



Compensation Information System Effect on Employees Performance in Oprong Sticker

Lasmaida Manurung¹, Rubiatna Hardja², and Ahmad Anas³

¹²³Computerized Accounting Study Program, STMIK Pamitran, Jl. Pangkal Perjuangan KM.2, Tanjung Pura, Karawang, Indonesia

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ABSTRACT

Nowadays, the information system supports many activities to be more effective and efficient. One of its function is to make the workload becomes easier and faster. Compensation information system has purpose to give more accurate and insight about the data revealed in the project. The research has purpose to know about the current system and weaknesses on the program. Data collection conducted by using observation and interview method due to the problems and obstacles happening in Oprong Sticker. The suggestion of this research will be proposed to handle the current weakness and replace the old system to the new system also to develop administration system which leads to bring new environment of compensation process that respond faster service to employees later.

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Corresponding Author:

Evelyn Lasmaida Manurung,
Computerized Accounting Study Program,
STMIK Pamitran,

Jl. Pangkal Perjuangan KM.2, Tanjung Pura, Karawang, Indonesia

Email: evelynmanurung76@gmail.com, rubiatahardja@yahoo.co.id, ahmad.anas87@gmail.com

1. INTRODUCTION

The Information system always grows until now. It is used in helping the work of both internal and external, to save time and be on the companies and agencies. By technology of computers and internet development, humans can improve the effectiveness and efficiency of time, energy and cost.

Compensation is defined as the ability and responsibility of a company to contribute to its employees for their achievement of task and to appreciate their performance. Each organization should strive to improve employee satisfaction by providing a fair and competitive compensation program. High job satisfaction is expected to make employees become more loyal to organization; more motivated in work, feel happy in work, and ultimately will increase productivity.[1]

Performance reflects how well employees meet the requirements of a job. Basically every individual has a different portion of work. It can be seen from individual's skills and potential that directly affect on their performance. As stated by Hasibuan (2012:94) employee performance can be interpreted as an individual work achievement in performing their duties in accordance with the responsibilities given to him based on experience, skills, sincerity and time. Mangkunegara (2005) explained performance as the work of quality and

quantity achieved by an employee in performing their duties in accordance with responsibilities given.[2]

Compensation information system for employees at Opronk Sticker is still conducted manually by using Microsoft Excel, which used to record the number of lessons hours and presence with a manual, then check out the recap will be made a report of the finance to back calculate the amount of presence that requires a lot of time, errors and the input and formulation, as well as a number of the administration manual that is in use by checking the number of hours and the presence to data payroll. Unlike the case if it is using an information based Visual Basic.Net which helps in grouping the budget and the calculation on salary with accurately with the model and design are made interesting and better .

Based on this background, the one alternative solution is to make the employees compensation system based Visual Basic.Net that is designed using Visual Studio 2010 with the excess in the storage of the data base and the grouping of the budget according to manual data is stored neatly in the manufacture of the archive. By using compensation information system at Opronk Sticker, it can be more effective time and reduce the performance of personnel administration in the calculation of salary and can help in generating the calculations are accurate and reduce the error in the share of compensation given to the employees.

Compensation is something accepted to employees, whether in form financial or non financial a reward for employee's contribution to organization. Management of compensation is a very important activity to make employees quite satisfied in their work. Compensation can acquire or create and maintain productivity. Without adequate compensation, existing employees tend to leave the organization and organizations will have difficulty in replacement, especially in recruiting.[3]

The compensation consist of two kinds, namely (1) Financial Compensation and (2) Nonfinancial Compensation. Financial compensation can be divided by direct compensation, as (a) base pay, b) merit pay, incentive pay, bonuses, commissions, profit sharing, profit sharing, and share distribution and (c) differed pay, ie savings and stock purchase annuity programs. Then indirect compensation consists of (a) the benefit program, ie health insurance, life insurance, pensions and labor insurance, (b) payments outside working hours as holiday programs, annual leave and maternity leave, (c) vehicles, office space and parking lots. Nonfinancial Compensation can be divided into (a) occupations with interesting tasks, challenges, responsibilities, recognition and sense of accomplishment and (b) the working environment, as sound policies, competent supervisors, happy working atmosphere and a comfortable working environment.[4]

