

## AN EXPLORATORY STUDY ON THIRD PARTY PAY ROLL AND SATISFACTION OF STUDENTS

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### ABSTRACT

*This Research Paper focuses on the satisfaction of student regarding Third Party Payroll. The main objective of the study was to identify the satisfaction of student regarding the outsourcing process of recruitment and selection in the companies. It is always in company's best interest to recruit the best people. Outsourcing decisions should be based on hard evidence and should be taken with proper planning. Employing the incorrect person, who is not ideally suitable for the job, can be an expensive mistake. The satisfaction of the students working in the company is as important for the development and betterment of company for getting optimum results and outputs. This study has been compiled with the help of primary and secondary data. Primary data was collected from structured questionnaire. Since the study was population study the data was collected from the Intern students working in the companies. The secondary sources of data were collected through company profile and other departments of the organisation. Questionnaire was framed for data analysis of the intern student working in the organisation regarding the satisfaction of the student regarding the recruitment and selection process of Third Party Payroll.*

**Keywords:** Third party Payroll, Outsourcing, satisfaction, perception, attitude

### Introduction

Now a days the term third party payroll become so common , each and every companies are now prefer to go with third party payroll , To cope with the pressure of onboarding, issuing offer letters to temporary employees, compliance management, termination formalities, businesses hire contract staffing companies from India who are also offering 3rd party payroll services. This partnership gives several benefits to businesses. Corporates, start-ups, small and medium-sized enterprises are leveraging third-party payroll services to manage with the excess demand. This action helps companies become more economical in the long run.

In Indian, contract staffing is not an age-old method. On the other hand it is a new way of hiring which, in last few years, has found popularity and success amongst businesses. Mostly for the services that are offered, are tailored to meet the business' specific requirements.

### Advantages

- A contractual staffing partner has an available data pool and infrastructure framed by the payroll and compliance experts that enables them to hire at a low cost.
- The contractual staffing partners are specializing in having an in-house team of experts who can handle payroll, recruitment, compliance, and employee management. Such firms ensure that they constantly monitor the changing government norms and regulations.
- By opting for the third party payroll services, companies literally wash their hands of, among others, managing compliances, paying salaries, maintaining payroll software, remitting payroll taxes, and generating in-house reports.
- Any business entity that signs up with a well-known contractual staffing agency offering excellent third party payroll services can reap the benefits.
- Business/ Employers who can't manage employee benefits, salaries, tax processes
- Employers who are short of time and/or don't have a skilled team to hire and recruit candidates or manage the end-to-end recruitment
- Candidates who wish to work with high-value clients, but do not have enough hands-on experience. These are mostly fresher candidates, recent graduates and students
- Candidates who are ready to work for a smaller tenure on a contract basis.

- Businesses a good model for Third-Party Payroll Services
- IT Companies (Including Hospitality, Banking, and Finance etc. domains)
- Hardware and Software
- Non- IT Organisations (Including Construction, Retail, and Pharma etc. domains)
- BPO Sector (Including Non-Voice /Voice/Customer Support and Service domains)
- Payroll consumes a lot of time and is a non-core business function. And since it is non-core, it does not function as a profit centre, however important it may be. For this factors, businesses are in favor of outsourcing it to the third-party payroll agencies.

### Objectives of Study

- To study the third party payroll
- To analyze the perception of student towards third party payroll.
- To find out student's satisfaction on third party pay roll.

### Hypothesis

H1: There is a significance association between third party payroll and student's satisfaction

H0: There is no significance association between third party payroll and student's satisfaction

H2: There is a significance association between perception of intern student and third party payroll

H0: There is a significance association between perception of intern student and third party payroll

The data is collected by the researcher using questionnaire and it is analyzed. Analysis of data in a general way involves a number of closely related operation that are performed with the purpose of summarizing the collected data and organizing them in such a manner that answer the research questions.

The research design taken by the researcher is "exploratory statistical design". The non-probability sampling technique is followed by the researcher. The researcher is highly dependent on the source of Primary data.

### Need for Study

1. There is a need to study Third Party Payroll process because it helps the company to identify whether the selected students working capabilities are satisfying the companies targets.
2. Introduce third party payroll recruitment and selection processes that suit your business.
3. Manage your campaigns to ensure that you recruit the right staff.
4. Ensure company's growth and client requirement is fulfilled.

### Factors Influencing Third Party Payroll

1. The size of organization
2. The employment conditions in the community where the organization is located.
3. The impact of previous recruiting efforts that shows the organization ability to locate and keep good performing employees.
4. Salary and benefits package, the working condition, offered by the organization.

