



ORIGINAL RESEARCH PAPER

Management

THE MODEL FOR HUMAN RESOURCES EMPOWERMENT FOR THE LECTURERS OF THE FACULTY OF ECONOMICS AND BUSINESS OF TANJUNGPURA UNIVERSITY THROUGH COMPENSATION SYSTEM

KEY WORDS: model, empowerment, human resources, compensation system, payment, incentive.

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ABSTRACT

This research aimed at finding a model of human resources empowerment especially the lecturers of Faculty of Economics and Business through payment and incentive compensation. The objective will be achieved through an examination whether payment and incentive compensation have a significant influence on lecturers' teaching performance.

It is an explanatory research. The population was all lecturers in Faculty of Economics and Business of Tanjungpura University which includes 94 lecturers. Of all population, the sample is 50 people taken by using proportional random sampling. Chi square test was employed to test whether lecturers' payment compensation influences the teaching performance. Meanwhile, Wilcoxon Sign Rank Test was used to test whether lecturers' teaching performance on regular class is significantly different from the performance on The Acceleration Program of Gross Enrollment (PPAPK). Furthermore, the data analysis used IBM-SPSS 23 Program.

The results show that payment has an insignificant influence on teaching performance, while incentive has a significant influence on the teaching performance of lecturers of Faculty of Economics and Business in Tanjungpura University. Therefore, incentive can be a model in determining compensation system.

1. INTRODUCTION

Faculty of Economics and Business in Tanjungpura University has a duty to implement Three Pillars of Higher Education. The success of practitioner highly depends on the quality of human resources (HR), especially HR that implements the duty of Three Pillars of Higher Education, which is called 'lecturer'. Lecturer is one of significant components in educational system at university level. This component is very dominant in determining the quality of human resources from the graduates, thus HR should be managed.

The management of human resources is aimed at improving the effectivity of HR in organization, to realize the purpose, an organization should have, develop, use, evaluate and maintain the staff quality (Handoko, 1997), namely through compensation program. Compensation should be able to answer questions what stimulate people to work and reasons why they are hard-working or lazy employees. Generally, human basic motivation to be an employee of an organization is to earn a living. If someone uses his/her knowledge, skill and energy, he/she certainly expect a comparable compensation. Peterson and Plowman as quoted by Malayu (2000) said that one wants to work because of the following reasons: (1). The desire to live, (2). The desire to possess, (3). The desire for power, (4). The desire for recognition.

Compensation is everything received by employee as their remuneration (Handoko, 1977). It is one of variables influence on the improvement of employee's work achievement, motivation and job satisfaction, besides other variables like work environment, communication, challenge and facility. Therefore, a compensation system which considers the needs of organization and employee is necessary to be determined.

Compensation includes the reimbursement of finance and service, which are without form and subsidy, the employees accept in return of their contribution to the organization (Simamora, 1997). If the compensation is given fairly, the employees will be very satisfied and motivated to reach organizational targets. The compensation is important for the employees individually because the amount of compensation reflects the measure of their work value within their colleague, family and society. The absolute level of compensation of an employee determines life scale, while the relative compensation shows their status, dignity and price (Handoko, 1997). As a civil servant, a lecturer receives compensation, they are basic salary, functional allowance, basic allowance, lecturer certificate allowance, and professor allowance.

2. LITERATURE REVIEW

Human resources is defined as the strength of a character coming from one's belief, faith and emotion about positive things in their

social or working environment (Frans, 2009). Islamic perspective believes that compensation is the balance between action, effort and achievement with reward, honorarium and acknowledgment the employee get. "And for all there are degrees (of reward and punishment) for what they have done, and (it is) so that He may fully compensate them for their deeds, and they will not be wronged." (QS. Al-Ahqaf [46]: 19).

The compensation of employee means every reward or retribution for the employee and come from their employee (Dessler, 1998, Nawawi, 1998). Malayu (2000) argued that compensation is all income in the form of money, goods which the employee receives directly or indirectly as the reward for their services to the company.

