

ANALYSIS OF PRODUCTION FACTORS AND INDIVIDUAL CHARACTERISTICS THAT AFFECT JOB HAPPINESS IN HOME INDUSTRY**ANALISA FAKTOR PRODUKSI DAN KARAKTERISTIK PRIBADI YANG MEMPENGARUHI KEBAHAGIAAN KERJA PADA INDUSTRI RUMAH TANGGA**

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Abstract: Happiness within workplace is very important for individuals; because those who are happy at work will have positive feelings that create satisfaction and productive attitude. It will create low turnover in which created a better quality of human resources; happiness at work basically means feeling enthusiastic about the work, eager to work better, enjoy working with other people in which will create a better work performance for everyone that involved. The objective of this research is to find out whether 4 factors which are Income, Production Development, Energy Dependence and Job Satisfaction partially affect the Job Happiness in Home Industry. This research use quantitative analysis with ordinal regression analysis. The population in this research is micro small and medium enterprises and samples used in this study are 100 respondents who do production activity. The results show that Income and Job Satisfaction is the independent variable that significantly affects the Job Happiness.

Keywords: *income, production development, energy dependence, job satisfaction, job happiness, home industry*

Abstrak: Rasa bahagia dalam bekerja sangatlah penting bagi tiap orang; pekerja yang bahagia akan memiliki energi positif yang akan membuat mereka merasa puas dan memunculkan sikap yang lebih produktif. Hal ini akan memunculkan nilai turnover yang kecil dan akan berdampak ke kualitas sumber daya manusia yang lebih baik; rasa bahagia dalam bekerja artinya memiliki rasa antusias dalam memulai pekerjaan, memiliki semangat untuk bekerja lebih baik, serta mampu bekerja sama dengan orang lain yang tentunya akan memberi dampak positif terhadap performa pekerja yang ada. Tujuan dari penelitian ini adalah untuk mengetahui jika ke empat factor yakni pemasukan, pengembangan produksi, kebutuhan akan energy dan kepuasan dalam bekerja mempengaruhi kesenangan dalam bekerja di sebuah industri rumahan. Penelitian ini menggunakan analisa kuantitatif dengan alat analisa regresi ordinal. Populasi dari penelitian ini adalah usaha mikro kecil dan menengah, sampel yang digunakan adalah 100 responden yang melakukan proses produksi. Hasil dari penelitian menunjukkan bahwa pemasukan dan kepuasan dalam bekerja adalah variable yang sangat mempengaruhi kesenangan dalam bekerja. .

Kata kunci: *pendapatan, perkembangan produksi, ketergantungan energi, kepuasan kerja, kebahagiaan kerja, industri rumah tangga*

INTRODUCTION

Research Background

Sense of happiness becomes an important value that need to be achieved by the majority; findings stated that happiness become one of the primary goal and most valuable one as for now. Shapes of happiness can be in many forms such as feeling of joy, peace, prosperity, tranquility, satisfaction, no fear and no pressure within life as well. Happiness is very important and it need to be fulfilled by everyone, in this scenario also includes entrepreneurs and workers of Micro, Small and Medium Enterprises (MSMEs) in home industry.

There are many types of business nowadays that keep developing, for instance small, large, offline and online business. All of that is an attempt to improve standards of living. In achieving that, the effort in society positioned to increase income. Besides, in this effort the factor of availability of raw materials is one of the considerations in determining the type of production. Therefore, the further development of Micro, Small and Medium Enterprises (MSMEs) is depend on the availability of the raw materials in that area and the production variations develop based on creativity. For that reason, it needs to be supported by a good innovation strategy so that it can produce maximum performance. Because of it; MSMEs emerged and aiming to sustain economy that has strategic potential of local economic growth in Indonesia.

Micro, Small and Medium Enterprises (MSMEs) in Indonesia have an important role in the Indonesian economy not only in terms of the number of business but also in terms of job creation. MSMEs have an important role especially in the perspective of employment opportunity, sources for people with low-income and also plays a role in rural economic development. The characteristics of IKRT (Industri Kecil dan Rumah Tangga) is labor-intensive business to absorb the labor force in rural area, relatively small capital, using relatively simple technology, spreading of industry in rural area using raw materials and local resources (Rahmayanti, 2007). The development of economic and population in rural area resulted from the development of home industry business. Generally; home industry in manufacturing produced simple and affordable goods that originate from raw material to finished or semi-finished goods.

