

# THE EFFECT OF WORKLOAD AND COMPENSATION ON EMPLOYEE PRODUCTIVITY

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**Abstract-** Organizations can succeed with the role of humans as a resource. Natural resources and human resources or employees are essential assets to run the wheels of production in a company, but human resources are considered to have a more important role in the company's operations. This is because human resources have a role as a driving factor and other production factors such as materials, machines, money and methods. Although with abundant natural resources, if the support of human resources is insufficient, the results will not be maximized. Work productivity is an indication of the success of human resource management in the company. This study aims to determine the effect of workload on productivity, and to determine the effect of compensation on productivity. The findings of this study confirm that the role that shapes work productivity comes from the contribution of workload and compensation. The two independent variables have been proven to significantly form work productivity variables.

**Keywords:** workload, compensation, employee productivity,

## INTRODUCTION

The objectives of the organization are closely related to the policies carried out by the leadership in increasing the work productivity of his subordinates. Efforts to increase employee work productivity by a leader means that they can generate impulses for the will of work of a person or oneself to achieve work goals that are an obligation in achieving company goals. With the fulfillment of something, the company's goals can be realized, so for that it is recommended that every manager or leader must be able to move and arouse the enthusiasm and passion of work from subordinates, work passion turns out to affect employee work loyalty. Therefore, companies must strive for employees to be passionate in carrying out their duties that can be done by providing motivation (Fatimah et al., 2018).

There are several circumstances that can be said to affect the productivity of a company, including the provision of a workload that is effective and efficient, and compensation (Andayani & Darmawan, 2011). The effectiveness of the workload from human resources is an employee's expectation with the aim of achieving the goals of the business entity, namely the welfare of employees, both in terms of achieving the celebrations set short and long by the company (Armstrong, 2008).

Workload is a work procedure about things that a company has set for its workforce that is adapted to the type of work of employees. Based on this statement, workload is a form of supervision to employees that is carried out regularly and gives an impact on the value of employee work sincerity in a company. Productivity is not a matter of management methods and systems, but also includes a very comprehensive problem, for problems related to the management of government assets, labor institutions and also other groups of social organizations, where each group has different goals so that the goals of increasing the work productivity of human resources are different (Putra et al., 2017). Regarding the work productivity of the workforce, in fact, it can be measured according to the workload imposed on each workforce and also the work targets that the company has set. According to Sinambela and Ernawati (2021), internal and external factors affect the workload. Gender, body condition, age to psychological matters are internal factors. Tasks, work environment and climate as well as responsibilities are external factors.

In addition, the level of employee work productivity can increase if employees get compensation so that enthusiasm arises in working because in addition to getting a salary, they also get additional salaries from the company (Novrianda, 2012). This is rarely seen by company leaders in increasing the productivity of their employees, even though compensation is very effective in increasing labor productivity (Ramadhan, 2013).

Compensation in general can be interpreted as a repayment of services that the organization provides to employees for the results of work and contributions made by employees to the organization through the work they do (Mahyanalia, 2017). The purpose of compensation is to provide employee rights, provide a sense of justice, obtain qualified employees, retain employees, respect employees, control costs, comply with government regulations, and avoid conflicts (Padma, 2018). There are many factors that are taken into consideration in assigning compensation to employees in an organization. Such various factors affect the type and amount of compensation that the organization provides to employees. According to Gunawan (2012), the factors that affect compensation are as follows: education, experience, workload and responsibilities, position, rank/class level, work performance, and other considerations. In

general there are several indicators of compensation. The indicators of compensation according to Sinambela et al. (2020) are 1). Wages and salaries, which are the way the company provides repayment to employees for the effort, sacrifices and hard work done to increase the company's productivity, 2). Loyalty, that is, employee loyalty to the company so that employees work with high enthusiasm and productivity to achieve company targets, 3). Justice, maintaining the principle of fairness by not distinguishing employees from one another, 4). Rewards, that is, strengthening employee behavior , by rewarding employees.

