

The Effect of Compensation on Employee Productivity in Grand Rocky Hotel Bukittinggi

¹Ranty Mulina Safitri¹, Yuliana², Sukma Yudistira²

Study Program D4 Hospitality Management,

²Faculty of Tourism and Hospitality, Universitas Negeri Padang, West Sumatra, Indonesia

Coresponding author : yuliana@fpp.unp.ac.id

Abstract

This study intended to determine the effect of Compensation on employee productivity at Grand Rocky Hotel Bukittinggi. This study included quantitative research with a causal associative approach. The population in the study was all employees, with a total of 118 employees. The sample in this study amounted to 54 employees with techniques stratified proportional random sampling. Data collection is done by distributing questionnaires (questionnaire) using a Likert scale that is tested for validity and reliability. Data were analyzed by simple linear regression testing through the SPSS 16.00 computer program. The results showed that: 1) Compensation of employees at Grand Rocky Hotel Bukittinggi was mostly in the unfavorable category of 40.76%. 2) Employee productivity is mostly in the bad category, 59.25%. 3) The coefficient of determination R Square is 0.132 and obtains a significance value of 0.007, which means that there is a significant influence of 13.2% between Compensation for employee productivity at Grand Rocky Hotel Bukittinggi while 86.8% is influenced by other factors not examined.

Keywords – Compensation, Productivity



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1. INTRODUCTION

A hotel can be interpreted as a type of accommodation known by the community as an accommodation business of lodging, food, drinks, and matters relating to all the needs of guests to stay. Sulastiyono (2011) explains, "Hotels are a company that provides food and beverage services and room facilities for sleeping who travel and can pay a reasonable amount."

Rival (2009: 1) states that Resources the Human (HR) is a management area that is of a plan, organizing, implementation, and control. Human resources can be considered by companies where the highly competitive climate triggers the company to survive by giving attention to aspects of human resources. Hence, some determining factors are seen from humans because of all the innovations that will be realized in realizing a company goal. The

company will always increase the work productivity of employees.

Yuniarsih (2009: 156) argues that "productivity Work is as a concrete result (product) produced by individuals or groups, during specific units of time in a work process. "In that case, increasingly, a high product produced in a shorter time can be said that the level of Productivity has a high value and vice versa.

According to Rivanto in Via Gusti, Yuliana, Hijriyantomi Suyuthie (2015: 3) "productivity Work is a concept that can realize the relationship between output (work output) with the time required and in producing a product of labor, which means that Productivity a workforce is closely related to the work results obtained against the time needed to produce it. Indicators of Productivity are ability, in improving an outcome to be achieved, with work spirit, self-

development, quality, and also efficiency. The factors that affect employee productivity are as follows: the physical condition of the company, the degree of automation used, layout, job design, employee skills, and motivation, and employee compensation.

According to Kasmin and Jakfar (2012: 177), Compensation is an award or reward given to the workforce or employees for their contribution to realizing the company's goals. According to Handoko (2011: 245) Compensation, is a feedback given to employees through financial payments as Compensation for work carried out and as a motivator for the implementation of activities in the future. Indicators of Compensation include the provision of wages and salaries, incentives, benefits, and facilities.

Based on the results of interviews with HRD Grand Rocky Bukittinggi, Desi Azulmi, on August 13, 2019, researchers obtained information about the work productivity of employees' personal development and human resource management. The fact is wherein some employees did not conduct skills training to repair the work errors done, and employees have thoughts and challenges in their work activities. Another problem is the acceptance of employees who are not according to ability so that employees who work are positioned not following the last educational background, which causes work not to be completed on time. The next problem is the absence of awards that make employee morale down. The next problem is the lack of employees' sense of responsibility in the work that is shown by playing mobile while doing work.

Based on mini-research that examined the distribution of 10 employees, the researcher encountered problems related to Compensation as seen a gap between permanent employees and contracts related to company policy. The results of the mini salary research received have not yet reached the Regional Minimum Wage (UMR). The next problem is the acceptance of the same employee incentives every month where the occupancy rate of rooms full booking still employees get the standard incentives or the same amount of incentives as the previous months that make employees not meet the target achievement of room occupancy rates

and events. Another problem is the absence of additional wages for employees who work beyond work time, making employees not complete work according to the time desired by the company.

