# THE OCCUPATIONAL HEALTH COMPENSATION AT PT. TIRTA INVESTAMA AIRMADIDI (DANONE AQUA)

KOMPENSASI KESEHATAN KERJA PADA PT. TIRTA INVESTAMA AIRMADIDI (DANONE AQUA)

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Abstract: Compensation is the monetary benefit which is given to an employee or worker giving their services to an organization. Compensation includes components like salary, wages, bonuses etc. The main problem within the research is regarding health compensation within the workers of PT. Tirta Investama Airmadidi. With all the descriptions regarding the benefits of health compensation and regarding the way of how health compensation, it is important to know more about the implementation of health compensation. The purpose of this study is to find out health compensation given toward the workers, particularly workers of PT. Investama Airmadidi. This study uses a qualitative method and interview toward informants were conducted in order to gain information regarding the phenomenon. The findings of this study shows that health compensation constructed by 2 aspects which are amount of claim and motivated workforce have some affect in several aspects. Based on the result, the company is expected to improve the health compensation system in order to secure the safety of the employees, it can boost the morale of the company and will give good impact in the future such as high number of retaining good quality employees.

**Keywords**: occupational health compensation, amounts of claims, motivated workforce

Abstrak: Kompensasi adalah manfaat moneter yang diberikan kepada karyawan atau pekerja yang memberikan layanan mereka kepada suatu organisasi. Kompensasi meliputi komponen seperti gaji, upah, bonus, dll. Masalah utama dalam penelitian ini adalah mengenai kompensasi kesehatan pada pekerja PT. Tirta Investama Airmadidi. Dengan segala uraian mengenai manfaat kopensasi kesehatan dan mengenai cara bagaimana santunan kesehatan, maka penting untuk mengetahui lebih jauh tentang pelaksanaan kompensasi kesehatan. Tujuan dari penelitian ini adalah untuk mengetahui kompensasi kesehatan yang diberikan kepada pekerja, khususnya pekerja PT. Investama Airmadidi. Penelitian ini menggunakan metode kualitatif dan wawancara terhadap informan dilakukan untuk memperoleh informasi mengenai fenomena tersebut. Hasil penelitian ini menunjukkan bahwa kompensasi kesehatan yang dibangun oleh 2 aspek yaitu jumlah tuntutan dan motivasi tenaga kerja memiliki pengaruh dalam beberapa aspek. Berdasarkan hasil penelitian diharapkan perusahaan dapat meningkatkan sistem kompensasi kesehatan untuk menjamin keselamatan karyawan yang dapat meningkatkan semangat kerja perusahaan dan akan memberikan dampak yang baik di masa depan seperti tingginya jumlah mempertahankan karyawan yang berkualitas baik.

Kata Kunci: kompensasi kesehatan kerja, jumlah klaim, motivasi tenaga kerja

#### INTRODUCTION

#### **Research Background**

In today's modern industrial era, the role of employee is very important for a company. In a company operating system, the potential employee is essentially one of the capitals and holds a role that is most important in achieving company goals. In line with these conditions, an organization needs to perceive employees as a top priority. Although the company must be able to provide protection to its employees against all types of conditions that are not permitted, able to provide security and peace to employees both physically and psychologically so that employees can work calmly and comfortably. In every company or organization, human resource is one of the company assets that can be protected. The success of every organization depends on its employee behavior and their decision. In order to make a good employee behavior also to achieve a good process for the company goals, the employees need to be in a safe and healthy condition and have good facilities in the company where they work.

Compensation is the monetary benefit which is given to an employee or worker giving their services to an organization. Compensation includes components like salary, wages, bonuses etc. The compensation provided helps in motivating the employees, build their career and ensure that they are committed in achieving the company goals. Compensation comes under the parlance of human resource (HR) department of an organization. It is the tool that organizations use to manage and reward their employees, so that they perform efficiently. Management decisions, such as raising wages, provide additional benefits (holiday allowances, health benefits, food allowance and etc.) will affect employees work productivity. Health benefits are one of the most important factors for employees. Health benefits are attraction deliberately given to employees with the aim to maintain and pay attention to employee daily life. The amount of health benefits accepted by employees can affect work motivation and can increase work productivity.

