

The Influence of Wages and Bonus on Work Performance of PT. Astra International Tbk. Auto 2000 Gatsu Medan Employees

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ABSTRACT

This research is intended to know the influence of Wage and Bonus variables in Indonesia. The population in this research is all employees of PT. Astra International Tbk Auto 2000 Gatsu Medan, totaling 45 employees, and the sample in this study uses the saturated sample technique. Thus, the number of samples in this study were: 45 respondents. This study uses a questionnaire that is distributed questionnaires to research respondents. This study also uses a documentation study in employee data, job descriptions, and organizational structure. Researchers also look for written sources from literature studies. The multiple regression analysis conducted estimates. The data used in this study were secondary, consisting of Wage and Bonus to Work Performance. The results of this research that Based on the partial test (t-test), the Wage and Bonus variables have a significant effect on the variables of the Work Performance, the simultaneous test (F test), Wage, and Bonus have a significant impact on the variables of the Work Performance.

Keywords: Wage, Bonus, Work Performance

INTRODUCTION

The company needs employees to carry out the company's operational activities. Human resources are a crucial factor in achieving company goals. The company will not run well if there is no human intervention. The role of the workforce is the main driver for the smooth running of the company's business and performance, so it must be maintained and

maintained by meeting the needs and desires of employees.

Companies must meet the needs of employees by providing compensation according to what employees do to keep employees committed to the company. Compensation can be divided into direct and indirect compensation. Direct compensation is a payment of money obtained by employees, such as salary or wages and bonuses. Indirect compensation includes health benefits, pension benefits, holiday allowances, education allowances, and so on, while non-financial compensation is related to the work itself and the work environment.

Wages are remuneration from the company to employees whose number is not fixed. Wages can be given based on several considerations such as units of production, wages according to time, wages based on premiums, and other types of wages. The wage system applied in the company must be adjusted to the types of company business so that it is carried out correctly. For example, a production company with many workers should establish a wage system based on production units. The company must give employees wages according to the output produced. Adequate wages can encourage employees to improve work performance because good wages will make them more focused on work without meeting their daily needs.

In addition to giving bonuses, companies may also consider providing

bonuses as another form of compensation. Bonuses are usually offered at certain times as a reward for employee achievements. As with the provision of wages, there are several ways to apply bonus rewards. For example, based on work results and based on length of work. In addition, there are various types of bonuses, including annual bonuses, achievement bonuses, skill bonuses, and the amount of bonus giving can also be fixed and variable. Giving bonuses can provide fresh air to employees after receiving a steady income through salary or wages. Giving bonuses can also encourage employees to excel because they appreciate their work.

It is necessary to have a mutually beneficial working relationship between the company and employees to encourage employee performance. Employees provide good work performance for the company's progress, while the company provides

appropriate compensation for the work performance that employees have given to the company. Without a balance between giving bonuses from the company to employees with the achievements given by employees to the company, the company's goals will be challenging to achieve.

Phenomena that occur in the company are decreased employee performance. Some of the problems of reducing employee performance include the inability of employees to achieve sales targets, inaccuracy of planning for procurement of goods/delivery of customer orders from the center, and the administration department being late in taking care of the legality of company vehicles, causing complaints from customers.

The following is a table summarizing some of the problems of declining work performance:

Table 1: Decrease in Employee Performance

No.	Drop Type	Explanation
1	Decrease in work quantity	The marketing department was unable to meet the sales target. The number of new customers in the company did not increase because the marketing department was not aggressively following up. The marketing department is mostly waiting in the showroom and less actively looking for candidates new customer.
2	Decreasing Work Quality	The procurement department lacks coordination with the head office, so vehicle deliveries are often late. The administration department does not follow up on the legality of the customer's vehicle.
3	Drop-in Punctuality	Employees start to like to come late to the office, eat lunch beyond the set time and still have breakfast when work hours have begun. Employees are lazy to deliver vehicles that have been purchased to customers and often procrastinate, causing customers to complain.

Source: Research Results (Processed Data), 2020

Based on the table above, it can be concluded that there is a problem of decreasing work performance in the company. Data shows a decrease in work performance in the form of the inability of the marketing department to meet sales targets.