There are 76,154 MSMEs recorded from the business and job. MSMEs develop rapidly in Sulawesi Utara. The increasing number of MSMEs however is not accompanied by the quality of the MSMEs itself because there are problems such as lack of capital, lack of raw materials, lack of expertise in production, intense business competition. The fact that the needs are bigger than income drives the effort to increase it through business in form of home industry. Even though the income of the home industry has not been accordance with the needs, the business has been able to meet minimum needs. To maintain the existence of home industry, the ability and competitiveness of business actors need to be increase. Therefore, efforts are needed to procure raw materials for these businesses and increase productivity through counseling and facilities in order to expedite production.

Production development can be achieved through marketing expansion, quality improvement and variations in the forms of production, all of which can only be achieved through improved management and facilities. Related to the business development of production, the role of energy becomes increasingly important considering that energy support the business development of production. Therefore, the availability and distribution of energy needs to be sought in such a way that it can reach all corners of the region. The development of production is closely related to energy because the quality of production depends on this factor. More energy as the inputs mean more products could be produced (Mawati, Kindangen and Tasik, 2018). The energy intended here is used in home industry such as gas, electricity, kerosene and others. In home industry, the types of energy that often used in general are gas and electricity. The fact is that many individuals experience the high cost of electricity (Tasik, 2020). It needs to be noted; the sale price of each type of energy must be affordable by the community because in this case the price determination affects production.

Research Objective

The research objectives are:

1. To find out the effect of income on job happiness in home industry
2. To find out the effect of production development on job happiness in home industry
3. To find out the effect of energy dependence on job happiness
4. To find out the effect of job satisfaction on job happiness in home industry

THEORETICAL REVIEW**Income**

Income is a source of outcome for someone to meet their daily needs and is very important for the survival and livelihood of someone directly or indirectly. The definition of income is "inflows or other increases in the assets of an entity or settlement of liabilities (or a combination of both) during one period of delivery or production of goods, service provision, or other activities that constitute operations the main or central ongoing entity" (Dyckman, Dukes and Davis 2002). Household income is income from all family members who are connected to meet their needs together or individually in the household. People with higher incomes have more opportunities to achieve whatever they want, especially they can buy more goods and services. In addition, they also have a higher status in society. The idea of the relationship between income and happiness at a particular time and country has been the subject of great empirical literature.

Production Development

Production Development and Management is the leading management approach that companies employ to improve their product and service quality with the aim of improving typical measures of business performance (e.g. increased profits, increased market share, reduced costs and best quality). Production is the process by which raw materials and other inputs are converted into the finished goods. Business development can be divided into 5 stages, namely the conceptual stage, start up, stabilization, growth (growth stage), and maturity.

Energy Dependence

Energy dependence in general refers to either mankind's general dependence on primary or secondary energy for energy consumption (fuel, transport, automation, etc.). In a narrower sense, it may describe the dependence of one country on energy resources from another country. Energy is commonly found in our daily life and has an important influence on economic activity since the availability of energy would impact the society (ESDM, 2016). Energy is technically defined as the ability to do business. Energy is a determinant of the survival of a society. Energy is needed to carry out various activities. Energy availability is one of the basic human needs because the activities carried out by utilizing energy in maintaining various ecological processes are able to drive a variety of economic activities and improve the quality of life.

Job Satisfaction

Job satisfaction is an individual's subjective viewpoint encompassing the way he/she feels about his/her job and the employing organization. Moreover, job satisfaction is the pleasurable emotional state that results from the achievement of job values (Courtney and Younkyoung, 2017). There are two types of job satisfaction; firstly, the overall feeling about the job, and secondly, the feelings about the aspects of the job, such as benefits, salary, position, growth opportunities, work environment, and the relationships among employees. Each individual has different criteria for measuring job satisfaction. Influencing factors are payment, working hours, schedule, benefits, level of stress, and flexibility. Job satisfaction has been linked to productivity, motivation, performance, and life satisfaction.