The importance of this study is the foster writer to analyze the effect of Compensation on employee work productivity at Grand Rocky Hotel Bukittinggi, while based on the writer's observation at Grand Rocky Hotel Bukittinggi found problems with employee compensation. If this problem is left unchecked, there will be a decrease in employee productivity, which will not only harm the employees themselves but also cause harm to the hotel. Another impact will be a decrease in employees where the hotel will look for new employees, and the hotel must pay for training new employees. If employee productivity decreases, there will be ongoing guest complaints, which will damage the image of the hotel and decrease visitors in the long run. The purpose of this study was to analyze the effect of Compensation on employee productivity at Grand Rocky Hotel Bukittinggi.

2. RESEARCH METHOD

Type of research is classified as quantitative research with an approach associative causal. The population in this study was 118 employees at the Grand Rocky Hotel Bukittinggi. The research sample of 54 employees with the sampling technique is using probability sampling with method proportional random sampling. This data collection technique was done by distributing questionnaires or questionnaires using a Likert scale that has been tested for validity and reliability. Data were analyzed by simple linear regression testing through the help of the SPSS Computer Program version 16.00.

The instrument that the author uses for his research is a questionnaire or questionnaire arranged according to Likert scale. The study used a mean ideal (MI) and standard deviation (SDI). Clarification Arikunto (2017) reveals divided into 5 categories:

- a. Category very well
($\geq (MI + 1,5SDI)$)

- b. Category either¹
($M_i + 0.5 S_{di}$) - < ($M_i + 1.5 S_{di}$)
- c. Category poor
($M_i - 0.5 S_{di}$) - < ($M_i + 0.5 S_{di}$)
- d. Category was not good
($M_i - 1.5 S_{di}$) - < ($M_i - 0.5 S_{di}$)
- e. category is not very good
< ($M_i - 1.5 S_{di}$) - down

After questionnaire assessment, carried out conversion was for compensation criteria and worked Productivity from strongly agreeing to very good, agreeing to be good, disagreeing to being not good, disagreeing to being not good, strongly disagreeing to being not very good.

Validity

The validity of the instrument indicates that it is a right relationship instrument - it is capable of measuring variables measured in one study and can show the degree of correspondence between the concept and the result of the measurement. According to Arikunto (2017: 125), "indicates the degree of accuracy between the two data happens to objects with data collected by the researcher." To find the validity of the questionnaire, the authors used a Correlation analysis Pearson Product Moment with the help of SPSS version 18. After Analysis Pearson Product Moment Correlation, it can be seen:

- a. If the Sig. /value significance ≤ 0.05 , then the data is declared valid.
- b. If the Sig. /value significance > 0.05 , then the data is declared invalid.

Reliability Test

In this validity test, the next step is that the instrument is tested for reliability. The SPSS 16.00 program assisted reliability in this study. The purpose of the reliability testing writer is to see the reliability of an instrument. Test Reliability instruments using formulas Alpha Cronbach stated by Arikunto (2010: 22) that "Reliability is an understanding that an instrument is sufficient to be trusted and used as a data collection tool because the data is already good." Decision making in the reliability test is as follows:

- 1. If a variable reliability value (*Alpha Cronbach*) ≥ 0.06 , then the variable is said to be reliable.

- 2. If a variable reliability value (*Alpha Cronbach*) < 0.06 then the variable is said to be unreliable.¹

Reliability Statistics

Cronbach's Alpha	N of Items
.822	12

Source: Data Processing Results (2019)

The reliability value of variable X compensation is 0.822. The reliability value of compensation X is moderate. If the reliability value > 0.06 , it is said to be reliable.

Reliability Statistics

Cronbach's Alpha	N of Items.
.726	18

Source: Data Processing Results (2019)

Y variable reliability value amounted to 0.726. Reliability value Y employee motivation is high. If the reliability value > 0.06 , it is said to be reliable.