Productivity as a result of human resources that have a strategic role in the company. The human factor can act as a source of efficiency for the organization, and vice versa. Darmawan (2021) calls productivity about human attitudes and mentality. Fulfillment of obligations based on efforts to provide the best results for the organization. It's never enough but always getting better and better to deliver results. Productivity is not only about management techniques and their application, but how workers are motivated to work and meet standards (Mardikaningsih & Putra, 2021). According to Isaac et al. (2016), various factors in workers have the ability to influence the formation of productivity. So are the surrounding factors. Thus, this study intends to observe the role of the perceived workload factor of workers and compensation policies that are thought to have an impact on work productivity.

## RESEARCH METHODS

In this study, the research method carried out was by associative research methods. This is a study that aims to find out the relationship between two or more variables (Mardikaningsih, 2013). With this research, a theory will be built that can serve to explain, predict and control a symptom. In this study will collect research sample data, this research sample is collected through filling out a questionnaire. The population of this study was all employees in a company in Sidoarjo which amounted to 62 people. In this study, because the population was small, the sample in this study used all employees, namely 62 employees using saturated sampling. According to Damayanti et al. (2011), saturated sampling is a sample hatching technique when all members of the population are used as samples. The data collection technique used is a list of questionnaire questions given to research respondents, namely employees. The data analysis technique used is multiple linear regression analysis.

## RESULTS AND DISCUSSIONS

The classical assumption test is used in the framework of assessing whether a statement already has the feasibility to be submitted as a research model. This classical assumption test is an analysis that must be present when performed on multiple linear regression tests (Damayanti et al. (2011). Some of the classical assumption tests used in this thesis can be mentioned:

Normal distribution of data is a parametric requirement for the population and its characteristics to be represented. The results of the data processing prove that the data has been normally distributed. This is indicated by the distribution of the data around the diagonal line.

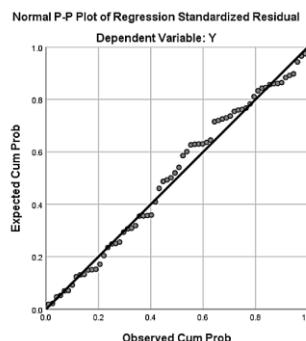


Figure 1. Normality Test  
Source: SPSS output

The problem of heteroscedasticity should not occur in the regression model as a predictor. The output shows no pattern and it spreads out. This means there is no problem. It is feasible to use it to predict employee productivity based on the input of workload variables, and compensation. Independent variables affect free variables, this can be seen from the value of workload and compensation above the significance level of 5% (0.05). It is concluded that the regression model does not lead to the existence of heteroskedasticity.

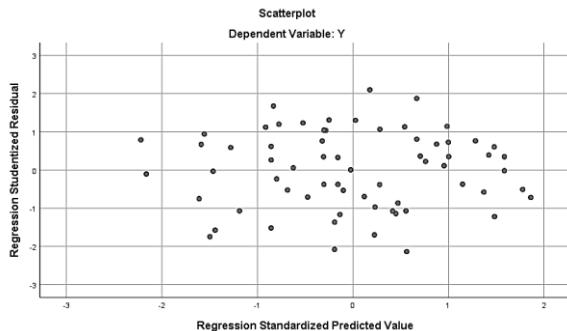


Figure 2. Heteroskedastast Test

Source: SPSS output

The Multicollinearity Test aims to detect the presence or absence of multicollinearity symptoms in the data can be done by looking at the tolerance value and Variance Inflation factor (VIF). With the following criteria:

- If the VIF  $> 5$  then it is suspected to have a Multicollinearity problem.
- If the VIF  $<$  than 5 then there is no Multicollinearity.
- If the tolerance  $< 0.1$  then it is suspected to have a multicollinearity problem.
- If the tolerance  $> 0.1$  then there is no multicollinearity.

The VIF test result is not more than 10 and the tolerance is not less than 0.1. This means that the regression model does not have a multicollinearity problem.

The multiple regression analysis method is used to find out how much influence the free variables (workload, and compensation) have on the bound variables (work productivity). The data is processed statistically for the purposes of hypothesis analysis and testing using the SPSS program tools. The general form of regression equation used is as follows:  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$ , where:

$Y$  = work productivity

$X_1$  = Workload

$X_2$  = Compensation

$\alpha$  = Constant

$\beta_1, \beta_2$  = Regression coefficient

$e$  = Standard error

Based on testing using SPSS, the results of the multiple linear regression equation can be seen in table 1 below.

