

## **Analyzing the Relationship Between Compensation and Job Satisfaction: A Comprehensive Study of Darjeeling Tea Plantation Workers**

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### **Abstract:**

*The tea industry plays a significant role in the Indian economy, being one of the leading export products and a key source of employment for unskilled, semi-skilled, and skilled workers. These workers are engaged in various stages of tea production, including plucking tea leaves, processing them in factories, and serving the industry. For unskilled and semi-skilled workers, who are in high demand but lack specific skills, their earnings from the tea sector are crucial for meeting their families' consumption needs. Consequently, income from the tea industry holds considerable importance for these workers. Moreover, as the tea industry depends on the collection of tea leaves and their processing tasks carried out by the workers' worker efficiency and effectiveness are essential. Job satisfaction plays a vital role in enhancing this efficiency. For unskilled workers, financial incentives are of primary importance, as they generally do not expect non-financial benefits and are focused on fulfilling their basic needs through their earnings. The present research aims to examine the impact of pay on job satisfaction among workers in Darjeeling's tea plantations. The study seeks to address the research question by assessing the job satisfaction levels of tea plantation workers and understanding how pay influences their satisfaction with their work.*

**Key Words:** *Tea Plantation Workers, Pay/Wages and Job Satisfaction*

### **Introduction:**

In Northern part of West Bengal two types of Tea gardens are well-known. First are organized tea estates or tea gardens and the second being unorganized. It is termed as small tea sectors and it is not covered by the Plantation Labour Act, 1951. In organized tea estates, factory workers and plantation workers are covered by the Plantation Labour Act, 1951. Labour in the organized tea estates reside in labour colonies which are situated inside the tea garden area. Whereas, small tea sector workers are generally temporary workers. They use to pluck tea leaves and sell it to the Bout Leaf Factories or organized tea estates.

Darjeeling tea is very well-known for its outstanding flavour and delightful golden colour of tea. It is called 'Champagne' due to its colour. Dr. Campbell, Superintendent of Darjeeling, started tea plantation in Darjeeling in 1840. At present, 87 tea estates are in Darjeeling. The region of Darjeeling lies under 26° 3' and 27° 13' North latitude and 87° 59' and 88° 53' East longitude. The region covers an overall 1.164 square miles area. The area looks like irregular triangle. Darjeeling is a border district with Nepal and Bhutan. It contains various types of soil. Loamy soil contains full of nitrogen. Nitrogen helps in tea plantation growth. Tea plantation in the region is characterized by production of tea throughout the year.

### **History of Tea Industry:**

Tea is found almost 5000 years ago. Since 2700 BCE, tea is available in China as per the record written in Britannica. In 2732 B.C. King Shen Nung discovered tea. So, King Shen Nung named it "ch'a", the Chinese character meaning 'to Check or investigate'. The history of tea is explained in the book "All About Tea", written by William Harrison Ukers in 1935. Yenissei, a Japanese Buddhist Monk realized the importance of tea to improve meditation. So, he took the first seed of tea in Japan and planted it. Japanese called him the 'Father of tea in Japan'. By the route of the Portuguese, tea entered into the whole of Europe. In 1606, the first shipment of tea was shipped from China to Holland. First-time tea was made available in England in 1650 which is also published in 23 September, 1658 in the news book, Mercurius Politicus – 'Tea in England in 1650' (The news published in London newspaper, September 1658). The East India Company started importing tea to Britain in 1664. The first tea shop for ladies was opened in 1717 by Thomas Twining. In 1824, tea trees with thicker leaves were revealed in Assam by Robert Bruce and Maniram Dewan. In 1837, the first English tea garden was established at Chabua in Upper Assam. Scottish gentleman, Robert Bruce started tea formation in Tezpur, Assam in the early 19th century. Maniram Dewan established the 1<sup>st</sup> tea garden in Assam and started plantation for the first time in Assam and tea was exported to England in 1938.