Test of Requirements Analysis

1. Normality Test

In this normality test, it was found out whether data is normally distributed or not. This normality test is analyzed using one-sample Kolmogorov Simonov SPSS 16.00 as follows:

- a. Sig value or probability ≤ 0.05 , the distribution is abnormal (*asymmetric*).
- b. Sig or probability values > 0.05 are distributed normally (*symmetrically*).

2. Homogeneity Test

In this homogeneity test, work is carried out to test whether the sample from the population has the same character or not.¹For this test, a test called the Test of Homogeneity of Variances is used. The test criteria are:

- a. If the value significant (Sig) or probability value (p) ≥ 0.05 , you can say the data comes from populations that have the same variants or homogeneous data.
- b. If the value significant or probability value (p) < 0.05 , it can be said that the data come from

populations that have unequal variants or non-homogeneous data.

3. Linearity

Test Testing this linearity intends to see whether there is a relationship between variable X and linear variable Y or not. Linearity testing is done using a program that is SPSS 16.00. If two variables have a linear relationship, the value of Deviation from Linearity is >0.05.

Testing Hypothesis

1. Coefficient Determination

This function is to see the effect of one variable on another. Criteria for taking effect are:

1. The value of R² determines the magnitude of the effect of Compensation on the Productivity of the employee.
2. If the significant value of R ≤ 0.05, then the effect of Compensation on employee productivity is significant.
3. If the value of R² > 0.05, then the effect of Compensation on employee work productivity is not significant.

2. Analysis Regression Simple Linear

It serves to analyze the effect of variable X to variable Y is done by using SPSS 16:00 by the formula:

$$Y = a + bX$$

Where:

Y = Subjects in variables that predicted

a = HRGA Y when X = k (Constant Prices)

b = coefficient, which indicates the direction of increase or decrease variable in the dependent on the independent variable.

3. RESULTS AND DISCUSSION

1. Compensation Variable (X)

Data on the compensation variable (X) was measured from 12 statements of 54 respondents who had conducted validity and reliability tests. Based on questionnaires, the following data can be obtained:

Table 1. Frequency Distribution of Compensation Variables

Category	Score	f	Percentage (%)
Very Good	≥ 48	10	18.52
Good	40 - <48	12	22.22
Poor	32- <40	22	40, 74
Not Good	24 - <32	10	18.52
Very Poor	24	0	0
Total		54	100

Source: Processed Results of Primary Data (2019)

Based on the categorization, the score above 18.52% indicates a very good category, 22.22% indicates a good category, 40.74 % shows a poor category, 18.52% shows a bad category, and 0% shows a very high good category.

Compensation is divided into four indicators, giving salary and wages 31.50% with unfavorable categories, 31.50% incentives with unfavorable categories, allowances 29.64% with unfavorable categories, and providing 33.33% facilities with unfavorable categories.

2. Productivity Variable (Y)

In this study, compensation data was obtained from distributing questionnaires consisting of 18 statements distributed to 54 employees at the Grand Rocky Hotel Bukittinggi which had been tested for validity and reliability and sourced from filling out the questionnaire, the following obtained data were:

Table 3. Distribution Employee Productivity Frequency

Category	Score	f	Percentage (%)
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Very Good	72	2	3.70
Good	60 - <72	16	29.62
Poor Good	48 - <60	32	59.25
Not Good	36 - <48	4	7.40Poor
Very	36	0	0
Total		54	100

Source: Processed from
Primary Data (2019)

Based on the categorization, the score above 18.52% indicates a very good category, 22.22% indicates a good category, 40.74 % shows poor category, 18.52% shows bad category, and 0% shows very high good category.

Work productivity is divided into six indicators, the ability with very good categories and the percentage of 27.77%, increasing the results achieved with good categories and the percentage of 33.33%, morale with the category of not good and the percentage of 29.62%, self-development with categories not good and has a yield of 42.61%, the quality is in a good category, and the results are 35.20%. The efficiency in the good category is 35.19%.

