

INFLUENCE OF DIRECT COMPENSATION, INDIRECT COMPENSATION, WORK ENVIRONMENT, TRAINING AND DEVELOPMENT OF THE TEACHER AND EMPLOYEES QUALITY IN SMA MUHAMMADIYAH 1 BABAT LAMONGAN

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ABSTRACT

This study aims to determine the effect of direct compensation variables, indirect compensation, work environment, training and development on the quality of work in SMA Muhammadiyah 1 Babat Lamongan and Analyzing the magnitude of the variables that give the most dominant contribution in improving the quality of work in SMA Muhammadiyah 1 Babat Lamongan.

The approach in this research using explanatory research with survey method (Survey Method) with a simple random sampling technique to 40 respondents. Techniques of data collection is by questionnaire, interview, survey and documentary. while the data taken is the primary data and secondary data, while the data analysis techniques using multiple linear regression.

The results showed that: independent variables ie direct compensation, indirect compensation, work environment, training and development simultaneously did not affect the quality of work, shown by the value of $F_{hitung} = 1.227$ with significance = 0.317. 2) The independent variable is partial only the working environment (x_3) affecting the quality of work that is proved by the value of $t_{count} (2.064) > t_{table} (2.030)$, whereas the value of each t_{hitung} independent variable of direct compensation (x_1), indirect compensation (x_2), and training and development (x_4) are = -0.214 (x_1), -0.471 (x_2), -0.905 (x_4), of which all t_{count} are $> -t_{table} = (-2,030)$. 3) Of the four independent variables of direct compensation, indirect compensation, work environment, training and development, only the work environment that gives the dominant influence on the variable Y is the Quality of Working teachers and employees in SMA Muhammadiyah 1 Babat Lamongan.

Keywords: Work Environment, Training, Development, Work Quality

INTRODUCTION

To open opportunities and face threats, a strategy that can provide satisfaction for the needs of employees and the needs of the organization. One of those strategies is a tangible reward that is compensated and benefits are competitive and, more importantly, the value is invisible (valued intangible). The needs and desires of employees is something that really needs to get attention from the organization or management. Because if the needs and desires of employees are fulfilled then the achievement of employee satisfaction that will ultimately create a good quality of work life of the organization as a whole. This will have an impact on employee productivity and will increase.

The needs and desires of the employee include:

1. Employees want compensation and benefits comparable to those obtained by employees in other organizations and in accordance with the needs of their personnel and professionals.
2. Employees want good environmental conditions, where they are given a trust so that they can contribute to the goals and objectives of the organization because they are considered as team members who have the authority and responsibility in decision making. Or employees here want a positive work climate.
3. Employees want opportunities to grow and develop, in which employees are given the opportunity to follow education and training programs. The opportunity to develop this self must be clearly demonstrated, so that each employee can develop his abilities to the fullest.
4. Employees want recognition from management that family and personal time is important.
5. Employees want to get a good working relationship between superiors and subordinates, this can be done with an approach such as showing concern and providing support.

The needs and desires of the individual are related to the components that must be considered in the creation of quality of work life. The components of work life quality according to Simanjuntak (Khasanah, 2004) consist of:

- a. Salary / wages
- b. Employee benefits (health care, retirement)
- c. Work security
- d. Work environment
- e. Work discipline
- f. Participants in decision-making that affect their work
- g. Good organizational management

Walton (Khasanah, 2004), stated the factors that need to be considered to improve the quality of working life of the organization include:

- a. Rewards designed for the process and results
- b. Profit / benefit programs that include fairly competitive pensions, and health insurance
- c. A safe and healthy environment
- d. Work security: continuity of work so that workers are guaranteed income and its future
- e. Structure for identification and problem solving, either the theory or model of the training process and its participants
- f. Growth and development
- g. Participation in problem solving
- h. Social integrity
- i. Workplace democracy is a balance between working life and human life.

LITERATURE REVIEW

Employees in the labor market today have rising expectations about a more attractive work climate and accommodating the professional and personal needs of employees. To make it happen the organization or management must develop a quality work life environment (Anderson and Pulich, 2000).

