

Salary Concept: In order to understand the general concept of compensation, it is necessary to clarify some of the terms included in the terms of compensation, namely: Direct compensation: The amount of cash an organization pays to its employees for their contribution to it, hence the name "direct" because its payments are directly related to performance and effort levels. Salary or basic salary: It represents the bulk of the compensation that the employees of the organization receive which is the quantitative and qualitative return that the individual provides to the organization in terms of production or performance while working with the organization. Indirect compensation: It refers to all the financial and non-monetary benefits and advantages provided to employees by the organization in which the employee works because they are members of the organization, and therefore these benefits provided to them are not directly related to performance and activity. Direct Additional Compensation: The amount of cash paid to employees in addition to basic salary and wages, including: additional wages and cash incentives. Organizations pay employees such compensation for additional work assigned to them, outstanding work that they do, or for some characteristic that distinguishes employees from their work from other jobs. Financial compensation [1]: One of the functions of human resource management that includes everything related to compensation, inside and outside the organization, and is defined as follows: Human resources are all financial returns that members of the organization receive from the organization through their work and take two forms: cash "direct compensation" and non-monetary "indirect compensation" in the form of additional job benefits represented by various services provided free of charge by the organization, or contributed to the payment of part of the cost. The principle of sufficiency: This principle means that wages and salaries are sufficient to assist the individual in facing the various requirements of life and his multiple obligations, which requires that some bases such as the standard of living, price rate and other foundations be taken into account when setting and determining wages and salaries so that the principle of sufficiency is achieved. The relationship between compensation and motivation to work can be summarized as follows: 1 Motivation to work depends on the extent of the individual's sense of justice by comparing it between what he gets from compensation and what others get at work. It helps to alleviate the anxiety and psychological tension of individuals by compensating them financially for their investment in their abilities at work. Objectives of the salary and wage determination policy: This policy aims to achieve several goals, including: 1. Principles of Wage and Wage Determination: The human resource departments of the organization should consider the following principles when setting wages and salaries for their employees, which include: 1. Equity principle: This principle means that wages should be just, i.e. based on a solid and objective foundation, and applied equally to all workers. Salaries and wages encourage and motivate individuals for greater .performance and productivity. Salary.2.3.2.3.2.3.2.3