One of the programs that ensure health compensation is BPJS Kesehatan. BPJS Kesehatan (Badan Penyelenggara Jaminan Sosial Kesehatan or Health Social Security Agency) is a State-Owned Company of Republic Of Indonesia aimed at providing universal health care to its citizens. In 2016, the BPJS program had a deficit of more than six trillion IDR. However, the deficit ballooned to 32 trillion in only three years. In response, the government issued a policy that increases the monthly premium for access by 80 to 100%. Some saw the move as placing a burden on the low-and middle-income citizens. Every Indonesian citizen and foreigner who has worked in Indonesia for at least six months must become a member of the program in accordance with Article 14 of the BPJS Regulation. Danone AQUA is one of the companies that provides health benefits for its employees. Danone AOUA is a Mineral Water brand with the largest sales in Indonesia and is one of the most renowned brands in Indonesia, so it has become like a generic brand for mineral water. Currently, there are 20 factories producing Aqua with different ownership. With the large number of AQUA factories in Indonesia, there are also a number of employees who directly affect production. According to Aqua Sustainability Report 2011-2012, AQUA respects and supports each employee to foster the harmony of each family. The company provides health benefit in the form of Level 1 of BPJS (Badan Penyelenggara Jaminan Kesehatan) health facilities. Not only employees who are given the health benefits, but even the families of employees such as wife husbands, and two children are given the same health benefits. The company gives the right to maternity leave for 4 months for female employees and male employees get paternal leave for 2 days to accompany the wife who just gave birth. This means that this company is still paying attention about the health of employees and their families. Thus employee health benefits are very important because it very closely related to the productivity of a company.

## **Research Objective**

The objective of this research is to know how is the occupational health compensation at PT. Tirta Investama Airmadidi (DANONE AQUA).

## THEORETICAL FRAMEWORK

#### **Human Resource Management**

Human Resource Management (HRM) is the function within an organization that focuses on the recruitment of, management of, and providing direction for the people who work in an organization (Susan, 2016). The human resource management department members provide the knowledge, necessary tools, training, administrative services, coaching, legal and management advice, and talent management oversight that the rest of

the organization needs for successful operation. HRM functions are also performed by line managers who are directly responsible for the engagement, contribution, and productivity of their reporting staff members. HRM is also a strategic and comprehensive approach to managing people and the workplace culture and environment.

## Compensation

Compensation includes payments such as bonuses, profit sharing, overtime pay, health insurance, recognition rewards and sales commission. Compensation can also include non-monetary like a company-paid car, company-paid housing and stock opportunities. Compensation is a vital part of human resource management, which helps in encouraging the employees and improving organizational effectiveness. Compensation is important for an organization to consider its mission and vision and the strategies and then devise the compensation system such as all the components are inter-linked and aligned with each other. The compensation strategy is the extremely important piece of the overall HR strategy to keep the company competitive and successful. On the other hand, the compensation strategy is important to keep the personnel budget under the control and to manage the jobs in the right salary (pay) brackets. The salaries or bonuses are extremely important for the motivation of employees and managers. Generally, the motivation is not about the compensation, but the compensation should support the general motivation framework in the organization. Even the best managers in the world are not able to keep highly motivated teams, when the compensation strategy is not in line with the job market. The employees usually know the common levels of salaries in the industry and when the organization is below the median or the average, it has to compensate the difference in other area. But, when the difference is too high, the compensation by a different motivation tool does not work and the employees start to feel demotivated as they receive no equal value for their effort.

## **Health Compensation**

Health compensation is a payment receive by employee through a health insurance. Health and safety is a thought and effort to ensure the completeness and perfection of both physical and mental labor in particular, and humanity in general, and cultural work towards a just and prosperous society (Prabowo, 2011). Occupational health can be described as a sound state of the body and mind of people from illness resulting from the materials, processes or procedures used in the workplace, whiles occupational safety is the protection of people from physical injury (Abdullah et al, 2009). Occupational health refers to a general state of physical, mental, and emotional well-being of a worker. Looking from the view of these writers, it shows that they all share the same view that a healthy worker is the one who is free from illness, injury, mental and emotional problems (Mathis and Jackson, 2006). Worker's compensation insurance has been established in all states to provide income protection, medical treatment, and rehabilitation for employees who are injured or become ill as a result of work. Worker's compensation claims and medical treatment records along with other information resources have been used to conduct occupational safety and health research and surveillance and to identify intervention needs.

#### **Previous Research**

Harry Shannon and Graham S Lowe (2002) aimed to quantify the extent of under-reporting. A Canadian survey asked about work injuries in the previous year, and several questions established eligibility for WC and whether a claim had been filed. The proportion of eligible injuries with a claim was estimated. Logistic regression identified predictors of claim submission. Of 2,500 respondents, 143 had incurred an eligible injury, of whom 57 (40%, 95% CI 32-48%) had not filed a WC claim. Severity of injury was the strongest predictor of not claiming. Survey respondents reported a substantial degree of under-claiming of WC benefits, contrasting with public attention on fraudulent over-claiming.