One of the things that cause a decrease in employee performance is the problem of wages. At the company, employees are given wages assessed based on attendance. Employees are only paid in full if they show up on time but will not be paid if they don't show up, nor will they get a pay cut if they arrive late. On the other hand, employees will receive higher wages

on Sundays or on national holidays. Employees in the marketing department are not satisfied with the salaries given because they are considered too small. Employees will find it challenging to meet their daily needs if they cannot sell vehicles because they do not get commissions. Employees in the workshop section do not get additional wages if they work during lunch hours. For example, because they want to finish the customer's work quickly, they become lazy and choose to postpone work if the clock shows 12.00 even though the work is almost done. Deductions in wages for late employees also cause employees to be unhappy because they feel disadvantaged.

Employees do not receive overtime pay if they work overtime without the supervisor's approval. It means that overtime pay is only given if you work overtime on orders from your superiors. Still, you will not be given additional overtime pay if you have overtime on your initiative.

Another problem that causes a decrease in employee performance is the unequal bonus system. Bonuses are given annually at the company, considering the number of vehicles each employee has sold successfully. It means that employees in the marketing department will receive bonuses and commissions already received. On the other hand, employees receive bonuses with a fixed bonus system based on years of service. It causes employees in different parts to feel less valued by the company because they feel that the results achieved by the company are not only done by the marketing department but also because of the work of other departments. The marketing department's vehicles will not increase customer satisfaction if the repair shop does not serve customers during routine service or damage. Customers will not be able to take out the car for free use on the road if the administration does not correctly take care of the legality of the car and its sales documents.

Based on the background of the problem above, the researcher is interested in conducting a study titled "The Influence of Wages and Bonuses on Work Performance of PT. Astra Internasional Tbk employees. Auto 2000 Gatsu Medan."

Framework

Following the description of the background of the problem, literature review, and previous research, a conceptual research framework prepares as follows:

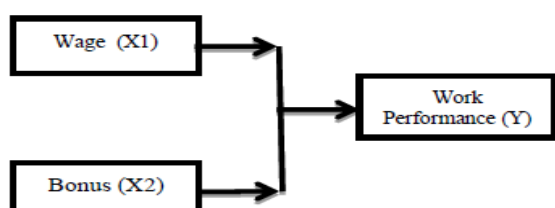


Figure 1 Conceptual Framework

Theoretical Framework and Relationship Between Variables

Nurdin and Hartati (2019: 125) state, "The framework of thinking is the rationale of research that is synthesized from facts, observations, and literature studies."

Mulyapradana and Hatta (2016: 86) state, "Bonuses are additional income that serves as a driving force so that employees are more enthusiastic in improving work performance and loyalty to the company."

Kristanti and Pangastuti (2019:49) state, "The tips for optimizing employee performance are through the provision of decent wages."

Purnaya (2016:102) states that, from evaluating work performance, managers can determine how much wages or proper compensation should be given to employees. It is essential because performance evaluation can assist managers in making decisions, whether the provision of salaries, bonuses, incentives, and other forms of compensation is appropriate and fair to employees.

H1: Wages influence Employee Work Performance of PT. Astra International Tbk. Auto 2000 Gatsu Medan.

H2: Bonus influences PT.Astra's Employee Work Performance International Tbk. Auto 2000 Gatsu Medan.

H3: Wages and bonuses influence employee performance PT. Astra International Tbk. Auto 2000 Gatsu Medan.

RESEARCH METHODS

This type of research is causal associative research to determine whether wage and bonus are independent variables on the work performed as the dependent. The causal associative study analyzes the relationship between variables to determine how one affects other variables (Erlina, 2011). The data collection technique used is a questionnaire (questionnaire). The data analysis method used in this study is a statistical analysis method using the SPSS 21 application. Data analysis performs by testing standard assumptions and testing hypotheses.

Sujarweni (2014:65) states, "Population is the total number consisting of objects or subjects that have certain characteristics and qualities that are applied by researchers to be studied and then drawn conclusions." The population in this study were: all employees of PT. Astra International Tbk Auto 2000 Gatsu Medan, totaling 45 employees.

Sujarweni (2014:65) states, "The sample is part of some characteristics possessed by the population used for research." Sujarweni (2014:72) says that "saturated sampling is a sampling technique when all population members are used as samples."

The sample in this study used a saturated sample technique. Thus, the number of pieces in this study were: 45 respondents.

RESULT AND DISCUSSION

Data analysis

Testing Data Validity and Reliability

Before testing the data, both for the description of the research data and for testing classical assumptions and hypotheses, it is necessary to test the validity and reliability of the data. This test needs to be done because the type of research data is primary data.

