

The Effect of Compensation Fairness and Workload on Job Satisfaction (Case Study at Le Pirate Hotel Labuan Bajo)

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ABSTRACT: This study aims to determine the effect of variable compensation, workload on job satisfaction at Hotel Le Pirate Labuan Bajo, the population in this research are 49 employees with non-managerial positions. Quantitative approach was made by distribute the questionnaires and conducted interview and technical approach to Multiple regression analysis. The results of this study indicate that, compensation has a positive and significant effect on job satisfaction and workload has a positive and significant effect on job satisfaction.

KATA KUNCI: *Keadilan Kompensasi, Beban kerja, Kepuasan Kerja.*

I. INTRODUCTION

Individuals' perceptions toward their work are referred to as job satisfaction. their perception of their work based on work environment factors such as supervisory style, policies and procedures, affiliate working groups, working conditions, and additional benefits, these led to increased employee loyalty toward company (Bakotic, 2013). Employees who are highly satisfied will be delighted with their jobs and will not seek for different ones. Meanwhile, employees who are dissatisfied with their jobs tend to look for other opportunities and thus are eager to leave the company Rageb *et al.*, (2013).

Herberg (1959) Herzberg's motivation theory model goes by a number of different names, including two factor theory, Two factor theory stated that job satisfaction identified by two factors are Hygiene factors and Motivation factors. Motivation factors described as factors that support Employees to work harder and satisfied with their job, it can be pursued by implement company policies such as achievement recognition, promotion, career growth and development of employees. Hygiene factor describe as factors was related to the "need to avoid unpleasantness." Company policies and administration, relationships with supervisors, interpersonal relationships, working conditions, and salary were all hygiene factors. Herzberg described motivation factors as intrinsic to the job and hygiene factors as extrinsic to the job. Thus, motivation factors operate to only increase and improve job satisfaction; whereas hygiene factors work to reduce job dissatisfaction. Researched conducted at Le Pirate Hotel Labuan bajo. Le Pirate hotel is one of two stars accommodation hotel in east nusatenggara and also another branch of le pirate hotel which is located on Jalan Nusa Ceningan, Nusa Penida Bali. Variables used in this research study to measure employee satisfaction toward their work in le pirate hotel labuan bajo are compensation fairness and workload. Preliminary research conducted by interviewing three employee's hotel Le Pirate. Respondent explain that they have been working for almost 2 year now with excessive workload while the income they received is below standard. Preliminary interviews showed when the factors deteriorate to a level below that which the employee considers acceptable, then job dissatisfaction ensues. The presence of motivational factors can produce job satisfaction, but their absence leads to no job satisfaction, also company providing compensation below government standard it caused violation of the law N0.13/2003 which regulates employment in Chapter X describes wages.

II. CONCEPTUAL FRAMEWORK AND HYPOTHESIS

2.1 Job Satisfaction

Oliver (1997) Human resource management experts and organizational behavior experts provide a concept about job satisfaction which they express at the same meaning that job satisfaction is attitude and the general feeling from a worker to his work. Kreitner, (2018) define job satisfaction as "the degree to which individuals feel positively or negatively about various aspects or dimensions of their work. The two-factor theory explains that there are two factors that influence a individual job satisfaction, hygiene factor and the motivation factor.

Hygiene factors are factors that prevent dissatisfaction. Motivation factors are factors related to work itself that make a person feel satisfied with his job (Herberg, 1959).

2.2 Compensation Fairness and Job Satisfaction

Compensation is defined by the Society for Human Resource Management (SHRM, 2012) as a systematic approach to providing monetary value to employees in exchange for work performed. Compensation includes all tangible and intangible rewards provided by the employer that an employee receives as part of the employment relationship. While Compensation fairness is something that a person receives from a company equal with the input given to the company where he works (Chuzaeni, 2017). This creates a sense of ownership but also a fascinating financial advantage for the employees. Employees should be compensated in ways besides just money for their efforts. (Ducharme *et al.*, 2005).

Thormson (2002) suggests that definition of total reward typically encompass not only traditional quantifiable elements like salary, variable pay and benefit, but also more intangible noncash elements such as scope to achieve and exercise responsibility, career opportunities, learning and development. Adam (1963) explained about equity theory an employee who perceives inequity in their rewards seek to restore equity, Equity theory emphasizes equity in remuneration structure of employee. Their perception of how they are being treated by their firms are important to them. If the employee feels he is not being paid fairly for the amount of work he does in a day will result in lower productivity, increased turnover and high absenteeism. (Adams, 1963; Greenberg, 1987, 1990; Milkovich dan Newman, 2008).