One way to improve employee performance is by giving appreciation such as compensation as a result of compensation from all businesses that have been given to the company. Compensation has an important impact on employees to trigger employee performance so that they can always be at the highest level in accordance with individual abilities. The role of compensation is quite influential in forming potential employees. A high and relevant level of compensation will affect employee performance. Compensation is very important for employees so that they will be able to meet their needs and be able to improve their welfare.[5]

Performance is a work quality and quantity achieved by an employee in performing their duties in accordance with their responsibilities. Performance is a function of motivation and ability to complete the task or work of a person with a certain degree of willingness and level of ability. Performance is a real behavior displayed by every person because a work performance is generated by employees in accordance with the role in company.[6]

Employee's performance improvement requires a performance appraisal. Performance appraisal generally covers both qualitative and quantitative aspects of job performance. Performance appraisal is one fundamental function of personnel, sometimes referred to as

performance reviews, employee appraisals, performance evaluations, employee evaluations, or personnel rankings. All of these terms pertain to same process.[7]

Performance reflects how well employees meet the requirements of a job. Basically every individual has a different portion of work. It can be seen from individual's skills and potential that directly affect on their performance. Mangkunegara (2005) explained performance as the work of quality and quantity achieved by an employee in performing their duties in accordance with responsibilities given. The work alone can be divided into two, namely hard work and smart work. Hard work includes people who always exert all their strength to work but the results are less satisfactory, while intelligent work is a work that uses a strategy to minimize the energy to do a job to get better outcome than hard work. [8]

To dig deeper into motivation, it is necessary to know the indicators that influence it. According to Maslow in Wukir (2013: 105), that employee work motivation is influenced by physical needs, the need for security and safety, social needs, the need for self-esteem, and the need for self-realization. Then from the need factor, it is derived into indicators to determine the level of work motivation of employees, namely: Physical needs, indicated by: salary, bonus, food allowance, transport money, housing facilities The need for a sense of security and safety is indicated by: work security and safety facilities, including the existence of social security for workers, pension funds, health benefits, accident insurance Social needs, indicated by: interacting with others, including to be accepted in the group The need for appreciation, indicated by: recognition and appreciation based on their abilities, namely the need to be respected and appreciated by other employees and leaders for work performance[9].

Every human being certainly has a basic reason to do a certain type of work. Why are there people who are very active in doing work, then there are also those who do work normally, but there are also those who do work lazy. Of course, all of this has basic reasons that encourage someone to be willing to do he job. This is due to motivation. Performance is the process of influencing or encouraging from outside a person or work group so that they want to carry out something that has been determined. Meanwhile, according to Siagian (2011: 102), defines performance as a driving force for someone to contribute as much as possible for the success of the organization to achieve its goal[10]

Kartadi (2018) An information system is defined as a tool that presents information in such a way that it is beneficial to its recipient. [11] Krismiaji (2015) Payroll information system is a set of business activities and data processing activities related to and related to the effective management of employees. The payroll system is one of the compulsions [12]

Payroll Information System is part of the Human Resources information system which is a sub system of the Management Information System (MIS). SISDM aims to provide facilities for recording, processing and handling the personnel database and the payroll process automatically so that it can provide information in the form of a list and recapitulation report needed by managerial parties quickly, accurately and always up-to-date regarding the condition of their payroll [13].

Information systems are some data/information, methods, software, hardware and communications that are active in the organization in order to provide useful information to speed up and facilitate human activities, create coordination and control, assist and reduce uncertainty in decision making[14]. System design is designing and designing a system that will built where the design describes the operating steps in the data processing processes and procedures to support system operations. Before when the system design is done, it is necessary to prepare a database that is used to store data all data related to the software management process, such as: using MySQL, Oracle, Access, and others[15].

