ACTION RESEARCH REMUNERATION SYSTEM DEVELOPMENT AT HOSPITALS

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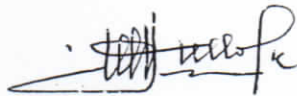**ACTION RESEARCH PENGEMBANGAN SISTEM REMUNERASI DI RS SITI KHODIJAH MUHAMMADIYAH CABANG SEPANJANG**

Diajukan Oleh

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Telah Disetujui Oleh :

Pembimbing

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Action Research Remuneration System Development at Hospitals

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I N D E X I N G	A B S T R A C T
	Hospital XX is hospital a Type B hospital with a capacity of 189 beds. The hospital has implemented a remuneration system in 2010 until now. However, the benefits and objectives of the implementation of remuneration system has not been achieved because the employee satisfaction survey related to remuneration is only 42% while employee performance has not fulfilled management expectation. This can be seen in the results of the average achievement of individual performance is <70% The purpose of this study is to determine the effect of remuneration system development on employee satisfaction and performance. The type of research used is Action Research with participant method with population of all employees where the number of samples taken is 40 employees. Data analysis technique using descriptive analysis. The development of the remuneration system can improve employee satisfaction and performance, this can be seen in the results of observation on the implementation of the action of cycles II where there is an increase in employee satisfaction score of 3.4 and the performance-related score is 3.1. In this study proved that the development of remuneration system has a positive effect on employee satisfaction and employee performance.
	Rumah Sakit XX adalah rumah sakit type B dengan kapasitas 189 tempat tidur. Rumah Sakit ini telah menerapkan sistem remunerasi pada tahun 2010 hingga sekarang. Namun manfaat dan tujuan penerapan sistem remunerasi belum tercapai karena survey kepuasan karyawan terkait remunerasi hanya 42% sedangkan kinerja karyawan belum memenuhi harapan manajemen . Hal ini dapat terlihat pada hasil rata-rata capaian kinerja individu yaitu < 70%. Tujuan penelitian ini adalah untuk mengetahui pengaruh pengembangan sistem remunerasi terhadap kepuasan dan kinerja karyawan. Jenis penelitian yang digunakan adalah penelitian tindakan (*Action Research*) dengan metode partisipan dengan populasi semua karyawan dimana jumlah sampel yang diambil adalah 40 karyawan. Teknik analisa data menggunakan analisis deskriptif. Pengembangan sistem remunerasi dapat meningkatkan kepuasan dan kinerja karyawan, hal ini dapat terlihat pada hasil pengamatan pada pelaksanaan tindakan sikus II dimana ada peningkatan skor kepuasan karyawan sebesar 3,4 dan skor terkait kinerja adalah 3,1. Pada penelitian ini terbukti bahwa pengembangan sistem remunerasi berpengaruh positif terhadap kepuasan karyawan dan kinerja karyawan.

INTRODUCTION

Hospitals in Indonesia are facing increasingly complex business competition, especially for private hospitals are required to be able to manage professionally. Professional hospital management should focus on the quality of service which in this case has been regulated in the accreditation standard. In addition to maintaining the quality and quantity of services then the hospital should always innovate in the development of services and create intensive marketing strategies. Hospitals should also start preparing for the Universal Health Coverage program where the cost control quality control system must be properly implemented in order for the hospital to survive.

Human resources is a human capital that determines the success of a hospital. Therefore it is appropriate that the hospital needs to arrange a system to trigger employee motivation in the face of business competition. Hospitals should be able to build employee commitments in working with high work ethics and consciously comply with the provisions, encourage employees to demonstrate the expected performance of the organization and to develop the hospital's competence in a sustainable manner. One strategy to improve employee satisfaction and performance is to provide a fair and fair remuneration.

Remuneration or compensation can affect employee motivation while increasing performance. This is consistent with the theory that Remuneration has a positive effect on employee performance. Therefore Hospital management should start thinking of a good remuneration system and can meet the expectations of all parties.