Job Happiness

Happiness in the workplace is very important for individuals because individuals who are happy at work have positive feelings that make individuals satisfied, productive, and low turnover thus creating quality human resources (Ningsih, 2013). Happiness at work can be interpreted as an enthusiastic feeling about work, eager to come work, have a good relationship with coworkers, show mutual dependency with other people or other fields at work, have good work performance, can get along with other employees, willing to cover up or want to replace his friend's work schedule when needed, work on some side projects that aim to increase space work, products, and services for work.

Home Industry

Industry is one of the economic activities of humans that has a strategic and potential position as a source of income for the livelihood of the community in its efforts to produce the needs of human life start from food, beverage, clothing, and household equipment to other necessities of life. Home industry is the type of work that is carried out in a home or that is done by the worker in their own home by using simple tools.

Previous Research

Tasik (2019) in a tale of income and energy in rural areas: what contributes to people's happiness? Evidence from eastern Indonesia found that there is relative importance of income and energy spending where the change may be affected by cash transfers and energy subsidies. "The findings suggest that every rupiah spent on energy has bigger impacts on happiness improvement than every rupiah received as income"

Bataineh (2019) in impact of work-life balance, happiness at work, on employee performance also finds that work-life balance and happiness positively and significantly affect employee performance. "Work-life balance and happiness positively and significantly affect employee performance. However, job satisfaction non-impact in employee performance. The results have enormous implication for the Pharmaceutical industries sector in Jordan."

Rao, Lakshmi and Goswami (2017) in a study on factors of workplace happiness found that happiness at workplace is derived from all three factors such as extrinsic, intrinsic and work life. "The happiness at workplace is derived from all the three factors i.e. extrinsic, intrinsic and work life. The age as a factor of happiness at the work place is a significant factor."

Conceptual Framework

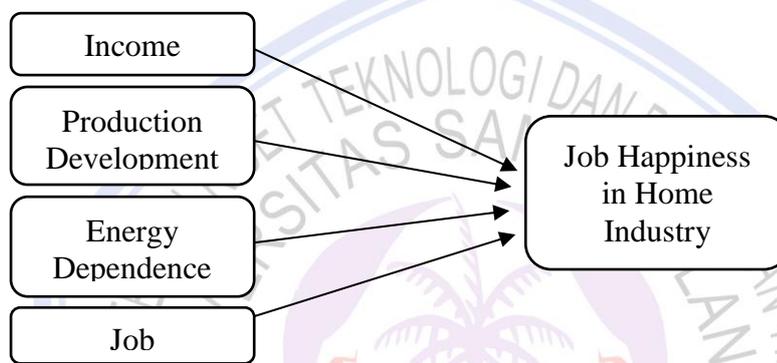


Figure 1. Conceptual Framework

Source: Data Processed, 2019

RESEARCH METHOD

Research Approach

This is a quantitative research that emphasizes objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques. Survey method used as the source of primary data by distributing questionnaire to find out the direct influence of independent variables (X) income, production development, energy dependence, and job satisfaction on dependent variable (Y) Job Happiness

Population, Sample, and Sampling Technique

The population of this research is MSMEs in Tondano, Bitung and Manado. Sample is a part of the population, within research sample is divided within the current population in order to find the right entity for the research. The sample size of the research will be 100 respondents in this home industry who do the production activity. Sample method that can be used for this research is simple random sampling. Simple random sampling is sampling technique where all member of population have the same opportunity to be chosen as a sample which is conducted randomly, regardless of strata in that population

Data Collection Method

To collect the research data, primary data collection was used through questionnaires. A questionnaire is a research instrument consisting of a series of questions (or other type of prompts) for the purpose of gathering information from respondents.

Operational Definition of Research Variables

Table 1. Variable Definition

Variable	Definition	Measurement
Income (X ₁)	Income is money what an individual or business receives in exchange for providing labor, producing a good or service, or through investing capital.	Categorized with 7 point scale (1-7)
Production Development (X ₂)	Business or production development is defined as growing a business by making it more competitive	Categorized with 3 scale (1-3)
Energy Dependence (X ₃)	Energy dependence in general refers to either mankind's general dependence on primary or secondary energy for energy consumption	Categorized with 7 point scale (1-7),
Job Satisfaction (X ₄)	Job satisfaction is defined as the extent to which an employee feels self-motivated, content & satisfied with his/her job.	Categorized with 2 point scale (1 yes, 2 no),
Job Happiness (Y)	Happiness in the form of quality of overall human life that makes life better such as better health, higher creativity, higher income and a good workplace.	Categorized with 9 point scale (1-9)

Source: Author's Note, 2019

Validity and Reliability

Validity test use to measure the obtaining data are in line with the research concept. In other words, the instrument items used to obtain the data is correct and related with the concept of the research that will be conducted. Reliability test use to measure the consistency of instrument items. Reliability test defined as an index that showed how far instrument items can be trusted or dependable.

