THE INFLUENCE OF JOB DESIGN AND REWARDS ON EMPLOYEE PERFORMANCE AT PT. WAHANA TATA INSURANCE MANADO

PENGARUH DESAIN KERJA DAN PENGHARGAAN TERHADAP KINERJA KARYAWAN DI PT. ASURANSI WAHANA TATA MANADO

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Abstract: Human resource department related to company's employee positions, rewards, compensation, training, and managing employees benefit. It is the factors that human resource management do to improve employee performance to achieve company's goals. Seeing the important things of human in achieving organizational goals, it is necessary for management system to managing the human resource. This research design to analyzed the influence of job design and rewards on employee performance at PT. Wahana Tata Insurance. In this study, all the respondents are the all employee at PT. Wahana Tata Insurance which are 35 respondents. This research use multiple regression analysis with quantitative method. Result and conclusion show that job design and rewards significantly influence on employee performance. Job design has partial and significant influence on employee performance. Rewards has partial significant influence on employee performance. The management of PT. Wahana Tata Insurance must consider that job design influencing employee performance. It is important because job design will contribute a positive result to employee performance when the job design arrange well by the management. Then it suggested to the management to arrange and positioning all the employees at the best position.

Keywords*: job design, rewards, employee performance*

Abstrak: *Departemen sumber daya manusia yang berkaitan dengan karyawan posisi, imbalan, kompensasi, pelatihan perusahaan, dan mengelola manfaat karyawan. Ini adalah faktor manajemen sumber daya manusia lakukan untuk meningkatkan kinerja karyawan untuk mencapai tujuan perusahaan. Melihat hal penting ini dalam mencapai tujuan organisasi, maka perlu untuk sistem manajemen untuk mengelola sumber daya manusia. Desain penelitian ini untuk menganalisis pengaruh desain kerja dan penghargaan terhadap kinerja karyawan di PT. Asuransi Wahana Tata. Dalam penelitian ini, semua responden adalah semua karyawan di PT. Wahana Tata Asuransi yaitu 35 responden. Penelitian ini menggunakan analisis regresi berganda dengan metode kuantitatif. Hasil dan kesimpulan menunjukkan bahwa desain pekerjaan dan manfaat secara signifikan berpengaruh terhadap kinerja karyawan. Desain pekerjaan memiliki pengaruh parsial dan signifikan terhadap kinerja karyawan. Imbalan memiliki pengaruh signifikan parsial terhadap kinerja karyawan. Manajemen PT. Wahana Tata Asuransi harus mempertimbangkan bahwa desain pekerjaan mempengaruhi kinerja karyawan. Hal ini penting karena desain pekerjaan akan memberikan kontribusi hasil positif terhadap kinerja karyawan ketika desain pekerjaan diatur dengan baik oleh manajemen. Maka disarankan kepada manajemen untuk mengatur dan memposisikan semua karyawan di posisi terbaik.*

Kata kunci: *desain kerja, penghargaan, kinerja karyawan*

INTRODUCTION

Research Background

Human resource is a very important source in companies compared to the other factors. The failures of an organization to achieve goals are mostly influence by the human factors. It proof that peoples are the most important thing in organization. Human resource department related to company's employee positions, rewards, compensation, training, and managing employees benefit. It is the factors that human resource management do to improve employee performance in order to achieve the goal's of company. Employee is one of company's best assets. The purpose of the company will be impossible to achieve without active participation of employees although they used a sophisticated tool in an organizations activities. Employee is important in company to operate and offer knowledge to achieve company's goal. Each company always want to have employees with a highly performance when working also have ability to support company for a good performance. Most companies are recognizing the importance of managing their human resource effectively. Performance is very important in an organization to achieve the goal. Employee performance is one of a very dominant factor in improving the performance of company.

Nowadays people need protection, start from protection of health, automobile, assets and income. In most cases the problem is the expense incurred after an accident, the death of loved one, or a disability are beyond any savings or wealth that a person may have accumulated and it is for this reason that insurance is an important component to have for financial planning. Because of that reason company need to improve the employee performance in order to meet customer satisfaction, by using job design and rewards. In the organization the effectiveness of human resource depends on designing the job according to human capability and characteristic. Job design is the most important function of human resource management. In the view of Opatha (2002, 2), job design is the functions of arranging task, duties and responsibilities in to an organizational unit of work.

