# The Effect of Compensation on Employee Work Productivity (Case Study at Bukit Alamanda Resto & Resort)

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#### **ABSTRACT**

This research has a background where work productivity is at Bukit Alamanda Resto & Resort is still not optimal in carrying out its duties, principals and functions as an employee. based on the pre-survey the cause of the not optimal work productivity of employees due to not optimal compensation given. The purpose of this study is to determine the effect of compensation on work productivity at work at Bukit Alamanda Restaurants & Resorts. The population in this study were 46 people. Given that the population is less than 100 people, in this study the authors will use the saturated sample method, which means that all populations are used as respondents in the study. This type of quantitative research uses descriptive and associative methods. Analysis of the data used in this study includes: table analysis, correlation test, test the coefficient of determination and test the hypothesis. Based on the results of statistical analysis calculations using the correlation test between compensation on work productivity, a correlation result of 0.358 was obtained, the correlation coefficient was at intervals of 0.20-0.399 so it can be interpreted that the relationship between compensation on employee work productivity at Alamanda Hill Resto and Resort has a correlation currently. For the calculation of the determination test, the result is 0.128 or 12.8%. This shows that employee work productivity is influenced by compensation and the remaining 87.2% is influenced by other factors not examined.

**Keywords:** Compensation, Work, Productivity.

#### INTRODUCTION:

Human resources are an important asset for the company, because human resources are one of the determining factors for the success of a company's business. Very fast environmental changes with high innovation, can affect a company as well as the business sector. The continuity of an organization within a company cannot be separated from the quality of human resources (HR). Human Resources is an important factor that must be managed efficiently in order to achieve the goals of the organization. The fundamental target of human resources in an organization is effective management of employees by encouraging a positive attitude and reducing the negatives. Human resources is an element paramount in business success and is considered an important practice that can affect the performance of employees in an organization. On the other hand, the work system that is run by the organization also has an effect on the employee's interpersonal performance. So for that, the organization must pay attention to all employees without exception.

Employee performance is determined by the level at which an employee carries out their duties and responsibilities. Performance as a result of that work earned by an employee during a specified period of time with respect to organizational goals. The results of this work will be measured according to the assessment standards set by the organization to see the assessment of employee work productivity.

One of the important factors that affect work productivity is compensation. compensation needs to be a concern for the company because it can affect the increase or decrease in work productivity of employees. Those are the factors that influence employee work productivity viz motivation, job satisfaction, stress level, physical condition of employees, system compensation, job design and economic, other technical and behavioral aspects. Compensation represents wages, salaries and all other facilities are remuneration or payments provided by the organization or company to workers or employees to complete their work. Compensation in the form of everything received by employees as reward for their work.

Measurement of compensation seen from the evaluation of positions, because basically everyone works with the hope that is to get a reward or compensation for the effort they have expended to achieve corporate goals and individual goals. However, not all companies provide appropriate compensation for their employees, it happened because there is an error that has been given by the company to provide

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compensation that is not in accordance with only guessing the value of what is appropriate is not appropriate. But if employees are able to fulfill the tasks that have been given by the company, the employee is entitled to a promotion or compensation from the company for what he has done employees have done.

In addition to compensation, companies must also encourage their employees to have high work productivity. Work productivity is a measure of the comparison of the quality and quantity of employees in a unit of time to achieve results or work performance effectively and efficiently. Productivity work there are two dimensions of which the first is effectiveness, can refer to the achievement for maximum work that can be related to quality, quantity and time. While the second is effectiveness, related to trying to compare the input with the realization of its users. The factors that influence work productivity are knowledge, skills, abilities, attitudes and behavior Tri Heru, (2013: 181).

One of the companies in Garut district is Bukit Alamanda Resort and Resto is a company engaged in the field of catering and hotel services business having its address at Jalan Raya Samarang Km.5 Kp. Mekarluyu Rt.003 Rw.003 Mekargalih Village, Tarogong South District Garut Regency, West Java. Alamanda Hill was founded in 2008 is the establishment of "HOTEL ALAMANDA" over time the Hotel Alamanda experienced a surge in guests visiting to enjoy culinary so that the facility was added, namely on August 1 2009, it was opened a catering business named Bukit Alamanda Resto, with a modern style and unique characteristics from a blend of ethnic and modern so that it has a village and modern. By displaying a wide variety of menus displayed, namely starting from the Pahiyangan menu, the national menu, the Chinese menu, and Europe. As time goes by and the needs of the guests who come At Bukit Alamanda Restaurant, an accommodation facility was opened in 2010 accommodation services or bungalow-type hotels, so Bukit Alamanda restaurant changed its name to "BUKIT ALAMDA RESTO & RESORT". With the number of employees as many as 46 employees.

