

ANALYSIS OF THE EFFECT OF WORK COMPENSATION, WORK DISCIPLINE AND MOTIVATION ON PRODUCTIVITY OF EMPLOYEES ON TANGGERANG CITY

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Abstrak:

This research was conducted to examine the effect of compensation, work discipline, and motivation on employee productivity. This research was conducted at PT Midi Utama Indonesia Tbk. This study is multiple linear regression. The results of this study are (1) compensation has a positive and significant effect on employee productivity (2) work discipline has a positive and significant effect on employee productivity (3) motivation has a positive and significant effect on employee productivity.

Keywords: Compensation, Employee Productivity, Work Discipline, Motivation,

INTRODUCTION

The success of PT Midi Utama Indonesia Tbk. company depends on the productivity of its employees so that productivity is a very important consideration in achieving organizational goals. Human resources must get deeper study and special attention to improve work productivity better (Hanaysha, 2016). A successful company not only assigns tasks to employees, but also pays attention to what employees need, so that employees can work comfortably. Human resources who have met their needs, employees will automatically provide more than expected by the company so that employee productivity is also considered very good by the company. Productivity is the ratio between the results achieved (output) with the overall resources used (input) (Putra and Ardana, 2016). Productivity is an important aspect for the company because if the workforce in the company has a high job, then the company will benefit and the life of the company will be guaranteed. Productivity is influenced by various factors, both related to the workforce itself and other factors, such as ability, attitude,

situation, motivation, wages and salaries, level of education, employment agreement, and application of technology (Yuliannisa et al., 2017).

One factor that causes employee productivity problems in the company is due to poor compensation. Compensation has a broader meaning than wages or salaries. Wages or salaries emphasize financial rewards, while compensation includes financial and non-financial services. Compensation is all income in the form of money, direct, or indirect goods received by employees in return for services provided to the company (Hasibuan, 2014: 118).

Discipline is basically the ability to control oneself so as not to take inappropriate actions (Mangkunegara, 2015). Work discipline is a combination of appreciation, loyalty, compliance with applicable written and unwritten regulations, the ability to carry out and receive punishment (Arsyad, 2014). Muammam et al. (2013) states that motivation is needed in a person so that motivation is one of the keys to achieving a need that must be achieved. Motivation can

be given through encouragement both financially and non-financially provided by the company to employees. Companies that lack motivation towards employees can cause failure to achieve company goals and if the company gives more motivation to employees,

The growth of the retail sector experienced a significant dynamic in 2019. Amid this condition, PT Midi Utama Indonesia Tbk. (the “Company”) strives to maintain performance stability along with our commitment to continuously meet the needs and expectations of our customers. Through the “back to basic” strategy, MIDI managed to drive improvement in business process, including operational activity, marketing, and business development as well as offering the new service format, Midi Fresh, to our customers. In 2019, the Company relies on operational process excellence to deliver excellent quality service to all customers. In addition to continuous improvement, the Company has also improved inventory and supply chain management as well as information technology applications in all of the Company’s stores operations. Series of the implemented initiatives successfully supported the Company’s overall performance as reflected from the opening of the new 112 Alfamidi and 3 Alfamidi super stores supported by 11 warehouses for the Company’s operations in several cities across Indonesia, including Jakarta, Bogor, Depok, Tangerang, Bekasi, Pasuruan, Makassar, Medan, Samarinda, Yogyakarta, Manado, Palu, Kendari and Ambon.

Based on interviews with employees, it is stated that employees do not work optimally when there are many visitors who come employees cannot carry out the tasks that have been given quickly but complete the tasks that have been given for a long time, as in service employees are often confused and feel overwhelmed when charged tasks that have accumulated

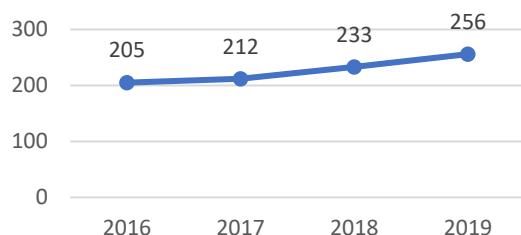
during the appearance of visitors who buy at d outlet. According to Agustini and Dewi (2019), one of the factors that trigger employee productivity problems is also due to poor compensation. In compensation there is a problem that is, employees are not satisfied with the compensation received, because compensation in certain salaries that must be received on time is actually reversed employees do not receive salaries on time. The company also does not provide incentives in the form of bonuses so as to make employees complete the job is not on target or it can be said that employee productivity decreases.