Ordinal Regression Analysis

Ordinal Regression Analysis is used in this research. As a predictive analysis ordinal regression, it is describes and explains any relationship between one dependent variable and two or more independent variables and in the ordinal regression analysis the dependent variable must be ordinal or in statistically polytomous variable and the independent variables are in a form of ordinal or continuous level (ratio or interval). The major decisions in this research involved in the model building for ordinal regression were deciding which explanatory variables should included in the model and choosing the link function (such as logit link or complementary log-log link) that demonstrated the model appropriateness.

RESULT AND DISCUSSION

Result

Validity and Reliability

The validity test of income (X₁), production development (X₂), energy dependence (X₃), job satisfaction (X₄), and job happiness (Y) are all valid. The variable is reliable because the value of Cronbach's Alpha is 0,643 bigger than 0,6.

Result of Ordinal Regression Analysis

Table 2. Case Processing Summary

		N	Marginal Percentage
Job Happiness	N (5)	1	1.0%
	CB (6)	4	4.0%
	B2 (7)	7	7.0%
	B1 (8)	39	39.0%
	SB (9)	49	49.0%

Income Production	< Rp.1.000.000	2	2.0%
	Rp.1.000.000 - 10.000.000	47	47.0%
	Rp.10.000.000 - 20.000.000	32	32.0%
	Rp. 20.000.000 - 30.000.000	14	14.0%
	Rp. 30.000.000 - 40.000.000	1	1.0%
	Rp. 40.000.000 - 50.000.00	3	3.0%
	>Rp. 50.000.000	1	1.0%
Prodev	Decrease	6	6.0%
	Avarage	59	59.0%
	Increase	35	35.0%
Energy Dependence	10 % - 25 %	4	4.0%
	56 % - 70 %	1	1.0%
	71 % - 85 %	39	39.0%
	86 % - 100 %	56	56.0%
Job Satis	Tidak	68	68.0%
	Ya	32	32.0%
Valid		100	100.0%

Source: Data Processed, 2019

This part discuss about the result of the Ordinal Regression Analysis of this research used IBM SPSS software 25. Table 2 shows the case processing summary, the case processing summary shows all of the respondent answer in this research include the percentage of it. This research collected answers from 100 respondents, 40 from Minahasa, 30 from Bitung and the other 30 from Tomohon.

Table 3. Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	Df	Sig.
Intercept Only	162.059			
Final	142.605	19.454	4	.001

Link function: Logit.

Source: Data Processed, 2019

The value of R The test purposed to compare and measure the value between te parameters, its intercept only. Intercept only in this research is 162.059 as the expected mean value of Y (dependent variable) when all the X (independent variables) equal to 0 ($= 0$) while the final is the value when the independent variables (X) are put and computed where the value here is 142.605. The Chi-square provides those predictors of regression coefficient of the model which is $\neq 0$ and the chi-square value of this research is 19.454 with sig. 0.000 (5%) as the significant of the actual level.

Table 4. Goodness of Fit

	Chi-Square	df	Sig.
Pearson	195.001	108	.000
Deviance	116.200	108	.278

Link function: Logit.

Source: Processed Data 2019

The pearson chi-square of this research shows the value 195.001 with sig. 0.000 while the deviance chi-square value shows 116.200 as the result with sig. 0.278. The values must be greater than 0.05 to considered good fit, it means the result value of this research shows that the pearson statistic shows of this research is considered invalid and the deviance is considered valid.

Table 5. Pseudo R-square

Cox and Snell	.177
Nagelkerke	.200
McFadden	.090

Link function: Logit.