Singh & Loncar, (2010) described the higher compensation given by the company the higher employee satisfaction toward their performance to company. Penelitian yang dilakukan oleh Naziret *et al.*, (2013), Salisuet *et al.*, (2015) Muguongo *et al.*, (2015), Veriyani dan Prasetio (2019), Potale & Uhing (2015) fairness compensation has positive correlation toward job satisfaction following the previous studied, the hypothesis of this research is: **H1**: Compensation fairness has positive effect on job satisfaction

2.3. Workload

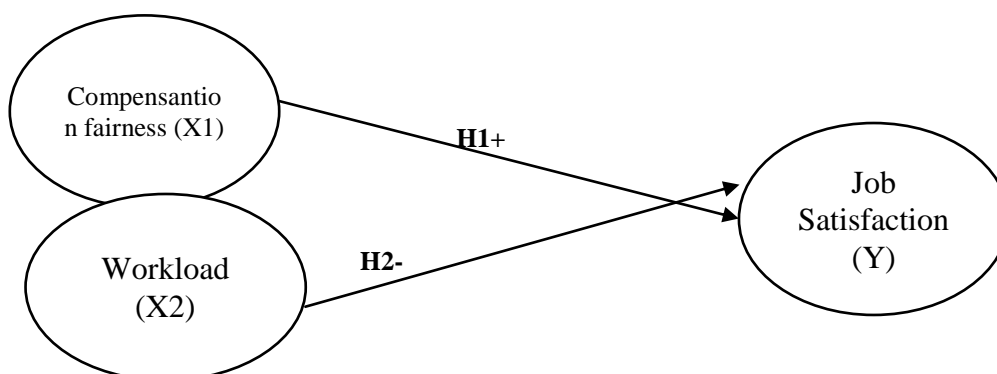
Saefullah *et al.*, (2017) The workload that is too large is too heavy can have a negative impact on job satisfaction. Workload refers to the employee's assessment of the work they do, workloads reflect the views of employees on the work they complete in a certain period of time. High workloads cause performance to decline. Wefaldet *et al.*, (2018). Bakker *et al.*, (2003) stated that the workload of employees due to the demands of the job or job demands, Its refer to the physical, psychological, social or organizational aspects of work, requiring ongoing physical and psychological abilities that are linked to workload. Toorenet *et al.*, (2011). Study conducted by Melati and Bagus (2015) described that workload has positive effect on job satisfaction which show the higher workload received by employee the lower employee job satisfaction and vice versa. Mansoor *et al.*, (2011), Rehman *et al.*, (2012) and Zaki dan Marzolina (2018) found that workload has positive significant toward job satisfaction.

The hypothesis of this study:

H2: workload has negative significant effect on job satisfaction

2.3 Kerangka Konseptual

Berdasarkan uraian yang telah disajikan, kerangka konseptual pada penelitian ini dapat dilihat pada gambar 1.



Gambar 1 Kerangka Konseptual Penelitian

H1: Compensation fairness has positive effect on job satisfaction

H2: workload has negative effect on job satisfaction

III. DATA ANALYSIS METHOD

This study uses a quantitative method to determine the relationship between compensation fairness (X1) and Workload (X2) toward job satisfaction (Y), the population of this study were employee at hotel Le Pirate Labuan Bajo, east nusatenggara Nusa Tenggara using the saturation sampling techniques. This study uses quantitative data like as age, grade of employee, and total number of employee also using quantitative data is result of interview, and score of respondent this researched also conducted primary data as interview, and questionnaire.

Data were measured using a Likert scale with a range of 1-5. Validity test is used to determine the validity of all of the indicators used as a measurement variable (Lestariningsih, U., et al., 2015). Test of validity test in this study has a value of $KMO \geq 0.5$, $MSA \geq 0.5$, Loading Factor ≥ 0.4 , Cumulative Explained Variance ≥ 0.5 , and Eigenvalue ≥ 1.0 . Test reliability is a reliability test that aims to find out how far a measuring instrument reliable (Supriyono, K., et al., 2015). Test of reliability using Cronbach Alpha value (α). If Cronbach Alpha coefficients is > 0.6 ; and the instrument value is said to be reliable