Compensation influences organization and employee. If it is given fairly, employees will be very satisfied and motivated to reach the organizational targets (Handoko, 1997). Compensation is important for the employee individually because it reflects the value of their works amidst the colleague, family and society.

Simamora (1997) stated that compensation includes the reimbursement of finance and service, without form and subsidy, which the employees accept as a part of employee affair. In Management of Human Resources book, Marwansyah dan Mukaram

(2000) quoted several definition of compensation, they are:

- Every reward has as a compensation of his contribution to the organization (Mondy & Noe, 1990)
- Things accepted by an employee as a compensation of his given work to organization (Werther & Davis, 1996)
- Reward/honorarium given directly or indirectly, fair and proper finance or non-finance to the employee, as a compensation of their contribution in realizing organizational purposes.

In Islam, one question emerges, it is about whether compensation accepted by employees accords with their level, thus they are sufficient and they will not be wronged {QS. Al-Ahqaf (46): 19}.

Compensation is grouped into two components, Dessler (1997) categorized it into two, namely (1) direct financial payment in the form of salary, wage, incentive, commission and bonus. (2) indirect payment which is financial allowance such as insurance and holiday entitlement. (Dessler, 1997, Nawawi, 1998, Werther and Davis, 1996 in Marwansyah & Mukaram, 2000).

Robbins (1998) in Aswin EA and Soerjono (2000) classified compensation in two forms, specifically intrinsic and extrinsic forms. Intrinsic compensation is a value (non-material) received from a task. Meanwhile, extrinsic compensation is the reward

received from the surrounding around the task, namely direct compensation, indirect compensation, and non financial reward. Simamora (1998) provides some examples of intrinsic and extrinsic rewards in the following table:

TABLE.1
EXAMPLES OF INTRINSIC AND EXTRINSIC REWARDS

INTRINSIC REWARDS		EXTRINSIC REWARDS	
Y	Feeling of personal competence	Y	Salary
Y	Feeling of personal achievement	Y	Employee allowances
Y	Personal responsibility and autonomy	Y	Praise and acknowledgements
Y	Feeling of personal development		

Source : Simamora, 1998'. 562.

3. RESEARCH METHODOLOGY

Research Design.

According to Zainuddin (1998), the research design refers to the plan on how to collect, present and analyze data to give meaning to the data efficiently and effectively. The design includes the step of instrument selection, data retrieval, collection method, data management and analysis that will be used to draw a conclusion from the result of analysis.

This research is an explanatory research, it is to exa,ome and explain the influence of compensation system on civil servants' performance, a case study of the lecturers in the Faculty of Economics and Business in Tanjungpura University, thus a proper compensation model is found to improve the performance. The research focused on object, documents and informants by using the following methods:

1. Collecting secondary data, in the form of time series or cross-section data which authenticity has been verified, are sourced from the Faculty of Economics and Business in Tanjungpura University.
2. Collecting primary data from the sample which is the educators of the Faculty of Economics and Business in Tanjungpura University.
3. Analyzing the secondary and primary data, and drawing a conclusion.

Population, Sample and Sampling Technique

The population of this research was all lecturers of the Faculty of Economics and Business in Tanjungpura University which consists of 94 lecturers. Of all population, 50 people taken as samples in which proportional random sampling was used. The number of population and sample was as follows:

TABLE 2.
THE NUMBER OF POPULATION AND SAMPLE

No	POPULATION		No	SAMPLE	
	Level	Total (People)		Level	Total (People)
1	IV/d	2	1	IV/d	1
2	IV/c	3	2	IV/c	1
3	IV/b	11	3	IV/b	6
4	IV/a	22	4	IV/a	15
5	III/d	20	5	III/d	10
6	III/c	13	6	III/c	6
7	III/b	21	7	III/b	10
8	III/a	2	8	III/a	1
	Total	94		Total	50

Sumber: Chief of Financial & Personnel Sub-Divisionin FEB ofTanjungpura University, 2017 (processed).