Employee will give their maximum when they have a feeling or trust that their efforts will be rewarded by the management. Management use rewards to improve employees motivations. Among all those factors which affect employee performance, motivation that comes with rewards is of utmost importance. According to Pitts (1995) rewards is the benefits that arise from performing a task, rendering a service or discharging a responsibility. One of the company that use job design and rewards to improve employee performance is PT. Wahana Tata Insurance. PT. Wahana Tata Insurance is the object of this research. This company operate as a general insurance company in Indonesia has become a leading national private-owned company.

Research Objactive

1. To identify the influence of job design and rewards on employee performance in PT. Wahana Tata Insurance simultaneously.
2. To identify the influence of job design on employee performance in PT. Wahana Tata Insurance partially.
3. To identify the influence of rewards on employee performance in PT. Wahana Tata Insurance partially.

THEORITICAL FRAMEWORK

Human Resources Management

Human resource management is the part of the organization that is concerned with the "people" dimension (DeCenzo and Robbins, 2005). The policies and practices involved in carrying out the "people" or human resources aspects of a management position, including recruitment, screening, training and appraising (Dessler, 2007).

Job Design

Job design has been one of the most effective tools used for optimizing an employee's performance. It can be defined as changing the content and processes of a job to increase an employee's satisfaction, motivation and productivity (Knapp and Mujtaba, 2010). Job design is defined as specifying the contents or methods of any job in such a way that various requirements of the job holder can be effectively satisfied (Buchanan, 1979). Akthar (2013) state that, job design is the most important function of human resource management, it indicates that designing of contents, methods and a functions of job in organization. Increased productivity can manifest itself in various forms. For example, the focus can be that of improving quality and quantity of goods and services, reduce operation costs, and/or reduce turnover and training costs.

Rewards

Rewards system helps to improve organizational performance as well as it fulfills other objectives such as legal compliance, labor cost control, perceived fairness towards employees and enhancement of employee performance to achieve high level of productivity and customer satisfaction. According to Luthans (2005), there are two basic types of rewards, financial and non-financial and both can be utilized positively to enhance performance behaviors of employees. Extrinsic rewards are tangible rewards and these rewards are external to the job or task performed by the employee. External rewards can be in terms of salary/ pay, incentives, bonuses, promotions, job security, etc.

Employee Performance

Performance as the results of job functions / activities of a person or groups within an organization that is influenced by various factors for achieve organizational goals within a specified time period (Tika, 2006). Employee performance could be defined as the record of outcomes achieved, for each job function, during a specified period of time.

Previous Research

Ali (2010) explained that the results of the study lead to regarding a significant and positive relationship between perceived systematic use of Job Design and perceived degree of Employees Performance of School Teachers. Zareen (2013) aimed the result of the study was to enforce the idea of designing a job according to employee's psychology and to help managers and human resources professionals in achieving higher organizational productivity Akthar (2013) state that the result from the study examined and determined the relationship between rewards and employee performance and job satisfaction. Akthar & Sachu (2013) aimed the result of the study examined and determined the relationship between rewards and employees' performance and also determined the relationship between intrinsic and extrinsic rewards.

RESEARCH METHOD

Type of Research

This research is causal type with quantitative method. According to Aliaga and Gunderson (2000), quantitative research is explaining phenomena by collecting numerical data that are analyzed using mathematically based methods (in particular statistics).

Place and Time of Research

This research conducted at PT. Wahana Tata Insurance with address Jl. Diponegoro No. 08 Manado, North Sulawesi. The time of research being conducted from April - June 2016.

