

Research on the Relationship Among Pay Equity, Employee Engagement and Job Performance

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Abstract: Companies at the same time of saving the cost of human resources, how to grasp in saving the cost of human resources and the balance of salary incentive, is difficult to solve problems, in the economic development in the new period, the study of the balance of cost and salary incentive is guarantee the important theoretical problems of human resources, introduce professional model, study the effect of different compensation fairness on work performance mechanism. The group engagement model divides employee behavior into mandatory behavior and autonomous behavior. Combining with comprehensive work performance, it divides work performance into task performance and relationship performance, and explores the influence mechanism of employee engagement on work performance. The group engagement model integrates the mechanism of social identification and the mechanism of resource exchange, and holds that the three different types of equity affect work performance by influencing employee engagement. The fairness of compensation procedure will not affect employees' cognitive engagement, but it will play a positive role in improving employees' emotional engagement and behavioral engagement. Compared with procedural justice and distributive justice, the salary communication justice has a stronger positive effect on employee engagement.

1. Introduction

Due to the lack of effective incentive mechanism in some enterprises in management practice, there is a lack of recognition of salary equity, and employees are slack in their work. In the new era of talent competition, it is necessary to re-study the relationship between fair cognition and effective incentive mechanism, so as to stimulate employees' enthusiasm and improve individual performance and enterprise benefit.

Kahn(1990) proposed the concept of engagement, pointing out that engagement refers to the degree to which organizational members combine their own factors such as personal emotion, ability and other resources with their work roles in the work process. Sun weimin and lu cui (2012) defined employee engagement as a positive, work-related psychological state and behavioral performance, including employees' recognition of the sense of value and meaning of work, their sense of mission and pride in work, and their willingness to make extra efforts for the success of the organization. Hardaker and Fill(2005) distinguish employee engagement from the perspective of rationality and sensibility. Among them, rational engagement mainly refers to employees' efforts and inputs in work after they fully understand the possible efforts and gains in the work process, while emotional engagement mainly refers to employees' attention and enthusiasm for their work roles. Qian Aimin etc. Studies show that distributive justice is the rights of the employees' work pay cash to the fundamental principle and basic way, if employees perceive business pay to allocate unfair or fair degree is low, its work enthusiasm will be contusion, leading to slack off or leaving out inner discontent expressed the unfair distribution of compensation, work efficiency is low.

The above research, based on work performance, explores the positive effects of salary equity and employee engagement, and evaluates employee work performance from a single dimension, which cannot accurately reflect the characteristics of current employee work and the positive effects of

salary equity and employee engagement. Therefore, combining with the group engagement model, this paper evaluates work performance from the two dimensions of task performance and relationship performance, and explores the positive effects of salary equity and engagement, which are of great value. In addition, there are existing literatures on the effect of salary equity and engagement, but few researches explore the change rule of its action mechanism based on the individual characteristics of employees. This paper studies the differentiation of the positive effect based on the difference of employees' emotional intelligence.

2. Group Engagement Model

2.1. Group Engagement Model Concept

The group engagement model was developed by Tyler and Blader (2003) as a theoretical model to explain the collaborative behavior of team members. Based on the relationship model of authority and the group value model, the theoretical model puts forward a new research category. Expand the perceived role of fairness from employees and leaders to group members; The model clarifies the mechanism of the influence of fairness on group engagement and cooperative behavior, namely the mechanism of social identity and the mechanism of resource exchange.

The judgment of procedural fairness in the process of organizational management comes from four factors: the quality of formal decision-making, the quality of formal interpersonal treatment, the quality of informal decision-making and the quality of informal interpersonal treatment. The fairness of salary procedure reflects the formal and informal factors of decision quality, while the fairness of salary communication reflects the formal and informal factors of interpersonal treatment quality. When employees perceive a high degree of procedural and interpersonal justice in the process of salary distribution, their perception of organizational justice will be strengthened, thus facilitating the switch from individual identification to group identification, and ultimately improving their engagement level.

2.2. Analysis of the Relationship between Salary Fairness and Employee Engagement

Compensation is one of the main resources that employees get from the organization, and it is also the human resource management module that employees value most and affects almost everyone. Organizations can not only through the distribution of compensation to achieve the exchange of resources with employees, also can through the different ways of compensation distribution, release different signal to employees, and guide the staff's cognition, attitude and behavior (Meyer, Dalai & Hermida, 2010) pay distribution has been an important fair research situation, the scholars from the initial attention only fair pay distribution, gradually extended to the program and fair, and many other areas of concern. The most typical example is the study of Triwibowo (2016), which explored the mechanism of the effect of salary equity on employee engagement from the three dimensions of distributive justice, procedural justice and communication justice.

According to the group engagement model, the influence of fair salary distribution on employee engagement is first realized through the resource exchange mechanism and then through the social identity mechanism, while the resource exchange emphasizes reciprocity and reciprocity in the exchange process. The so-called equivalence means that the investment difference between the two parties in the exchange process cannot be too large and the two parties are in the equivalence relationship. Only in this way can the exchange parties form a good social exchange relationship rather than a simple economic exchange. Employee engagement is a high investment provided by employees to the organization, because high employee engagement promotes employees to invest their own resources in time, energy and other aspects (Qiu min, Hu luo, 2015).