1.3. Research Variables

The classification of variables in this research is :

1. The variable of lecturer compensation classified as independent variable, in other words the variation is not influenced by independent variable in the system and the causal relation cannot be determined. This variable is the initial variable that provides influence on other variables.

2. The variables of teaching and education performance classified as dependent variable, the variation explained by independent variable in the model, which is compensation or salary.

Data and Procedure of Data Collection

The data for this research were the data about the performance of teaching and educational implementation, which collected from the result of lecturers' performance assessment filled by students.

1.4. Technique of Data Analysis.

The techniques of data analysis in this research were:

1. The use of Chi Square test to test whether the compensation received by lecturers has a significant influence on the lecturers' teaching performance in the Faculty of Economics and Business in Tanjungpura University.

2. The use of Wilcoxon Sign Rank Test to examine whether the lecturers' teaching performance in regular class is different significantly from the performance in PPAK program.

4. DISCUSSION

The head of the Faculty of Economics and Business in Tanjungpura University has held the evaluation of lecturers' teaching performance. In the evaluation, students have a chance to assess their lecturers in conducting teaching and learning process which is a part of three pillars. The performance elements which are assessed display on Table 3.

The research elements used as a tool to measure students' attitude, opinion or perception about the expected attitude from their lecturers. Therefore, the assessment scale employs Likert scale which has five levels of answer, they are:

1. Excellent = 5
2. Good = 4
3. Average = 3
4. Fair = 2
5. Poor = 1

After students' assessment completed, the average number for every or all element will be obtained, and then the lecturers are categorized into the following performance:

1. Excellent, if the average score is = $4,2 \leq \mu \leq 5$
2. Good, if the average score is = $3,4 \leq \mu < 4,2$
3. Average, if the average score is = $2,6 \leq \mu < 3,4$
4. Fair, if the average score is = $1,8 \leq \mu < 2,6$
5. Poor, if the average score is = $1,0 \leq \mu < 1,8$

The recapitulation of score for teaching sub performance of the lecturers can be seen in Table 3.

TABLE 3: THE RECAPITULATION OF SCORE FOR TEACHING SUB PERFORMANCE OFTHE LECTURERS OF THE FACULTY OF ECONOMICS AND BUSINESS IN TANJUNGPURA UNIVERSITY.

No.	Sub Performance	Performance Score		Average
		Min	Maks	
1	Proficiency on the Course	3,44	4,92	4,19
2	Clarity of Material Delivery	2,79	4,76	3,93
3	Distribution of Assignment	3,00	4,80	3,88
4	Distribution of Sample Question and Case	2,94	4,76	3,86
5	Response to Students' Assignment	2,95	4,80	3,54
6	Notification of Midterm Test Result	2,79	4,90	3,53
7	The Opportunity ofQuestion and Answer/Discussion	3,13	4,67	4,06
8	The Compatibility of Material and Exam Questions	3,52	4,85	4,18
9	Punctuality of Lecture (Begin and End)	2,73	4,80	3,83
10	Motivating students to learn	2,78	4,80	3,93
11	Using Electronic Media	2,55	4,90	4,09
12	The course is more easily understood if delivered by electronic media	3,00	4,80	3,95
13	Delivery of Lecture Contract	2,35	4,80	3,97
14	General Impression	3,02	4,89	4,05

Source: Processed by the Report of Evaluation Result of Lecturers' Teaching

According to Table 3, there are lecturers who individually achieve excellent level in teaching performance, by having the score above 4.2. However, the sub performance score is still under fair level. Of all sub performance, only two (2) sub performance which includes in good to excellent levels, they are Proficiency on the Course, and The Compatibility of Material and Exam Questions. Another sub performance is under average to excellent level.

If the average score of all sample is the description of lecturers' performance in implementing Teaching and Learning duty, then the amount of salary, or the gross salary every month and the performance of the lecturers can be seen in Table 4.

