

# AN EFFECT OF SALARY AND FACILITIES ON EMPLOYEE SPIRIT AT PT. BAKRIE SUMATERA PLANTATIONS BRANCH MEDAN

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# ARTICLE INFO

# ABSTRACT

Date received : 18 Oct 2022 Revision date : 1 Nov 2022 Date received : 15 Nov 2022	A study must have a purpose, while the general purpose of this research is to find out whether the salary and facilities both partially and simultaneously affect employee morale at PT. Bakrie Sumatera Plantations Medan Branch and how much influence they have. From the results of the research that has been
Keywords: Salary, Facilities, Morale	discussed by processing and questionnaires and using several tests it can be concluded that partially, the salary variable (X1) has a significant influence on employee moralePT. Bakrie Sumatera Plantations Medan Branch. This means that the hypothesis in this study is accepted, as evidenced by the t count > t table (33,997> 1,999). While the facility variable (X2) has no significant effect on employee moralePT. Bakrie Sumatera Plantations Medan Branch. This means that the hypothesis in this study was rejected, as evidenced by the value of t count <t (0.340="" (x1)="" <1.999).="" and<br="" salary="" simultaneously,="" table="" the="" variable="">facilities (X2) have a significant influence on employee moralePT. Bakrie Sumatera Plantations Medan Branch. This means that the hypothesis in this study is accepted, as evidenced by the calculated F value &gt; F table (583,968&gt; 3.15). The variable salary (X1) and facilities (X2) is able to contribute to the influence of the employee morale variable by 95% while the remaining 5% is influenced by other variables not examined in this study.</t>

# **INTRODUCTION**

Compensation is very important for employees and company owners. This is because the compensation that has been given by the company for an employee is income in order to meet their needs. On the other hand, through the compensation policy, the company will get or get the maximum benefit. One part of compensation is salary.

Salary is the amount given to an employee every month as a reward for the labor that has been expended for the company. In providing salary, the company has different procedures and conditions. Salary is based on the position and level of the group.

In addition to the salary that makes an employee eager to work, there are complete facilities for work. Facilities are a weapon to maximize work, with adequate facilities will make employees enthusiastic in every job. InPT. Bakrie Sumatera Plantations Medan Branch is a company engaged in the plantation sector, of course it has a lot of employees. Based on interviews with several employees that isThe salary given is not commensurate with the workload. The entry of salaries is often not timely. Facilities such as work clothes and shoes must be fulfilled by themselves.

# LITERATURE REVIEW 2.1. Understanding Salary

According to Amstrong and Murlis (in Samsudin 2010: 189) argue that "salary is the basic mix received by someone". According to Dealler (in Samsudin, 2010: 189) states that "salary is something related to money given to employees". According to the National Wage Research Council defines "wages as a receipt of compensation from the employer to the recipient of work for a job/service that has been and will be performed and serves as a guarantee of continuity of life that is decent for humanity and production".

## 2.2. How to Prepare Salary

Salaries can be arranged according to work performance, length of service, seniority, and needs according to Samsudin (2010: 191) with the following explanation:

#### 1. Work performance

Payroll in this way directly relates the amount of salary to the work performance that has been shown by the employee concerned.

2.Length of work

This method is often called pay time. The amount of salary is determined on the basis of the length of time the employee carries out or completes a job. Weaknesses in the provision of salary according to the length of work of employees, namely resulting in a decrease in employee morale, regardless of age, experience and ability of employees, requires strict supervision so that employees work seriously, and lacks recognition of employee performance.

3.Seniority

This payroll method is based on years of service or seniority of the employee concerned in an organization. The rationale is that senior employees show high loyalty to the company they work for. The more senior an employee, the higher his loyalty to the company.

4. Needs

This method shows that employees' salaries are based on the level of urgency of the employees' decent living needs. This means that the salary given is reasonable if it can be used to fulfill a decent daily life.

## 2.3. Understanding and Importance of Work Facilities

According to Hartanto (2005:501), "Facilities are a means to launch and facilitate the implementation of functions". Facilities are individual components of the offering that are easy to grow or reduce without changing the quality and service model. Facilities are also a tool to differentiate one educational institution's programs from other competitors. According to the Big Indonesian Dictionary (2008: 389) facilities are all things that can facilitate and expedite the implementation of activities, which can facilitate activities can be in the form of facilities and infrastructure. According to Moenir (2010: 197) states "facilities are everything that is used, used, occupied, by employees both in terms of environmental relations with work and for the smooth running of work".

According to Lupiyaodi (2006: 150), "Work facilities are supporting facilities in physical organizational activities, and are used in normal organizational activities, have a relatively permanent term of use and provide benefits for the future". Work facilities are very important for the organization, because they can support employee performance, such as in completing work. In an organization to achieve a goal required supporting tools used in the process or activity in the organization. The facilities used by each organization take various forms, types and benefits. The greater the activity of an organization, the more complete the facilities and means of support in the process of activities to achieve these goals.