Paul J. Barringer, David M. Studdert, Allen B. Kachalia, and Michelle M. Mello (2008 considered the historical experience of administrative medical injury compensation proposals, particularly in light of comparative examples in the context of workplace injuries, automobile injuries, and vaccine injuries. We conclude by examining conditions that may facilitate or impede progress toward establishing demonstration projects of health courts.

Thomas M. Wickizer, Gary Franklin, Roy Plaeger-Brockway, and Robert D. Mootz (2001) included a pilot project to study the effects of providing occupationally focused health care through managed care arrangements on health outcomes, worker and employer satisfaction, and medical and disability costs. Based on the results, a new initiative was developed to incorporate several key delivery system components. The Washington State experience in developing a quality improvement initiative may have relevance for health care

clinicians, administrators, policymakers, and researchers engaged in similar pursuits within the general medical care arena.

#### RESEARCH METHOD

# Research Approach

The type of this research is qualitative research. The method gives the researcher an opportunity to analyze the research problems through perspectives of the people involved. Descriptive studies are used in this research to analyze the impact of health compensation on employee at PT. Tirta Investama Airmadidi (Danone AQUA).

## Population, Sample Size, and Samplinh Technique

The population in this research is employees at PT. Tirta Investama Airmadidi, the population is 45 workers from the higher ups and the number of workers. Guest, Bunce, and Johnson (2006) proposed that saturation often occurs around 12 participants or informants in homogeneous group. By following the rules of having 12 participants as the minimal number of sample, the sample size of this study will be 20 respondents as the employees at PT. Tirta Investama Airmadidi.

#### **Data Collection Method**

In this research, the primary data will be gain using in-depth interview with the informants. The secondary data in this research is extracted from the previous researchers of the related topics, books, journals, and websites.

## **Operational Definition of Research Variable**

1. Occupational Health Compensation. Compensation is an organized practice that involves balancing the work-employee relation by providing monetary and non-monetary benefits to employees. Compensation includes payments such as bonuses, profit sharing, overtime pay, health insurance, recognition rewards and sales commission.

(Indicators: amount of claim, motivated workforce)

# Research Instrument Testing Validity and Reliability Test

In qualitative research, reliability is the degree of consistency in assignment of similar words, phrases or other kinds of data to the same pattern or theme by different research. Validity and reliability tests within qualitative research are not done with numbers, which is different from quantitative research that used numbers as main data. Validity and reliability test within qualitative research are merge into the main discussion, where the data already reach saturation and conclusion can be taken from the research.

#### **Data Analysis Method**

To analyze the data, the researcher uses descriptive qualitative to analyze data. According to Sekaran and Bougie (2013), the steps of qualitative data analysis consists of:

- 1. Data Collection, the process by which researchers get information or data through books, websites, even from informants for more in-depth information. Data collection in this research is done by looking at the interview result, through the words from the respondents it can be converted into data used within the research
- 2. Data Reduction, the process of selecting, simplifying and transforming the data that are considered important. In data reduction, the interview result will be separated and the one that will be used are the one that in-line with the indicators or the variables within the research
- 3. Data Display, the process to simply the data in the form of sentence, narrative, or table. In data display, a table will be used with the addition of indicators as the mark within the tables. This is done in order to simplify the data for readers.
- 4. Drawing and Verifying Conclusion, is to decide what things mean is nothing regularities, patterns, explanations, possible configurations, causal flows, and proportions.

# RESULT AND DISCUSSION

Result

**Table 1. Informants' Data** 

No	Gender	Age	Last Education	Working Since
1.	Male	43	High School	2008
2.	Male	42	High School	2009
3.	Male	40	High School	2010
4.	Male	39	High School	2010
5.	Male	38	Diploma	2010
6.	Male	40	High School	2011
7.	Male	40	High School	2011
8.	Male	39	High School	2011
9.	Male	39	Diploma	2011
10.	Male	39	Diploma	2010
11.	Male	40	High School	2010
12.	Male	38	High School	2010
13.	Male	37	High School	2010
14.	Male	36	High School	2014
15.	Male	36	High School	2012
16.	Male	35	High School	2015
17.	Female	37	Diploma	2011
18.	Female	37	Diploma	2011
19.	Female	34	High School	2016
20.	Female	33	High School	2016