2.3. Three Dimensional Model Relationships

Taking salary equity as the antecedent variable, individual work performance as the outcome variable, employee engagement as the mediating variable between salary equity and individual performance, and individual employee emotional intelligence as the moderating variable, a conceptual model including salary equity, employee engagement, work performance and employee emotional

intelligence was constructed. This model mainly tests the relationship and function logic between the following concepts: first, the correlation between salary equity and employee engagement; Secondly, the correlation between employee engagement and job performance; Thirdly, the correlation between salary equity and job performance; Fourth, the mediating role of employee engagement between salary equity and job performance; Fifth, the regulating effect of emotional intelligence.

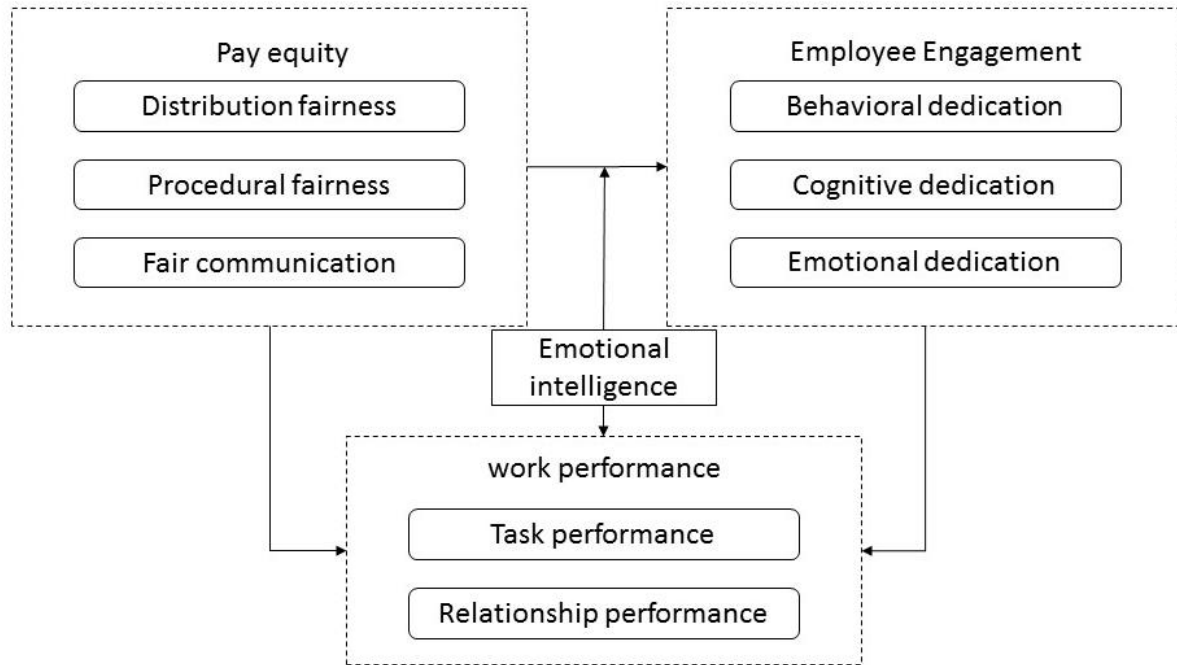


Figure 1 Theoretical framework for research

3. Research Design and Data Collection

3.1. Survey Design

Data and data on employee compensation equity, employee engagement and employee performance are collected through questionnaires. The design of the questionnaire mainly includes the following steps: Firstly, on the basis of combing the relevant literatures at home and abroad, the scales published in the top journals at home and abroad have been selected and have good reliability and validity. The translation of the English scale is generally accepted. The reverse translation method; secondly, based on the formed scale for field interviews and pre-study, the purpose of the pre-study is two, one is whether the statement of the item is clear enough and accurate, and can make the respondent easy to understand And answer and check, and accept the opinions of the respondents to correct the way of expressing individual problems; second, based on the data obtained from the survey, carry out preliminary reliability and effect test, verify the scientific nature of the questionnaire design, form a formal basis survey. The questionnaire mainly includes the following three parts:

(1) Fill in the questionnaire. This section mainly introduces the purpose and main content of the questionnaire, and introduces the respondents to how to correctly fill out the questionnaire. In order to improve the efficiency of the questionnaire, in this section, the respondent is promised that the survey is only used for academic research. It is definitely not for commercial use, and the situation of the respondents is kept confidential, so that the respondents can answer with confidence.

(2) Basic information of employees and companies. This part mainly conducts basic investigations on the personal information and company information of the respondents as the control variables in the empirical analysis. The questionnaire mainly covers the age and gender of the respondents.

(3) The measurement items of the key variables involved in this paper. The variables involved in this study include the three dimensions of pay equity, fairness, procedural fairness, and fairness of

communication. The three dimensions of employee engagement are cognitive dedication, emotional dedication and behavior. .