2. RESEARCH METHOD

2.1 Location and Time

The research is conducted at Oprong Sticker by addressing on Jl. Pasundan No.9, Adiarsa Barat, Karawang Barat. The research is done for 1 month in starting from January 2022 until February 2022.

2.2 Population and Sample

The source of the human power in helping this research are 50 employees Oprong Sticker. The retrieval of the sample was done with the interview and views the calculation of the salary with the manual process previously.

2.3 The Collection of Data Method

The research is done by holding the working field with the method of observation and interview on the respondent in the purpose how to make the report payroll master that was used to look the problems. After the data about the problem achieved, then it made the process of best analysis search solutions to solve the problem. After doing the analysis, the next is carried out the design of the system information that is computerized to facilitate in managing the activities that exist at places of research.

3. RESULTS AND DISCUSSIONS

3.1 Validity and Reliability Test

The results of research produced to test the validity and reliability are used with the method of verification that is done with the interview and giving the questionnaire to apply the constraints and shortcomings of the problems on the place of research. It is concluded based on Validity and Reliability test are done showing the count value is greater than the table value, so that it will produce valid information for the results that are either in the system of payroll on the place of research.

Tabel 1: The results of the Test of the Validity and Reliability of the variable X and variable Y

No	Variable	Results		Description
		Γ_{hitung}	Γ_{tabel}	
1	Compensation	0,729	0,472	Valid
	System	0.723	0.472	Reliability
2	Employees	To 0.645	0,472	Valid
	Performance	0,640	0,472	Reliability

Table of test results using methods of validity and reliability, the changes that occur when the payroll system using the app with the performance of employees.

3.2 X Variable Validity Test (Compensation System)

The results of the study were produced by using validity and reliability tests with verification methods carried out by interviewing and providing questionnaires by applying the constraints and lack of the problem at the research site. So it was concluded that the validity and reliability test were carried out between the compensation variable on employee performance and had a positive value so that it would affect the level of satisfaction at work.

Tabel 2: Variable X Validity Result

No	Statement	Coefficient	Criteria	Description
1	The compensation I receive is in line with expectations	0.641	➤ 0.3	Valid
2	The compensation I receive are balance with the workload	0.621	➤ 0.3	Valid

3	The compensation provided by the company according to the regulation of government	0.502	➤	0.3	Valid
4	The allowance I received was as expected	0.628	➤	0.3	Valid
5	You are satisfied with the facilities provided by the company	0.682	➤	0.3	Valid
6	The company pays attention to meeting employee needs and facilities	0.816	➤	0.3	Valid
7	I get sick leave and sick rights from the company	0.747	➤	0.3	Valid

3.3 Y Variable Validity Test (Employees Performance)

Validity shows the degree of accuracy between the data that actually occurs on the object and the data collected by researchers to find the validity of an item; we correlate the item score with the total of these items. The basis for making decision the validity test used is as follows :

- If the coefficient value is above 0.3 then the statement items in the questionnaire are declared valid
- If the coefficient value is below or equal to 0.3 the the statement items in the questionnaire are declared valid

Tabel 3. Variable Y Validity Result (Employees Performance)

No	Statement	Coefficient	Criteria	Description
1	I don't have any difficulties in carrying the assignment assigned to me	0.523	➤ 0.3	Valid
2	The company gives chance to join in training session and skill development	0.594	➤ 0.3	Valid
3	I can be loyal at the position currently I'm in	0.622	➤ 0.3	Valid
4	Compensation is according to my hope	0.475	➤ 0.3	Valid
5	I have paid leave and sick leave from office	0.747	➤ 0.3	Valid
6	The job is already match with education, ability and experience	0.658	➤ 0.3	Valid
7	Facility given by the office based on law applied in Indonesia	0.632	➤ 0.3	Valid

From the table above shows that the value of the coefficient of validity of each statement is greater than the critical value of 0.30. The result of this study indicate that all statements for the employees performance variable are declared valid. Therefore, the employee performance variable questionnaire in this study has met the validity requirements and is appropriate to be used as a tool to collect data on employee performance in this study.

