The Effect Of Awarding Incentives Toward Employee Productivity at CV. Abdul Fishing

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ABSTRACT

The purpose of this study is to ascertain how incentives at CV. Abdul Fishing in Sukabumi Regency affect worker productivity. This study's design, which takes a quantitative approach, combines associative and descriptive research techniques. The sample used in this study consisted of 70 respondents who were drawn from the whole workforce at CV. Abdul Fishing in Sukabumi Regency using complete sampling or census methodologies. To test the analysis in this study, correlation analysis, analysis of the coefficient of determination, and simple linear regression were used in conjunction with instrument validity tests, instrument reliability tests, descriptive analysis, and statistical analysis tests for relationship analysis and influence. According to the findings of previous research, incentives have a positive effect on employee work productivity at CV. Abdul fishing in the Sukabumi Regency. The magnitude of the effect of incentives on employee productivity is 54.1%, with the remaining 45.9% influenced by variables other than incentive-giving variables such as leadership style, discipline, motivation, work morale, work experience, and others.

Keywords: Incentive, Employee Productivity

1. INTRODUCTION

A company's operations cannot be separated from the factors that influence them, such as natural resources, human resources, capital, and expertise. In order to improve the quality of high and productive human resources, company organizations must emphasize the importance of human resource development, guidance, and development. Labor productivity has a significant impact on organizational effectiveness and efficiency. Positive results are expected from human resource development, coaching, and development (Sulistiyani and Rosidah, 2018). Economic problems, particularly in the field of employment, are directed at the growth of quality, productive, and productive human resources in the context of creating jobs and reducing unemployment, as well as developing human resources.

Work productivity is a demand that cannot be avoided in an advanced and modern society because there are many organizations or work units in society that bring together a number of people who work productively to achieve organizational goals (Handoko, 2015). This excellent performance will benefit both employees and the company's development. Companies can pay their employees directly and track their work performance. This method is very effective in increasing morale and improving performance (Sinambela, 2018); however, it must be tailored to the capabilities of the company. This incentive must pay attention to and be adjusted to the principle of employment administration, namely that remuneration must be based on the results or achievements achieved as well as the amount of money (Simamora, 2015).

The phenomenon that occurs in CV. Abdul Fishing regarding the decline in employee productivity, for example, from the perspective of routine monthly reports, which are usually submitted on time, from the perspective of performance, which still needs to be improved both in terms of quantity and quality of work, from the perspective of controlling employees, which is still not running smoothly, from the perspective of innovation and creativity, work that is in the form of innovation and challenges creat

Table 1. Results of Employee Productivity Assessment of CV. Abdul Fishing Period 2017 to 2020

No	Rated aspect	2017	2018	2019	2020
1	Work quality	90%	89%	88%	83%
2	Work results	89%	88%	88%	85%
3	Target	90%	90%	88%	85%
4	Work manufacturers	88%	86%	86%	84%
5	Working time	86%	84%	83%	80%

Source: Abdul Fishing 2020

According to the table above, there is an 85% decrease in employee productivity, particularly in terms of work results aspects, in 2017, where the assessment of employee work results aspects must be able to improve work results and carry out the tasks and responsibilities assigned by superiors or leaders. Furthermore, the aspect of work quality has decreased by 83% in 2017, indicating that the assessment of this aspect is about how qualified and effective employees work in order to increase work productivity in accordance with predetermined rules, and the aspect of working time has decreased by 80%, indicating that the working time has not gone well.

2. LITERATUR REVIEW
a. Incentive
According to Simamora (2015: 514), an incentive is a program that links pay to work productivity. Meanwhile, Handoko (2015: 176) and Hasibuan (2016:117) explains that incentives are rewards given to employees for performing work that meets or exceeds the standards that have been established. According to Sinambela (2018: 238), incentives are remuneration elements that are not fixed or variable based on employee performance. Incentives are one of the key motivators that can motivate employees to work more efficiently.

b. Work productivity
Productivity is a measure of how efficiently material, technological, human, and information capital are used to produce economic goods and services (Sutrisno, 2016:99). According to Sulistiyani and Rosidah (2018:293-295), productivity is a condition that concerns the issue of the final result, specifically how much the final result is obtained during the work process. Employee productivity can be measured using the output approach, which measures the results of production, activities, and work activities of employees obtained in accordance with the company's desired targets (Mulyadi (2015:100) and Hartatik (2018:208)). Sulistiyani and Rosidah (2018:295) stated Several factors influence an organization's employee productivity, including:
1) Knowledge
2) Skills
3) Ability
4) Behavior and Habits