Validity Test

The validity test in this study used a sample of 30 respondents, with a rtable value of 0.3610.

The results of the validity test of the wage variable are:

Table 2: Wage Variable Validity Test Results (X1)

No.	Statement Items	r Stat	r table
1	The wages you receive are still following offers from other companies.	0.897	0.3610
2	You are often late in receiving your wages.	0.593	0.3610
3	You are a member of a trade union.	0.879	0.3610
4	Companies assess employee productivity before providing wages.	0.965	0.3610
5	The company has provided wages according to government regulations.	0.965	0.3610
6	The wages you receive are sufficient to cover your needs.	0.965	0.3610
7	Mr / Ms receive wages according to the position.	0.885	0.3610

Source: Research Results (Processed Data), 2020

Based on the table above, the rcount value for the statement items from the wage variable has a value above rtable 0.3610, so the conclusion is that all statement items

from the wage variable are: valid and can be used in research.

The results of the bonus variable validity test are:

Table 3: Bonus Variable Validity Test Results (X2)

No.	Statement Items	r Stat	r table
1	The company provides bonuses to employees in certain positions.	0.932	0.3610
2	Each employee receives a bonus of a different amount.	0.845	0.3610
3	The company conducts a performance assessment to determine the award of bonuses.	0.760	0.3610
4	The company also provides bonuses per division.	0.658	0.3610
5	The company continuously distributes bonuses when it makes a profit.	0.760	0.3610
6	The increase in bonus is adjusted to the rise in profit.	0.658	0.3610

Source: Research Results (Processed Data), 2020

Based on the table above, the rcount value for the statement items from the bonus variable has a value above rtable 0.3610, so the conclusion is that all statement items

from the bonus variable are: valid and can be used in research.

The results of the validity test of work performance variables are:

Table 4: Work Performance Variable Validity Test Results (Y)

No.	Statement Items	r Stat	r table
1	Mr / Ms always provide work with a minimum of errors.	0.743	0.3610
2	Mr / Ms master the work assigned.	0.861	0.3610
3	You always take the initiative to provide ideas in completing work.	0.872	0.3610
4	You can work together with other employees.	0.743	0.3610
5	You always show an attitude of prioritizing the company's interests above personal interests.	0.861	0.3610
6	You are never late and absent without notice.	0.861	0.3610

Source: Research Results (Processed Data), 2020

Reliability Test

After testing the validity, the next step is to test the reliability of the data by looking at the value of Cronbach's alpha. If the value of Cronbach's alpha is more significant than 0.6, then the research questionnaire is declared reliable. The data testing results show that the value of Cronbach's alpha is more significant than 0.6. It shows that all research data is stated to be reliable.

Table 5

Variable	Alpha Cronbach's	Reliability Limit	Note
Wage (X1)	0,950	0,6	Reliable
Bonus (X2)	0,950	0,6	Reliable
Work Performance (Y)	0,950	0,6	Reliable

Source: Research Results (Processed Data), 2020

Classic Assumption Test

Normality Test

The results of the normality test with Kolmogorov Smirnov are:

Based on the normality test results of the data using the Kolmogorov-Smirnov test and by looking at the graph test, the conclusion is that the data has a normal distribution. It can be seen by looking at the Kolmogorov Smirnov value of 0.200 if the significance of Kolmogorov Smirnov's value is more significant than 0.05. The conclusion is that the data has a normal distribution. It is also supported by a graph that follows a diagonal line. The normality test graph can be seen in the following figure:

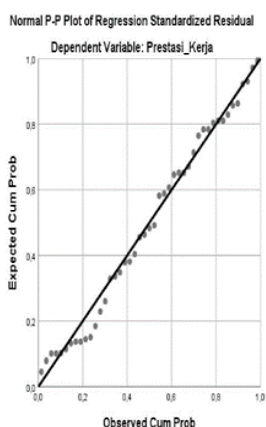


Figure 2. Data Normality Test

Based on the picture above, the points spread around the diagonal line follow the direction and surround the diagonal line, so the conclusion is that the data meet the assumption of normality.

Multicollinearity Test

Table 6

Model	Collinearity Statistics Tolerance VIF	
1 (Constant)		
Wage	,998	1,002
Bonus	,998	1,002

Source: Research Results (Processed Data), 2020

Based on the table above, the wage and bonus variables' tolerance value is 0.998, and the VIF value is 1.002. Because the tolerance value is > 0.1 and $VIF < 10$, the conclusion is that the data is free from the assumption of multicollinearity.