Work motivation. Motivation comes from the Latin word *Movere* which implies support or move. Motivation (motivation) in administration is as it were pointed at resources humans in common and subordinates in specific.

Motivation things how how to coordinate the control and potential of subordinates to want to coordinate beneficially and managed to attain the expressed goals (Ady Sutrisno & Setyo Riyanto.2017). In the supposition of Veithzal Rivai (2011: 83) states that motivation can be summed up as follows:

- a) Conditions that move individuals towards a specific goal.
- b) Mastery in coordinating representatives and companies to need to work successfully, so that worker wants and company objectives can be accomplished at once.
- c) As a start and course of behavior, motivational lessons are actually behavior lessons.
- d) As vitality to create drive within.
- e) As a condition that impacts stimulating, coordinating and keeping up behavior related to the work environment.

Figure 1. Indonesian retail business (Triliun Rupiah)



Source: AsosiasiPengusaha Ritel di Indonesia (APRINDO)

According Sedarmayanti (2012: 233), motivation may be a eagerness to issue levels high exertion toward organizational objectives which is conditioned by the capacity of the exertion to meet person needs.

According to Abraham Maslow in Hasibuan (2011: 152) the measurement of work motivation is divided into five specifically Physiological, Security, Social, Appreciation and Self Actualization.

The work discipline of some employees is still not optimal, especially in 2019, during that year there were some employees who were late to the outlet office for more than 30 minutes so that work productivity was not optimal, this would have an impact on company activities, so that company productivity was not optimal and unlike which is desired. In addition to the issue of work discipline there are issues about motivation at PT Midi Utama Indonesia Tbk, where employees are less motivated to work. They feel that the work done does not produce benefits so they only complete the work according to standards. Even though they work harder, they will not get an appropriate reward, such as no promotion for superior employees. Employees also lack initiative and persistence at work.

Table 1. Work Compensation

No	Statement	Yes	No
1.	I feel the compensation (salary) given by the company to me is in accordance with the productivity of my work at the company.	18 (60%)	12 (40%)
2.	The amount of benefits I receive is consistent with the work I do.	9 (30%)	21 (70%)
3.	The amount of bonuses that I receive is in accordance with the work that I have done.	7 (23,3%)	23 (76,7%)

- Based on table 1. pre-survey results in statement number 2, from 30 respondents / employees there were 21 people who answered disagree with the statement of the amount of allowance given in accordance with the work done

Note: Where from the results of my observations in terms of overtime or additional working hours only get Rp.15,000 in 3 hours.

- In question number 3 of 30 respondents / employees there are 23 people who answered disagree with the amount of

bonus given in accordance with the work done

Note: Where from the results of my observations in terms of bonuses only get 1 year 1 time and the amount is uncertain depending on the target size of the company but not based on the productivity of each employee.

This shows that there are still employees who work at the company experiencing problems with compensation related to the lack of benefits and bonuses at the company.

Table 2. Work Dicipline

No	statement	Yes	No
1.	I feel like coming and going home from work according to the time determined by the company.	10 (33,3%)	20 (66,7%)
2.	All the work tasks so far, I can do and the results are in accordance with the time planned by the company.	23 (76,7%)	7 (23,3%)
3.	In every work implementation, I always pay attention to work procedures that have been set by the agency.	30 (100%)	0 (0%)
4.	The amount of work that I handle always meets the set targets.	30 (100%)	0 (0%)

• Based on table 1.2 pre-survey results in statement number 1, from 30 respondents / employees there were 20 people who answered disagree with the statement of coming and going home in accordance with the time specified by the company
 Note: Where from the results of my observations in terms of arriving there are those who are late and there are also those who leave more than working hours because the data arrive late so as to manage the deadline data for that day only and eventually eat or increase working

hours which can reduce the productivity of work.

• But in the results statement number 3 & 4 of 30 respondents / employees 30 respondents / employees answered agreed that they followed the work procedures set by the company and of course the target of daily productivity was achieved. This shows that there are still employees who work at the company experiencing problems with work discipline related to the problem of long hours of work and rest periods at the company.