Test Requirements Analysis

a. Normality Test

One-Sample of Kolmogorov-Smirnov

	COMPENSATION	PRODUCTIVITY
N	54	54
Normal Mean	29.57	58.46
Parameters ^a Std. Deviation	5000	7384
Moste Absolute	.161	.097
Extreme Positive	.161	.097
Differences Negative	-.068	-.063
Kolmogorov-Smirnov Z	1.180	.713
Asymp Sig. (2-tailed)	.123	.689

a. Test distribution is Normal.

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From the results of this study, Asymp Sig was obtained on the compensation variable 0.123, and Productivity is 0.689 with a value > 0.05, it is said that the two data are normal distribution.

b. Homogeneity

Test of Homogeneity of Variance

PRODUCTIVITY

Levene Statistics	df1	df2	Sig.
.924	14	30	.546

In this study, the researchers obtained the results of the Sig number is 0.546, with a significant level > 0.05. It means that the significant value is higher than the specified significance level.

c. Linearity Test

ANOVA Table

	Sum Square	ofe Dfe	Mean Square	Fi	Sig.
PRO Bet (Com DUC we bined)	1324,319	17	77,901	1,792	.070
TIVI en TY * Gr CO ou MPE ps NSA TIO N	380,017	1	380,017	8,741	.0059
Deviation from Linearity	944,301	16	59,019	1,358	.2180
Within Groups	1565,107	36	43,475		
Total	2889,426	53			

Based on the results of researchers about the linearity test obtained a value of sig. significant level > 0.05. So it can be concluded that there are linear effects of the two variables X and Y.

d. Testing Hypothesis

Based on the results of linear regression, researchers obtained F value 7.875 with sig. 0.007 < 0.05 means that the variable X can explain the variable Y significantly. So the compensation variable affects the employee productivity variable, so Ha is accepted while Ho is rejected.

1. Coefficient of Determination

Table 4. The coefficient of determination (R square)

Model Summary

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.363 ^a	.132	.115	6947

a. Predictors: (Constant), Compensation

Determination Coefficient (R square) 0.132 means the effect of employee compensation variables with employee work productivity is 13.2%, while 86.8% is influenced by other factors not examined.

2. Significance Test

ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	380,017.007	1		7,875	.380,017 ^a
	Residual	2509,409	52	48,258		
	Total	2889,426	53			

a. Predictors: (Constant), compensation

b. Dependent Variable: productivity

It was obtained a value of F hit 7.875 with sig. 0.007 ≤ 0.05, meaning that the compensation variable can explain the productivity variable significantly.

Table 3. Variable Regression Equations X for Y Coefficients^a

Model of	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	42,626	5,722		7,449	.000
COMPENSATION	.536	.191	.363	2,806	.007

a. Dependent Variable: PRODUCTIVITY

$$Y = a + bX$$

$$Y = 42,626 + 0,536 X$$

Getting a constant value of 42,626 indicates a compensation effect on employee work productivity at Grand Rocky Hotel Bukittinggi with a regression coefficient of 0.536 on sig. 0.007 ≤ 0.05 means an increase of 1 unit of employee compensation will increase 0.536 units of employee work productivity.

DISCUSSION

a. Compensation (X)

Based on the results of the research that the author did this can be explained that of 54 samples for compensation variables can be grouped as follows as many as ten respondents (18.52%) classified as very good, 12 respondents (22.22%) belong to good, 22 respondents (40.74%) were classified as not useful, ten respondents (18.52%) were classified as not good and 0 respondents (0%) indicated that they were not very good. Based on the categorization results above, the highest percentage is in the unfavorable category, with a percentage of 40.74%. Based on the indicators of the provision of salary and wages of the less good category has a percentage of 31.50%. Incentives with the category of unfavorable and a percentage value of 31.50% are beneficial with the category of less good with a percentage of 29.64% and the provision of facilities with the category of less good and the results 33.33%.