One of the organization's management policies is the determination of compensation to its employees either directly or indirectly. Because of compensation or wages / salaries as a reward for the services of employees / organizations in the work, must be worthy humane and decent production / profession. Compensation is very important for Human Resources departments in improving the productivity of their employees because the need for income and employee's desires are treated fairly by the organization.

Direct compensation is a fixed wage / salary paid in the form of money on a regular basis or with a fixed period. Indirect compensation is the remuneration outside of fixed wages paid to employees or members of the organization for the improvement of welfare.

No less important than compensation and work environment, training and development are also indispensable in improving the quality of employees or employees. As stated Manulang that no one is suitable to work on a job, therefore it is necessary training activities (Warjani, 2006: 23). Furthermore, training and development will provide many benefits to the productivity, morale, cost reduction, stability and flexibility of the organization to deal with environmental discrepancies (Warjani, 2006: 23).

In addition, the environment is also very influential on the performance of employees or employees. As suggested by Nitisemito (Khasanah, 2004) The work environment is everything that is around the workers and that can affect him in carrying out the tasks assigned to him, for example: cleanliness, music, light (Khasanah, 2004).

Direct Compensation, Indirect Compensation, Work Environment, Training and Development, and Employee Quality. Compensation is everything that employees receive as a reward for their work. Compensation issues may be the most difficult and confusing management functions. Not only is it that compensation is one of the most complex tasks, but it is also one of the most meaningful aspects for both employees and organizations (Handoko, 2012: 155). Compensation includes financial rewards and tangible services and benefits received by employees as part of the employment relationship.

According to Dessler (2009) (Laura, 2012), employee compensation is any form of remuneration granted to employees and arises from the employee's employment. According to Hasibuan (2011) (Laura, 2012), compensation is a cost to the company. The Company expects that the compensation awarded earns greater employee benefits. Thus, the value of employee performance must be greater than compensation paid by the company, so that companies get a profit and continuity of the company is guaranteed. Compensation is any income in the form of money, goods directly or indirectly received by employees in return for services rendered to the company. Compensation according to Fajar and Heru (Khasanah, 2004) are all extrinsic rewards received by employees in the form of wages and salaries, incentives or bonuses, and some benefits. According to Nawawi (Nawawi, 2006: 325) the compensation consists of Direct Compensation and Indirect Compensation.

RESEARCH METHODS

Time and Location Research

This study was conducted within 3 months. This is done to dig up the existing data as the basis of data analysis. The location of this research will be conducted at the formal education institution that is SMA Muhammadiyah 1 Babat Lamongan.

Multiple Linear Regression Analysis

Data analysis in this study focuses the field of study for interpretation of data in drawing conclusions Judge, 1997 (in Khasanah, 2004). Statistical analysis is used to test the influence

of independent variables on the dependent variable. Technically, in this analysis using multiple linear regression analysis tool, to know the influence of the independent variable to the dependent variable.

Multicollinearity Test

Multicollinearity aims to test whether there is a correlation between independent variables (independent). A good model should not be any correlation between independent variables. Detection of presence or absence of multicollinearity is by analyzing the tolerance value and Variance Inflation Factor (VIF) > 1.0 and tolerance value < 1.0. Nograho states the VIF value limit is not more than 10 and the tolerance value is not less than 0.1.

Operationalization of variables

In this study consists of independent variables (X) about the variables that affect the quality of work life, consisting of:

1. Direct compensation (X1)
2. Indirect compensation (X2)
3. Working environment (X3)
4. Training and development (X4)

Dependent variable (Y): quality of work of teachers and employees

The operational definitions of each variable in this study are as follows:

Independent variable (X)

1. *Direct compensation (X1)*: direct payments in the form of salaries, incentives, commissions and bonuses received by teachers and employees in exchange for their contribution to the school organization. the expected compensation is fair and adequate / satisfactory remuneration, must be competitive / high, must be based on performance / workload. The direct compensation is in the form of financial compensation. The direct compensation Indicator consists of:
 - a. Salary
 - b. Bonus
2. *Indirect Compensation (X2)*, which is all received by teachers and employees, where in its giving is not directly related to work performance, because with the aim of improving services and improving the welfare of teachers and employees.