Compensation is currently suspected of being an obstacle in an effort to increase employee productivity. As for work productivity on Bukit Almanda Resto & Resort shows that there are circumstances that are not as expected by the company. Based on the information obtained from companies and visitors that there are problems with Bukit Alamanda Resto & Resort are as follows:

- 1. There are complaints from visitors that the cleanliness of the facilities provided by Alamanda Hill is less than optimal, besides the facilities there are also buildings made of woven bamboo (booths) that are less well maintained because they are eaten by time and worn out so that is not pleasing to the eye other than that there are several points where the lights go out and the hot water sink cannot set.
- 2. There are some employees who are not responsible at work
- 3. Work productivity at Bukit Alamanda Resto & Resort experienced instability because the compensation given was less than optimal, causing a decrease in the company's employee work productivity.

This shows that the work productivity of Bukit Alamanda employees Resto & Resort is unstable, one of the factors is compensation. Problems what happened to Bukit Alamanda Resto & Resort regarding work productivity where the lack of assertiveness and motivation is given to employees in order to have a better sense of responsibility in their own work productivity, this is found in the results of the percentage of achievement targets which decreases.

# LITERATURE REVIEW

# Compensation

Compensation is everything that employees receive in return for their contribution to the company, including salaries, allowances, facilities that employees can enjoy, whether in the form of money or not (Wahjono, 2015: 150). According to Elmi (2017: 83) compensation is remuneration provided by organizations or companies to employees, which can be financial or non-financial, in a fixed period. A good compensation system will be able to provide employee satisfaction and enable companies to acquire, hire and retain employees.

According to Simamora (2014: 445), compensation indicators are:

- 1. Salary
- 2. Wages
- 3. Incentives

- 4. Allowances
- 5. Facilities

# Work productivity

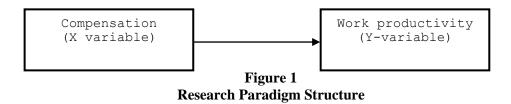
According to Tohardi in Sutrisno (2017: 100), work productivity is a mental attitude. A mental attitude that is always looking for improvement what was there. A belief that one can do the job better today than yesterday and tomorrow better than today. According to Yuniarsih and Suwanto (2009: 156-157), work productivity can be interpreted as a concrete result (product) produced by the individual or groups for a certain time unit in a work process. In this case, the higher the product produced in a shorter time it can be said that the level of productivity has a high value. Productivity can be interpreted as the ratio between the results of real work (output) in the form of goods and services with actual inputs.

According to Edy Sutrisno (2017: 59) productivity indicators are:

- 1. Ability
- 2. Improve the results achieved
- 3. Passion for work
- 4. Self-development
- 5. Quality
- 6. efficiency

According to Handoko (2012: 83), the factors that affect work productivity, namely motivation, job satisfaction, compensation, stress level, physical condition of employees, job design, economic aspects

The paradigm of thought that has been put forward can be described by the structure of the research paradigm as follows:



#### **METHODOLOGY:**

In this research the method used is a quantitative method with a descriptive method and an associative method. The population in this study were all employees of Bukit Alamanda Restaurants and Resorts, a total of 46 people. The samples taken in this study were all employees of Bukit Alamanda Resto and Resort, namely 46 people who were used as respondents.

In carrying out this research the authors used data collection techniques in the following way:

- 1) Questionnaires or questionnaires.
- 2) Observations
- 3) Interview or interview
- 4) Literature study

The data obtained from the results of the research were then processed and analyzed using the Quantitative Analysis method: namely a data analysis using statistical formulas in the form of validity and reliability tests, analysis of simple and multiple correlation coefficients, coefficient of determination and hypothesis testing .

# RESEARCH RESULTS AND DISCUSSION:

# Compensation

After being proven by the theory that becomes the reference and by carrying out appropriate calculations on the respondents' answers in the answering questionnaire, the respondents' responses regarding compensation on the Hill Alamanda Resto and Resort is included in the good category, this is shown based on the results of distributing questionnaires to employees, a total of 46 employees, the majority of employees answered that they agreed to the statements submitted to respondents. That is based on the

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calculation of the rating scale, the result is a score of 3.295 so that the respondent's response is included in the very agree category because it is located between points 3.312 and 4.140 which is also included in the very good category in the sense that the independent variables affect the related variables.

The statement that gets the highest score is the statement Facilities are supporting elements that exist in the company in the statement number 18 with a score of 208, why can it be said to be the highest because if seen from the characteristics of respondents based on length of work 3 years. How can this affect as this resulted in that employees have clear work standards presumably based on their old work characteristics. What happens if all the work is charged to employees will be completed more quickly, employees of Bukit Alamanada Resto and Resort must be able to apply the guidelines set by the company.