Remuneration has a sense of something received by employees in return for the contributions it has given to the organization where it works (Surya: 2004). Meanwhile, according to Sanjani (2014) remuneration of medical services is the amount of the amount of money that must be received by medical personnel as compensation for the performance performed relating to the risks and professional responsibilities of his work. In a large Indonesian dictionary the word remuneration is defined as gift giving (rewards for services and so on). Remunerasi menurut (Paul Mackay 1997 dalam rusli) ada dua jenis balas jasa yang diberikan kepada pegawai yaitu Remuneration and Reward. Remuneration is the monetary value of the compensation an employee receives in return for the performance of their contacted duties and responsibilities. Reward on the other hand covern both remuneration and other tangible and in tangible gains of value to the employee.[1]

Based on the above definition of remuneration, it can be concluded that remuneration has a very important function in the process of managing human resources disebuah hospital. This shows that remuneration is a firm binding tool to its employees and becomes a towing factor for prospective employees as well as factors driving someone to become an employee. So giving remuneration has a very strategic function in smoothing the way forward organization.

According to Artoyo (2011) in (Ruky, 2016) the remuneration function is:

a. Use of human resources effectively and efficiently. Implementation of remuneration system in a hospital is expected to encourage the management of human resources effectively and efficiently in accordance with the standards specified by the hospital.

b. Encourages stability and performance growth good remuneration system will automatically encourage employee performance so that automatically hospital performance will increase significantly.

c. The creation of harmonious cooperation and satisfaction to all parties.

In the application of the remuneration system should pay attention to the fundamental objectives for the hospital and employees. Therefore, the management system should be made as good as possible. The Remuneration System is a means or model of compensation payments from contributions that it has given to the organization where it works. A good remuneration system must meet the principles of justice, both internally and externally as Van Zyl, G (2010) says: "if employees feel that their remuneration is less than what they define as a fair remuneration package, the labor productivity decreases" meaning that if employees feel the injustice in pengajian their productivity will be reduced. Internal justice in the sense of heavier work should earn higher rewards. Therefore, the application of a good remuneration system is adjusted to the hospital policy based on the principles of justice both parties (hospitals & employees).

In order for the application of the remuneration system to run properly it must be noted the amount of

remuneration components. In its application there are three remuneration components:

a. *Pay For Position (P1)*

The amount of pay for position is not influenced by hospital income. The amount of pay for position is influenced by rank, position, length of work and education, and benefits (family allowance, professional allowance, job allowance).

b. *Pay For Performance (P2)*

The amount of pay for performance depends on hospital income. The basis for pay for performance depends on the policies of each hospital. Pay for performance value is calculated based on the type of work, workload and performance of each in accordance with the provisions of determination scores that have been established through hospital policy.

c.*Pay For People*

Pay for people or better known as a bonus is a form of reward given due to the achievements of an organization. The amount of pay for people depends on the conditions and requirements set by the hospital. Pay for people can be in the form of pension insurance, insurance premiums, official travel expenses, recreation costs, umroh / hajj and others.

Remuneration can affect employee satisfaction and motivation while improving performance. Basically someone in the work will feel comfortable and high kesetiannya on the company if in work gaining job satisfaction in accordance with what is desired. Satisfaction is a feeling experienced where what is expected to be fulfilled or even what is received exceeds what is expected. According to Dole and Schroeder (2001) job satisfaction can be defined as individual feelings and reactions to the work environment. This is consistent with the theory that Remuneration has a positive effect on employee performance.