The success of the organization in achieving the objectives that have been set depends on the individuals within the organization, and one way that the organization can do this is by improving the quality and productivity of employee work, which the organization can accomplish by offering suitable, just, and proper incentives (Sulistiyani & Rosidah, 2018: 293-295).

c. The Effect of Incentive toward Employee Productivity
Several previous studies have shown that incentive has an effect on employee productivity (Astuti, 2017; Mubarak, 2014). Priansa (2016: 318), said that employees use their knowledge, skills, energy, time, and commitment not merely to generate or devote themselves to the organization, but there are other goals they want to achieve, namely expect rewards or remuneration for the performance and work productivity it produces so that success in giving rewards or incentives will increase work productivity. The success of the organization in achieving the goals that have been set depends on the people in the organization, one of the ways that the organization can do this is by increasing the quality and productivity of employee work where the organization can achieve this by providing appropriate, fair and proper incentives (Sulistiyani and Rosidah, 2018:295). Based on the information above, the framework of thought in this study is as follows:
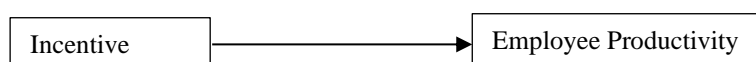
Incentive	⟶	Employee Productivity

Figure 1: Research Framework

3. RESEARCH METHOD

This study used a quantitative approach and a descriptive and verification methodology. Research using the descriptive analysis method aims to estimate the value of independent variables, either one or more (stand-alone variables), without drawing comparisons or linking one variable to another (Sugiyono, 2015: 7). Research on specific populations or samples is done as part of the verification technique to test hypotheses that have already been established (Sugiyono, 2015: 7). Individual employees of CV. Abdul Fishing in Nagrak Village, Cisaat District, Sukabumi, are the study's unit of analysis. The study's sample and population were all of the up to 30 workers at CV Abdul Fishing. Census sampling was the method employed in this study (Sekaran and Bougie, 2017:54). This study used a variety of data collection techniques, including observation, interviews, questionnaires, documentation, and literature review. The incentive variable is the independent variable in the analytical model employed in this study, and work productivity is the dependent variable.

4. RESULTS AND ANALYSIS

a. Demographic Profiles

According to the findings of a study on the Impact of Offering Incentives on Efforts to Increase Employee Productivity at CV. Abdul Fishing Sukabumi Regency, the following information about the respondents' characteristics can be seen:

Table 2. Characteristics of Respondents

Atribut	Kategori	Jumlah	Persentase
Jenis Kelamin	Pria	43	61%
	wanita	27	38%
Jumlah		70	100%
Usia	20 -23 tahun	6	8%
	24 - 26 tahun	10	14%
	27 - 30 tahun	10	14%
	> 35 tahun	44	62%
Jumlah		70	100%
Pendidikan	SMP	27	38%
	SMA/SMK/MA	40	57%
	Ahli Madya (D3)	5	7%
	Srata satu (S1)	2	2%
		70	100%

Source: processed primary data from SPSS, 2021

Based on the table above, it can be seen that the characteristics of the respondents from a total of 70 people were 43 people or 61% male and 27 women or 38%. Furthermore, respondents aged 20-23 years were 6 people or 8%, aged 24-26 years were 10 people or 14%, aged 27-30 years were 10 people or 14% and ages > 35 people were 44 people or 62%. And finally, 27 people or 38% had junior high school education, 40 people or 57% high school/vocational high school, 5 people or 6 Diploma (D3), 2 people or 2% from bachelor.

b. Instrument Test

1) validity test

Table 3. validity test

No	instruments	Critical Value	Information
1	Incentives Giving	0.3	Valid
2	Work productivity	0.3	Valid

Source: processed primary data from SPSS, 2021

The table shows the results of the validity test. All the variables are valid with a critical value of 0.3.