### **Concept of Wages or Pay in Context to Tea Industry:**

The cash received as remuneration as daily performance of tea plantation by workers is called wage. Collective bargaining was chosen as a tool to determine the wages for tea plantation workers instead of setting fixed wages as per Minimum Wages Act 1948. A tea plantation worker plucks daily around 20 to 25 kg of tea leaves. The tea plantation workers receive wages based on their performance. The tea plantation workers get additional remuneration as an overtime benefit when they pluck more quantity of tea leaves in a day. Tea plantation workers

receive nearly Rs. 200 per day wage. "Wage" is the allowances or earnings from the employer against work performance which is calculated on the basis of the last day performance. It is a financial reward paid by an employer to the employees in exchange of job done. It is calculated either hourly or daily or monthly basis.

**Concept of Job Satisfaction:**

Job satisfaction states a positive feeling of an individual about job. It is not the self-satisfaction or self-contentment. It is a feeling of workers regarding their work. It is influenced by different factors and is associated with achievement. The term 'Job satisfaction' was taken in limelight by Hoppock (1935). Hoppock (1935) stated that it is "any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say that he is satisfied with his job. Workers' job satisfaction means - workers are satisfied with the work itself, wages, recognition and relationship with supervisors and co-workers etc. Psychological thinking of an individual's feeling is his pleasure with the job itself, but it is defined in different ways. There are two vital dimensions to job satisfaction; Individual feeling towards one's job and Individual feeling regarding - how well an individual's expectation meets from his or her job. The words 'job attitude' and 'job satisfaction' are quite similar. However, attitude states the tendency to respond while satisfaction relates to the performance factors.

**Reviews of Literature:** The relevant literature related to the research problem in accordance with the key issues is reviewed as under:

**Pay/Wages:**

Chakraborti, et.al. (2022) while investigating the socio-economic conditions of tea estate workers in Jalpaiguri district, observed that tea plantation workers of West Bengal are receiving one third of the minimum wages. Based upon the results analyzed by applying ANOVA, the scholars found that there is a great disparity in monthly wages earned and the nature of job. However, majority of the workers are receiving monthly wages between Rs. 3000 to Rs. 6000 and majority are seasonal workers.

Rafeeqe and Sumathy (2021) find that due to low level skills, illiteracy and ignorance, majority of the women workers in the unorganized segments are getting low wages. They argued that due to excess women labour, they are facing exploitation. As per their findings by using Friedman Rank Test and Chi Square test, the mean score of wages is low and 'away from play of stay'.

Rahman (2020) states that the tea estate workers of Sylhet region are very unhappy due to low

wages paid to them. The author is of the opinion that there is disparity in wages being paid to the tea estate workers. It has been recommended that the discrimination in wages should be replaced.

Sarkar and Reji (2019) noticed that tea plantation workers and their families have to starve and die due to lack of food in the North East region of India. The study reveals that tea estate workers are unable to buy sufficient food due to low wages. While comparing the wage structure of workers engaged in the tea plantation work in North and South India, the study finds that north Indian tea workers are receiving comparatively low wage due to low increment in wages and lack of coordination between the management in state and union government.

### **Job Satisfaction:**

Santhosh (2019) examined the Job satisfaction-related issues (non interest to do work, stress, irregular offs and leaves from their work, low loyalty on boss, negative attitude towards the company) in tea Industry in Idukki District, Kerala, India. The research implies that job dissatisfaction is associated with low productivity.

Priyadarshan (2019) found that due to dissatisfaction of labour, tea industry is suffering from labour problems like lockout and strikes. The study has focused on facilities offered to the workers to achieve satisfaction level. The author finds that with regard to the level of satisfaction, workers are segregated. Thus, it has been recommended that the management of the tea industries must take managerial initiatives to incentivize and motivate workers for satisfying them.

Kouranage Perera (2018) investigated the relationship between job satisfaction and productivity of employees of tea plantation sector in Sri Lanka. The study finds that job satisfaction has a significant positive impact on productivity.

Jaganathan and Palanichamy (2017) investigated satisfaction level and problems faced by the small tea growers' at Nilgiris District of Tamil Nadu. The study asserts that marketing facilities, availability of tea plants, profits of the tea plants, availability of loan facilities, price of tea and activities of the tea board are the criteria for determining satisfaction level of the workers in tea estates. On the other hand, the study emphasizes upon lack of co-operation, unavailability of loans and lack of transportation facilities as the factors emerged in the form of problems being faced by the tea garden workers for which it has been recommended that the management of the tea gardens must be efficient and must pay attention to facilitate and deal with such problems of the workers.

