



## Does Incentives Effect on Job Satisfaction Employees?

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### ABSTRACT

This study aims to determine the effect of incentives on employee job satisfaction at PT. Dharma Guna Wibawa Riau Branch. The population in the study amounted to 31 people, because the data was less than 100, the sampling technique was saturated sampling so that the sample was all permanent employees, totaling 31 respondents, the data collection technique was through observation and questionnaires. Data analysis techniques used are validity test, normality test and reliability test, simple linear regression analysis, simple correlation coefficient, T test and r square test. processed using the Statistical Product and Service Solution (SPSS) version 23.0 program. based on the results of the instrument test, all data meet the validity, reliability and normal distribution tests. The results of the study are in accordance with the hypothesis where the t-count value is 2. 678 is greater than t-table (1,699) with a significant level of 0.005 equal to  $\alpha$  5% (0.05), the magnitude of the effect is 45.3%. Based on the research results, the incentive variable has an effect on employee job satisfaction at PT. Dharma Guna Wibawa, Riau Branch.

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### INTRODUCTION

In achieving the goals of a company, it cannot be separated from the role of all employees as HR, where employees as implementers and actors in an organization are very important to expedite the production activities of a company (Annes et al., 2022; Iskanto, 2023; Muryani et al., 2018; Syarif & Putri, 2022). The role of incentives for employees is very large in forming potential employees, the lack of incentives given will reduce work productivity for employees. With the incentives provided by the company to each employee, it is hoped that it can reduce the burden on employees considering the many needs and demands of life that are needed by each employee, so that employees feel that the work done is valued and there is motivation to further improve performance for the better and increase satisfaction at work . According to Gorda in Shalikhah (2018), giving incentives can encourage employee morale and provide satisfaction, increase productivity.

This research was conducted at PT. Dharma Guna Wibawa Riau Branch PT. Dharma Guna Wibawa is engaged in agricultural agrochemicals. Operational activities include Promotion, Research and Development, product distribution and training for employees as well as business relations. Types of incentives given to employees of PT. Dharma Guna Wibawa Riau Branch, can be seen in the following table:

**Table 1 Types of incentives received by employees**

Incentive	Information
Yearly bonus	Employees receive an annual bonus at the end of each year
Positional allowance	Position allowances are obtained by employees every month.

*Source: PT. Dharma Guna Wibawa Riau Branch, 2023*

Incentives are given by following company policies and regulations, this incentive is only given to HPC, SS and Admin. So that employees whose positions are outside of those specified do not get these incentives. The sales target has also decreased several times, as it is known that only in 2018 the work results exceeded the sales target by 100.8%, in 2019 the sales target decreased to 95.7%, in 2020 the sales target decreased to 92.8 %, In 2021 the sales target will decrease to 85.6%, and in 2022 the sales target will only reach 87.5%. This means that there is a decrease in employee performance at the company.

## **LITERATURE REVIEW**

### **Incentive**

According to Hasibuan (2019: 118), incentive wages are additional remuneration given to certain employees whose achievements are standard.(According to Larasati, 2018) incentives as part of benefits, especially for outstanding employees. Therefore, the existence of incentives can increase enthusiasm at work (Anjani et al., 2022; Ansori, 2021; Brink et al., 2020).

### **Incentive Indicator**

According to Ayu & Sinaulan (2018) indicators that influence the process of providing incentives within companies include : Performance Performance that produces work in quantity and quality achieved by employees. Length of Service The length of service for an employee is seen from the position in question as well as through the organization as a whole. Seniority Senior employees who show high loyalty to employees related to the organization where they work, so that the more senior a person is, the higher the loyalty and the safer the organization. Needs Needs incentives that are given properly if they can be used to satisfy some of the basic needs, not lacking but also not excess. Fairness and Fairness Companies must provide incentives for employees as a result of the work sacrifices that have been made by these employees. 6. Position Evaluation Evaluation of an employee's position can also be one of the important indicators in the provision of incentives.

### **Job satisfaction**

According to Edy Sutrisno (2019, P.74) Job satisfaction is an employee's attitude towards work related to work situations, cooperation between employees, rewards received at work, and matters relating to physical and psychological factors.

According to Edy Sutrisno (2019, P.77), the factors that influence Job Satisfaction are: Opportunity to advance. In this case, whether there is an opportunity to gain experience and

improve skills during work. job security. This factor is referred to as supporting Job Satisfaction, both for employees. Safe conditions greatly affect how employees feel at work. Salary causes more dissatisfaction, and people rarely express job satisfaction with the amount of money they earn. Company and Management Good company and management are those that are able to provide stable working situations and conditions, these factors determine employee job satisfaction. Oversight and superiors. Poor supervision can result in absenteeism and Turn Over. Intrinsic factors of the job Attributes in the job require certain skills. The difficulty and ease and pride of a task can increase or decrease satisfaction. Working conditions This includes conditions of premises, ventilation, broadcasting, canteens and parking lots. The social aspect at work is an attitude that is difficult to describe but is seen as a factor that supports satisfaction or dissatisfaction at work. Communication Smooth communication between employees and management is widely used as a reason to like their position. In this case the willingness of superiors to want to hear, understand and acknowledge the opinions or achievements of their employees plays a very important role in creating a sense of satisfaction with work. Facilities Hospital facilities, leave, retirement funds,

