
The Effect of Remuneration on Employee Performance at PT. BNI Syariah Bintaro Branch Office

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ABSTRACT

This study aims to determine the effect of remuneration on employee performance at PT. BNI Syariah Bintaro Branch Office. The method used is explanatory research with a sample of 45 respondents. The analysis technique uses statistical analysis with regression, correlation, determination, and hypothesis testing. The results of this study Remuneration variable obtained an average score of 3.773 with good criteria. Employee performance variable obtained an average score of 3.898 with good criteria. Remuneration has a positive and significant effect on employee performance with the regression equation $Y = 10.035 + 0.826X$, and the correlation coefficient value is 0.826 or has a strong relationship with a determination value of 68.2%. Hypothesis test obtained sig. $0.000 < 0.05$.

Keywords: Remuneration, Employee Performance.

INTRODUCTION

Islamic banking is a financial institution whose primary business is providing financing and functioning as a service provider that operates by Islamic teachings (Muhamad, 2014: 2). In carrying out its operations, Islamic banking uses a profit-sharing system. It avoids the interest system because Islamic teachings explain that a sale and purchase transaction or principal loan with additional (interest) in the transaction is forbidden. Ismail (2011) explained that in Indonesia, Islamic banks were established in 1991 and started operating in 1992. So until now, the age of Islamic banking in Indonesia is approximately 27 years. The rapid development of increasingly sophisticated technology in the

current era of globalization impacts business competition between Islamic banking and other similar companies. This situation requires Islamic banking to pay more attention to the performance of its employees to maximize organizational effectiveness and work efficiently so that the desired company goals can be achieved.

In this case, the existence of HR or employees has a vital role for the company in carrying out the company's operational strategy. Without good employee performance in a company, the company cannot operate, so that the company cannot achieve the company's targets. To improve employee performance, the company can conduct a job analysis. According to Priyono (2010: 69), job analysis collects and

examines work activities and qualifications (expertise, knowledge ability, and other individual traits) needed to complete work in the company. Job analysis helps communicate the expectations of a company. The job analysis is used to see job descriptions, job specifications, employees' sense of security and comfort in carrying out their duties in the company, and whether they have met performance standards. That way, employees will learn the scope more quickly and be responsible for their work. In addition, the company can see the ability of employees to complete the work given to them. Analysis of work planned, managed, and carried out by company procedures can provide information that serves not only one purpose but several goals (Priyono, 2010:73). Within the company, job analysis is also often used to provide the training and development needed by employees.

The program is intended to improve the knowledge and skills of employees (Priyono, 2010: 75). The job analysis results provide basic information on realistic opportunities for employees in a company and provide career development goals to ensure that employees have the skills needed to carry out their work (Priyono, 2010:77). So it can be concluded that the purpose of job analysis is to create reliable and professional human resources or employees according to the needs of the company who can face increasingly sophisticated technological challenges, have a sense of security and comfort in carrying out the tasks given to be able to actualize themselves according to what the company wants, create existence, effectiveness, and efficiency to achieve the company's goals.

According to Zainalddk (2014), performance results from employees' work in a company for a certain period by their respective authorities and responsibilities to achieve company goals without conflicting with morals and ethics. Performance can be said to be successful if the desired goals can be adequately achieved. Meanwhile, an employee contributes to providing his services in a company institution to carry out the tasks assigned by the company according to his abilities. So it can be concluded that

employee performance is the work that an employee has achieved by their respective duties within the allotted time to achieve company goals.

Judging from the function and role of employee performance which is so vital for the company, the company must pay attention to the needs of its employees. According to Moekijat (1999:166), the needs of employees can be met if the employee maintenance function can be implemented. Employee maintenance is a method used by companies related to physical and mental protection. The employee maintenance activities are development programs, compensation, remuneration, health care, and service programs. Some of these program activities significantly affect employee morale. If the program is considered appropriate and can be accepted by employees, it can indirectly provide satisfaction,

The implementation of remuneration policies within the company is one of the most influential factors on employee performance success. Remuneration refers to compensation. According to Blomm and Milkovitch (2016), compensation is an award or a bundle of valued returns given in exchange for contributions made to employees. According to the Minister of State-Owned Enterprises Regulation Number PER-03/MBU/2009 (2009), there are several types of remuneration, namely basic salary, allowances, facilities, and bonuses (performance incentives). The benefits include allowances for religious holidays, communication, retirement, clothing, annual leave, sabbatical leave, housing, and utility costs. In addition to allowances, the facilities provided include official vehicle facilities, health, professional associations, legal assistance, club membership, and official residences. Remuneration is the feedback received by employees for the contributions that have been made to the organization where they work. The remuneration policy is one of the keys for the company to maintain employee performance and improve the quality of employee performance. Employee satisfaction will grow by itself with the provision of adequate remuneration. If the employee is satisfied, the

employee will work wholeheartedly. Conversely, if employees are dissatisfied with something that the company has provided, this will impact the productivity of employee performance and grow various complaints such as absenteeism from work to strikes, completing work at will, and more.

1. Remuneration

According to Syamsuri and Siregar (2018: 98), remuneration is compensation given by the company to employees because employees can provide satisfactory work results so that company goals can be achieved.

2. Employee performance

In carrying out a job, the company needs to conduct a performance appraisal to know the effectiveness and success of the employee's performance. According to Mangkunegara (2019), the notion of performance is the quality and quantity of work achieved by an employee in carrying out his duties by the responsibilities given to him.

