

The Influence of Compensation and Communication on Job Satisfaction of CV Pustaka Garut

Nabilah Ramadhan¹, Caroline², Hari Rachmansyah³, Eka Amelia⁴, Rahmadi Maulana⁵, Fellitta Natharina Januar⁶

^{1,2,3,4,5,6} University of Widyatama, Bandung, Indonesia

*Corresponding author email: nabilah.ramadan@widyatama.ac.id

Abstract

This study aims to determine the influence of compensation and communication on job satisfaction of employees of CV Pustaka Garut. Data was collected using a questionnaire distributed to respondents. Samples were taken using total population sampling technique with 37 respondents. This research uses multiple linear regression analysis method. The research hypotheses were tested using t test and F test through SPSS software. The results showed that simultaneously, compensation and communication had a positive and significant effect on job satisfaction with an effect of 89.6%. Partially, both compensation and communication have a positive and significant effect on job satisfaction.

Keywords: Compensation, Communication, Job Satisfaction

INTRODUCTION

Companies and organizations are founded to achieve goals that have an impact on the profits of the company and the organization itself. To achieve its goals, the company must have capital. One of the capital that must be owned by the company is human resources. Human resources are assets owned by the company and their role is very important for the sustainability of the company. With the job satisfaction felt by employees towards the company, it will encourage employees to give their best performance. In addition, employees also have an important role in the company's business development in order to increase the company's competitiveness. Each employee has different abilities and potentials. With this difference, they can improve the quality of their work. With creativity, employees can provide ideas for companies to innovate in business that will affect the sustainability and development of the company. One of the keys to getting maximum level of employee performance is job satisfaction. To be able to meet job satisfaction, companies must be able to maintain good communication with employees and provide compensation that is appropriate and in accordance with the work contract.

Job satisfaction will encourage employees to provide better performance. Better performance will lead to higher economic and psychological rewards. Job satisfaction is a pleasant or unpleasant emotional state with which employees view their work (Handoko, 2000). According to Afandi (2018), the factors that encourage

job satisfaction are: Work Itself, Compensation, Promotion, Supervisory and Communication between colleagues. At CV Pustaka Garut, which is the largest building material store in Garut, a specific job satisfaction assessment has never been carried out. Seeing how important job satisfaction is, the researcher then conducted a pre-survey to 10 employees of CV Pustaka Garut to find out which of the five job satisfaction indicators was perceived to have the most influence on the level of employee job satisfaction.

Table 1
Survey of Factors Affecting Employee Satisfaction at CV Pustaka Garut

Factors	Chosen by	Percentage
Work Itself	1	10%
Compensation	4	40%
Promotion	2	20%
Supervisory	0	0%
Communication	3	30%

Source: Survey of 10 employees of CV Pustaka Garut ,2021

From the results of the pre-survey in Table 1, it was found that 40% of employees chose Compensation and 30% chose Communication between co-workers as the most influential indicator on job satisfaction. It is an obligation for companies to pay attention to job satisfaction for employees in various ways, so these two things, Compensation and Communication between colleagues, become our main focus in this study.

Compensation is everything that is received by employees, both physical and non-physical, in exchange for their work. This is in line with what Hasibuan (2017) stated that compensation is all income received by employees in exchanges for services they provided to the company, in the form of money or goods, directly or indirectly.

Table 2
Compensation for CV Pustaka Garut Period January 2021-June 2021

Month	Compensation Date	Compensation Received
January	5 th January	7 th January
February	5 th February	6 th February
March	5 th March	5 th March
April	5 th April	6 th April
May	5 th May	10 th May
June	5 th June	15 th June

Source: Compensation Payment Data by Finance Division, 2021

Based on the Compensation Payment Data by Finance Division in Table 2, information can be obtained that in the last 6 months, compensation payments to employees were not in accordance with the work contract, especially in terms of payment time. In the employment contract, the date of payment of compensation provided by the company to its employees is on the 5th of each month. However, in reality, the compensation received by employees was delayed by several days. For example in May, compensation was paid on the 10th, 5 days later than it should have been. Even in June, compensation was only received on the 15th or 10 days late. Through this data, it can be indicated that there are problems in the compensation payment process at CV Pustaka Garut.

8 Work communication is a process of transferring information, ideas, understanding from one employee to another with the hope that other employees can interpret it in accordance with the goals that have been set. This is in line with the opinion of Robbins (2006) that "Communication is the transfer of meaning and understanding of meaning to others in the form of symbols, symbols, or certain languages so that people who receive information understand the meaning of the information." The role of communication in increasing employee job satisfaction is very important, because a good communication system will provide a sense of comfort and job satisfaction in order to lead to an increase in employee productivity.

