

The Influence of Compensation and Work Motivation on Employee Performance Productivity at PT. Mustika Ratu and Branch Office

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Abstract—As a business entity, each company has performance (performance) to be achieved through its business activities, performance shows positive results achieved and performance appraisal is the periodic determination of the operational effectiveness of an organization, the organization and its employees based on the goals, standards and criteria set previous. It is also used to suppress undue behavior and to stimulate and enforce desirable behaviors, through timely feedback of performance results and rewards, both intrinsic and extrinsic. Good performance one of the most important human resources in a company that employees because employees as the main driver for the smoothness of the company. So the utilization of employees as human resources must be treated well, in order to work effectively and efficiently and have high work productivity. Ideal situation in the company is when the company get maximum benefits from its workforce in achieving these goals, while from the employee they expect to get reward or compensation from the company so as to meet the needs in accordance with the role and contribution. This study aims to provide a description of the effect of compensation, work motivation on employee performance productivity. This research was developed based on validity test and reliability test with descriptive statistic method. Statistical data analysis with classical assumption test and hypothesis test. The result of hypothesis testing showed that there is or no effect of compensation on employee work productivity, there is or no influence of work motivation to work productivity of employees.

Keywords—*compensation; motivation work; performance; employee; productivity*

I. INTRODUCTION

Business entity, each company has the performance that must be achieved through business activities. Performance has standards in the form of management policies or formal plans as outlined in the organization's strategic plans, programs and budgets. Performance appraisals are also used to suppress undue behavior and to stimulate and enforce desirable behaviors, through timely feedback on performance results and rewards, both intrinsic and extrinsic. The organizations are essentially run by humans, performance appraisals are actually an assessment of human behavior in performing the roles they play in the organization.

Ideal situation in the company is when the company get maximum benefits from its workforce in achieving these goals, while from the employee they expect to get rewards from the company so as to meet the needs in accordance with the role and contribution. One of the efforts to achieve the situation is to provide a decent compensation to employees of one's work productivity, supported by the motivation of work. Employees who have high work motivation, will feel happy with his work. As a result of the pleasure of working, employees will work harder and more effectively, work more, excited and more enthusiastic.

Performance is a result of work accomplished person in carrying out the duties charged to him based on skills, experience and seriousness as well as time [1].

Performance is the result of work that has a strong relationship with organizational strategic goals, customer satisfaction, and contribute to the economy. Thus, performance is about doing the work and the results achieved from the job and performance is about what is done and how to do it [2].

Performance appraisals are regularly associated with the process of achieving the performance goals of each personnel. Performance appraisal is a process done by the head of agency or company in evaluating the performance of one's work. Performance appraisals include employee performance and accountability dimensions.

The benefits of employee performance appraisal are viewed from various perspectives of company development, especially human resource management, namely: Performance improvement, completion of compensation, placement decision, training and development needs, career planning and development, staffing process deficiency, inaccuracies of information, workflow errors, equal employment opportunities, external challenges, feedback on human resources [3].

The performance assessment is an activity undertaken management/supervisor of the evaluator to assess the performance of labour by way of comparing the performance of top performance with explanation/description work in a given period usually every year end [4].

Performance measurement is done using elements of employee performance that are measured in a List of Work Achievement Assessment [5].

Elements of performance: loyalty, job performance, obedience, honesty, cooperation, initiative, leadership [6].

Based on the description of the performance by the author can be synthesized that the performance productivity is a success Performance assessment regularly associated with the process of achieving the performance goals of each personnel that can be seen indicator on DP3 employee loyalty, Employee Service, Really Not Know Working Time, Honesty, Initiative, Mastering Ins and Outs, Welfare and Job Programs

Organisations both in the private and public sector across the globe rely on their workforce for optimum productivity which will in turn result to organisational efficiency. Dissatisfaction is believed to be one of the major factors that demotivates and demoralises employee in the workplace which can result to lower productivity thereby affecting the overall performance of the organisation [7].

Compensation is the rewards of services/remuneration provided by the company to the workforce because of the labor that has contributed energy and mind for the progress of the company in order to achieve the established goals. According to Hasibuan, that: Compensation is all income in the form of money, goods directly or indirectly received by employees in return for services provided to the company [4].