Banerjee, (2015) has stated the different ways to achieve job satisfaction and reduce burnout of tea garden executives. Emotional tiredness, depersonalization and mental tiredness have been stated as the measuring components of Burnout. The study advocates that biographic variables are weak to determine the relationship with job satisfaction which need to be improved.

### **Pay and Job Satisfaction:**

Raza and Khan (2019) developed a conceptual model between pay and job satisfaction based on the secondary data sources. The study finds that pay has a positive impact on job satisfaction.

Malik et al. (2012) investigated the impact of pay and promotion on recognized private and public sector universities educators' job satisfaction of Punjab, Pakistan. According to them, pay has high impact on job satisfaction but has less impact on promotion.

Judge et al. (2010) examined the relationship between pay level and job satisfaction as well as relationship between pay level and pay satisfaction through meta-analysis. Based upon the results of Meta-analysis the authors find that pay level has positively correlated with job satisfaction and pay satisfaction.

While examining the relationship between factors of job satisfaction (Pay, recognition, promotion, supportive management, job involvement, organizational commitment, work effort and self-expression) and to determine the overall job satisfaction of three commercial banks

(Standard Chartered Bank, United Bank of Pakistan and Allied Bank Limited) executives from Islamabad and Rawalpindi in Pakistan, Hanif and Kamal (2009), analyzed that pay is a major factor of job satisfaction. However, other factors (promotion, recognition, job involvement and commitment) are also important. The study concludes that satisfied employees are approachable and responsible which creates interest to attract customers. Whereas, dissatisfied employees create customer dissatisfaction.

Chaudhry et al. (2011) compared public sector and private sector employees' salary satisfaction in addition to the relationship between salary and job satisfaction of public sector and private sector employees as per job involvement, work inspiration, employee performance and motivation. By applying Z test and regression analysis they analyzed that public sector employees have more salary satisfaction compared to private sector employees and there is a positive relationship between salary satisfaction and job satisfaction among public as well as private sector employees.

**Research Gap and Purpose of the Study:**

Based upon the foregoing selective research reviewed on pay with wages, job satisfaction and the relationship of job satisfaction with pay, it is revealed that wages of the workers have been stated by scholars as low with a low level of wage increments and there exists a lack of coordination between the management of state and union government. Job discrimination causes a low level of productivity among the workers. Due to job dissatisfaction, there are chances of lockout and strikes with the existence of a segregated workforce which needs to be motivated. The problems being faced by the management to satisfy and incentivize workers are related to marketing, profitability position and pricing of tea, board activities, lack of coordination, unavailability of loans, lacking transportation facilities and biographical variables of workers. Scholars have advocated that pay has a direct relationship with job satisfaction. However, the impact of pay on job satisfaction has not been justifiably examined so far. So, the study investigates the job satisfaction level of tea plantation workers in the Darjeeling Tea Industry to the wages paid.

**Research Methodology:****Objective:**

The objectives of the present research are as under:

- 1) To identify the Job Satisfaction level of tea plantation workers in Darjeeling Tea Industry
- 2) To study the impact of pay/wages on job satisfaction of tea plantation workers in Darjeeling Tea Industry.

**Materials and Methods:**

To describe the given phenomenon, the study used descriptive research design. Solvin's (1960) sample size formula is used to identify the sample size. In Darjeeling, eighty-seven tea estates have 52000 permanent workers and several temporary workers in Darjeeling. Solvin's Formula –  $N/1+N*(e))^2 = 52000/1+52000* 0.0025 = 396.946$ . This sample size formula is used because the population is known. 500 questionnaires were distributed. However, 399 responses are received. However, 7 questionnaires were not filled fully. Therefore, the study used 392 responses. A convenience sampling method is used to select 392 tea plantation workers from the Darjeeling Tea Industry. Darjeeling Tea Industry includes Darjeeling Hill, Terai and Dooars. The employees of these areas are registered employees. Small tea growers are entrepreneurs. They are hiring employees for agricultural purposes who have also been