Table 1. Respondent Characteristic Details

No	Variabel	Klasifikasi	Jumlah (Orang)	Presentase (%)
1	Gender	Boys	32	65.31
		Girls	17	34.69
Total			49	100
2	Ages	21-25	22	44.90
		21-25	22	44.90
		26-30	17	34.69
		31-35	5	10.20
		>40	2	4.08
Total			49	100
3	Degree	SMA/K	35	71.43
		D3	10	20.41
		S1	4	8.16
Jumlah			49	100
4	Period	< 1 Tahun	10	20.41
		1-3 Tahun	30	61.22
		4-5 Tahun	9	18.37
Total			49	100

Sumber: data primer didolah, 2021

Data distribution and characteristic shows the respondent dominated by male with a percentage of 65.31% and the rest of 44.90% is female respondents. Average ages of most of the respondents were 21 – 25 years old in 44.90%, followed by 61.22% employee working around 1-3 years and 71.43% respondents dominated graduated from high school and vocational school.

IV. RESULT AND DISCUSSION

Validity of this research show that the value of Kaiser Meyer Olkin $KMO \geq 0.5$, $MSA \geq 0.5$, Loading Factor ≥ 0.4 , Cumulative Explained Variance ≥ 0.5 , and Eigenvalue ≥ 1.0 , which indicates that all variable items are declared valid.

Test reliability study was conducted using grades Cronbach Alpha (α) If Cronbach Alpha coefficients > 0.6 , the instrument reliable. It is said such testing can be seen that the reliability test each variable has a value of Cronbach Alpha > 0.6 and values Cronbach alpha if item deleted at any point statement did not exceed the value of Cronbach Alpha for each variable. It can be concluded that all instruments are reliable.

Table 2. Validity and Reliability Test

No	Variable	KMO	Barlett's Test	Comulative variance	Eigenvalue	Ket	Cronbach alpha	reliability
1	Job	0,872	224,221	64,744	11,006	Valid	0,965	Reliabel

	Satisfaction							
2	Compensation Fairness	0,834	116,789	51,280	3,590	Valid	0,838	Reliabel
3	Workload	0,782	117.575	76,853	3,074	Valid	0,903	Reliabel

Sumber: Primary Data, 2021

4.1 Job Satisfaction Score Distribution

Job Satisfaction variable measured by 17 item indicator related to job satisfaction. Highest average score respondent is 3.71, and lowest average is 2.41. Variable job satisfaction average value is 3.45, data shown in Table 3.

Table 3. Job Satisfaction Score Distribution

No	Job Satisfaction Variable	N	Average	Detail
1	Policy set by company were good for employee	49	2,41	Lower
2	Policy set by company supporting employee job description	49	3,16	Enough
3	The relationship between superiors and subordinates went well	49	3,71	High
4	Relationship between coworkers went well	49	3,90	High
5	Comfort and supportive workplace	49	3,67	High
6	The company has a complete infrastructure	49	3,39	Cukup
7	Salaries given the company according to the workload	49	2,96	lower
8	The salary earned by the employees in proportion to their responsibilities	49	3,41	Enough
9	Employee has comfort and safe workplace	49	3,61	High
10	Employee has better work achievement	49	3,67	High
11	Employees receive recognition from the company	49	3,51	High
12	Work given fit with employee skill	49	3,47	Enough
13	Job fit to my educational background	49	3,39	Enough
14	Work completed by employee on time	49	3,73	High
15	Employee Promotion program	49	3, 49	Enough
16	Growth training for employee skill	49	3,67	High
17	Development training for employee skill	49	3,63	High
	Average		3,45	Enough

Sumber: data primer diolah, 2021

4.2 Compensation Fairness Score Distribution

Compensation fairness measured by 7 item indicator, respondent highest score has value of 3.61 and lowest score value is 2.63. Table 4 shown average data of compensation fairness is 3.25.

Table 4. Compensation Fairness Score Distribution

No	Variable Compensation Fairness	N	Average	Details
1	The salary received by this organization is equivalent to the salary by other organizations	49	3,43	Enough
2	The salary earned in this organization is in fair with the salary earned by colleagues	49	3,47	Enough
3	The salary earned in this organization is in fair with the salary earned by other colleagues	49	3,43	Enough
4	The salary received equivalent with my job des	49	2,63	Low
5	The salary provided by this organization is in equivalent with working hours.	49	2,69	lowe
6	The salary provided by this organization is in equivalent with year of service	49	3,61	High
7	The salary provident equivalent with my skill	49	3,53	High
	Average		3,25	Enough

Sumber: Primary data, 2021

4.3 Distribusi Skor Beban Kerja

Variable workload measured by 4 indicator, the score table below showed Highest average score is 3.98 and lowest score is 3.65. Total average score for variable workload is 3.83.