Table 3. Motivation

No	Statement	Yes	No
1.	I carry out the obligation as an employee because of the motivation to work from myself, the company & family.	30 (100%)	0 (0%)
2.	I feel the motivation that is given continuously will increase employee work productivity.	15 (50%)	15 (50%)
3.	I feel that Motivation guarantees employee productivity at work.	15 (50%)	15 (50%)

• Based on table 1.3 pre-survey results in statement number 1, from 30 respondents / employees there were 30 people who answered agreed with their statement of carrying out obligations as employees because there was motivation from themselves, the company & family

Note: Where in my observation in terms of motivation in statement number 1 they answered that in addition to meeting the needs of daily life they also wanted to get self-actualization, from themselves, the company and family.

• But in the results statement number 2 & 3 of 30 respondents / employees 15 respondents / employees answered agree and 15 respondents / employees answered disagreed that they work may not be too much motivated in working because they might feel forced to work but Some of them are happy to be motivated continuously because they increase their enthusiasm for work and of course will produce productivity according to the target they want to achieve.

This shows that there are still employees who work at the company experiencing problems with motivation related to the motivation that is given continuously makes them feel depressed and makes them bored in working at the company.

LITERATURE REVIEW

According to Hasibuan (2017: 119) Compensation is all income in the form of money, direct or indirect goods received by employees as a gift for services provided to the company. In the business world, especially companies, of course, will increase work productivity for employees to achieve company goals by providing compensation and appropriate reward systems as enthusiasm and motivation for company employees to always play a role in contributing in realizing corporate goals.

H1: Compensation has a positive and significant effect on employee productivity
Discipline is basically the ability to control oneself so as not to take inappropriate actions (Mangkunegara, 2015). Work discipline is one of the requirements to be able to help employees work productively which will help increase employee productivity.

H2: Discipline has a positive and significant effect on employee productivity
Motivation is a motive which means a reason to do something and strength that can arouse, direct and maintain behavior (Hamali, 2013). High productivity can be achieved if supported by employees who

have motivation and work environment in carrying out their duties and obligations.

H3: Motivation has a positive and significant effect on employee productivity

METODE

The research was conducted at PT Midi Utama Indonesia Tbk. The object of this research is compensation, work discipline, motivation, and employee productivity. In this study, researchers used a questionnaire as a data collection technique with a Likert scale including questionnaire answer score data based on the indicators of each variable with five (5) points "Strongly Disagree", "Disagree", "Fairly Agree", " Agree ", and " Agree Strongly "to the respondent. The population in this study were permanent employees who worked at D, BestO in 2019, amounting to 2000 people in Indonesia but the data were sampled 125 people. The sampling method used in this study is nonprobability sampling with the Slovin formula to get a sample of 105 employees. The instruments are; validity test and reliability test. Further testing of classic assumptions includes; normality test, multicollinearity test, and heteroscedasticity test.

RESULTS AND DISCUSSION

1. Characteristics of respondents

Based on the age characteristics of respondents, it can be seen that respondents aged 21-25 years amounted to 12 people (11.4%), aged 26-30 years as many as 54 people (51.4%), aged 31-35 years as many as 20 people (19, 0%), aged 36-40 years were 13 people (12.4%) and aged over 40 years were 6 people (5.7%). Viewed from the percentage of age, respondents aged 26-30 years dominated the most, namely 54 respondents or 51.4%. While the lowest age is respondents with more than 40 years, 6 respondents or 5.7%. Based on the gender characteristics of the respondents it is known that there are 65

men (61.9%) and 40 women (38.1%). Seen from the percentage of gender that is most identified as male is 65 people (61.9%). Based on the last level of education, can be seen that the respondents who have the last high school education are 49 people (46.7%), Diploma as many as 23 people (21.9%), Bachelor as many as 33 people (31.4%). Judging from the percentage of the last level of education, respondents who have the highest level of education have the highest percentage. Based on the characteristics of the length of work, it can be seen that those who have worked less than one year are 17 people (16.2%), who have worked for one to three years are 24 people (22.9%), and those who have worked for over three years were 64 people (61.0%). Judging from the percentage it can be seen that the length of work of more than 3 years is the most dominant, which is 64 respondents or 61.0%. Based on the characteristics of the position, it can be seen that the position of director is 1 person (1.0%), section head positions are 27 people (25.7%), section head positions are 18 people (17.1%), and the number of staff positions is 59 people (56.2%). Judging from the percentage it can be seen

that the most dominant staff personnel are 59 respondents or 56.2%. it can be seen that the position of director is 1 person (1.0%), the position of section head is 27 people (25.7%), the position of section chief is 18 people (17.1%), and the number of staff positions is 59 people (56.2 %). Judging from the percentage it can be seen that the most dominant staff personnel are 59 respondents or 56.2%. it can be seen that the position of director is 1 person (1.0%), the position of section head is 27 people (25.7%), the position of section chief is 18 people (17.1%), and the number of staff positions is 59 people (56.2 %).