Furthermore, to analyze whether a significant difference found between teaching performance and payment received by the

lecturers, then a verification or test of hypothesis needs to be done by using Chi-Square test with the following variable categorization:

1. Lecturers' teaching performance groups into two categories, they are:
 - 1). High, i.e. the performance score which is above the average ($\geq 4,02$).
 - 2). Low, i.e. the performance score which is under the average ($< 4,02$).
2. The amount of salary depicts in the level of civil servant as categorized into:
 - 1) High, yaitu Level IV/a, b, c, d (merged).
 - 2) Low, yaitu Level III/a, b, c, d (merged).

TABLE 4: SALARY AND TEACHING PERFORMANCE OF THE LECTURERS OF THE FACULTY OF ECONOMICS AND BUSINESS IN TANJUNGPURA UNIVERSITY.

Sample Number	Level	Salary (000)	Performance	Sample Number	Level	Salary (000)	Performance
1.	IV/d	6.702,4	4,41	26	III/d	4.906,1	3,82
2.	IV/c	6.427,3	3,83	27	III/d	4.684,3	3,68
3.	IV/b	6.337,0	3,64	28	III/d	4.684,3	3,92
4.	IV/b	6.362,3	3,43	29	III/d	5.154,0	4,02
5.	IV/b	6.038,1	4,18	30	III/d	4.897,6	3,92
6.	IV/b	5.969,6	4,14	31	III/d	4.897,6	3,51
7.	IV/b	5.373,7	4,47	32	III/d	4.788,0	3,87
8.	IV/b	6.054,9	3,76	33	III/d	5.034,0	4,06
9.	IV/a	5.986,2	4,24	34	III/c	4.768,8	4,35
10	IV/a	6.141,9	4,74	35	III/c	4.768,8	3,91
11.	IV/a	5.841,7	4,17	36	III/c	4.651,4	3,86
12.	IV/a	6.130,8	5,59	37	III/c	4.651,4	3,86
13.	IV/a	5.977,0	3,96	38	III/c	4.427,2	3,81
14.	IV/a	5.835,5	4,03	39	III/c	3.684,1	4,45
15.	IV/a	5.977,0	4,15	40	III/b	3.312,6	3,79
16.	IV/a	5.977,0	4,12	41	III/b	3.919,3	3,74
17.	IV/a	5.689,0	3,34	42	III/b	3.816,7	4,20
18.	IV/a	5.828,2	3,71	43	III/b	4.035,4	4,24
19.	IV/a	5.828,2	4,08	44	III/b	3.694,9	4,14
20.	IV/a	5.828,2	4,15	45	III/b	3.842,1	4,39
21.	IV/a	5.828,2	4,06	46	III/b	4.125,9	4,23
22.	IV/a	5.552,3	4,08	47	III/b	3.816,7	3,74
23.	IV/a	5.977,0	3,78	48	III/b	3.816,7	4,45
24.	III/d	5.576,1	3,95	49	III/b	3.312,6	4,05
25.	III/d	5.725,5	4,03	50	III/a	3.106,6	3,98

Source: Processed from the Payroll on August 2017 in the Faculty of Economics and Business in Tanjungpura University.

The steps to test the hypothesis are as follows:

1. Formulating hypothesis :

Ho : No significant difference between teaching performance and salary received by the lecturers of the Faculty of Economics and Business in Tanjungpura University

Ha : A significant difference found in teaching performance and salary received by the lecturers of the Faculty of Economics and Business in Tanjungpura University

2. Determining test statistic (arithmetic statistic): Data produced by using IBM-SPSS version 23, the output is as follows:

Teaching * Salary Cross Tabulation				
Count		Salary		Total
		Low	High	
Teaching	Low	14	9	23
	High	13	14	27
Total		27	23	50

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	,809a	1	,368		
Continuity Correction ^b	,378	1	,539		
Likelihood Ratio	,812	1	,367		
Fisher's Exact Test				,407	,270
N of Valid Cases	50				

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 10,58.

b. Computed only for a 2x2 table

3. The Decision Criteria :

The calculation of $\chi^2_{\text{value}} \leq \chi^2_{\alpha}$, is $0,809 < 3,841$, or Sig. α is $0,368 > 0,05$, produces a result, H_0 is accepted. In other words, no significant difference found in teaching performance and salary received by the lecturers of the Faculty of Economics and Business in Tanjungpura University.