### Research Methodology

In Research Methodology Mainly Data plays an important role.

The Data is divided in two parts:

- a) Primary Data-Primary data is information that is collected specifically for the purpose of research purpose.
- b) Secondary Data-Secondary data refers to that data which is collected by someone other than the user.

Various information regarding this subject as well as other subject, are taken out from various sources and stored.

Research paper data plays a very crucial role. For this paper the data was provided to researcher by HR department and other departmental head.

Also through

- 1) Consultancies and
- 2) Job portals.

The Primary and Secondary data which is specified above was provided by:

- 1) Manager HR- Recruitment
- 2) Other department.

Due to discussion with these people lot of data, as well latest information was known which was very beneficial and they provide primary data to researcher. The questionnaire was the main key which helps to analysis data. In this paper the type of research done is the exploratory Statistical Research and the type of sampling was Random Sampling method.

**Sample Size:** Sample size of 60 intern students were taken.

**Population:** Population is 108 and Random Sampling Method is used to collect data,

**Data Analysis**

Since third party payroll is important activity in any organization. The emphasis was lead on

findings of views of various intern students about the Recruitment process in HR Excellence. Because in origination there are written and unwritten process related to recruitment on which employee’s view are important as a good policy of HRM. Accordingly, the survey which was carried out was an eye opener and details analyses of survey are explained in forth coming Para.

Sample size of 60 respondents were taken from population of 108 intern student for effectiveness of third party payroll process. Data was collected on the basis of Questionnaire and Informal discussion.

