES AND SUGGESTIONS TO IMPROVE THE SALARY SATISFACTION OF GRASSROOTS EMPLOYEES IN FINANCIAL ENTERPRISES

A. Raising the Basic Salary of Grassroots Employees

According to the results of the survey, most of the grassroots employees pay more attention to the basic salary because this part of salary belongs to safeguard sex salary. Most of the junior employees are young people, who are still in the stage of physiological needs and safety needs according to Maslow's hierarchy of needs theory. Therefore, financial enterprises should improve the basic salary level of grassroots employees so that the basic living standard of grassroots employees can be guaranteed. Only in this way can grassroots employees be more secure in their work and create greater value for the enterprise.

B. Diversity of Benefits for Junior Staff

A diverse welfare system can boost the morale and motivation of grassroots employees. Financial enterprises should view the welfare and treatment of grassroots employees from the perspective of sustainable development. According to the actual situation of enterprises, adopt diversified benefits. While providing legal welfare, the company should appropriately increase holiday allowance, housing allowance, transportation allowance and other welfare categories to maximize the mobilization of grassroots employees' sense of ownership and improve the sense of achievement. Enterprises should change the traditional phenomenon of "one kind of welfare plan is applicable to all", allow employees to select the required welfare items from the enterprise welfare, and more effectively motivate employees to work hard.

C. Improving the Performance Appraisal Programs for Junior Staff

The work of grassroots employees in financial enterprises is complicated, but it is difficult to accurately measure quantitatively, especially the work at the counter. It takes different time to deal with different businesses and contact with different people every day. As a result, the enterprise should fully consider the working characteristics of grassroots staff, to avoid "do not do the same, do more less the same". At the same time, it is also necessary to consider the different time required by different jobs, avoid simple "piece rate salary", and develop reasonable performance appraisal plan to ensure the consistency between input and output.

D. Rationalizing the Salary Structure of Grassroots Employees

A reasonable salary structure can not only motivate grassroots employees, but also help enterprises to control costs and improve their comprehensive competitiveness. At present, the salary structure of most financial enterprises is unreasonable. According to Herzberg's "two-factor theory", the salary structure of most financial enterprises still stays in the "health care" function and ignores the incentive function. Therefore, the financial enterprise should make the thorough change from the thought pattern. When formulating the salary structure, it is necessary to fully consider the different degrees of physiological, safety, social, respect and self-actualization needs of different grassroots employees according to the actual situation. The company will determine the composition of the compensation, the proportion of each part, the number of compensation grades, etc.

E. Ensuring the Fairness of the Compensation System

Only by solving the problem of salary equity can it be available to retain excellent talents. Therefore, if financial enterprises want to improve the salary satisfaction of grassroots employees, they must ensure the fairness of the salary system. The enterprise can ensure the fairness of the salary distribution process and results, and ensure that the efforts of grassroots employees are matched with the returns. In this way, it can not only stimulate individuals, but also provide guarantee for the realization of organizational goals, and realize the organic unity of personal interests and long-term development of enterprises.

VI. CONCLUSION

This paper analyzes the factors that influence the salary satisfaction of grassroots employees in financial enterprises through empirical research. The study found that basic salary, welfare level, performance reward, salary structure and salary system have different effects on overall salary satisfaction. On this basis, this paper analyzes the reasons leading to the differences in these factors, and put forward relevant countermeasures and suggestions to improve the compensation satisfaction of grassroots employees in financial enterprises. It has a strong reference value to improve the salary satisfaction of the grassroots employees in financial enterprises. However, there is still room for improvement in questionnaire design and sample size selection, which also provides room for further improvement in future studies.

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