As a comparison, to observe the influence of compensation system

on lecturers' teaching performance, the examination of the difference of lecturers' performance in regular class from lecturers in PAPK program was done. According to the Minister of Finance of Republic of Indonesia number 33/PMK.02/2016 on Standard of Input Cost in the Fiscal Year 2017, the amount of honorarium received by an educator who carries out an academic activity is as follows:

1. Professor: Rp80.000,- credit/presence.

2. Associate Professor: Rp70.000,- credit/presence.
3. Assistant Professor: Rp60.000,-credit/presence.
4. Instructor: Rp50.000,- credit/presence.

The examination of the difference of lecturers' teaching performance in regular and PPAPK classes employed a similar sample group or dependent sample because the lecturers who teach in regular class are also teaching in PPAPK class on the similar subject. Since the examination used two relevant samples, thus Wilcoxon Signed Ranks Test was used through the following steps:

1. Formulating the hypothesis.
 Ho : $\mu_1 = \mu_2$, signifies no significant difference found in lecturers who teach on regular or PPAPK classes.

Ha : $\mu_1 \neq \mu_2$, signifies a significant difference found in lecturers who teach on regular or PPAPK classes.

2. Statistic Calculation, IBM SPSS 23 was used to calculate Z score with the following output:

Wilcoxon Signed Ranks Test

Ranks		N	Mean Rank	Sum of Ranks
PPAPK Performance - Regular Performance	Negative Ranks	7a	15,57	109,00
	Positive Ranks	25b	16,76	419,00
	Ties	1c		
	Total	33		
a. PPAPK Performance<Regular Performance				
b. PPAPK Performance>Regular Performance				
c. PPAPK Performance = Regular Performance				
Test Statisticsa				
	Kinerja PPAPK - Kinerja Reguler			
Z	-2,899b			
Asymp. Sig. (2-tailed)	,004			
a. Wilcoxon Signed Ranks Test				
b. Based on negative ranks.				

3. The Decision Criteria

The calculation of $|2,899| > 1,96$, or $0,004 < 0,05$ indicated that Ho is rejected, while Ha is accepted. It means that the level of confidence is 95%, it proves that the lecturers' teaching performance in PPAPK is better than the performance in regular class. The compensation system (incentive) is one of many factors causing it since the incentive pays attention to the quality aspects of human resources represented by a lecturer, specifically experience indicated by the rank, functional position, the highest formal degree which a lecturer obtains. The aforementioned incentive system can be used as the compensation model because it is able to encourage or motivate lecturers to use their potency, thus they can improve their teaching performance, it eventually improves the performance of the Faculty of Economics and Business of Tanjungpura University.

This findings accord with the research done by Al Bento (2006), the incentive compensation is an element of performance management which has influence on the individual performance. In addition, this finding is also consistent with the research of Shin (2012) which findings are about the experience and compensation of external director that economically have a positive impact on the company performance. This finding also supports the researches of Ching (2011) and Mahmoud M (2008) who revealed that the given compensation strengthens the relationship of compensation and performance. This finding is also in accordance with Wen-Chung Guo (2006) in Taiwan, it shows a positive correlation between the number of bonus or share incentive and the performance of company operation.

5. CONCLUSION.

1. Salary is a part of compensation that has insignificant influence on the teaching performance of the lecturers of the Faculty of Economics and Business in Tanjungpura University.

Incentive is a part of compensation that has significant influence on the teaching performance of the lecturers of the Faculty of Economics and Business in Tanjungpura University. Therefore, it can be used as a model to determine compensation system.

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