#### 2.4. Characteristics of Work Facilities

According to Hartanto (2005: 501) the characteristics of the supporting facilities in the process of organizational activities are:

- 1. Having a physical form
  - Worn or used actively in the normal activities of the organization. Has a period of usefulness or relatively permanent life of one accounting period or more than one year.
- 2. Provide benefits in the future.

From the opinion above, it can be seen that supporting facilities in organizational activities are physical and are used in the normal activities of the organization, have a relatively permanent period of use and provide benefits for the future.

#### 2.5.Definition of Work Spirit

Every company will always try to increase the productivity of its employees. In order for work productivity to increase, the company must first raise the morale of its employees. This work spirit will stimulate a person to work and be creative in his work.

In carrying out tasks and work to achieve company goals, a leader is assisted by others, namely employees. Leaders must create and maintain a certain working conditions so that employees can be directed so that they can carry out their duties. In this case a leader must provide enthusiasm for work to his subordinates.

As we all know that there are many factors that affect employee productivity. One factor that affects employee productivity is work spirit. Employees who have high morale always try to improve their work and achieve the targets set by the company. Meanwhile, employees who have low morale do not have the desire to improve work results, let alone the targets set by the company.

Morale or work morale is an attitude of willingness to feel that allows an employee to produce more and more work without adding to fatigue, which causes employees to enthusiastically participate in the activities and efforts of their work group, and makes employees less susceptible to outside influence, especially from people who base their goals on the perception that the company's leaders only interest him to make the most of it and give as little as possible.

According to Nitisemito (2002:56), "Work morale is the condition of a person who supports himself to do work faster and better in a company".Hasibuan (2008:94) says "Work spirit is the desire and sincerity of a person to do his job well and be disciplined to achieve maximum work performance".Siswanto (2000:35), defines "Work spirit as a person's psychological state". Morale is considered a good psychological state if the work spirit creates pleasure that encourages a person to work diligently and consistently in achieving the goals set by the company.According to Siagian (2003:57), that "employee morale shows the extent to which employees are passionate about carrying out their duties and responsibilities within the company". Employee morale can be seen from attendance, discipline, timely completion of work, passion and responsibility.

#### **2.6. Factors Affecting Morale**

Morale is an emotional attitude that is fun and loves his job. This attitude is reflected by work morale, discipline and work performance. Many factors affect morale including the wage system, working conditions, promotions, education and others. Appreciation and the use of the right motivation will lead to or result in higher morale achieved. When morale in an organization decreases, you can identify it, so it will be easier to find a way out of the problem of decreased morale. Thus an organization can take action to prevent problems as early as possible.

The most appropriate way to increase morale or enthusiasm for work according to Siagian (2003: 114) includes:

1. Sufficient salary

Every company should be able to provide sufficient salary to employees. The definition of sufficient is very relative in nature, that is if the amount that is able to be paid by the company without causing any loss to the company. And with the amount of salary given, it will be able to provide morale to employees.

- 2. Pay attention to spiritual needs Companies must pay attention to the spiritual needs of employees by building places of worship, namely so that employees can fulfill their obligations to the Almighty.
- Occasionally need attention relaxed atmosphere
   A complex work atmosphere can lead to boredom and work tension for employees, to avoid these things the company needs to create a relaxed atmosphere at work.
- 4. Self-esteem needs attention The company needs to pay attention to employee self-esteem, namely by giving awards in the form of letters of appreciation or in the form of material prizes for employees who have outstanding work performance.
- 5. Placing employees in the right position Every company should place employees in the right position because if there is an inaccuracy in the placement of positions it can reduce employee performance because their work is not in accordance with their abilities.
- 6. Provides opportunities to advance Employee morale will arise if they have hope to progress. Companies should reward employees who excel in the form of prize recognition, salary increases, promotions and promotions.
- 7. Feelings of security for the future need attention Employee morale will be fostered if they feel safe in facing the future with the work they are doing. To create a sense of security, the company has a pension program, they have another alternative that requires employees to set aside a part of their income to be saved in an insurance policy.
- Make sure that employees have loyalty To be able to generate loyalty to employees, the leadership must strive for employees to feel the same as the company.

9. Sometimes employees need to be consulted

Inviting employees to negotiate in making decisions, makes them have a sense of responsibility and enthusiasm to make it happen.

10. Fun incentives

Companies should provide incentives in the best possible way, namely companies must know their employees such as employee loyalty, pleasure and achievements.

11. Fun facilities

Fun facilities can be in the form of recreational activities, cafeterias, sports venues, medical centers, places of worship, clean toilets, and education for children.

Employee morale can be increased in many ways that are considered appropriate. And there are also many jobs that fail or do not provide satisfactory results because the methods mentioned above are not paid attention to by company leaders.

According to As'ad (2003:114) there are five factors that lead to morale, namely:

- 1. Position (position).
- 2. Rank.
- 3. Age.
- 4. Financial security and social security.
- 5. Quality control.

There is absolutely no benchmark for the level of morale, because each individual employee has a different standard of satisfaction. Indicators of morale are measured by discipline, work morale, high productivity and small turnover. So relatively good employee morale but vice versa if discipline, high work morale and high turnover then employee morale in the company decreases or is low.