Source: Primary Data, 2021

**Table 2. Coding Categorizing** 

No	Variable	Description	Respondent
		Have several steps of getting claim, problem regarding time of waiting, different amount of claims considering the job positions, right amount with check and balance by the company	Respondents 1, 2, 11, 16, 20
1	Amounts of Claims	Have several steps of getting claim, problem regarding preparing documents, different amount of claims considering the job positions, right amount with check and balance by the company	Respondent 3
		Have several steps of getting claim, problem regarding preparing documents, different amount of claims considering the job positions and accidents, right amount with check and balance by the company	Respondents 4, 5, 7, 8, 9, 10, 12-15, 17-19
		Have several steps of getting claim, problem regarding appointment with the human resource department, different amount of claims considering the job positions and accidents, right amount with check and balance by the company	Respondent 6
2	Motivated	Does not give much impact, feels safer with the existence of health compensation, motivated to work, does not have other health facilities and agree with the salary cut for the compensation	Respondents 1-16, 19, 20
2	Workforce	Does not give much impact, feels safer with the existence of health compensation, motivated to work, does not have other health facilities and agree with the salary cut for the compensation	Respondents 17, 18

Source: Primary Data, 2021

#### Discussion

#### **Amount of Claims**

Amount of claim here talks about the amount that will be given by the company toward the employees; claim can be made by the employees when certain event or accident happen. Amount of claim also may differ from one and the other; it all depends of the company's policies and also the government's policies as well. The amount of claim which is a part of health compensation can eventually have factors for the employee's way of work and more. From twenty informants all need to go through 3 steps of making claim which are preparing documents, meeting with human resource department and waiting for the approval. All the employees also have different problem regarding getting the claim but mostly it is regarding preparing the documents which need to be done by the informants alone, the amount of claims differ considering the job positions and also the types of accidents that may happen. All respondents also stated that the claim is matched with the amount because the company always do check and balance system in order to get the right amount of claim. By generating all the answers from the respondents, it can be concluded that amount of claim may differ from considering different aspects but the amount of claim also matched with the employees demand because of the regulation. This means that amount of claim affected by the regulations and events that happen, it is corresponded to previous research from Shannon and Lowe (2002) which stated that amount of claim is linked with events such as accidents that may happen toward the employees. These events will eventually lead the employees to filled the claim with the amount toward the company, it can be seen that amount of claim play a role in order for the employees to eventually ask for the claim.

#### **Motivated Workforce**

In term of health compensation; it can give the idea of motivation toward the employees. Motivated workforce here means the idea of workers or employees become more motivated toward their current work; which can give many benefits toward the companies. Employees can eventually work even harder given the right stimulus during their jobs; motivated workforce is an important factor that needed to be achieved by the idea of health compensation. From twenty informants for the research, all agree that health compensation does not give impact toward the overall work. All of the informants feel safe and motivated with the health compensation as well; it is because that all informants can work safely and have the safety net when accidents or other events suddenly happen. Even though there are 2 informants that also have other health facility but other informants do not have more than one; it shows that the health facility given by the company is already enough. All the informants also agree with the payment cut that will be used for health compensation. By looking at the result it can be concluded motivated workforce can be achieved by the existence of health compensation; it happened because of the safety net that will be given by the compensation. It is in-line with the findings by Shannon and Lowe (2002) which stated that health compensation made the employees have sense of attachment toward the company and thus affected their work quality. Meaning that health compensation that give the sense of safety toward the employees will affect the employee's morale; making them even more motivated to work because employees have the safety measure by the company. It is also in line with the finding of this research in which employees willingly agree with the payment cut for the health compensation.

## CONCLUSION AND RECOMMENDATION

## Conclusion

Based on the result of analyzing and discussing, the conclusion is:

1. Health compensation constructed by 2 aspects which are amount of claim and motivated workforce have some affect in several aspects. The amount of claim may differ from one employee to the other because of job positions, but the company will eventually follow the policy in order to give the right amount to the employees that filling for the claim. The idea of health compensation also give motivation toward the employees because it give a certain safety need for them during their works; motivated workforce can be achieved in the end by the existence of health compensation

#### Recommendation

There are two recommendations that can be concluded from the overall result in this research, which are listed as follow:

- 1. With the health compensation that give benefits toward the employees and also company; there is 1 recommendation which will be for the company. The company is expected to improve the health compensation system in order to secure the safety of the employees, it can boost the morale of the company and will give good impact in the future such as high number of retaining good quality employees. Employees will be more loyal to the company because there will be guarantee given by the company when accident or unexpected events occur at the workplace.
- 2. The researcher hopes, this research will be used to gain more comprehensive understanding regarding health compensation toward the next researches. It is also recommended for the next researcher to have more informants or conduct the research on other company; other input such as adding other variables and also different perspective of conducting the future research will make the final result better for the future researcher and give a more comprehensive understanding regarding this topic

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