Source: Processed Data 2019

Pseudo R-Square are used to determines how big the independent variables (income production, production development, energy dependence, job satisfaction) in this research are able to explain the dependent variable (job happiness). The Cox and Snell, Nagelkerke and McFadden are statistic analysis to measures meant to stimulate the R-Square analysis. The table shows that amongst those Psuedo R-Square Nagelkerke is the highest with value 0.200. The results of this research indicated that all the independent variables are able to explain 20% of the dependent variable while the 80% of it is explained by other factors that not included in this research.

Table 5. Parameter Estimates

		95% Confidence Interval						
		Estimate	Std. Error	Wald	Df	Sig.	Lower Bound	Upper Bound
Threshold	[Job Happiness = 5.00]	-8.477	2.132	15.806	1	.000	-12.657	-4.298
	[Job Happiness = 6.00]	-6.801	1.938	12.314	1	.000	-10.599	-3.002
	[Job Happiness = 7.00]	-5.788	1.896	9.318	1	.002	-9.504	-2.072
	[Job Happiness = 8.00]	-3.420	1.831	3.487	1	.062	-7.009	.170
Location	Income	-.567	.203	7.841	1	.005	-.965	-.170
	Production							
	Prodev	.357	.370	.932	1	.334	-.368	1.082
	Energy Dependence	-.377	.233	2.627	1	.105	-.833	.079
	Job Satis	-1.036	.464	4.977	1	.026	-1.946	-.126

Link function: Logit.

Source: Data Processed, 2019

Table 5 shows the wald value of every independence and its significant level. Income Production as X1 has wald value 7.841 with sig .005 (below 0.05), production development X2 has wald value 0.932 with sig. 0.334 (greater than 0.05), energy dependence as X3 has wald value 2.627 and 0.703 with sig. 0.105 (greater than 0.05) and job satisfaction as X4 has wald value 4.977 with sig. 0.026 (below 0.05). The result shows that two of four independence variables are indicated significant (income production and job satisfaction) toward job happiness while production development and energy dependence indicated not significant with job happiness.

Table 6. Test of Parallel Lines

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Null Hypothesis	142.605			
General	113.296 ^b	29.309 ^c	12	.004

Source: Data Processed, 2019

Test is used to test the assumption that every category has same parameter or relationship with independent variable where the logit is equal with all logit equations, the test of parallel lines used in this research. The data shows that this study is a good fit model with sig. 0.004 (below 0.05) with chi-square value 29.309.

Discussion

The independent variables are income, production development, energy dependence and job satisfaction toward the job happiness as the dependent variable. Income and job satisfaction significantly affect the job happiness; it is in-line with findings that stated happier people tends to generate higher income and job satisfaction regarding organization trust, culture and characteristics play a big role in job happiness. The other two variables which are production development and energy dependence do not have significant affect toward job happiness; which may vary with previous research but it has exception. Even though micro-borrowing can affect satisfaction with different life domains; but the research did not specifically mention about happiness gain through production development. In terms of energy dependence; energy availability significantly affects the happiness level of individuals with the current job (Tasik, 2019). However regardless of the outcome; energy is incredibly important especially for business development production.

CONCLUSION AND RECOMMENDATION

Conclusion

1. Income, one out of four independent variables, significantly affect the Job Happiness that act as the dependent variable.
2. Production Development, one out of four independent variables, partially does not significantly affect the Job Happiness that act as the dependent variable.
3. Energy Dependence, one out of four independent variables, partially does not significantly affect the Job Happiness that act as dependent variable.
4. Job Satisfaction, one out of four independent variables, significantly affect the Job Happiness that act as the dependent variable.

Recommendation

Income has significant effect on Job Happiness. In general; the aim of an effort is to reach the sufficient income. The satisfaction of income is reached by choosing the right business. To get it, guidance for introducing relevant business is needed. If the right business has been achieved, the next step is the efficiency of financial management. The result of it, is business success. By achieving this job happiness reached. Even though production development is not significant with job happiness but in increasing the process of production, the facilities and infrastructure must be improved. In this case, capital expansion is needed through bank credit. It is also useful for development of MSMEs especially home industry. But in fact energy dependence in some aspect is needed to accelerate the process of production. Regarding to production accelerating the availability of energy is important. Besides that, the distribution of energy needs to be spread in such a way so that it can reach up to rural area.

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