According to Hasibuan (2012: 119), Compensation, that is, what an employer receives as a reward for the work he provides,

either hourly wages or periodic salaries, is designed and managed by personnel. Compensation is an essential factor in many lives.

b. Productivity Work (Y)

Based on the results of research conducted by the author can be explained that of the 54 samples for employee productivity variables can be grouped as follows: as many as two respondents (3.70%) classified as very good, 16 respondents (29.62%) classified as good, 32 respondents (59.25%) were classified as not good, four respondents (7.40%) showed poor results and 0 respondents (0%) showed very poor results. Based on the results in categorizing above, the highest percentage in the category is not good, with a percentage of 59.25%. The results of each indicator are the ability with a very good category. The percentage results are 27.77%, increasing the results achieved with a good category and have a percentage of 33.33%, morale with the category of not good and the results of the percentage of 29.62%, development poorly categorized and the percentage of results is 42.61%, quality is good, and the percentage is 35.20%, efficiency is good, and the percentage is 35.19%.

According to Sutrisno (2011: 104), Productivity is an essential thing for employees in the company. With work productivity, it is expected that the work will be carried out efficiently and effectively so that all this is very necessary for achieving the goals that have been set.

c. Effect of Compensation on Work Productivity

Hypothesis test results to see the degree of influence (r_{xy}) between Compensation and employee work productivity at Grand Rocky Hotel Bukittinggi using SPSS 16.00 were obtained from the study of simple linear regression test values. It is between Compensation, and employee work productivity has a constant value of 42.662 and a regression coefficient of 0.536 with a significance value of 0.007 each increase of one compensation unit will increase 0.536 units of work productivity.

The results of the determination coefficient or test conducted were to declare the

size of the influence of the variable X on Y. It was determined by the value of R Square (0.132). It means that the effect of compensation variables on employee work productivity at Grand Rocky Hotel Bukittinggi is 13.2%. Other factors influence 86.8% in the interpretation of these two variables to affect the positive and the number of significance <0.05 0,007 so that Ha welcome means "there is a positive and significant influence between variable compensation (X) on employee productivity (Y) at the Grand Rocky Hotel Bukittinggi."

Based on the description of the writer above, it can be concluded that this research has an influence between Compensation at Grand Rocky Hotel Bukittinggi and employee productivity, which is classified as poor.

4. CONCLUSION

1. Conclusions

In overall Compensation at Grand Rocky Hotel Bukittinggi can be classified as a less good category with a score of >32 - <40 with a percentage of 40.74% in the work productivity of employees at the Grand Rocky Hotel Bukittinggi classified as less good at a score of >48 - <60 with a percentage of 59.25%. The results showed a regression coefficient of 0.536 sig 0.007, and a coefficient of determination showed that 13.2% of Productivity was affected by Compensation, and the remaining 86.8% could be influenced by other factors not examined in this study.

2. Suggestion

Based on the above discussion, it can be concluded that obtained can be given the following advice:

a. Grand Rocky Hotel Bukittinggi Management

It is recommended that hotel management is expected to survive and increase employee productivity in terms of Compensation obtained by employees in the company so that employees can work following the job desk. Hotel management pays more attention to employees with productivity levels that are still classified as not good and not good on every indicator; in this case, it is expected to be more protective of subordinates. Hence, they feel more cared for and feel more helpful so that

employee productivity at Grand Rocky Hotel Bukittinggi achieves good categorization.

b. Department of Tourism and Hospitality

The Department of Tourism and Hospitality is in order to be able to provide material and provide reference material regarding Productivity. It is due to the limited material regarding Productivity. Productivity is one of the critical sciences to know, especially the factors that influence employee productivity. This material will be instrumental in the world of work, especially in the field of human resource management.

c. Next Researchers

For the next researcher, it is recommended to be able to examine the other factors that influence employee productivity because there are still many other factors that have not been investigated by researchers such as internal factors, the desire to be able to have, the desire to obtain recognition and the desire to power. While external factors include the physical condition of the company, the degree of automation used, layout, design, work, skills and work motivation, and employee compensation.

d. For Writers

For students, especially in tourism and hospitality majors, in order to increase insight into factors that can affect employee work productivity in the company.

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