Chart 1

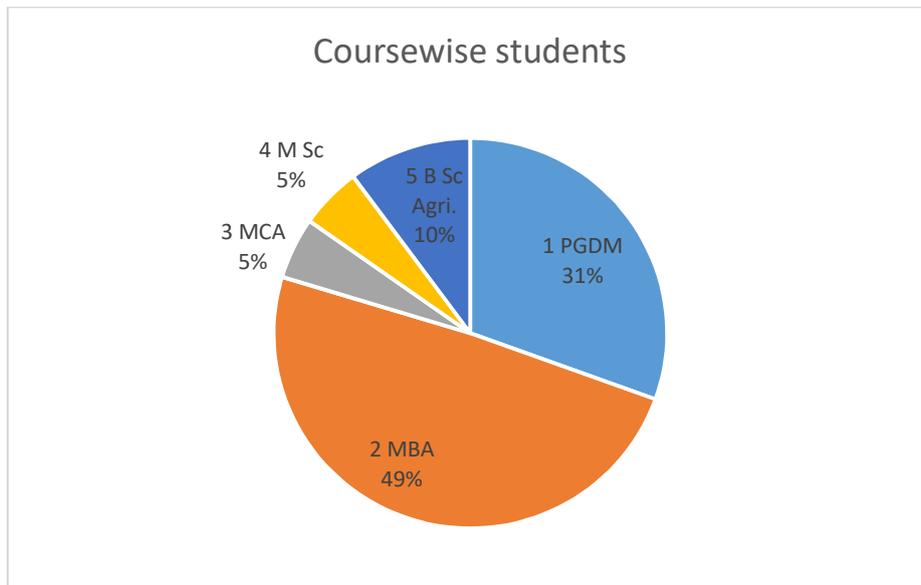


Chart 2

Specialization wise Students

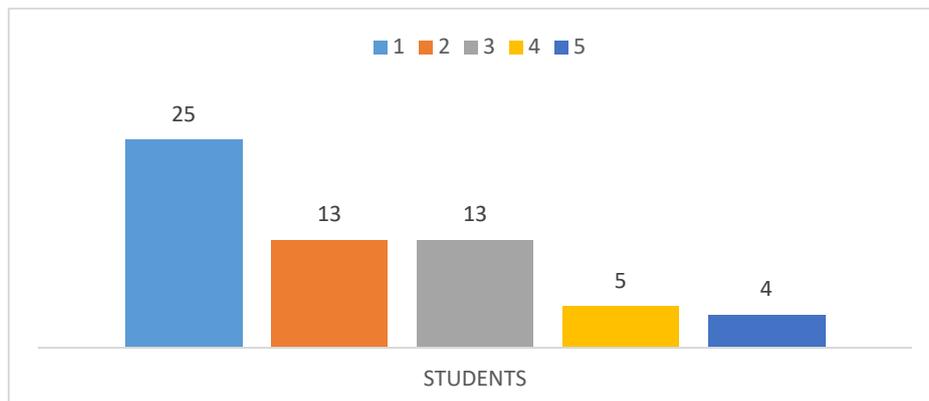
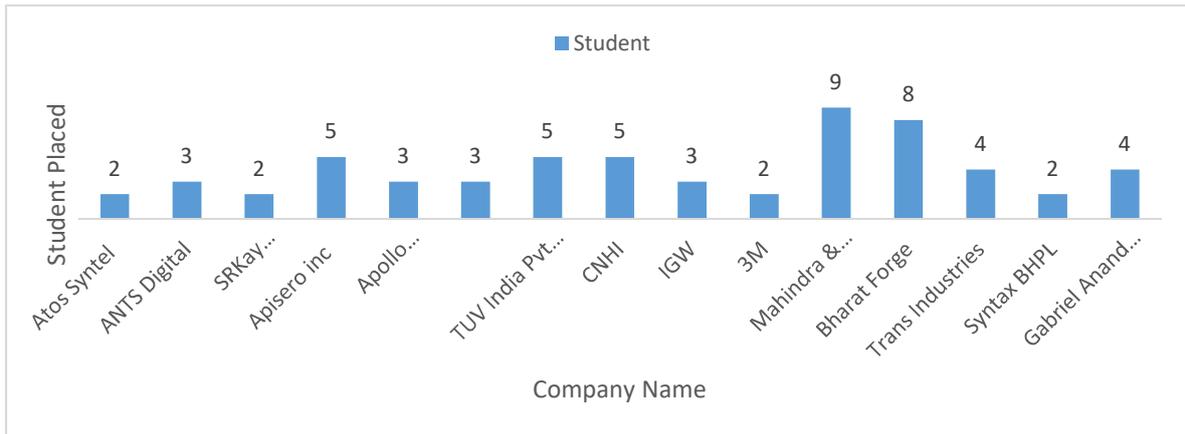


Chart 3



**Statistical analysis**

**Table 1: Case Processing Summary**

		N	%
Cases	Valid	60	100.0
	Excluded <sup>a</sup>	0	.0
	Total	60	100.0

a. Listwise deletion based on all variables in the procedure.

**Table 2: Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.954	.944	16

**Table 3: Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.597	3.067	3.950	.883	1.288	.060	16
Item Variances	1.907	.606	2.254	1.648	3.722	.261	16

Cronbach's Alpha value of given data is .954 which is highly reliable in nature

**Regression**

**Table 4: Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	perception <sup>b</sup>	.	Enter

a. Dependent Variable: satisfaction

b. All requested variables entered.

**Table 5: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.093 <sup>a</sup>	.009	-.008	16.75087	.009	.510	1	58	.478

a. Predictors: (Constant), perception

**Table 6: ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	143.022	1	143.022	.510	.478 <sup>b</sup>
	Residual	16274.311	58	280.592		
	Total	16417.333	59			

a. Dependent Variable: satisfaction

b. Predictors: (Constant), perception

**Table 7: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	39.670	10.950	3.623	.001
	perception	.750	1.051	.093	.478

a. Dependent Variable: satisfaction

From the above data analysis it is observed that the significance value is .001

### Recommendations & Suggestions

- Awareness about third party payroll recruitment process has been observed less among some students.
- Transparency of Third Part Payroll recruitment should be increased.
- Response of human resource department regarding various vacancies and other issues should be increased.
- Some students are still not satisfied with TPP in the organisation that must be taken under observation.

### Conclusion

According to authors' views based on an in-depth literature review and primary data analysis, it is concluded that the third party payroll plays very important.

Chart 1 gives the detail about course and intern student. MBA course has first position 49%, PGDM has second position 31%, BSc. Agri

has third position 10%, MCA and MSc has four and fifth position 5% respectively

Chart2 gives detail about the specialization marketing specialization has the first position 42% Finance Specialization has second position 22 % , HR Specialization has third Position 22% , Operation has fourth position 5% and IT has fifth position 4% .

Significance value of data is .001 which is less than .005 therefore the null hypothesis H<sub>0</sub>: there's no correlation between third party payroll and student's satisfaction is rejected and alternative hypothesis, that is, there's a correlation between third party payroll and student's satisfaction

Similarly the second null hypothesis is there's no correlation between perception of intern student and third party payroll is rejected and there's a correlation between perception of intern student and third party payroll alternative hypothesis is accepted.

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