3.4 Reliability Test

The author also conducted a reliability test with the aim of knowing the consistency of the measuring instrument, whether the measuring instrument used (in this case the questionnaire) was reliable and remained consistent if the measurement was repeated. The basis for making decision on the realibility test used according to (Sujarweni 2015 : 172) are as follows:

- If the value of Cronbach's Alpha > 0.60, then the question item or statement in the questionnaire is declared reliable.
- If Cronbach's Alpha value < 0,60, then the question item or statement in the questionnaire is declared unreliable.

Tabel 4. X Variable Reliability Test Result (Compensation)

No	Research Variable	Cronbach's Alpha	Criteria	Description
1	Compensation (X)	0.792	> 0.60	Reliable
2	Employees Performance (Y)	0.648	> 0.60	Reliable

The results of the calculations in the test table 3 above show that the Cronbach's Alpha value for the compensation instrument is 0.792; Cronbach's Alpha value for the Job Satisfaction instrument is 0.604; Cronbach's Alpha value for the Employee Performance instrument is 0.648. This shows that the measurement instrument for Compensation, Job Satisfaction, and Employee Performance has a Cronbach Alpha Value.

3.5 Description of Statistics

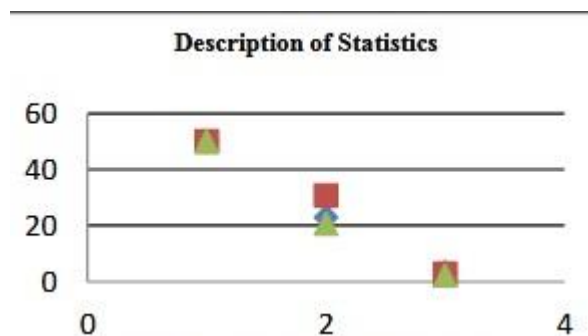


Figure 1. Standard Deviation

In the table above, it can be seen that the highest average values is owned by the Job Satisfaction variable of 30.70 and the lowest average value is owned by the Employee Performance variable of 20.58. Meanwhile, the average variable of Compensation, Job Satisfaction, and Employee Performance is 27.42.

3.6 Mathematical Equation

The calculations used to generate data on the verification method using validation and reliability test using Product moment correlation formula developed by Karl Pearson (Sambas Ali, 2010, p 26), as follows.

Tabel 5. Respondent Profile Based on Product Category Purchased

Work	Amount	Percent %
HR	8	16.00
Finance & Accounting	9	18.00
Administrative	7	14.00
Operator	9	18.00
Purchasing	9	18.00
Sales and Marketing	7	14.00

This validation test can use the product moment correlation from Pearson. The Pearson correlation formula is as follows

$$r_{xy} = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{n[(\sum x^2) - (\sum x)^2]} [n[(\sum y^2) - (\sum y)^2]]}$$

Description :

r = coefficient of validity of the item sought

x = score obtained from the subject of each item

y = score obtained from the subject of all item

$\sum x$	= total score in distribution X
$\sum y$	= total score in Y distribusi distribution
$\sum x^2$	= sum of squares on each score X
$\sum y^2$	= sum of squares on each Y score
n	= number of respondents

4. CONCLUSION

Based on the calculations that the author has done, the average value and standard deviation are presented in the form of a table as follows. In the table above, it can be seen that the highest average value is owned by the Compensation of 22.8 meanwhile Employees Performance is 20.58

The results of the Y variable variety show that the Cronbach's Alpha value for the compensation instrument is 0.792; Cronbach's Alpha value for the Job Satisfaction instrument is 0.604; Cronbach's Alpha value for the Employee Performance instrument is 0.648. This shows that the measurement instrument for Compensation, Job Satisfaction, and Employee Performance has a Cronbach Alpha Value. From the Y Variable Validity shows that the value of the coefficient of validity of each statement is greater than the critical value of 0.30. The result of this study indicate that all statements for the employees performance variable are declared valid. Therefore, the employee performance variable questionnaire in this study has met the validity requirements and is appropriate to be used as a tool to collect data on employee performance in this study

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