taken for getting primary information. So, the study not include small tea growers. Data was collected through a structured scale developed by Warr, Cock and Wall in 1979 (job satisfaction survey). The pay Satisfaction Questionnaire developed by Heneman III, H.G. and Schwab, D.P. (1985) has also been used. The Likert scale has been used. The data collection instruments are divided into three parts, i.e., Part A Demographic factors, Part B asks questions regarding pay/wage satisfaction and Part C provides detailed information regarding job satisfaction. The data was collected during winter vacation, i.e., December to February 2022. The study used some secondary data. Secondary data was collected through published journals, articles and books. Descriptive statistics and Multiple linear regression analysis are used to analyse the data.

### Results:

The demographic profile of the respondents is depicted as under:

Table 1: Gender-wise demographic of the respondents:

		Frequency	Percent
Valid	Male	106	27.0
	Female	286	73.0
	Total	392	100.0

The above table shows that in the Darjeeling Tea Industry, the majority of the workers as women as non-probability convenience sampling indicated the majority of the respondents being women. There are 286 (73%) respondents female tea plantation workers and 106 or 27% male workers.

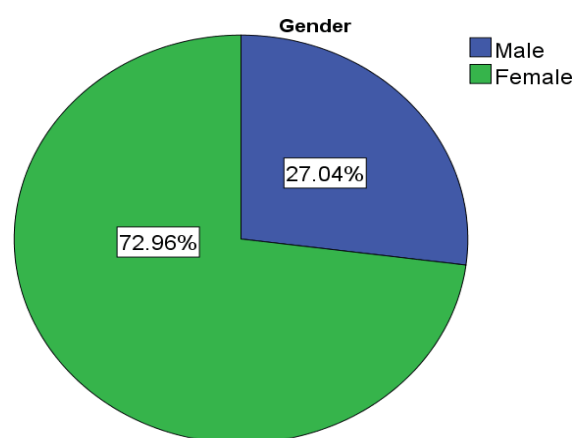


Figure 1 The Male and female percentages % displayed in pai chart

The figure also shows that the total percentage of Male respondents is 27.04% and female



respondents 72.96% are working in the tea plantation sector of Darjeeling.

Table 2: Age-wise demographic of the respondents

		Frequency	Percent
Valid	18 - 35	160	40.82
	36 - 50	184	46.94
	51 and above	48	12.24
	Total	392	100.0

Age-wise, the majority or 46.94% of respondents fall under the 36-50 age group whereas, 160 respondents or 40.82% fall under the 16-35 but only 12.24% of respondents fall under 51 and above age group. The total respondents are 392.

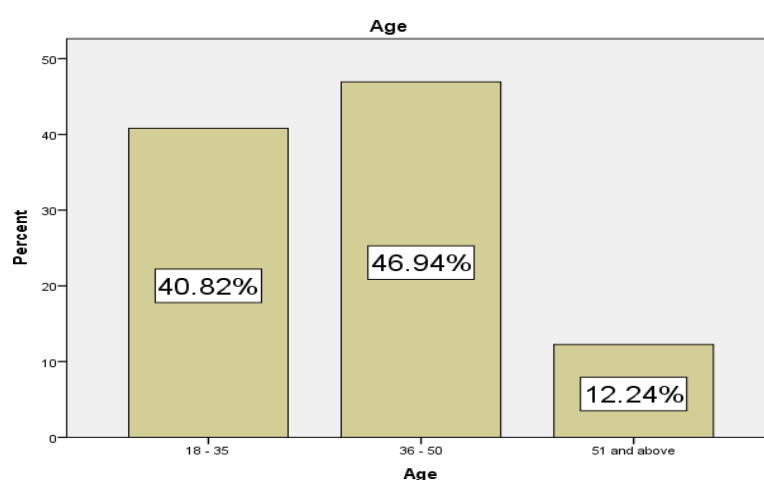


Figure 2: percentage % displayed through pie chart

The figure also shows that the maximum number (46.94%) of tea plantation workers in Darjeeling fall under the 36-50 age group whereas, 40.82% fall under the 16-35 but only 12.24% of respondents fall under the 51 and above age group.

