

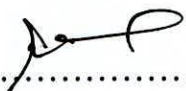
**An Empirical Study on Pay Satisfaction of
Academic and Administrative Staff of
Sri Lankan Universities**

by

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**Thesis submitted to the University of Sri Jayewardenepura for the
award of the Degree of Master of Science in Human Resource
Management on 15th May, 2010**

The work described in this thesis was carried out by me under the supervision of Dr. Vathsala M. Wickramasinghe and a report on this has not been submitted in whole or in part to any university or any other institution for another Degree/Diploma.


.....

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I certify that the above statement made by the candidate is true and that this thesis is suitable for submission to the University for the purpose of evaluation.



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To the memory of my ever loving father
late Mr. Uralaliyanage Don Herbert Gunasinghe

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U. D. S. S. Gunasinghe

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LIST OF ABBREVIATIONS

- DJ - Distributive Justice
- HRM - Human Resource Management
- IJ - Interactional Justice
- IPM - Institute of Personal Management
- JE - Justice of Environment
- LM - Love of Money
- OUSL - Open University of Sri Lanka
- PJ - Procedural Justice
- PS - Pay Satisfaction
- PSA - Pay Structure & Administration
- SPSS - Statistical Package for Social Sciences
- UGC - University Grants Commission
- UK - United Kingdom
- UOC - University of Colombo
- UOM - University of Moratuwa
- USA - United States of America
- USJP - University of Sri Jayewardenepura

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ABSTRACT

An empirical investigation was carried out to find out the levels of pay satisfaction and identify the possible factors that affect the pay satisfaction of academic and administrative staff in Sri Lankan universities. Literature reveals that pay satisfaction depends on the variables: pay equity, pay structure & administration, love of money and justice of environment. Using a structured questionnaire consisted of statements on five point Likert scale, data was collected from 227 academic staff and 54 administrative staff from 04 main national universities: University of Colombo, University of Moratuwa, The Open University of Sri Lanka and University of Sri Jayewardenepura. The sample technique used was stratified random sampling. Analysis of data was carried out for academic staff and administrative staff separately using the statistical techniques of correlation, t-test and multiple regression. It was found that both categories are dissatisfied with their pay while administrative staff is more dissatisfied. Positive significant correlations were observed

between pay equity and pay satisfaction as well as pay structure & administration and pay satisfaction in both categories. A negative non-significant correlation was found between love of money and pay satisfaction while a positive non-significant correlation was found between justice of environment and pay satisfaction for academic staff. For administrative staff, the correlation between love of money and pay satisfaction was positive non-significant while a positive significant correlation was found between justice of environment and pay satisfaction. Multiple regression analysis indicated that pay equity, pay structure & administration and justice of environment significantly explain the variances in pay satisfaction except love of money. For administrative staff, pay satisfaction was only a function of pay equity and pay structure & administration. Furthermore, the results indicated that the difference in level of pay satisfaction with age is significant for academic staff where as with gender, present position and highest level of education, it is not. However, there is a difference in the level of pay satisfaction with respect to the gender for administrative staff but the age, present position and highest level of education.