Conceptual Framework
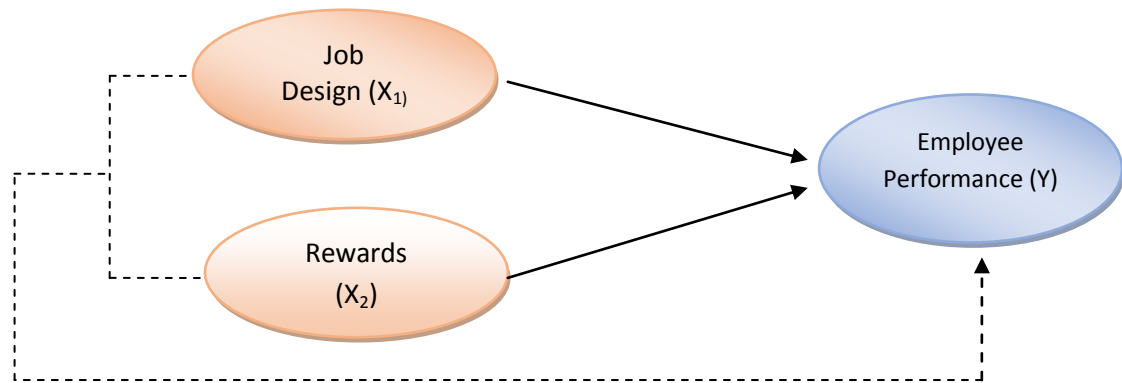
Source Data Processed: 2016

Population and Sample

Population, according to Sekaran and Bougie (2016) is the entire group of people, events, or things which a researcher desire to research. The population of this research is all the employees in PT. Wahana Tata Insurance, totaling 35 people. Sample, according to Sekaran and Bougie (2016) is the subset or subgroup of population. This research use saturated sampling method. The sample in this research is all employees in PT. Wahana Tata Insurance, while the population is the sample.

Data Collection Method

Algifari (1997) state that the primary data is data obtained directly from the original source (without going through an intermediary). Individual provide information when interviewed, administered questionnaires, or observed. Group depth interviews, or focus groups, are the other rich source of primary data (Sekaran and Bougie 2009). The primary data is in this study is the questionnaire data, in this study primary data is the data that collected from the questionnaire of respondent by direct survey, go to the field to spread the questionnaire.

Operational Definition of Research Variable

1. Y : Employee Performance
   Employee performance is a comparison of the real work of employees with   labor standards set by PT. Wahana Tata Insurance. Some indicators to measure the extent to which employees achieve a performance individually
2. X_1 : Job Design
   Job design is the functions of arranging task, duties and responsibilities in to PT. Wahana Tata Insurance of work.
3. X_2 : Rewards
   Reward is a broad construct that has been said to represent anything that an employee may value that an employer is willing to offer in exchange for his or her contributions at PT. Wahana Tata Insurance.

Data Analysis Method
Reliability and Validity Test

To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure valid if that instrument measures what should be measured. Reliability test is established by testing for both consistency and stability of the answers of questionnaires. Alpha Cronbach is reliable coefficients that can indicate how good items in asset have positive correlation one another" (Sekaran, 2006: 177). The interpretation of Alpha Cronbach (Sekaran, 2003:311).

Multiple Regression Analysis Model

The method of this analysis used in this study is multiple regression models approach the return. This method has been chosen to measure job design (X_1), rewards (X_2), on employee performance (Y). The basic formula of multiple regression analysis takes the following form:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \mu$$

Where**:**

Y   : Employee Performance
α : Constant, when all independent variable = 0
X_1 : Job Desain
X_2 : Rewards
$\beta_1, \beta_2,$: Slope of each independent variable
μ : Error term

RESULT AND DISCUSSION

Result
Reliability and Validity

Based on the research shows that the value of alfa cronbanch is 0,834, which means that it is above acceptance limit of 0.6, therefore, the research instrument for relationship among the variable indicates good consistency and the data is acceptable. Based on research value of correlation index for relationship among variable independents (job design and rewards) with variable dependent (employee performance) are greater than 0.3 and below the significant level of 5% (0.05). The correlation between job design (0.859), rewards (0.772) with employee performance (0,886) show a positive relationship. Therefore, the data is considered as valid.

Multiple Linear Regression Result
Table 1. Multiple Linear Regression Result

Coefficients[a]							
Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	T	Sig.	Tolerance	VIF
1 (Constant)	1,996	,296		6,746	,000		
Job_Design	,374	,068	,626	5,503	,000	,857	1,167
Rewards	,213	,076	,319	2,803	,009	,857	1,167

a. Dependent Variable: EmployeePerformance
   Source: SPSS Output, 2016.