Generally it can be said that the compensation is a remuneration received by employees in connection with the sacrifices that have been given to the company. Indicators of compensation.

There are several compensation indicators: 1) Pay rate can be given high, average or low depending on company condition. 2) Payment structure. 3) Individual Payout. 4) Payment method. 5) Payment Control [8].

Work motivation to avoid the lack of accuracy of the use of the term motivation is raised about the existence of similar terms and often confused about the motivation of motives, motivation, work motivation and incentive.

Essentially motivation is the feeling or desire of someone who is at work on certain conditions to implement actions that benefit from the perspective of personal and especially the organization. Motivation is the power that arises from within the individual to achieve goals or in the course of life in general.

Generally, motivation is classified into 4 types which one another gives color to human activity. Motivations affecting organizational and people in work. Classification of the motivation as follows: positive motivation, negative motivation, internal motivation and external motivation.

Positive motivation (positive incentives), managers motivate subordinates by giving gifts to those who have good achievements. With this positive motivation the spirit of subordinate work will increase, because humans generally enjoy receiving the good ones.

Negative motivation (negative incentives), the manager motivates subordinates by giving punishment to those whose work is not good (low achievement). By motivating these negatives, the subordinate's working spirit in a short time will increase, because of fear of being punished.

Motivation is an internal drive, the thrust that is in a person is often called a motive. The motive arises as a result of desire to fulfill unsatisfied needs, where the need arises as encouragement natural (instinct) like eating, drinking, sleeping, achieving, seeking pleasure, power, and so on. It means these needs move one's behavior as if it is because of the physical and psychological demands that arise through the mechanism of the human biological system.

Some examples of internal motivation in the construction world are the desire to meet needs physiological, desire for more development, sense of satisfaction/pride, self-recognition, understanding of work, challenging work, responsibility, and so on.

Motivation as an external boost a person's motivation is influenced by the surrounding environment (external), or develops through the process interaction with the environment through the learning process. Some examples of external motivation in the world construction is salary, working conditions, company policy, boss's leadership style, rewards and punishments, material availability, relationships between co-workers, work safety, weather and so on. So in reality a need or desire a person can develop as a result of individual interaction with the environment. For example, someone who does not have a high achievement motive can change when the person is in the environment, work groups where individual achievements are very appreciated. This will lead to the emergence of high achievement motives.

Society since ancient times faced with a weak involvement of human resources in organizations. Therefore motivating employees became today an important objective for organizations that want to remain viable on the market today. Motivation of human resources in the organization will bring extra performance to the manager that hopes to reach the organization's goals [9].

Motivation theories is various views on motivation theory will help understanding how motivation affects work performance. The following will discuss three motivational theories: 1. Content theory: explains about "what" of motivation. 2. Process theory: describes the "how" of motivation. 3. Reinforcement theory: emphasizes how behaviors are learned.

The motivation view in organization, a manager or a leader about motivation, which is obsessed with the management of the management mind. The managers have various views on motivation with the approach of motivational models. There are 3 models of motivation: a. Traditional Model, b. Human relations model, c. Human Resources Model [1].

Employee motivation is considered as a force that drives the employees toward attaining specific goals and objectives of the organization. It is one of the sizzling issue in organizations since every wants to make best use of their financial and human resources [10].

II. METHOD

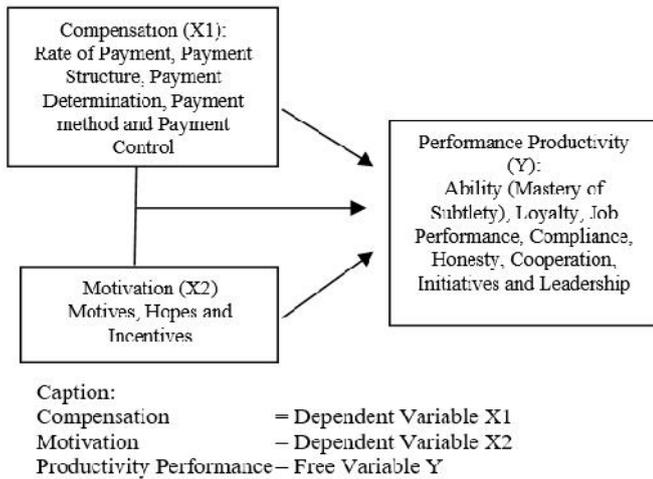


Fig. 1. Research design.