Heteroscedasticity Test

The results of the heteroscedasticity test with Spearman's rho are:

Table 7

		Correlations Unstandardized Residual		
		Wage	Bonus	Residual
Spearman's rho	Wage	1,000	,071	-,006
	Correlation Coefficient			
	Sig. (2-tailed)		,641	,969
	N	45	45	45
Bonus	Correlation Coefficient	,071	1,000	,094
	Sig. (2-tailed)	,641		,537
	N	45	45	45
Unstandardized Residual	Correlation Coefficient	-,006	,094	1,000
	Sig. (2-tailed)	,969	,537	
	N	45	45	45

Source: Research Results (Processed Data), 2020

Based on the data above, the significance value of the wage variable is 0.969, and the significance value of the bonus variable is 0.537. Because the significance value of the two variables is above 0.05, the conclusion is that the data is free from the assumption of heteroscedasticity.

Multiple Linear Regression Analysis

Table 8
Coefficients^a

Model		B	Std. Error	t	Sig.
1	(Constant)	3,293	3,394	,970	,337
	Wage	,438	,089	4,927	,000
	Bonus	,411	,139	2,965	,005

a. Dependent Variable: Work Performance
Source: Research Results (Processed Data), 2020

Persamaan regresi linier berganda yaitu:

$$Y = 3.293 + 0.438 X_1 + 0.411 X_2$$

The equation can be explained as follows:

1. Constant 3.293. If the wage and bonus variables are 0, the work performed will be worth 3,293 units.
2. Regression coefficient of wage variable 0.438. It means that if the wage variable increases by 1 unit, then the work performance variable will increase by 0.438 units.
3. Regression coefficient of bonus variable 0.411. It means that if the bonus variable has increased by 1 unit, then the work performance variable will have increased by 0.411 units.

Partial Hypothesis Testing

The results of the partial hypothesis test are:

The ttable value for a sample of 45 respondents and the number of variables = 3 then $df = 45 - 3 = 42$ so that the ttable value is: 2.01808. Based on the table above, the results of partial hypothesis testing are:

1. Results of partial hypothesis test H1

The tcount value of the wage variable is 4.927 with a significance of 0.000. Because the tcount value is $4.927 > ttable 2.01808$ and the significance is $0.000 < 0.05$, the conclusion is that the results of the study accept H1, partially wages affect the work performance of PT. Astra International Tbk employees, Auto 2000 Gatsu Medan.

2. The results of the partial hypothesis test H2

The tcount value of the work spirit variable is 2,965 with a significance of

0.005. Because the tcount value is $2,965 > ttable 2.01808$ and the significance is $0.005 < 0.05$, the conclusion is that the study results accept H2, partially bonuses affect the work performance of employees of PT Astra International Tbk, Auto 2000 Gatsu Medan.

Simultaneous Hypothesis Testing

The results of the simultaneous hypothesis test are:

Table 9: Simultaneous Hypothesis Test Results
ANOVA

Model		F	Sig.
1	Regression	15,844	,000 ^b
	Residual		
	Total		

a. Dependent Variable: Work Performance

The Ftable value for the sample size is 45 respondents and the number of variables is 3 variables, then $df_1 = 2$, $df_2 = 45 - 3 = 42$ so that the ttable value is: 3.22. Based on the table above, the value of Fcount is 15,844 and has a significance of 0.000. Because the value of Fcount $15,844 > Ftable 3.22$ and a significance of $0.000 < 0.05$, the conclusion is that the study results accept H3, simultaneously wages and bonuses affect the work performance of employees of PT. Astra International Tbk, Auto 2000 Gatsu Medan.

Coefficient of Determination(R²)

Based on the table, the adjusted R square value is 0.403, which means that wages and bonuses can explain 40.3% of the work performance variables. The remaining 59.7% can be explained by variables outside the model, such as salaries, promotions, leadership, and others.

DISCUSSION

The Effect of Wages on Work Performance

The study results accept H1, partially wages affect the work performance of employees of PT. Astra International Tbk, Auto 2000 Gatsu Medan.

Priansa (2014:335) states, "Wages are compensation paid based on working

days, working hours, or the number of units of product produced by employees."

