# Analysis on the Problems Existing in the Salary Motivation of Knowledge-based Employees in China

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**Keywords:** enterprise; knowledge worker; salary incentive

Abstract: Under the new normal of China, "mass entrepreneurship and innovation" have become the necessary foundation for promoting economic development. Knowledge-based talents have also become the core force for the sustainable development of enterprises. Because of their innovative and creative capabilities, they cannot It is easily replaced. Most of the incentives that Chinese enterprises have for knowledge workers include compensation, benefits, performance, promotion, training, etc. However, their specific formulation lacks communication with knowledge workers, and the long-term incentives are not obvious. This paper analyzes the problems existing in the salary incentives of enterprise knowledge workers, puts forward the importance of employee development needs, improve performance evaluation and incentive machines, and attaches importance to the construction of human-oriented corporate culture, as the salary incentive optimization strategy of knowledge workers in China.

#### 1. Introduction

At present, China is in the era of knowledge economy, and knowledge-based talents play an important role in the development of enterprises. Because the competitiveness of enterprises in the market environment is not only the advantages and disadvantages of resources such as products and channels, but also the enterprises. Existing resources, innovation capabilities, management capabilities, and information technology levels. Knowledge workers are the key factor in determining corporate resources and capabilities. More and more enterprises recognize the importance of knowledge workers for the development of enterprises. In order to further stimulate the potential of knowledge workers and retain more talents, academics and the business community are paying more and more attention to this. There are many shortcomings in the salary incentive management of knowledge-based employees in domestic enterprises. The problems of low enthusiasm for knowledge workers and the improvement of turnover rate are related to the lack of humanistic care for corporate salary incentives and the neglect of the personal career development needs of knowledge workers. Only by attaching importance to people-oriented management, the cultivation and development of knowledge-based employees is regarded as an important part of enterprise development, and it can ensure that enterprises are in an invincible position in the industry competition situation.

## 2. The status quo of enterprise knowledge workers

Often, the incentives that companies impose on employees generally include both material and spiritual aspects. When enterprises formulate incentives, they are usually decided by the management. There is a lack of effective communication with knowledge workers. At the same time, there is a lack of strong correlation between incentives and their own actions. As a result, they can only achieve certain effects in the short term. However, it cannot guarantee its long-term effectiveness. The incentive system of enterprise knowledge workers, as shown in Figure 1, is based on salary incentives, environmental incentives, and training incentives.

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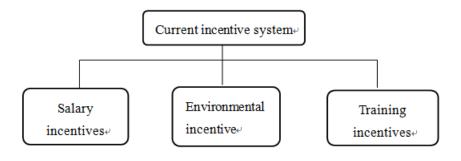


Figure 1 Current incentive system for Chinese enterprises

#### 2.1 Compensation incentives

Salary incentives are a way for enterprises to affirm their employees' labor. The purpose is to mobilize the corresponding rewards and benefits to mobilize employees' work enthusiasm, so as to achieve work efficiency and further contribute to the long-term development of the company. In this mode, not only the enterprise obtains more economic benefits, but also the employees' own professional ability can fully reflect. According to the survey, the salary structure adopted by most enterprises is: basic salary + post allowance + various bonuses + various types of subsidies. In terms of performance bonuses, enterprises are accounted for based on the assessment results of performance appraisal indicators and the corresponding proportions. In terms of year-end awards, the implementation of the company's programs is also different, some companies are fixed 13 salary, and some companies will calculate the performance bonus in combination with the performance and individual performance of the department where the employee is located [1]. The middle and senior management and the main technical staff are paid by the annual salary system. In respect of employee benefits, in addition to the leave prescribed by the national labor department, it also includes basic five insurances and ones, as well as commercial accident insurance. The company will also base on other employee benefits based on the objective reality of the company, such as holiday and birthday benefits, annual travel, annual medical examination, etc.

#### 2.2 Training incentives

In order to meet the needs of knowledge-based employees, the company gives them training opportunities. At the same time, for some employees with high business ability and comprehensive skills, the company affirms its ability to work, thus giving opportunities for promotion. At the same time, focus on the construction of knowledge sharing platform to create a good learning atmosphere. For example, an enterprise in Jiangxi regularly organizes technical backbone personnel to participate in industry exchange activities to learn the latest industry technical knowledge. For new technical personnel, first arrange four weeks of concentrated training and learning, and then provide specialized personnel to help according to the needs of the post; the company also encourages Knowledge-based employees carry out self-improvement. If employees obtain industry-related qualification certificates through learning, they will be reimbursed for a certain proportion of expenses; according to company regulations, according to employee performance and performance appraisal, individuals and departments that meet the standards can obtain honor incentives, and some perform well. Priority is given to the promotion of positions.