In addition to the delay in receiving compensation, based on an interview with one of the employees, the company often does not provide official notification regarding the delay in compensation. Therefore, communication problems often occur between companies and employees. Employees feel they do not get information from the company regarding late salary information, but they are asked to always be on time in completing work. On the other hand, employees are reluctant to communicate the problem of late compensation to the company. From the information and problems that have been described previously, the authors are interested in conducting a research entitled **The Influence of Compensation and Communication on Job Satisfaction of CV Pustaka Garut.**

LITERATURE REVIEW

Compensation

Compensation is an obligation that must be carried out by companies to appreciate employee performance. Competition could retain employees and reduce employee turnover, it also help the company in control costs and obtain quality employees. According to Marwansyah (2016) Compensation is an award or reward directly or indirectly, financial or non-financial, that is fair and appropriate to employees, as a reward or contribution/service to the achievement of company goals. Compensation received by employees of CV Pustaka Garut is in the form of a monthly salary. Compensation is based on the employee's performance and attendance rate during

the one month period. In addition to the monthly salary, employees of CV Pustaka Garut also get BPJS Kesehatan as health facilities from the management.

The effect of compensation on job satisfaction has also been proven by several studies. In 2018, Berliana, Marthina; Nahar Siregar; Huske Dwi Gustian. Conducted a study titled "The Model of Job Satisfaction and Employee Performance" by examining 50 samples of employees at PT. ABC. The results showed that compensation remuneration had an impact and influence on job satisfaction and performance. Other research was also conducted by Fitriana Lestari, Siswoyo Haryono, and Meika Kurnia Puji. This research was conducted on UMY temporary employees in 2019. The results showed that both direct and indirect compensation had a significant effect on job satisfaction.

Hypothesis 1: Compensation has a significant effect on Job Satisfaction

Communication

According to Sinambela (2016), communication is a process of forming, delivering, receiving, and processing messages that occur within a person and or between two or more people with a specific purpose. Effective communication will create good coordination to encourage companies to increase their productivity. With good communication, responsibilities and tasks will be clearly defined so work can be completed faster. Wasiman (2018) describes 5 indicators of effective work communication including:

1. Correctly understand what information is conveyed
2. There is a sense of pleasure in the process of delivering information, it is likely that interest in the information will increase.
3. Effect on attitude so that the other person can pay more attention and understand the information conveyed
4. Good relationship in conveying information
5. Actions to be taken after receiving information on what to do.

Previous research has proven the influence of communication on job satisfaction. Vijai N. Giri & B. Pavan Kumar in their paper "Assessing the impact of organizational communication on job satisfaction and job performance" conducted research on organizations in India which showed that organizational communication has a significant influence on both job satisfaction and employee performance. Another study was also conducted by Mundt, M. P., & Zakletskaia, in 2019 on health care professionals to evaluate the extent to which professional communication network contribute to job satisfaction. The results of the study show that individuals at the core of the communication network have significantly

greater job satisfaction than those at the periphery. This means that the role of communication is vital in an effort to achieve employee job satisfaction.

Hypothesis 2: Communication has a significant effect on Job Satisfaction

Job Satisfaction

Job satisfaction is a positive attitude from employees including feelings and behavior towards their work through the assessment of one job as a sense of appreciation in achieving one of the important values of the job (Afandi, 2018). Job satisfaction in this study is about feelings related to calm or comfort and others felt by CV Pustaka Garut employees through four indicators of job satisfaction according to Martoyo (2007): attendance, turnover, work spirit, and complaints in the workplace. work.

Although job satisfaction is influenced by many external factors, job satisfaction is still something internal related to employee feelings. This means that job satisfaction presents a set of factors that lead to feelings of satisfaction. Job satisfaction is influenced by a series of factors such as the nature of the job, salary, advancement opportunities, management, work group, and working conditions (Aziri, 2011). In this study, the main focus of the researcher is to see the effect of two factors driving job satisfaction, compensation and communication.

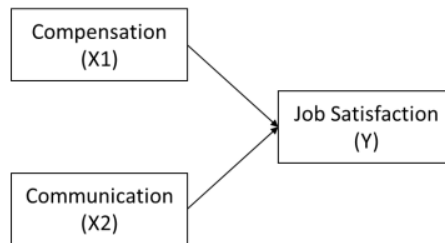


Figure 1. Research Framework

The relationship between compensation and communication to job satisfaction has also been extensively outlined through previous research. Emi Safrina in 2017 conducted a study titled "The Influence of Discipline, Compensation And Communication on Employee Performance With Job Satisfaction As Intervening Variables At Public Refueling Stations (GAS STATIONS) in Bireuen District" to analyze the influence of work discipline, compensation, and communication on job satisfaction and its impact on employee performance. The results prove that the discipline, work, compensation, and communication significantly affect job satisfaction and employee performance.

Another research was conducted by Yopi Yunsepa with the title "Influence of Work Environment, Communication, Competence and Compensation on Job Satisfaction of Sogm Factory Employees at PT Perkebunan Minanga Ogan Region Sumsel-Lampung" which aims to determine the influence of the work environment, communication, competence and compensation on the job satisfaction of 159 employees of the SOGM factory of PT Perkebunan Minanga Ogan Region Sumsel-Lampung. The results of the analysis and hypothesis testing showed that the work environment, communication, competence and compensation together and partially had a significant effect on the job satisfaction of employees of the SOGM factory of PT Minanga Ogan Region Sumsel-Lampung.