Table 5. Workload Score distribution

No	Variabel Beban Kerja	N	Average	Details
1	The company given too much work	49	3,94	High
2	I worked Underpressure	49	3,65	High
3	The Manager informed the progress of our work	49	3,76	High
4	Manager can be relied upon for difficulties job	49	3,98	High
	Average Score		3,83	High

Sumber: Primary data 2021

4.4 Multiple Regression Analyzetest

The results of multiple linear regression test presented in table 6

Table. 6 Multiple Regression Analyze Table

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-9.554	9.235		-1.035	.306
	Compensation Fairness	.989	.360	.268	2.747	.009
	Workload	-3.033	.454	-.651	-6.678	.000
	Coefficient Determination :0,612	F: 36.317				

Sumber: data primer diolah, 2021.

Based on Multiple Regression analyze, the equation will be:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$$

$$\text{Job Satisfaction} = -9.554 + 0,989 \text{ Compensation fairness} + -3,033 \text{ Workload} + e$$

4.5. Classical Assumption Test

Summary of Heterokedasitas, Multicoliniary, and Normality shown on table below. Analysis explain that data has normal distribution and there is no multicollinearity and normality.

Table 7. Normality Test

<i>Unstandardized Residual</i>	
N	49
Asymp. Sig. (2-tailed)	0,098

Sumber: data primer diolah, 2021

Table 8. Multicoliniarity Test

Variabel	Tolerance	VIF
Compensation Fairness (X1)	0,887	1,127
Workload (X2)	0,887	1,127

Sumber: data primer diolah, 2021

Table 9. Heteroskedastisitas

Variabel	Sig	Keterangan
Keadilan_Kompensasi	0.192	Bebasheteroskedastisitas
Beban_Kerja	0.939	Bebasheteroskedastisitas

4.6. Pengaruh Keadilan Kompensasi Terhadap Kepuasan Kerja

The results of multiple linear regression analysis show that compensation fairness has a positive and significant effect on job satisfaction. The value of the compensation fairness coefficient (β_1) is 0.989 with a significant level of 0.009 (<0.05)

4.7 Pengaruh Beban Kerja Terhadap Kepuasan Kerja

The results of multiple linear regression analysis show that workload has a negative and significant effect on job satisfaction. The value of the workload coefficient (β_1) is -3.033 with a significance level of 0.000 (<0.05)

4.8 Diskusi, Simpulan dan Rekomendasi

Compensation fairness has a positive and significant effect on job satisfaction at Le Pirate Hotel, it shows that the higher level of compensation fairness received by employees, the higher level of job satisfaction felt by employees at Le Pirate hotel labuan bajo.

Similar with previous research finding by Naziret et al., (2013) Salisu et al., (2015) Muguongo et al., (2015), Veriyani and Prasetyo (2019) Potale & Uhing (2015), Tjahjone et al., (2017) stated that compensation fairness has a positive and significant effect on job satisfaction.

Theory of two factors (Herzberg, 1959) describe individual has reason to work ortodo the duties due to full filled their basic needs. Motivation factors described as factors that support Employees to work harder and satisfied with their job, it can be pursued by implement company policies such as achievement recognition, promotion, career growth and development of employees. Hygiene factor describe as factors was related to the "need to avoid unpleasantness." Company policies and administration, relationships with supervisors, interpersonal relationships, working conditions, and salary were all hygiene factors

Singh & Loncar, (2010) found the higher compensative given by the company the higher employee satisfaction, while workload has negative effect on employee satisfaction toward their job at le pirate hotel. This mean the higher work pressure given by the company the less employee satisfaction. This research finding supported the previous study by Wijaya (2018), Melati dan Bagus (2015), Mansoor et al., (2011) Rehman et al., (2012), Zaki dan Marzolina (2018).

4.9 Research Limitation

This study has several limitation hence this study This study only discusses about compensation fairness and workload to job satisfaction. previous study has found that there many factors such as motivation, work quality also affected job satisfaction. limited sample were used in this study and it is below 50, which to increase the data accurate and better explanation between variable, future research should add more sample in general.

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