### **Job Satisfaction Indicator**

Indicators for measuring job satisfaction according to Sudaryo et al., (2018: 93) namely, absenteeism or absence, desire to move, employee performance, co-workers and employee work comfort

### **Effect of Incentives on Job Satisfaction**

Incentives are a stimulus for employees in carrying out their work. There are several factors that affect worker satisfaction, one of which is the work environment, facilities, communication, working conditions, salary, incentives, and many others. The results of research conducted by Klasri Asrika Fitri, Muhammad Yusuf In the journal Economics of Management and Accounting (2020) concluded that incentives have an influence on job satisfaction.

### **METHODS**

According to Sugiyono (2018: 80) population is a generalization area consisting of: objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. The population of this research is all employees of PT. Dharma Guna Wibawa Riau Branch, totaling 31 respondents. While the sampling technique is done through saturated samples. Where a saturated sample is a sampling technique if the total population is less than 100 people so that the sample in this research is the entire population of 31 people as a sample.

## RESULTS AND DISCUSSION

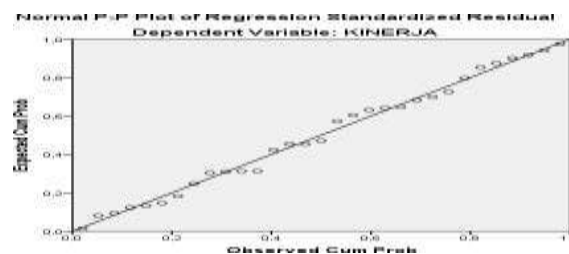
### Data quality test

The results of the data quality test, namely the validity test, show that all items used to measure all variables are valid because  $r_{count} > r_{table}$ . While the reliability test for each item can be said to be reliable if the Cronbach's alpha value is  $> 0.60$ . The results of the reliability test can be seen in the following table:

**Table 2. Reliability Test**

Variable	Cronbach's Alpha	Reliable Value	Information
Incentive	0.916	0.60	Reliable
Job satisfaction	0.823	0.60	Reliable

From the table above it can be seen that the results of the reliability test on the incentive variable and employee job satisfaction variable Cronbach's alpha value  $> 0.60$ . These results indicate that the instruments used in this study are reliable. While the Normality Test Based on the test, it can be seen that the distribution of the data is around the diagonal line and follows the diagonal line, because the regression model of the independent variables and the dependent variable fulfills the assumption of normality of the data, this means that the data is normal and feasible to be tested. Thus statistical testing can be carried out in this study to fulfill the research hypothesis. The normality test can be seen in the Normal Probability Plot graph in the following figure



### Partial Test (t test)

The t test is used to determine the significant level of influence of the independent variables on the dependent variable. From the results of the output regression can be seen as follows:

**Table 3. Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients Betas	Q	Sig.
	B	std. Error			
(Constant)	11,250	6.168		1824	.075
Incentive	.123	.047	.298	2,678	.001

a. Dependent Variable: Job Satisfaction (Y)

Based on the table above, it can be seen that the Incentive Variable has a significant effect on job satisfaction with a t-count value of 2,678 greater than t-table (1,699) with a significant level of 0.005 equal to  $\alpha$  5% (0.05), so that partial testing of incentive variables has an effect on job satisfaction.

### R Square test

**Table 4. Summary models**

Mode	R	R Square	Adjusted R Square	std. Error of the Estimate
	.674a	.453	.429	3.76857

a. Predictors: (Constant), Incentive (X)

Based on the results of the table above, the coefficient value of R Square ( $R^2$ ) is 0.453 (45.3%) which explains that incentives affect employee job satisfaction by 45.3%. While the remaining 57.7% is influenced by other independent variables not observed in this study.

### DISCUSSION

The results of the study show that incentives have an effect on job satisfaction, this is in line with the results of research conducted by Fitri (2020) concluded that incentives have an influence on job satisfaction., so that it can be explained that the higher the incentive the higher the job satisfaction of employees at the company. Incentives are promotions that are perceived as appropriate rewards for the work of employees towards the company, if the provision of incentives is fair with what is based on job demands, individual skill levels and community wages, it is likely to result in job satisfaction. (Robbins, 2016)

**CONCLUSION** The results of the study show that the t value is equal to 2,678 bigger than t table 1,699 with a significance level of 0.05 which indicates that incentives affect job satisfaction. R Square regression results of 0.453 or 45.3 % explained that the incentives on PT. Dharma Guna Wibawa Riau Branch effect on employee job satisfaction of 45.3%. While the remaining 57.7% is influenced by other independent variables not observed in this study. It is hoped that in future research, the research variables will be added for more optimal test results, because this research only uses simple linear regression.

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