Table 3: Level of Job Satisfaction

		Frequency	Percent
Valid	Low Job Satisfaction	142	36.22
	Moderate Job Satisfaction	55	14.03
	High Job Satisfaction	195	49.74
	Total	392	100.0

From the above table, it is clear that presently 142 or 36.22% of tea plantation workers have low job satisfaction levels. 14.03% or 55 tea plantation workers have moderate satisfaction levels and 49.74% or 195 tea plantation workers have high satisfaction levels.



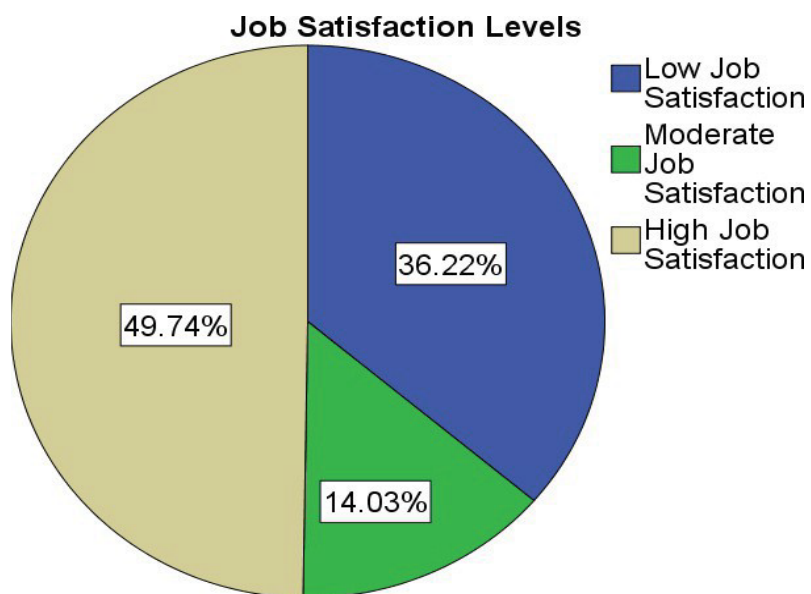


Figure 3: Level of Job Satisfaction of Darjeeling Tea Workers

Figure 3 Level of Job Satisfaction of Darjeeling Tea Plantation Workers shows that 36.22% of respondents have low job satisfaction and 14.03% of respondents have Moderate Job Satisfaction. However, the majority (49.74) of the respondents high Job Satisfaction Level.

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.430 <sup>a</sup>	.185	.182	.83044	1.569

a. Predictors: (Constant), Emolument

b. Dependent Variable: JS

From the above table, the r (Correlation) value is .430 which means pay is moderately correlated with job satisfaction. The adjusted R square value is .182. It shows that 18.2% of the variance in job satisfaction is explained by pay.

### ANOVA<sup>a</sup>

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	60.878	1	60.878	88.277	.000 <sup>b</sup>
Residual	268.956	390	.690		
Total	329.834	391			

a. Dependent Variable: JS

b. Predictors: (Constant), Emolument

The above table analyzes whether the forecaster variables of the study explain for significant variance in the result variable (dependent variable). The statistically significance value is .000 which is less than 0.05 and it proves that there is a statistically significant change between pay and the dependent variable (Job Satisfaction). So, the proposed hypothesis is statistically proven.

### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	-2.219	.465		-4.769	.000	-3.134	-1.304
Emolument	.059	.006	.430	9.396	.000	.047	.072