#### 2.3 Environmental incentives

Enterprises build a good working environment for knowledge workers, including hard and soft environments. A hard environment means that the company's infrastructure is complete, and employees work more conveniently and easily in this environment. Soft environment means that enterprises provide certain conditions for employees' spare time and promote harmonious interpersonal relationships among employees. The above-mentioned enterprises in Jiangxi are

mainly in the aspect of environmental incentives: the company has better office conditions and relatively complete supporting facilities. At the same time, it provides a special rest area and activity area for employees, equipped with Table tennis Tables, billiard Tables, etc. The trade union regularly organizes employees to participate in badminton and gas volleyball activities. In addition, the company set up special funds to provide great assistance for environmental incentives.

## 3. Problems existing in the salary incentives of knowledge workers

In 1943, the American psychologist Maslow's book "Human Incentive Theory" put forward the theory of human needs, which included five categories, as shown in Figure 2. The five requirements from low to high are: physiological needs, Security needs, social needs, respect for needs, and self-fulfillment needs. As a new force in the organizational structure of enterprises, knowledge workers have a high level of professional quality and comprehensive ability. Therefore, employees' needs are not only expressed in money, but also hope to be respected by enterprises and achieve self-worth in their work [2]. However, at present, many domestic enterprises do not adapt to the trend of change in salary incentive management. The incentives of knowledge workers deviate from their needs, resulting in the loss of key personnel in enterprises. In the long run, it will affect the competitive position of enterprises in the market environment.

### 3.1 Knowledge workers lack motivation

When the employee's income and its contribution value are not in direct proportion, it is easy to cause employees to leave or quit to other companies. The lack of motivation of knowledge workers is the salary incentive of enterprises. From the perspective of labor division, the domestic labor and physical labor have already been distinguished, but the actual salary distribution is still similar. The income ratio of some enterprise knowledge workers does not match the value of their labor, and their salary level is low, resulting in low employee satisfaction. According to the type of enterprise, the knowledge-based employees of foreign-funded enterprises, listed companies and joint-stock companies are better paid, but the salary of knowledge workers in traditional industries, state-owned enterprises and private enterprises is relatively lower.

## 3.2 The performance evaluation system is not sound

Performance appraisal is an important means to evaluate the work efficiency and performance of employees. It is closely related to employee salary and job promotion, so its impartiality and comprehensiveness are essential. Then, at present, domestic enterprises are not perfect in performance appraisal, especially for the performance appraisal indicators of knowledge workers, and some enterprises implement performance appraisal, and there is no distinction between other types of employees. Even though some enterprise knowledge workers have more performance evaluation indicators, because the content is too complicated and the transparency is not strong, and the performance appraisers of the employees make performance evaluations, the subjective evaluation is mixed, resulting in insufficient credibility and fairness. In addition, the salary incentives of enterprise knowledge workers are indistinguishable, and it is easy to cause the employees' respectful needs to be met. Even the company believes that the contribution value of the work is not certain, and the work enthusiasm of the knowledge workers is hit, so it cannot be in the enterprise. Play a central role.

#### 3.3 Corporate culture construction needs to be strengthened

Knowledge workers have high expectations for self-value realization due to their high level of knowledge. However, some companies do not specifically target knowledge-based employees in corporate culture. Corporate decision-makers play a leading role in organizational structure, but human-based management is relatively lacking. The enterprise management model is too streamlined and institutionalized. This kind of blunt management mode makes knowledge workers feel their own value in the enterprise, and it is difficult for the enterprise to have a sense of belonging [3]. When enterprises have organized activities, the sense of participation and

cohesiveness of knowledge workers is scarce, and the enthusiasm in the ordinary work process is difficult to improve.