. Based on the analysis result shows that the equation of multiple regression model in this research is shown as follows:

$$Y = 1,996 + 0,374\, X_1 + 0,213\, X_2 + e.$$

Where :

Y   = Employee Performance
X_1 = Job Design
X_2 = Rewards
e   = Error

The interpretation of the multiple regression analysis result:

1. Constant (α) 1.996 shows the influence to relationship between Job Design (X_1), and Rewards (X_2) to Employee Performance (Y), this means that if all independent variables are equal to zero, then the Employee Performance (Y) is predicted to be 1.996.
2. If the others are constant, an increase of one point in Job Design (X_1) will result in an average increase of at least 0.374 in Employee Performance (Y).
3. If the others are constant, an increase of one point in Rewards (X_2) will result in an average increase of at least 0.21 in Employee Performance (Y).

Result of R and R^2

Table 2. Result of R and R^2

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,803[a]	,645	,632	,13772	2,361

a. Predictors: (Constant), Rewards, Job_Design

b. Dependent Variable: EmployeePerformance

Source: SPSS Output, 2016

The value of R is 0.803, it means that all independent variables: Job Design and Rewards have positive relationship with Employee Performance. The value of R^2 is 0.632 or 62,3% means that employee performance influenced by job design and rewards for 62,3%.

Test of Classical Assumption
Multicollinearity Result
Tabel 3. Multicollinearity Result

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	T	Sig.	Tolerance	VIF
1	(Constant)	1,996	,296		6,746	,000		
	Job_Design	,374	,068	,626	5,503	,000	,857	1,167
	Rewards	,213	,076	,319	2,803	,009	,857	1,167

a. Dependent Variable: EmployeePerformance

Source: SPSS Output, 2016.

The tolerance of job design is 0,857, and rewards are same with job design which is 0,857 it means that the tolerance value of each variable is more than 0.1. The VIF value of job design and rewards are 1,167, it means that the value of both variables is less than 10. Since the tolerance value is more than 0,1 and VIF value is less than 10 the research is free from multicollinearity.
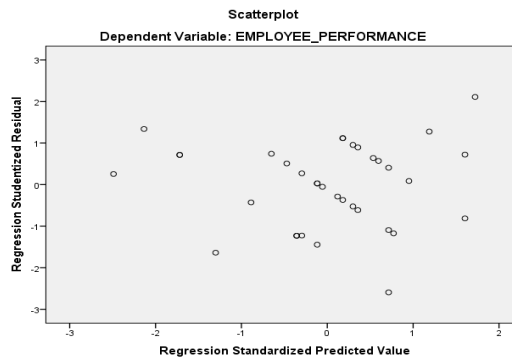
Heteroscedasticity Result

Figure 1. Heteroscedasticity Result
Source : Data Processed, 2016

The pattern of the dots is spreading and does not create a clear pattern. The dots are spreading above and below 0 (zero) in the Y and it proves that the model is free from heteroscedasticity.
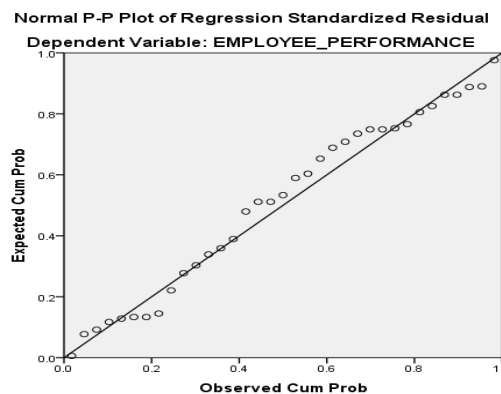
Normality

Figure 2. Normality Test Result
Source : Data Processed, 2016

The data that spreads near the diagonal line and follow the direction of diagonal line. This proves that the model has passed the normality test.

Hypothesis Testing

F-Test

F-test is used to determine the whole effect of all independent variables to dependent variable. This test is done by comparing the value of F_{count} with value of F_{table} at $\alpha = 0.05$.

Table 4. F-Test Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.103	2	.551	29.070	,000[b]
	Residual	.607	32	.019		
	Total	1.710	34			

a. Dependent Variable: EmployeePerformance

F-test is used to determine the whole effect of all independent variables to dependent variable. This test is done by comparing the value of F_{count} with value of F_{table} at $\alpha = 0.05$. The overall influence of job design (X_1) and rewards (X_2) toward employee performance (Y) is very significant.