# **Work Productivity**

After being proven by the theory which is the reference and by carrying out calculations according to the respondents' answers regarding work productivity at Bukit Alamanda Resto and Resort which is included in the good category, this can be shown based on the results of distributing questionnaires to employees of Bukit Alamanda restaurant and Resort, a total of 46 employees, in which the majority of respondents agreed to the statements submitted to the respondents. Based on the results of the calculation of the rating scale, the results obtained are a score of 3.864 so that the respondents' responses are included in the agree category because they are located between points 3.864 and 4.830 which fall into the good category.

The statement that gets the highest score, namely statement number 1, ability is measured from the knowledge possessed as a result of education with a total score of 220, said to be the highest score, when viewed from the characteristics of the respondents based on the age of less than 30 years and this is included in the productive age, then those with an age of less than 30 years is the span have passion for work. Why are they said to be vulnerable because at the age of 25 they have the enthusiasm to work so that companies must give their best so that employees remain loyal to the company. How to make everything run effectively and efficiently, the company must provide direction to employees and also pay according to employee work productivity.

While the statement that obtained the lowest score, namely statement number 20, is practical in carrying out tasks with a score of 188, why is it said that the score is the lowest because when viewed from the characteristics of age, based on the age of majority, it is less than 30 years old, that when at that age they often do delays and punctuality both in doing work and coming to work, how does this happen because they feel they can do a good job also when doing work they are often in a hurry so that it can result in less than optimal results.

# **Effect of Compensation on Work Productivity**

The results of this study aim to determine the effect of compensation on work productivity by taking into account the theory put forward by Siagian (2010: 154) stating that compensation is needed to support the smooth running of all organizational activities so that goals can be achieved optimally. Therefore, with compensation, it will also increase employee work productivity, compensation can be interpreted as providing enormous benefits for employee work productivity both for companies and for employees.

Based on the results of calculations using the Person Product Moment correlation coefficient analysis, compensation (X) has an effect on Work Productivity (Y) and a result of 0.358 shows that there is a moderate effect between compensation on work productivity based on guidelines for interpreting the correlation coefficient according to Sugiyono (2016: 232), the correlation value is between the interval 0.20-0.399, which is in the moderate interval so that it can be interpreted that the close relationship between compensation and work productivity at Bukit Alamanda Resto and Resort has a moderate correlation value with a correlation value of 0.358. It can be said that there is a positive correlation between compensation on work productivity with a moderate level of relationship, which means that if compensation is carried out properly, it will affect employee work productivity.

Based on the calculation results above, it can be strengthened by the results of the determination coefficient value of 0.358 or 35.8% of these results can be interpreted that the magnitude of the contribution of the effect of compensation (X) on work productivity (Y) is an effect of 0.358 or 35.8% and the remaining 64.2% is influenced by other factors not examined by researchers. In line with the theory put forward by



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Simanjuntak in Sutrisno (2017: 103), the factors that affect work productivity are training, mental and physical abilities of employees, relationships between superiors and subordinates.

# CONCLUSIONS, PROPOSALS, RECOMMENDATIONS:

Based on the formulation of the research problem proposed, as well as based on the data analysis that has been carried out and the discussion that has been put forward in the previous chapter, several conclusions can be drawn from this research, namely as follows:

- 1. The description of compensation at Bukit Alamanda Resto and Resort is in the good category with the majority of respondents answering in agreement, obtained from the results of an analysis of the respondents' responses which shows a total score of 3.295, the value is between 3.312 and 4.140 points. this shows that the majority of employees agree with statements related to compensation. With this it can be seen that the compensation indicators have been running well.
- 2. Description of Work Productivity at Bukit Alamanda Resto and Resort is in the good category with the majority of respondents answering in agreement, with the results of the analysis of respondents' responses showing a total score of 4.063, the value is between 3.864 and 4.830 points. this shows that the majority of employees at Bukit Alamanda Resto and Resort agree with statements related to work productivity by means of employees increasing work productivity in accordance with a predetermined time and being able to meet the target of completing predetermined work standards. Although there are several. With this it can be seen that the indicators of work productivity can be said to have been going well.
- 3. Based on the results of statistical analysis calculations using the correlation test between compensation on work productivity, a correlation result of 0.358 was obtained, the correlation coefficient was at intervals of 0.20-0.399 so it can be interpreted that the relationship between compensation on employee work productivity at Alamanda Hill Resto and Resort has a correlation currently. For the calculation of the determination test, a result of 0.128 or 12.8% was obtained. This shows that employee work productivity is influenced by compensation and the remaining 87.2% is influenced by other factors not examined. The calculated t value is 4.164 > t table 3.409 and the sig value is 0.00 <0.05. It can be concluded that H<sub>0</sub> is rejected H<sub>1</sub> is accepted, so there is a significant effect between the compensation variable (X) on the work productivity variable (Y) at Bukit Alamanda Restaurants and Resorts.

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