2. Instrument Testing Results

Validity test is done with the help of SPSS program by calculating the correlation. The validity test results show that all instruments used to measure the research variables have a Pearson Correlation above 0.30 so that the overall indicators used are valid. The reliability test results showed that each variable had a Cronbach Alpha coefficient of more than 0.60. This shows that all variables in this study were stated to be reliable.

Table 4. Validity Test Results

Variable	Indicator	Value R	Table R	Information
Compensation (X 1)	X 1.1	0.511	0.30	Valid
	X 1.2	0.839	0.30	Valid
	X 1.3	0.826	0.30	Valid
	X 1.4	.893	0.30	Valid
	X 1.5	0.826	0.30	Valid
	X 1.6	0.737	0.30	Valid
Discipline (X 2)	X 2.1	.757	0.30	Valid
	X 2.2	0.812	0.30	Valid
	X 2.3	0.843	0.30	Valid
	X 2.4	0.728	0.30	Valid
	X 2.5	0.715	0.30	Valid
Motivation (X 3)	X 3.1	0.716	0.30	Valid
	X 3.2	0.744	0.30	Valid
	X 3.3	.777	0.30	Valid
	X 3.4	.772	0.30	Valid
	X 3.5	.681	0.30	Valid
Employee productivity (Y)	Y. 1	0.695	0.30	Valid
	Y. 2	.806	0.30	Valid
	Y. 3	0.761	0.30	Valid
	Y. 4	.771	0.30	Valid
	Y. 5	0.746	0.30	Valid

Table 5: Reliability Test Results

No.	Variable	Cronbach Alfa	Information
1	Compensation (X 1)	.859	Reliable
2	Discipline (X 2)	0.828	Reliable
3	Motivation (X 3)	.771	Reliable
4	Employee productivity (Y)	.802	Reliable

3. Classic assumption test
 The classic assumption tests conducted in this study are normality test, multicollinearity test, and heterokedsticity test. Normality test aims to test whether in the residual regression model that is made normally distributed or not. This study uses the Kolmogorov-Smirnov non-parametric statistical test.

Table 6. Normality Test Results

Kolmogorov-Smirnov One Sample Test		
		Nonstandard Remaining
N		105
Normal Parameters a, b	Means	.0000000
	Std. Deviation	1.39273946
The Most Extreme Difference		.059
	Positive	.040
	Negative	-.059
Test Statistics		.059
Asymp. Sig. (Tailed 2)		.200 CDs

A. Test distribution is Normal. b. Calculated from data. c. Correction of Lilliefors Significance. d. This is the lower limit of significant

Source: (Primary Data Processed), 2019

- Based on Table 3, it is known the significance value using the Asymp test. Sig. (2-tailed) of $0.200 > 0.05$, it can be concluded that the regression model used in this study is normally distributed. The multicollinearity test aims to test whether the regression model has a correlation between independent variables. A good regression model if there is no correlation between independent variables.

Table 7: Multicollinearity Test Results

Coefficient a		
	Statistical Tolerance	
Model	Collinearity	VIF
1 Compensation	.657	1,523
Discipline	.730	1,369
Motivation	.850	1,176

A. Dependent Variable: Work Productivity
 Source: (Primary Data Processed), 2019

Based on the test results in Table 4 it can be seen that the tolerance value for the Compensation variable is 0.657 ($0.657 > 0.1$) with a VIF value of 1.523 ($1.523 < 10$), and the tolerance value for the Disciplinary variable is 0.730 ($0.730 > 0.1$) with a value of VIF 1.369 ($1.369 < 10$), the tolerance value for the Motivation variable is 0.850 ($0.850 > 0.1$) with a VIF value of 1.176 ($1.176 < 10$). All variables in the multiple regression model have a tolerance value

greater than 0.1 and a VIF value of less than 10 so it can be concluded that the regression model used is free from multicollinearity.

The heteroscedasticity test aims to test whether in the regression model there is an unequal variance from the residuals of one observation to another. A good regression model is a regression model without heteroscedasticity.