a. Dependent Variable: JS

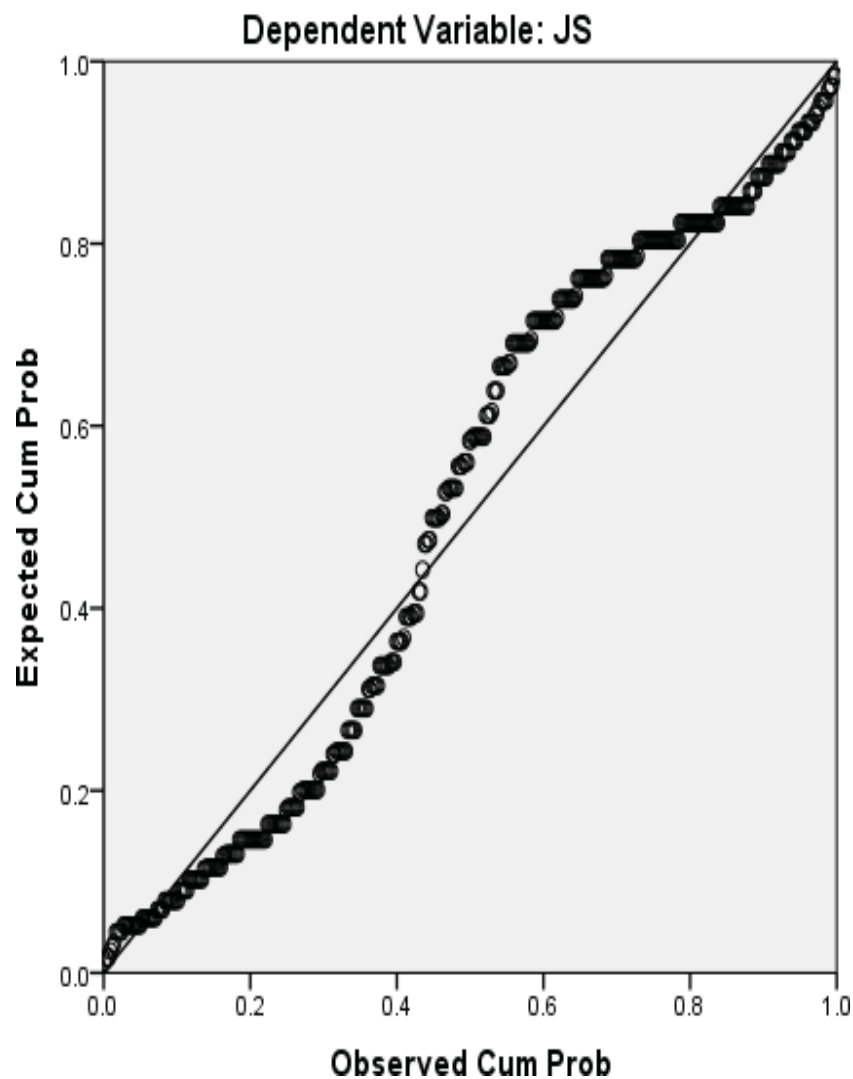
The above coefficient table reveals that the factors of the predictor variables shows that individual factors of the predictor variables have a significant impact on job satisfaction because the value is lower than the significance level of 0.05. So, the significance value (Sig. value or p-value) for pay is 0.000 which is less than 0.05 (Sig = 0.000 < 0.05) therefore, it shows that pay has a significant impact on job satisfaction. If pay increases by one unit, job satisfaction increases by 0.59 units.