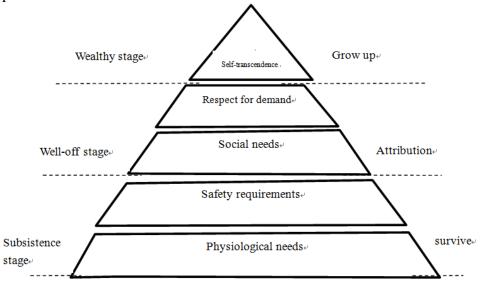


Figure 2 Maslow's theory of human needs

## 3.4 Knowledge-based employee compensation incentive optimization strategy

## (1) Emphasis on the development needs of knowledge workers

The American model knowledge management expert Mahan Timeserver found that the top four motivational elements of knowledge workers are from individual to high growth, work autonomy, business achievement and money wealth. This means that in the case of knowledge workers, first of all, personal growth in the work, such as the improvement of professional skills and comprehensive literacy, and then the autonomy in the work, can use the work mode that they think is effective to complete the work. The task, on the basis of this, enhances the efficiency of business completion, thereby forming a sense of business accomplishment, and finally obtaining compensation that matches the value of the payout and the contribution value. That is to say, knowledge workers have higher expectations for personal development and self-development. Therefore, enterprises should implement incentive management, which should be mainly in line with the development needs of employees. Therefore, the company's salary incentive management should be more comprehensive. The specific proposal is shown in Figure 3. The enterprise sets the external compensation and internal compensation for the knowledge workers, so as to realize the comprehensive salary incentive management mode.

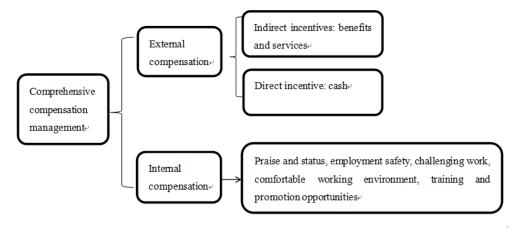


Figure 3 Comprehensive compensation management model

(2) Improve performance evaluation and incentive mechanism Because of the high level of education, knowledge workers have relatively high self-awareness compared with other types of employees. Therefore, salary incentive management should change the single and lack of differentiation in the past, and change to flexibility and diversification. Under the situation of development and change of the times, the salary incentive mechanism is not suitable for the actual needs. Therefore, enterprises need to build a management system and incentive system for knowledge workers, and promote enterprises to gather more core talents, thereby enhancing the market competitiveness of enterprises. In order to ensure that enterprises are in an invincible position in a severe competitive environment and comprehensively improve the enthusiasm of knowledge workers, enterprises should improve performance evaluation and incentive mechanisms. First, the work content and job responsibilities of the existing positions of the enterprise are differentiated and defined. When assigning and adjusting jobs, the characteristics and working ability of the knowledge workers should be fully integrated. Second, build a transparent performance appraisal mechanism, on the one hand, train employees on the performance appraisal system, so that employees can fully understand the specific appraisal indicators and assessment criteria; on the other hand, the performance appraisal of knowledge workers should fully integrate their job characteristics. In order to avoid the contribution of the knowledge-based employees with large contributions to their work, they will not be unbalanced, and their work will be motivated and negative. Third, in the performance appraisal process, the management personnel of the enterprise department should ensure that the performance evaluation is fair and equiTable, and formulate an incentive mechanism that is detailed and meets the development needs of knowledge workers, and then enhances the role of performance evaluation and incentive mechanism.

## (3) Pay attention to the construction of human enterprise culture

The sustainable development of an enterprise is inseparable from the construction of corporate culture. In the process of its construction, human-oriented management can effectively enhance the sense of identity, belonging and collective sense of knowledge-based employees. The "people-oriented" corporate culture requires the implementation of corporate management. Flexible management, which can effectively close the distance between employees and managers. Through the construction of corporate culture, the management of the company can help employees to enhance their spiritual wealth, and at the same time build good corporate core values and beliefs, comprehensively enhance the cohesiveness of knowledge workers through diversified forms, promote employees to achieve self-worth, and contribute more to the company's strategic goals. Great power. The management of the enterprise should focus on strengthening the communication of knowledge workers. In the decision-making of the enterprise, it should actively communicate with the employees and enhance their participation. The suggestions and opinions of the employees with high constructively should be adopted, and the value of the value should be affirmed, so that the knowledge type The autonomy and participation of employees are valued and paid attention to. In terms of communication skills, managers can take the initiative to guide employees to complain about work distress and stress. After in-depth communication, help employees explore ways to get out of the predicament and ease work stress and stress, and develop corresponding incentive programs to pay for employees' labor. Affirmation, mobilize its work enthusiasm, and thus improve work efficiency.

#### 4. Conclusion

For the knowledge-based employees to implement salary management, it should not be a single form of salary. The employee's work contribution and contribution value should be affirmed and encouraged. Managers should use the characteristics of knowledge workers and individual needs as the starting point, and develop incentive programs in line with their development so as to retain talents.

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