# METHOD.

This research will be carried out at PT. Bakrie Sumatera Plantations Medan Branch, which is located at Jl. Wolter Mongonsidi No. 20 A Medan. Postal Code: 20157. Tel No.: (0621) 2994 1286 87. Fax: (0621) 2994 1752. The population in this study were all employees of PT. Bakrie Sumatera Plantations Medan Branch as many as 65 people. Saturated sampling technique (census). So the sample in this study were 65 people. To analyze the information data obtained by the author using multiple linear regression analysis, partial test (t test), simultaneous test (f test), and test the coefficient of determination.

# **RESULTS AND DISCUSSION**

## 4.1. Multiple Linear Regression Analysis

The results of multiple linear regression analysis can be seen in the table below:

	Table 1. dCoefficientsa						
Model			dardized ficients	Standardized Coefficients			
		В	std. Error	Beta	t	Sig.	
1	(Constant)	1.108	1682		.659	.512	
	Wages	0.984	0.029	0.974	33,997	.000	
	Facility	0.009	0.025	0.010	0.340	.735	

a. Dependent Variable: Morale

Source: SPSS Version 20 output, data processed 2019

The multiple linear regression equation is obtained as follows:

## Y =1.108+ 0.984 X1 + 0.009 X2

- 1. The constant of 1.108 means that if the salary (X1) and facilities (X2) are 0, then the morale (Y) is 1.108.
- 2. The regression coefficient for the salary variable (X1) is 0.984, meaning that if the other independent variables have a fixed value and the salary has increased by 1%, then the morale will increase by 0.984. A positive coefficient means that there is a positive relationship between salary and morale, the higher the salary, the higher the morale.
- 3. The regression coefficient for the facility variable (X2) is 0.009, meaning that if the other independent variables have a fixed value and the facility has increased by 1%, the morale will increase by 0.009. The coefficient is positive, meaning that there is a positive relationship between facilities and morale, the higher the facilities, the higher the morale.

## 4.2. Partial Hypothesis Test (t test)

In the Coefficientsa table, the calculated t value is also obtained. The calculated t value is then compared with the t table value at  $\alpha = 0.05$ . The value of t table on df (nk) where n is the number of samples and k is the number of variables both independent and dependent variables, then 65-3 = 62. At df 62 with  $\alpha = 0.05$  the value of t table is 1.999.

The calculated t value of the salary variable (X1) is equal to 33,997 thus t count > t table (33,997> 1.999) and the significance value is less than 0.05 (0.00 < 0.05), then H0 is rejected and H1 is accepted, which means that the salary variable (X1) has a significant effect on employee morale.

The calculated t value of the facility variable (X2) is equal to 0.340, Thus, t count < t table (0.340 > 1.999) and the significance value is less than 0.05 (0.73 < 0.05), then H0 is accepted and H1 is rejected, which means that the facility variable (X2) has no significant effect on morale. employee work.

# **4.3.** Simultaneous Hypothesis Test (Test F)

ANOVA or analysis of variance is a joint regression coefficient test (F test) to test the significance of the effect of several independent variables on the dependent variable. The results of the F test can be seen in the following table:

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1450.011	2	725,005	583,968	0.000a
	Residual	76,974	62	1,242		
	Total	1526985	64			

## Table 2. ANOVAb

a. Predictors: (Constant), Facilities, Salary

b. Dependent Variable: Morale

Source: SPSS Version 20 output, data processed 2019

In the Anovab table, the calculated F value is equal to 583,968 while the F table value is 3.15. Thus F count > F table (583,968 > 3.15) means that the variable salary and facilities together have a significant effect on employee morale.

# 4.4. Coefficient of Determination Test (R2)

The coefficient of determination (R2) of the regression results can be seen in the table below:

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	0.974a	0.950	0.948	1.11423

## Table 3. Model Summaryb

a. Predictors: (Constant), Salary

b. Dependent Variable: Spirit\_Kerja

The value of the coefficient of determination (R2) from the regression result is 0.950, which means that the variable salary and facilities contribute to the effect of 95% on employee morale. This result is the result of (R2 x 100%), while the remaining 5% is influenced by other variables not examined in this study.

# CONCLUSIONS

- 1.Partially, the salary variable (X1) has a significant effect on employee morale at PT. Bakrie Sumatera Plantations Medan Branch. This means that the hypothesis in this study is accepted, as evidenced by the value of t count > t table (33,997> 1,999). While the facility variable (X2) has no significant effect on the morale of PT. Bakrie Sumatera Plantations Medan Branch. This means that the hypothesis in this study was rejected, as evidenced by the value of t count < t table (0.340 > 1.999).
- 2.Simultaneously, the variable salary (X1) and facilities (X2) has a significant influence on the morale of the employees of PT. Bakrie Sumatera Plantations Medan Branch. This means that the hypothesis in this study is accepted, as evidenced by the calculated F value > F table (583,968> 3.15).
- 3. The variable salary (X1) and facilities (X2) is able to contribute to the influence of the employee morale variable by 95% while the remaining 5% is influenced by other variables not examined in this study.

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