Indirect compensation indicators consist of:

- a. Insurance
- b. Positional allowance
- c. Old age guarantees
3. Working Environment (X3), is everything that is in the workplace, workplace conditions / conditions that facilitate teachers and employees in performing their duties. Indicators of this working environment are:
 - a. Working conditions / conditions
 - b. Rules
 - c. Work colleague
 - d. Leader

4. *Training and Development (X4)*, is a series of activities designed to improve the knowledge, skills, abilities, attitudes and performance of teachers and employees. Indicators of training and self-development consist of:
 - a. Following education and training or coaching
 - b. Learn new things / new knowledge

Dependent Variable (Y), is Quality of work, Indicators of quality of work include:

1. Work motivation
 - a. Reduced stress / pressure
 - b. Growing work and self-actualization
 - c. Reduced attendance
2. Job satisfaction
 - a. Satisfaction with rewards or compensation
 - b. Satisfaction with work environment
 - c. Satisfaction with growth and development opportunities
3. Appearance (quality and quantity) of work quality: the quality of work indicated by the frequency of quantity error: the suitability of the number of jobs to the target

RESULTS AND ANALYSIS

Reliability Test Results

Reliability indicates the extent to which the measurement results remain consistent when measured twice or more against the same symptoms with the same measuring instrument (Khasanah, 2004). Test reliability is done by using the formula Cronbach Alpha. If the scale is grouped into five classes with the same batten, then the alpha stability measure can be interpreted as follows (Triton, 2006) (in Sujianto, 2009: 97):

1. Cronbach alpha value 0.00 s.d 0.20, means less reliable
2. Cronbach alpha value 0.21 s.d 0.40, means somewhat reliable
3. Cronbach alpha value 0.41 s.d 0.60, means quite reliable
4. Cronbach alpha value 0.61 s.d 0.80, means reliable
5. Cronbach alpha value 0.81 s.d 1.00, means very reliable

Reliability test results are presented in table 1 below:

Table 1. Summary of Results of Test Reliability

<i>Variable</i>	<i>Alpha Cronbach</i>	<i>Description</i>
X ₁ (Direct compensation)		
X ₂ (Indirect compensation)	0,722	Reliable
X ₃ (Working Environment)	0,756	Reliable
X ₄ (Training and Development)	0,646	Reliable
Y (quality of work of teachers and employees quality of work of teachers and employees)	0,765	Reliable
	0,710	Reliable

Multiple Regression Analysis

Data analysis used in this research is Multiple Regression analysis, to know the influence of motivation which consist of direct compensation, indirect compensation, work environment, training and development to work quality. Multiple Regression Analysis was done with the

help of computer program SPSS19.0 For Windows (attachment), and the result of its analysis is presented in table 2 below:

Table 2. Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.737	1.197		1.451	.156
Direct compensation _x1	-.036	.166	-.038	-.214	.832
Indirect compensation _x2	-.127	.269	-.076	-.471	.640
Working Environment _x3	.642	.311	.386	2.064	.047
Training and Development _x4	-.144	.159	-.170	-.905	.372

Source: SPSS

Based on the results of SPSS processing presented in the above table, the multiple linear regression equation is as follows:

$$Y = 1,737 - 0,036X_1 - 0,127X_2 + 0,642X_3 - 0,144X_4$$

The explanation of the above equation is as follows:

1. Constanta value 1.737 which means without any independent variables, namely direct compensation (X1), indirect compensation (X2), work environment (X3), training and development (X4), the dependent variable value is the quality of teacher work and employee of SMA Muhammadiyah 1 Babat Lamongan (Y) is equal to 1,737.
2. The value of the regression coefficient of the direct compensation variable (X1) is - 0.036. This means that if the direct compensation variable (X1) is increased by one unit or 100%, it will cause a decrease in the dependent variable value, ie the quality of teachers' work and the employee of SMA Muhammadiyah 1 Babat Lamongan (Y) of 0.036 units or 3.6% assuming that the value of the other independent variable is constant or zero.
3. The value of the regression coefficient of the indirect compensation variable (X2) is - 0.127. This means that if the indirect compensation variable (X2) is increased by one unit or 100%, it will cause the decrease of the dependent variable value that is the quality of teacher work and the employee of SMA Muhammadiyah 1 Babat Lamongan (Y) equal to 0,127 unit or 12,7% , assuming that the value of the other independent variable is constant or zero.
4. The regression coefficient value of work environment variable (X3) is 0.642. This means that if the working environment variable (X3) is increased by one unit or 100%, it will cause the increase of the dependent variable value that is the quality of teacher and employee of SMA Muhammadiyah 1 Babat Lamongan (Y) 0,642 unit or 64,2% assuming that the value of the other independent variable is constant or zero.
5. The value of the regression coefficient of the training and development variables (X4) is -0.144. This means that if the training and development variable (X4) is increased by one unit or 100%, it will cause the decrease of the dependent variable value that is the quality of teacher work and employee of SMA Muhammadiyah 1 Babat Lamongan (Y) equal to 0,144 unit or 14,4% , assuming that the value of the other independent variable is constant or zero.

F Test Result

The test is done by F test, that is to test the significance of regression coefficient (significance) as a whole. By testing criteria

1. If $F_{count} < F_{table}$ then H_0 is received, which means that the variables $x_1, x_2, x_3,$ and x_4 simultaneously have no effect on Y .
2. If $F_{count} > F_{table}$ then H_0 is rejected, which means the variables $x_1, x_2, x_3,$ and x_4 simultaneously affect Y .

For F test results can be seen in the following table:

Table 3. F Test Result

<i>Model</i>	<i>Sum of Squares</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
Regression	7.499	4	1.875	1.227	.317 ^a
1 Residual	53.476	35	1.528		
Total	60.975	39			

Source : SPSS

Based on the results of the analysis performed using the program SPSS.19 obtained the value of $F_{hitung} = 1.227$ while the F_{table} value can be seen in the statistics table (see attachment) at the 0.05 significance level with df_1 (number of variables - 1) = 4, and df_2 ($n_k - 1$) or $40 - 4 - 1 = 35$ (n is the amount of data and k is the number of independent variables), F_{table} test results obtained value of 2.641, so it can be concluded the value of $F_{hitung} (1.227) \leq F_{table} (2.641)$ which means H_0 accepted. can be interpreted that the independent variables of direct compensation (X1), indirect compensation (X2), work environment (X3), training and development (X4) simultaneously have no effect on the quality of teachers and employee of SMA Muhammadiyah 1 Babat Lamongan (Y).

CONCLUSION

1. Direct compensation variable does not give a significant effect on the quality of work of teachers and employees in SMA Muhammadiyah 1 Babat Lamongan. And this statement rejects the theory put forward by Nawawi namely "the compensation is very important for the human resources department in improving employee work productivity, because the need for income and employee desires is reasonably required by the organization ". This is caused by the different types of research objects within the scope of the company and the scope of educational institutions.
2. Indirect compensation variable, does not give a significant effect on the quality of work of teachers and employees in SMA Muhammadiyah 1 Babat Lamongan, And this statement rejects the theory put forward by Nawawi that "giving compensation is very important for the department of human resources in improving employee work productivity , because the need for income and the employee's desires are reasonably required by the organization ". This is caused by the different types of research objects within the scope of the company and the scope of educational institutions.
3. Work environment variables have a significant effect on quality. And this supports the theory put forward by Anderson and Pulich.
4. Training and development variables do not give a significant effect on the quality of work teachers and employees in SMA Muhammadiyah 1 Babat Lamongan. Because teachers and employees feel able to do a good job with the skills they have today, so

agencies are not required to conduct training and development to improve the quality of work, and also they feel the work done is the same from period to period (Monotone).

5. From the four independent variables of direct compensation, indirect compensation, work environment, training and development, it turns out that the work environment variable that gives the most dominant contribution to the increase of dependent variable is the quality of teacher and employee work in SMA Muhammadiyah 1 Babat Lamongan, 2%.

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