Population is a generalization region consisting of objects/subjects that have certain qualities and characteristics set by the researchers to be studied and then drawn conclusions. Population in this research is all employee performance of PT. Graha Mustika Ratu Timur and factory in Bogor with total employee of 1,168 people. Office employees in East Jakarta amounted to 40 people, consisting of 4 divisions, consisting of: Human Resources division, technical division and financial administration division. So the population is taken with a random system of 80 employees and a total sub-population of 40 employees.

Sampling to determine representative sample of population represented by purposive random sampling technique, randomized by taking into account the proportion of the population group. By way of sampling like this, every individual in the population group gets the same opportunity to be selected to be the sample that existed employee performance productivity on PT. Graha Mustika Ratu Penthouse Floor Jl. Jenderal Gatot Subroto Kav. 74-75 Jakarta.

Data collection Techniques methods in this study include three research variables, namely: (1) Compensation, (2) Motivation, and (3) Performance productivity in PT. Graha Mustika Ratu. Implementation of data collection for all variables is done by the researchers themselves. Data collection method in this research use procedure of sampling with method of proportional random sampling used formula as follows:

$$ni = \frac{Ni}{N} \times n$$

Description:

- ni: Number of samples per sub-population
- Ni: Total sub population = 20
- N: Total population = 80
- n: Size of sample = 65

Instrument variable performance In this research uses three variables, namely (1) Employee Performance Productivity Personnel PT. Graha Mustika Ratu is a dependent variable, (2) compensation as independent variable (X1), and (3) motivation (X2). All independent variables are measured using questionnaire instruments using Likert scale with the following conditions: a. Answer very agree (VA) given score 4; b. Answer agree (A) given score 3; c. An answer disagree (DA) is given a score of 2; d. strongly disagree (SDA) is given a score of 1.

Validity test is a test of the ability of a questionnaire so that it can actually measure what it wants to measure. To test the validity of the item questions by making a correlation score on the item (tested) with the total score. The criterion of validity test is 0.3. If the correlation is more than 0.3 questions made are categorized valid. Testing the validity of the questionnaire is done by correlating the score on each item with the total score. This correlation technique is known as product moment correlation technique [11].

To find out whether the correlation value is significant or not, then required a significant table value of product moment r, from the results of the respondents in the validity test of the question instrument of the variables on 30 questions.

A questionnaire is called reliable if the answers of respondents are consistent. Reliability can be measured by repeating similar questions in the next numbers, or by looking at their consistency (measured by correlation) with other questions. To find the reliability of an instrument whose score is a range between several values (eg 0-10) or a scale of 1-3, 1-5 or 1-7 and so on, the Alpha formula is used.

III. RESULTS AND DISCUSSION

Results of data analysis with the help of computer based calculation obtained by multiple regression equations as multiple as follows:

$$Y = -62.858 + 2.681X1$$

$$Y = -62.858 + 2.681X1 - 0.669X2$$

TABLE I. MULTIPLE CORRELATION COEFFICIENT

Model	Model Summary ^b				
	R	R Square	Adjusted R Square		
1	.979a	0.958	0.957	4.1651	0.555
a. Predictors: (Constant), M (X2), KOMP.(X1)					
b. Dependent Variable: PK (Y)					

$$\alpha + \beta = \chi. \quad (1) \quad (1) \quad \text{Source: Processed Data}$$

A. Hypothesis Testing First

TABLE II. TESTING HYPOTHESIS TEST F

ANOVA^a					
<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
1 Regression	24616.662	2	12308.331	709.490	.000b
Residual	1075.584	62	17.348		
Total	25692.246	64			

a. Dependent Variable: PK (Y)
b. Predictors: (Constant), M (X2), KOMP.(X1)

