

**IMPACT OF COMPENSATION ON EMPLOYEE PERFORMANCE IN
FMCG SECTOR OF PAKISTAN**

A Thesis submitted to Business Studies Department,
Bahria University – Karachi Campus, in partial fulfillment of the requirement
for the MBA Degree



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Ms. Mehwish Fatima

Reg No: 41080

ABSTRACT

Purpose

The main object of this research study is to analyze the impact of compensation on employee performance in FMCG sector of Pakistan. Various similar researches have been conducted in the past but this research primarily focuses on how remuneration, incentive pay and indirect compensation plays a role at employees' performance working in the FMCG sector.

Methodology & Design

In this study deductive approach is being used and the nature of the research is explanatory research because it helps in describing both independent and dependent variables. Questionnaire was extracted from the previous researches and was shared with the target population. Total number of responses are 284. This data analyses were done by using SPSS Version 23.

Findings

In this research study Pearson correlation and linear regression test were used to analyze the impact of compensation on employee performance. After thorough analysis of the data, it was found that the compensation of an organization creates an impact on the level of performance of the employee currently employed in FMCG sector of Pakistan.

Limitations

There are several limitations in the study, one the most obvious is the global pandemic. Along with limited resources. The findings of this current study cannot be generalized. One of the major constraints were limited resources and time constraint.

Recommendations

Organization should focus on the development of employees' compensation plans and try to develop it according to the preference of the employee because as time is changing, people's perception towards remuneration and incentive pay are also changing with its nature of job and societal class.

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