In general, a person is satisfied with his job because of his success and obtained a fair trial from his boss. In a study developed by shookron and naami (2009) which states that job satisfaction has a positive effect on performance. Performance appraisal should be done as objectively as possible because it will motivate employees in doing kgiatannya. Besides that, performance madrasing can provide information for the benefit of salary, promotion and look at employee behavior. Performance according to Waldman (1994) is a combination of behavior with the accomplishment of what is expected

and the choice or part of the terms of tasks that exist in each individual within the organization. Mangkunegara (2001: 67) states that performance is the result of work in quality and quantity that can be achieved by an employee in performing tasks in accordance with the responsibilities given to him. Cascio (1995: 275) said that performance is an achievement of employees of tasks that have been established. Soeprihantono (1988: 7) says that performance is the result of an employee's work during a certain period compared to various possibilities, such as standards, targets / targets / criteria that have been determined in advance and have been agreed together.Hani Handoko (2000) from 3 criteria, namely:

1. Assessment based on the results of the assessment based on the target and size specific and can be measured.

2.Value-based judgment is the assessment of work-related behaviors.

3. Assessment based judgment is assessment based on job quality, quantity of work, coordination, knowledge and work.

This hospital is a Type B hospital with a capacity of 189 beds. The current number of Human Resources is 406 people with a composition of 75% of permanent employees and 25% of contract employees. The hospital has implemented a remuneration system in 2010 until now. However, the benefits and objectives of applying the remuneration system have not been achieved until now. Here we present the diagram of the results of employee satisfaction survey conducted by Human Resource Development (HRD) in the first half of 2016:
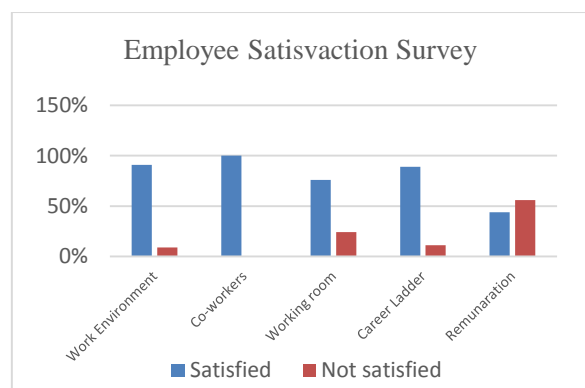

Figure 1.1 Employee Satisfaction Survey

Figure 1.1 shows that employee satisfaction with remuneration is still low. Based on the above description, the researcher is interested to take a thesis on the development of remuneration system with participatory

action research method. We hope that with this research can produce a remuneration system that can improve employee satisfaction and employee performance that will automatically directly affect the improvement of hospital performance.

Conceptual framework

A.
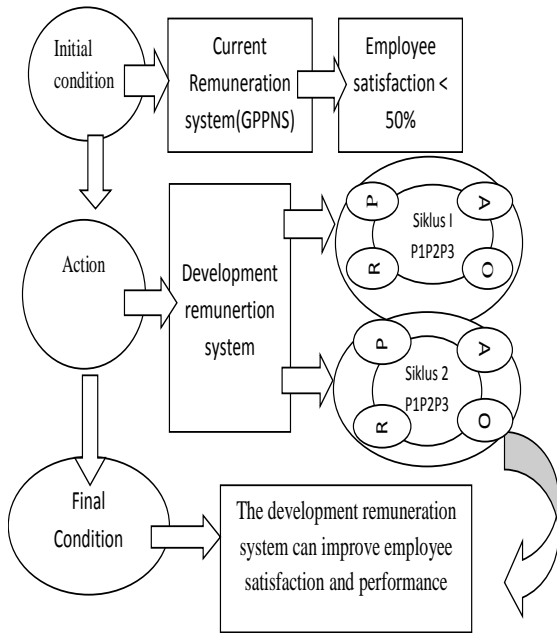
Theoretical framework

According kreitner and kinicki (2011) in Nawab financial rewards or remuneration is one of the factors that generate job satisfaction. Meanwhile, according to Shockrokon and naami (2009) in nawab mention that job satisfaction has a positive effect on performance.