Source: Processed Data

B. Second Hypothesis Testing

TABLE III. HYPOTHESIS - TEST-T VARIABLE OF COMPENSATION

Coefficients^a						
<i>Model</i>		<i>Unstandardized Coefficients</i>		<i>Stand Coeff Beta</i>	<i>t</i>	<i>Sig.</i>
		<i>B</i>	<i>Std. Error</i>			
1	(Constant)	-62.858	5.623		-11.178	.000
	KOMP.(X1)	2.681	.285	1.311	9.411	.000
	M (X2)	-.669	.274	-.340	-2.441	.017

a. Dependent Variable: PK (Y)

Source: Processed Data

C. Third Hypothesis Testing

The decisions taken are as follows:

If $t < t_{table}$ then H_a rejected, H_0 accepted

If $t_{arithmetic} > t_{table}$ then H_a received H_0 refused

With SPSS 23.0 obtained t count value and its significance as follows: Based on the above table, the value of t arithmetic variable of motivation (X2) equal to 10.581, while t table with degrees free 65 at (0,05) equal to 2.049. Thus If t arithmetic (-2.441) < t-table (2.049), so clearly H_0 accepted and H_a rejected. This shows that the motivation there is no significant relationship to employee performance productivity PT.GMR Penthouse Floor, Jenderal Gatot Subroto street.

TABLE IV. TESTING RELATION OF COMPENSATION AND MOTIVATION TO EMPLOYEE PERFORMANCE

			KOMP P.(X1)	PK (Y)	M (X2)
Spearm an's rho	KOMP.(X1)	Correlation Coefficient	1.000	.998**	.992**
		Sig. (2-tailed)	.000	.000	.000
		N	65	65	65
	PK (Y)	Correlation Coefficient	.998**	1.000	.992**
		Sig. (2-tailed)	.000	.	.000

Table 4. Cont.

		N	65	65	65
M (X2)	Correlation Coefficient		.992**	.992**	1.000
	Sig. (2-tailed)		.000	.000	.
	N		65	65	65

Source: Processed Data

** . Correlation is significant at the 0.01 level (2-tailed)

Performance appraisal of the correlation coefficient results, indicating that the compensation relationship is stronger than the motivation of personnel. Of the three steps of defining work, assessing performance and providing feedback should be supported by its human factors or other supporters of such motivation and compensation. To improve the performance of employees is not an easy job, but otherwise is very difficult and complex because it is related and interconnected with various other factors.

IV. CONCLUSION

Based on the tests, analysis and discussion that have been described in the previous discussion, the following authors can conclude as follows:

Result of calculation/compensation t test analysis to employee productivity performance variable obtained t value (9.411) and t table (2.049) then H_0 rejected and H_a accepted, where $t_{arithmetic} > t_{table}$, showing significant. And $r^2 = 0.867 = 75.2\%$ (Simple Correlation Coefficient) compensation contributes strongly to employee performance productivity of 68.7%, this indicates that if compensation increases. Then employee performance productivity PT.GMR Penthouse floor in Jenderal Gatot Subroto street also increased.

Result of calculation t test of motivation analysis to employee performance productivity variable got t value (-2.441) and t table (2.049), then H_0 received and H_a rejected. Where $t_{arithmetic} < t_{table}$, shows no significant influence of motivation on employee performance productivity PT.GMR Penthouse Floor, Jenderal Gatot Subroto street. Through multiple coefficients can be interpreted, that the compensation variable (X1) encourages changes in employee performance productivity variables of 0.006%. Motivation variable (X2) encourage change of employee performance productivity variable equal to 0.006%.

Result of F-test analysis of compensation and motivation variable together to employee performance productivity variable obtained F value calculated F value count (709.490) > F table (2.049) then H_0 rejected and H_a accepted, means $0.000 < 0.500$ indicate not significant. Result of test $r^2 = 0.979 = 95.8\%$, shows the significance between compensation and motivation together contributes to employee performance productivity of 4.2%. This shows that enough role simultaneously compensation and motivation can improve employee performance productivity at office PT.GMR Penthouse Floor, Jenderal Gatot Subroto street.

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