The study results follow the theory: Kristanti and Pangastuti (2019:49) state, "The tips for optimizing employee performance are through the provision of decent wages."

At the company, employees are given wages assessed based on attendance. Employees are only paid in full if they show up on time but will not be paid if they don't show up, nor will they get a pay cut if they arrive late. On the other hand, employees will receive higher wages on Sundays or on national holidays. Employees in the marketing department are not satisfied with the salaries given because they are considered too small. Employees will find it challenging to meet their daily needs if they cannot sell vehicles because they do not get commissions.

Employees in the workshop section do not get additional wages if they work during lunch hours. For example, because they want to finish the customer's work quickly, they become lazy and choose to postpone work if the clock shows 12.00 even though the work is almost done. Deductions in wages for late employees also cause employees to be unhappy because they feel disadvantaged. Employees do not receive overtime pay if they work overtime without the supervisor's approval. It means that overtime pay is only given if you work overtime on orders from your superiors. Still, you will not be given additional overtime pay if you have overtime on your initiative.

The Effect of Bonuses on Work Performance

The results of the study accept H2, partially bonuses affect the work performance of employees of PT. Astra International Tbk, Auto 2000 Gatsu Medan.

Siagian (2015:269) states, "Bonuses are payments given to employees who can work in such a way that the prevailing production level is exceeded."

The study results follow the theory: Mulyapradana and Hatta (2016: 86) state that, "Bonuses are additional income that serves as a driving force for enthusiasm so that employees are more passionate in improving work performance and loyalty to the company."

Bonuses are given annually at the company, considering the number of vehicles each employee has sold successfully. It means that employees in the marketing department will receive bonuses and commissions already received. On the other hand, employees receive bonuses with a fixed bonus system based on years of service. It causes employees in different parts to feel less valued by the company because they feel that the results achieved by the company are not only done by the marketing department but also because of the work of other departments.

The marketing department's vehicles will not increase customer satisfaction if the repair shop does not serve customers during routine service or damage. Customers will not be able to take out the car for free use on the road if the administration does not correctly take care of the legality of the car and its sales documents.

The Effect of Wages and Bonuses on Work Performance

The study results accept H3 that wages and bonuses simultaneously affect the work performance of employees of PT. Astra International Tbk, Auto 2000 Gatsu Medan. Sutrisno (2015:151) states, "Work achievement is the result of work that has been achieved by someone from his work behavior in carrying out work activities."

The research results follow the theory:

Purnaya (2016:102) states that, from evaluating work performance, managers can determine how much wages or proper compensation should be given to employees. It is essential because performance evaluation can assist managers in making decisions, whether the provision of salaries, bonuses, incentives, and other

forms of compensation is appropriate and fair to employees.

The study results also follow Priyanto's (2016) research that a compensation system consisting of wages and bonuses can influence employee performance.

Some of the problems of decreasing employee performance include the inability of employees to achieve sales targets, inaccuracy of planning for procurement of goods/delivery of customer orders from the center, and the administration department being late in taking care of the legality of company vehicles, causing complaints from customers.

Another problem with the company is the inappropriate timing of service delivery to customers. When a customer has placed an order for service, service delivery often cannot be done on time. For example, a customer has placed an order and is promised to be done on time. 10.00, but the employee who handles the timing is not coordinated with the workshop staff, so they don't know if the vehicle that enters before 10.00 will need more time to be repaired, so they shouldn't be able to accept work 10.00. As a result, customers have to wait and be disappointed.

CONCLUSIONS AND SUGGESTIONS

Conclusion

The findings of this study are:

1. Partially, wages affect the work performance of PT. Astra International Tbk Auto 2000 Gatsu Medan.
2. Partially, the bonus affects the work performance of PT. Astra International Tbk Auto 2000 Gatsu Medan.
3. Simultaneously, wages and bonuses affect the work performance of PT. Astra International Tbk Auto 2000 Gatsu Medan.

Suggestion

Suggestions from this research are:

1. The researcher suggests that the company create a compensation system other than wages to employees, for

example, by giving craft money or the like for employees who are never late. Thus it can increase the level of employee attendance and reduce employee tardiness.

2. The researcher suggests that in giving bonuses, the company should also consider the role of other parts because the company's operational activities are activities carried out together, not only by one person.
3. Researchers suggest that companies make work performance assessments and seek training or training for employees whose abilities still need to be improved/improved. This assessment can also aim to determine the bonuses received by employees.

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