METHOD

The type of research used is associative; the data analysis method used is validity test, reliability test, simple linear regression analysis, correlation coefficient analysis, coefficient of determination analysis, and hypothesis testing. At the same time, the population in this study amounted to 45 respondents PT. BNI Syariah Bintaro Branch Office and the sampling technique in this study was a saturated sample, where all population members were used as samples. Thus the sample in this study the sample used amounted to 45 respondents.

RESULT and DISCUSSION

1. Descriptive Analysis

This test is used to determine the minimum and maximum scores, the highest scores, the rating scores, and the standard deviation of each variable. The results are as follows:

Table 1. Results of Descriptive Statistics Analysis Analysis

	Descriptive Statistics				
	N	Minimum	Maximum	mean	Std. Deviation
Remuneration (X)	45	30	49	37.73	4.418
Employee Performance (Y)	45	30	50	38.98	4.104
Valid N (listwise)	45				

Remuneration obtained a minimum variance of 30 and a maximum variance of 49 with a rating score of 3.773 with a standard deviation of 4.418. This score is included in the scale range from 3.40 to 4.19 with good or agrees criteria. Employee performance obtained a minimum variance of 30 and a maximum variance of 50 with a rating score of 3.898 with a standard deviation of 4.104. This score is included in the scale range from 3.40 to 4.19 with good or agrees on criteria.

2. Quantitative Analysis.

This analysis is intended to determine the effect of the independent variable on the dependent variable. The test results are as follows:

a. Simple Linear Regression Analysis

This regression test is intended to determine changes in the dependent variable if the independent variable changes. The test results are as follows:

Table 2. Simple Linear Regression Test Results

Model	Coefficients ^a		Standardized Coefficients Beta	t	Sig.
	Unstandardized Coefficients B	Std. Error			
1 (Constant)	10.035	3.035		3.307	.002
Remuneration (X)	.767	.080	.826	9,601	.000

Based on the test results in the table above, the regression equation $Y = 10.035 + 0.826X$ is obtained. From these equations, it is explained as follows:

- 1) A constant of 10.035 means that if there is no remuneration, there has been an employee performance value of 10.035 points.
- 2) Remuneration regression coefficient is 0.826; this number is positive, meaning that every time there is an increase in remuneration

of 0.826 points, employee performance will also increase by 0.826 points.

b. Correlation Coefficient Analysis

The correlation coefficient analysis is intended to determine the level of strength of the relationship of the independent variable to the dependent variable. The test results are as follows:

Table 3. Results of Remuneration Correlation Coefficient Testing on Employee Performance.

		Correlations ^b	
		Remuneration (X1)	Employee Performance (Y)
Remuneration (X)	Pearson Correlation	1	.826**
	Sig. (2-tailed)		.000
Employee Performance (Y)	Pearson Correlation	.826**	1
	Sig. (2-tailed)	.000	

The test results obtained a correlation value of 0.826, meaning that remuneration has a solid relationship to employee performance.

The coefficient of determination analysis is intended to determine the percentage of the influence of the independent variable on the dependent variable. The test results are as follows:

c. Coefficient of Determination Analysis

Table 4. Results of Testing the Remuneration Determination Coefficient on Employee Performance.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.826a	.682	.675	2,341

Based on the test results, the determination value of 0.682 means that remuneration influences contribution of 68.2% on employee performance, while the remaining 31.8% is influenced by other factors that were not researched.

d. Hypothesis testing

Hypothesis testing with a t-test is used to find out which hypothesis is accepted.

Hypothesis formulation: There is a significant effect of remuneration on employee performance.

Table 5. Results of Remuneration Hypothesis Testing on Employee Performance.

Model	Coefficients ^a		Standardized Coefficients Beta	t	Sig.
	Unstandardized Coefficients B	Std. Error			
1 (Constant)	10.035	3.035		3.307	.002
Remuneration (X)	.767	.080	.826	9,601	.000

The discussion in this research is taken:

1. Conditions of Respondents' Answers Remuneration Variables

Based on the respondents' answers, the remuneration variable obtained a rating score of 3.773, which is in the range of the scale of 3.40 - 4.19 with good or agree on criteria.

2. Respondents' Answer Conditions Employee Performance Variables

Based on the respondents' answers, the employee performance variable obtained a score of 3.898, which is in the range of the scale of 3.40 - 4.19 with good or agree on criteria.

3. Effect of Remuneration on Employee Performance

Remuneration significantly affects employee performance with the regression equation $Y = 10.035 + 0.826X$; the correlation value is 0.826 or has a strong relationship with the influence contribution of 68.2%. Testing the hypothesis obtained the value of t arithmetic > t table or (9.601 > 2.026). Thus the hypothesis proposed that there is a significant effect between remuneration on employee performance is accepted.

CONCLUSION

a. Remuneration variable obtained a rating score of 3.773 in the range of 3.40 to 4.19 scale with reasonable or agreed-upon criteria.

b. The employee performance variable obtained a rating score of 3.898, which is in the range of the scale of 3.40 - 4.19 with good or agreed criteria.

c. remuneration significantly affects employee performance with the regression equation $Y = 10.035 + 0.826X$, the correlation value is 0.826 or strong and the influence contribution is 68.2% while the remaining 31.8% is influenced by other factors. Hypothesis test obtained value of t count > t table or (9,601 > 2,026).

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