2) Reliability Test

Table 4. Reliability Test

No	instruments	Cronbach's Alpha	Information
1	Incentives Giving	0.696	reliable
2	Work productivity	0.662	reliable

The table shows the results of the reliability test. All the variables are reliable with Cronbach's alpha for all the variables is more than 0.6.

c. Correlation Test

To determine the closeness of the relationship between giving incentives and work productivity, the data that has been obtained during the research will be analysed using the correlation analysis method. Calculations performed by the author using the help of the IBM SPSS version 25 program are as follows:

Table 5 Correlation Analysis Test Results

		Insentif	Produktivitas Kerja
Insentif	Pearson Correlation	1	.735**
	Sig. (2-tailed)		.000
	N	70	70
Produktivitas Kerja	Pearson Correlation	.735**	1
	Sig. (2-tailed)	.000	
	N	70	70

**. Correlation is significant at the 0.01 level (2-tailed).

Based on the above table, it is known that the closeness level of the incentive variable (X) to the work productivity variable (Y) has a correlation value of 0.735 and has a positive sign. The correlation value is between 0.600 and 0.799, which indicates that it meets the requirements for a strong and direct relationship. Because of the nature of the positive association, if incentives are offered more frequently, work productivity will rise as well, and vice versa.

d. Result and Discussion

Researchers performed simple linear regression analysis to determine how much the community satisfaction variable would change if the predictor variable, service quality, was raised or lowered.

Table 6. Simple Linear Regression Analysis Test Results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	7.057	2.378		2.968	.004
Insentif	.662	.074	.735	8.949	.000

a. Dependent Variable: Produktivitas Kerja

Based on the coefficient table above, the constant (a) is 7,057, while the value of the regression coefficient for incentives (b) is 0.662, so the regression equation can be written:

$$y = 7.057 + 0.662\ x$$

The following translation is based on the regression equation:
1. Constant (a) has a value of 7.057 and states that the value of work productivity (Y) is 7.075 if there is no growth in the provision of incentives (X) or if it is equal to 0 (zero).
2. The positive regression coefficient value of the variable X (the variable supplying incentives) is 0.662, indicating that productivity will rise 0.662 points if incentives are provided one more time, and vice versa. This demonstrates how providing incentives has a direct impact on employee productivity.

e. Determination Test

Analysis of the coefficient of determination (R^2) is used to determine the magnitude of the contribution of the influence of incentives on employee work productivity.

Table 7. Test Results Analysis of the Coefficient of Determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.735^a	.541	.534	2.857

a. Predictors: (Constant), Insentif

The coefficient of determination is 0.541, or 54.1%, as can be seen from the results of the calculations above. This suggests that providing incentives increases work productivity by 54.1%, with other factors not included in the analysis affecting the remaining 55.9%.

Providing incentives is closely related to the work productivity of employees in companies that sell various fishing rods and other fishing-related needs. CV. Abdul Fishing must be able to find strategies to win customers and calm competition, one of which is by increasing the quality and productivity of its employees, in order to meet customer needs in the midst of intense company competition with more and more similar companies being established. The implementation of a fair, proper, and appropriate incentive program is required as a key factor for the company's success in order to maintain and even increase employee work productivity.

Based on the analysis of the coefficient of determination (r2), which shows that the provision of incentives has a favorable impact on the work productivity of employees of CV. Abdul Fishing, Sukabumi Regency, the closeness of the relationship (r) of the variable providing incentives with the variable employee productivity is 0.735 or equal to 73.5% and close to 1, where the value of the correlation coefficient ranges from $-1 < r < +1$, which shows that the variable giving incentives has a strong degree of closeness relationship with employee productivity variables CV. Abdul Fishing, Sukabumi Regency. The magnitude of the contribution of reward and punishment to changes in employee motivation is 0.541 or 54.1%, while the remaining 45.9% is influenced by other independent variables outside of giving incentives such as leadership style, discipline, motivation,

5. CONCLUSION

The findings of this study provided answers to the questions posed in the research objectives and hypotheses on the impact of incentives on workplace productivity. At CV Abdul Fishing, incentives based on the findings of hypothesis testing have a favourable and considerable impact on labour productivity. The coefficient of determination demonstrates that incentives had a 54.1% impact on work productivity at CV Abdul Fishing, with other factors not examined in the study influencing the remaining 45.9%. These findings have favourable ramifications for CV Abdul Fishing, which means that CV Abdul Fishing has to concentrate more on controlling and implementing the provision of incentives for prospective employees who consistently produce high-quality work and are profitable for the business.

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