**Residuals Statistics<sup>a</sup>**

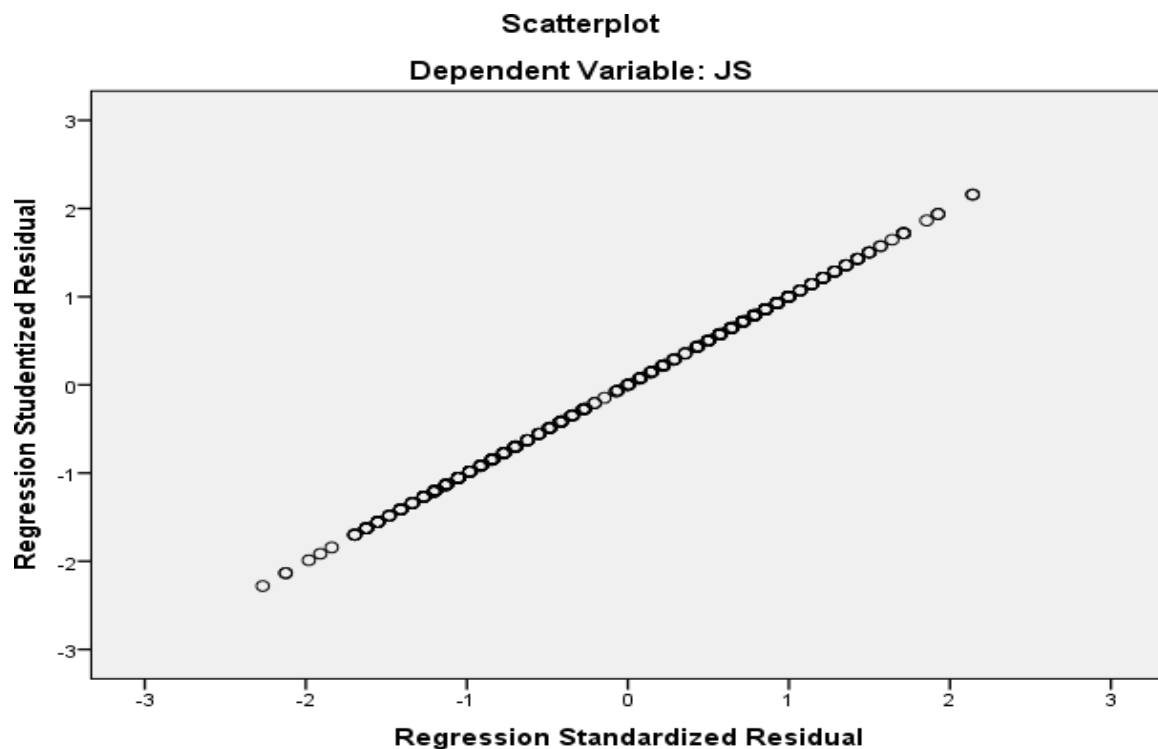
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.2220	3.1204	2.1352	.39459	392
Residual	-1.88313	1.77798	.00000	.82938	392
Std. Predicted Value	-2.314	2.497	.000	1.000	392
Std. Residual	-2.268	2.141	.000	.999	392

a. Dependent Variable: JS

The above residual table explains that the Std. The residual value is fall from -2.268 to 2.141.

**Normal P-P Plot of Regression Standardized Residual**

Here the P-P plot shows that the difference between predicted and actual values falls closely to the normal distribution line, which proved the model is appropriate for the data.



The scatterplot displays the relationship between two variables.

### **Conclusion of the study:**

The study concludes that pay is a very important element to surviving life. But due to low pay tea plantation workers are struggling. It is also found from the literature that pay is an important factor in job satisfaction. Job satisfaction is a positive feeling of an individual regarding their job. The study investigates two things, i.e., 1. Job Satisfaction level of tea plantation workers in Darjeeling Tea Industry and 2. Impact of pay/wages on job satisfaction of tea plantation workers in Darjeeling Tea Industry. After conducting quantitative research, the study found that tea plantation workers were satisfied. Emphasis needs to be paid upon their wages or pay and its induction for ensuring their level of job satisfaction which would ultimately influence the performance of the tea industry.

### **Suggestions:**

49.74% of Darjeeling Tea Plantation Workers are satisfied with this pay structure. However, 50.25% of the Darjeeling Tea Plantation Workers' Job Satisfaction Level should be improved by improving Pay.

**Research ethics was maintained properly during data collection.****Implication of the study:**

The research would be a modest attempt of the researchers for the management of the tea industry to take necessary steps to motivate wage earners and to pay special attention on their job satisfaction dimension in order to improve productivity and profits. Further, it would be instrumental for the state and the union government to recapitulate the managerial initiatives in the interest of growth of the tea industry which is useful for the economy of the nation and exports. The researchers will also be able to get necessary research inputs to go into the depth on such a relevant research area. Apart from it, the study will have theoretical contributions as

- Agricultural and Manufacturing sectors will get a boost and much important in Indian Economy.
- Workers are the heart of the organization. So, satisfaction of workers is an essential issue. Darjeeling Tea Industry needs a good job satisfaction policy. Other organization can also adopt the Darjeeling tea industries job satisfaction policies.

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