Hypothesis 3: Compensation and Communication has a significant effect on Job Satisfaction

RESEARCH METHODS

This research was conducted on employees of CV Pustaka Garut located at Jl.Guntur Melati no. 82, Garut, Indonesia. CV Pustaka Ga is an Interior and Exterior design consulting company that has 37 employees. This type of research is associative research with quantitative approach. Associative research according to Sugiyono (2018) is a research question that asks the relationship between two or more variables and Quantitative research means by obtaining data in the form of numbers or numerical.

Primary data is obtained through the Interview process, which is a conversation between two or more people and takes place between the source and the interviewer to get the right information from a trusted source. The interview was conducted to employees of CV Pustaka Garut on July, 2021 to get information about communication problems that occurred in CV Pustaka Garut. In addition to the interview, primary data was also obtained from the dissemination of questionnaires to all employees of CV Pustaka Garut and first conducted validity and reliability testing to measure the feasibility level of questionnaires as a data collection tool. Meanwhile, secondary data is obtained from internal sources of companies (compensation data) and various literature reviews.

The data analysis technique used is Multiple Regression Analysis. According to Umi Narimawati (2008), Multiple linear regression analysis is an association analysis used simultaneously to examine the influence of two free variables on one variable depending on the interval or bound scale. The free variables in this study

were Compensation (X1) and Communication (X2) while the variables bound in this study were Employee Job Satisfaction (Y).

RESULTS AND DISCUSSION

Questionnaires that have been tested for validity and reliability are then distributed to 37 employees of CV Pustaka Garut as respondents. The data obtained is then processed using SPSS 26.0. To answer hypothesis 1 and hypothesis 2, a t-test was carried out with the following results:

Table 3.
t Test Analysis Results

Variable	Coefficient Value	Coefficient t Value	Significance Value
1 (Constant)	.597	.384	.704
Compensation	.974	9.671	.000
Communications	.675	7.068	.000

Source: Data Processing, 2021

¹Based on the results of data processing contained in Table 3, it can be stated that the linear regression equation is multiplied as follows: $Y = 0.597 + 0.974X_1 + 0.675X_2$. The constant value of 0.597 has a meaning, although there is no influence of compensation and communication variables, employees of CV Pustaka Garut still have a satisfaction rate of 0.597.

The Compensation variable has a calculated t value greater than the t table ($9,671 > 3,276$), and a significance value of 0, less than the required significance value of 0.05. That is, compensation is proven to have a positive and significant effect on job satisfaction. With interpretation, if the work discipline increases by 1 unit then the job satisfaction will increase by 0.974. In other words, these findings have confirmed the theories of satisfaction as stated by Afandi (2018) and Aziri (2011) that compensation is one of the driving factors in the creation of job satisfaction in the organization. Theoretically, with an appropriate compensation system, both direct and indirect compensation, which can meet the needs of employees, it will encourage feelings of satisfaction from employees towards their work, so that it can encourage employee behavior to complete their work with good performance.

Communication variables have a calculated t value greater than the t table ($7,068 > 3,276$), and a significance value of 0, less than the required significance value of 0.05. This means that communication is proven to have a positive and significant effect on job satisfaction. With interpretation, if communication increases by 1 unit then job satisfaction will increase by 0.675. In other words, these findings are in

accordance with previous studies conducted by Giri, V. N., & Kumar, B. P. (2010) and Mundt, M. P., & Zakletskaia, L. I. (2019) which suggests that the effectiveness of communication is one of the drivers of job satisfaction. In other words, effective communication can improve and strengthen interpersonal relationships within the organization that make employees comfortable and satisfied with their work.

Table 4.
Results of Simultaneous Influence Analysis

variable	Calculated F value	Value of contributions	Significance Value
Compensation and Communication to Job Satisfaction	147.241	.896	.000

Source: Data Processing, 2021

The results of simultaneous analysis proved that compensation and simultaneous communication had a positive and significant effect on job satisfaction with a coefficient of determination of 0.896 and F count of 147,241. This means that compensation and communication have the ability to explain the variable of job satisfaction by 89.6% while the remaining 10.4% is explained by other variables outside of this study. These findings theoretically confirm the theory and support the results of previous studies, that compensation and communication can improve job satisfaction.

CONCLUSION

After data processing and hypothesis testing, the results of this study confirm the theory and support the results of previous studies, that: (1) compensation has an effect on job satisfaction, (2) communication has an effect on job satisfaction, (3) and together, compensation and communication has a positive and significant effect on job satisfaction. The results of this study confirm that organizations can focus on providing an appropriate compensation system, and always carry out an effective communication process to create a higher level of job satisfaction from employees.

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