3.2. Variable Measurement

May et al. (2004) developed a three-dimensional scale of cognition, emotion, and physiology earlier. The scale has 13 items with an internal consistency coefficient of 0.77. Rich (2010) developed the 18-item scale of employee engagement, which is divided into three dimensions: cognitive dedication, emotional dedication and physical dedication. Example questions such as "When I work, I am fascinated by work", the reliability coefficient α of the scale is 0.858. Huang Yifang and Qian Zhaohui (2014) used the scale developed by Rich (2010) in the study and used the three dimensions of engagement to add the average value as the measure of employee engagement. Wang Wei and Fang Guozhong (2015) used four comprehensive items to measure employee engagement in the study of the factors affecting the engagement of the new generation of employees: I feel energetic at work, I feel that my purpose of work is very clear, very Meaningful, I am proud of the work I do, and I will be unyielding even if my work is difficult. The empirical data test found that the α value is higher than 0.7, indicating that the measure of the variable has good reliability.

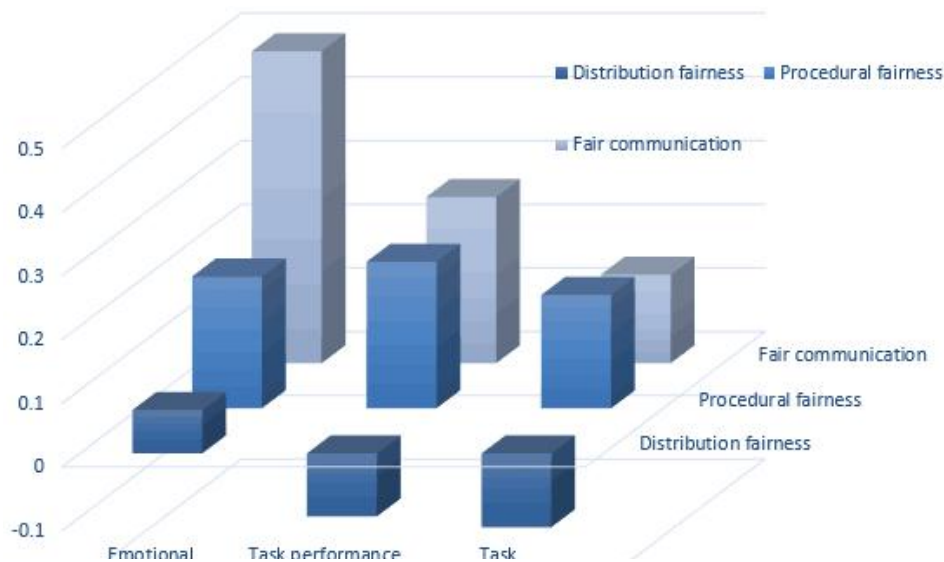


Figure 2 Correlation analysis of different variables

4. Analysis of the Results of the Questionnaire

4.1. Sample Structural Description

After the questionnaire was collected and collated, there were 309 valid questionnaires. The gender distribution was as follows: 165 males and 144 females, accounting for 53.40% and 46.60% respectively.

In the questionnaire, based on whether the company belongs to the high-tech industry, the respondents were investigated. The result is that the majority of the 207 respondents are in the high-tech industry, accounting for 66.99%, and the company is the company. There were 102 investigators, accounting for 33.01%. The distribution of the industry matches the overall academic qualifications of the respondents and is relatively high.

4.2. Correlation Analysis

Some assumptions about the relationship between pay distribution fairness and employee engagement and job performance have not been verified. Through theoretical deduction, this paper proposes that the fairness of salary distribution is conducive to improving employee engagement and job performance. However, based on the empirical analysis of the data obtained from the questionnaire, it is found that the relationship between salary distribution and employee emotional

dedication, behavioral dedication and employee performance is Did not pass the significance test.

Secondly, although emotional intelligence can significantly regulate the relationship between salary communication fairness and behavioral dedication, it has no significant effect on the adjustment of salary communication fairness and cognitive dedication and emotional dedication. The reason for the analysis may be that the task performance is the behavior of the employee, and the evaluation system is relatively perfect. Under the premise of clear objectives, the influence of the eccentricity of emotional intelligence is not obvious, but the relationship performance is the behavior outside the role, and the completion process requires the subjective of the employee. Motivation, the path of interaction fairness to relationship performance will be significantly affected by changes in the external environment.

5. Conclusion

The research results support the expansion of the group engagement model. Relevant conclusions are as follows:

1. Salary equity has a positive impact on employee engagement, including: distributive equity, procedural equity and communication equity have a positive impact on employee cognitive engagement, emotional engagement and behavioral engagement.
2. Employee engagement has a positive impact on work performance.
3. Although the fairness of salary distribution has no significant influence on the task performance and relationship performance of employees, the fairness of salary procedure and the fairness of salary communication have positive influence on the task performance and relationship performance of employees.
4. The positive effect of salary communication equity on employees' work performance is partly realized by improving their cognitive engagement; Part of the positive effect of salary procedure equity and salary communication equity on employees' work performance is achieved by improving employees' emotional engagement.

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