Table 8: Heteroskidastity Test Results

Model	Coefficient				Sig.
	Coefficient No. Standard		Coefficient Standard		
	B	Std. Error	Beta	t	
(Constant)	2,343	1,070		2,190	.031
Compensation	-.014	.036	-.048	-.397	.692
Discipline	.019	.050	.044	.386	.700
Motivation	-.064	.043	-.159	-1.492	.139

Source: (Primary Data Processed), 2019
Based on Table 5 above it can be seen that the significant value for the significant value for the Compensation variable is 0.692 ($0.692 > 0.05$), and the significant value for the Discipline variable is 0.700 ($0.700 > 0.05$), the Motivation variable is 0.139 ($0.139 > 0.05$). All independent variables have a significance value > 0.05 , so there is no heteroscedasticity in the regression model.

4. Multiple Linear Regression Analysis Test

Multiple linear regression analysis is used to determine the direction and magnitude of the influence of independent variables namely compensation, work discipline, and motivation on the dependent variable, namely employee productivity. The analysis in this study was processed using the Statistical Package for Social Sciences (SPSS) version 24.0. The results of the analysis are as follows:

Table 9: Summary of the Results of Multiple Linear Regression

Model	Coefficient No. Standard		Coefficient Standard		Sig.	
	B	Std. Error	Beta	t		
	1	(Constant)	-. 890	1,747		
	Compensation	. 477	. 058	. 585	8,174	. 000
	Discipline	. 201	. 081	. 168	2,483	. 015
	Motivation	. 273	. 070	. 244	3,885	. 000
Adjusted R square		.651				
Value f		42,854				
F sig		0,000				

Source: (Primary Data Processed), 2019

Based on the analysis results presented, we obtain the following linear regression equation: $Y = -0.890 + 0.477X_1 + 0.201X_2 + 0.273X_3 + e$ (1) Based on the regression equation can be interpreted as follows:

- 1) The coefficient of variation of the compensation variable of 0.477 has a positive meaning if compensation is of value 1 unit, then work productivity will increase by 0.477 assuming other variables are constant at zero.
- 2) The coefficient of the work regression variable is 0.201 with a positive value meaning if it works 1 unit, so work productivity will increase by 0.201 assuming other variables are constant at zero.
- 3) Motivation variable regression coefficient of 0.273 has a positive value which means that if Motivation is worth 1 unit, work productivity will also increase 0.273 assuming other variables are constant at zero.

The coefficient of determination is used to find out how much the variation of the dependent variable will be explained by variations of the independent variable while the rest is explained by other variables outside the model used. The adjusted R² value of 0.651 means that 65.1% change (up and down) in work productivity is influenced by compensation, work discipline, and motivation while the remaining 34.9% is influenced by other factors outside this study.

Based on the analysis results presented, the significance value of the F test was obtained, the significance value of F was 0,000. Significant value of 0,000 <0.05 means that compensation, work discipline, motivation are significantly related to work productivity.

Based on the analysis results that have been described, the significance value of the t test of the three independent variables is less than 0.05. This means that

the variable compensation, work discipline, and motivation partially have a positive and significant effect on employee productivity.

Effect of compensation on work productivity

Based on the results of data analysis found that compensation has a positive effect on work productivity. This is indicated by the significance value of 0,000 with a positive regression coefficient of 0.477. Significance value of 0,000 <0.05 indicates that H1 was accepted. This result means that compensation has a positive and significant effect on employee productivity.

The effect of work discipline on work productivity

Based on the results of data analysis found that work discipline has a positive effect on work productivity. This is indicated by the significance value of 0.015 with a regression coefficient of 0.201 with a positive value. The significance value of 0.015 <0.05 indicates that H2 was accepted. This result means that work discipline has a positive and significant effect on employee productivity.

The influence of motivation on work productivity

Based on the results of data analysis found that motivation has a positive effect on work productivity. This is indicated by the significance value of 0,000 with a regression coefficient of 0.273 positive values. Significance value of 0,000 <0.05 indicates that H3 was accepted. This result means that motivation has a positive and significant effect on employee productivity.

CONCLUSION

Based on the results of data analysis and discussion presented in the previous chapter, the conclusions of the results of this study are as follows compensation, work discipline, and motivation have a positive and significant effect on employee

productivity. This shows that increased compensation, work discipline, and motivation will greatly impact employee productivity.

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