Table 1  
Coefficients<sup>a</sup>

Type	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
1	(Constant)	14.040	4.230	3.320	.002
	X.1	4.930	.651	7.574	.000
	X.2	2.825	.464	6.084	.000

The regression equation is as follows:  $Y = 14,040 + 4,930 X. 1 + 2,825 X. 2 + e$

From the equation can be described as follows:

- The constant ( $\alpha$ ) = 14,040 means that even if the workload variable, and compensation is zero, the work productivity remains at 14,040.
- The coefficient  $\beta_1$  ( $X.1$ ) = 4,930 means that if the workload variable is increased by one unit, the work productivity will increase by 4,930.
- The coefficient  $\beta_2$  ( $X.2$ ) = 2,825 means that if the compensation variable is increased by one unit, the work productivity will increase by 2,825.
- Statistical test t is performed to test whether the free variable (X) individually has a significant or not influence on the bound variable (Y).

Workload variables have an effect on work productivity. This is seen from the significant value (0.000) less than 0.05. Likewise, the compensation variable has a positive and significant effect on employee work productivity. This can be seen from the significant value (0.00) less than 0.05.

Statistical test F (simultaneous) performed for simultaneous testing can be seen from table 2 to find out whether these free variables together have a significant effect or not on the bound variables.

Table 2  
ANOVA<sup>a</sup>

Type	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2	1198.418	70.324	.000 <sup>b</sup>
	Residual	59	17.041		
	Total	61			

Based on the F test table it is known that the influence of free variables is a significance level of 0.000. Thus, workload, and compensation synchronously are significant to work productivity.

Table 3  
Model Summary<sup>b</sup>

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.839 <sup>a</sup>	.704	.694	4.128	1.736

The value of R Square 0.704 means that 70.4% of work productivity can be explained by the variable's workload and compensation while the remaining 29.6% can be explained by factors other than those studied in this study such as work environment, motivation, organizational culture, etc.

Based on the results of the study, it is true that there is an influence between workload on the work productivity partially, positively and significantly. The level of productivity depends not only on individual capabilities but also on workloads. This relates to what is produced whether it is in accordance with the responsibilities and details of the tasks that have been given to workers. Overloading has an impact on the results in terms of quantity and quality. In addition, there are other impacts such as tired mentally and physically. On the contrary, in contrast to the advantages, this will have an impact on inefficiency so that the potential of human resources is stopped or does not develop. A study on the impact of workload on productivity has been carried out by Mathews and Sighn (2018) whose results are in line with this study.

The results of another study stated that there is an influence between compensation and work productivity. Compensation partially has a positive and significant effect on work productivity. The results of this study are in line with the research results of Pearce (2010), Hewitt (2009), and Jamal & Awan (2019). The workload felt by individuals in working will increase due to the compensation provided by the company. Compensation has a specific role. Steers and Porter (2010) mention directly or indirectly, compensation policies as a manifestation of the company's treatment of workers will have an impact. It's focused on productivity. Inaccuracy will only hinder work productivity (Gomez-Mejia, 2012). Workers feel they don't have to do more in the face of non-compliance with compensation policies. Compensation is not the main driver for workers to do better even though it is their obligation.

Efforts to increase productivity have been found to stem from compensation policies. It's about the company's will and intention to pay attention to the welfare of employees. This also causes them to continue to give their best (De Nissi & Griffin, 2001). Thus the provision of compensation in the company must be properly regulated, in order to be accepted by both parties. The compensation system is expected to guarantee the satisfaction of employees which ultimately allows the company to achieve the expected level of productivity.

## CONCLUSIONS

The results obtained by the two independent variables have been shown to have a role in shaping productivity for workers. Workload is proven to play a role. Likewise, compensation as a contributor to the formation of productivity. Together they form productivity.

Companies should consider the workload for each worker. By assigning job duties in accordance with the abilities possessed by their employees and equalizing the workload in accordance with the time given to all employees in completing work. In addition, it is hoped that the leadership will be able to evaluate the leadership that has been done before. For this reason, the author provides advice on leadership that is applied to better include employees and give them the freedom to work in achieving company targets. With better leadership, there is a close relationship between leaders and employees so that it is hoped that employee productivity can be increased. Workload, leadership and compensation in this study are free variables, which are jointly and individually discussed to reduce work productivity. Therefore, the research in this section suggests examining other variables that affect variables.

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