T-Test
Table 5. T-Test Result

Coefficients[a]							
	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinear Statistic	
Model	B	Std. Error	Beta			Tolerance	
1 (Constant)	1,996	,296		6,748	,000		
Job_Design	,374	,068	,626	5,503	,000	,857	1,
Rewards	,213	,076	,319	2,803	,009	,857	1,

a. Dependent Variable: EmployeePerformance
Source: SPSS Output, 2016.

1. Tabel 6 shows that the hypothesis is reject H_0 and accept H_2 if $t_{count} \geq t_{table}$ or accept H_0 and reject H_2 if $t_{table} \geq t_{count}$. In Table 4.8 the t_{count} of Job Design (X_1) is 5,503. Comparing t_{count} with t_{table} : 5.503 ≥ 1.665 with the significant level of 0.000. Since the t_{count} is greater than t_{table}, H_0 is rejected and H_2 is accepted. Therefore Job Design has a significant influence to Employee Performance.
2. Tabel 6 shows that the hypothesis is reject H_0 and accept H_3 if $t_{count} \geq t_{table}$ or accept H_0 and reject H_3 if $t_{table} \geq t_{count}$. In Table 4.8 the t_{count} of Rewards (X_2) is 2.803. Comparing t_{count} with t_{table} : 2.803 ≥ 1.665 with the significant level of 0.009. Since the t_{count} is greater than t_{table}, H_0 is rejected and H_3 is accepted. Therefore, Rewards has a significant influence to Employee Performance.

Discussion

Human resource is considered the most important resource of an achieve competitive advantage in the business world. To achieve competitive advantage, people have always been central to organization, they have now taken on an even more central role in building a firm's competitive advantage Armstrong (1994) define performance management as "a process or set of processes for establishing shared understanding about what is to be achieved, and of managing and developing people in a way which increases the probability that it will be achieved in the short and longer term". According to Akthar (2013) job design is the most important function of human resource management, it indicates that designing of contents, methods and a functions of job in organization.

Job Design on Employee Performance

The result of this research found that respondents are strongly agree with job specification statement because it is the most indicators that really influence on job design in order to improve employee performance. An effective job design for the employees can increase their involvement in the performance because they enjoy performing tasks and exert all cognitive, emotional and physical energies to achieve goals. This research found that job design has significant (very strong) influence of employee performance. The result of this research support the theory that job design influence employee performance significantly. Job design and reward system affect the motivational level and performance of the employees. A job design is the arrangement of all the tasks which directly influence employee's performance.

Rewards on Employee Performance

The result of this research found that rewards has significant influence of employee performance. Rewards has positive relationship with employee performance, it means that the basic pay, performance bonus, incentive, fringe benefit and promotion in this case are increasing the performance of the employees of PT. Wahana Tata Insurance. Reward system helps to improve organizational performance as well as it fulfills other objectives such as legal compliance, labor cost control, perceived fairness towards employees and enhancement of employee performance to achieve high level of productivity and customer satisfaction. Afifah (2014) state that rewards is the other way to motivate employee's performance, by giving rewards to the employee made them feel like their job appreciated and valued by the company that they are working for. According to Aktar and Sachu (2012), employee will give their maximum when they have a feeling or trust that their efforts will be rewarded by the management. As well as the company set the rewarding system well, it helps employee to know how they have achieved their objectives and whether their achievements are appreciated by the managers.

CONCLUSION AND RECOMMENDATION

Conclusion

There are three constructive findings that can be concluded from the overall result in this research, which are listed as follows:
1. Job design and rewards have significant influences to the employee performance at PT. Wahana Tata Insurance simultaneously.
2. Job design has significant influence to the employee performance at PT. Wahana Tata Insurance partially.
3. Reward has significant influence to employee performance at PT. Wahana Tata Insurance partially.

Recommendation

Based on the conclusions that have been put forward, there are three recommendations that can be concluded from overall result as input that hopefully can be useful as suggestions, which are listed as flows:

1. The management of PT. Wahana Tata Insurance must consider that job design influencing employee performance. It is important because job design will contribute a positive result to employee performance when the job design arrange well by the management. Then it suggested to the management to arrange and positioning all the employees at the best position.
2. The management of PT. Wahana Tata Insurance has to more pay attention in rewarding system because rewards are the most important thing to improve employee performance.
3. Based on the result in this research PT. Wahana Tata Insurance must to keep up the good work while arranging the job design for more specific and for the rewards for more on time to give the salary and incentive.

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