RESEARCH METHODS

The research approach used in this research is action research. While the type of action research that will be used the researcher is the participant method.[2] The main activity in this study is to conduct research to determine the initial conditions of employee satisfaction and employee performance both before and after any development of remuneration system. The object of this research is the hospital in Sidoarjo area. The subjects of this study were all hospital employees. The total

population in this study is 406 employees. While the sample we take as much as 10% of the total population of 40 employees who are distributed to all units in accordance with the technique proportionate stratified random sampling.[3]

RESULT AND DISCUSSION

Characteristics of Respondents

This hospital has a human resources of 406 people consisting of 78 medical personnel, 226 health workers, 102 admin personnel. Of the total number of human resources available today the number of respondents taken is as many as 40 respondents who have the following characteristics:

Table 1. Civil Service Status

Status	Amount	Persentage
Permanent	35	87,5%
Contract	5	12,5%
Total	40	100.0%

Table 2. Education

Education	Amount	Persentage
S2	1	2,5%
S1	10	25%
DIII	24	60%
SLTA	4	10%
SLTP	1	2,5%
Total	40	100.0%

Table 3. Years of Service

Years of Service	Amount	Persentage
< 2 years	3	7,5%
2 till 5 years	6	15%
5 till 10 years	8	20%
10 till 15 years	6	15%
above 15 years	17	42,5%
Total	40	100.0%

To test the validity and reliability of researchers using the likert scale likert. In action research, Likert scale is used to measure attitudes, perceptions and opinions of a person. At the answer of each item of instrument using Likert scale has gradation from very positive to very negative in the form of words as follows:

a. Very satisfied / agreed to score   4
b. Satisfied / agreed to score   3
c. Not satisfied / agreed to score   2
d. Very dissatisfied / agree to score   1

In addition to using the instrument, to deepen the results of this study researchers also conducted interviews with members of the Remuneration Team and the Board of Directors of the hospital.

Implementation of Action

The implementation of this action research is planned for two cycles. In each cycle there are several activities covering action planning, action implementation, observation and reflection with the following steps:

a. First Cycle (I)

After analyzing the data obtained at the time of identification of the problem before the action, the researcher determines several stages as follows:

1) Planning

Action planning activities include:

a) Making a job analysys
b) Conducting discussions with Human Resource Development (HRD) sections related to professional grades tailored to hospital conditions.
c) Determining the corporate grade
d) Determining Point of Rupiah Index (PIR)
e) Performing calculations / simulations with the corporate grade formula multiplied by the PIR.
f) Creating a new system simulation in cycle I

2) Implementation of Action

The implementation activities of these actions include:

a) Divide the calculation simulation of development of remuneration system.
b) Assistance
c) Group Discussion
d) Observation and Inventory of problems
e) Posttest

2) Observation

This observation activity is done by using data collecting tool that is questioner and doing observation during action process. The results of the data processing kuisoner describes that the development of remuneration system in cycle I can not satisfy the employees, because the average score is less than 3 (three).

 4) Reflextion Stage

Based on the observation in cycle I it can be seen that there is an increase in the average score of satisfaction score when compared with the average score before

action. The percentage increase in the average score in cycle I is 15%.

a. Second Cycle (II)

Based on the results of the reflection of action on the first cycle, then made changes to the design / formulation of remuneration system development in cycle II. Implementation of action in cycle II is a continuation in cycle I yng stated not yet reached the standard set. The following steps performed in cycle II are:

1. Planning

Action planning activities include :

a) Formulate a plan for the development of the second phase remuneration system by combining the old formula with the new formula that is on the point of pay for position (P1) using the basic salary standard of civil servants (GPPNS).Tentukan *Point Indeks Rupiah*
b) The amount of pay for performance (P2) using Corporate Grade is multiplied by the Point of Rupiah Index (PIR).
c) Make simulation of system development of remuneration cycle II
d) Make comparison of remuneration system before action, cycle I and remuneration system of cycle II

2. Implemantation of Action

  The implementation activities of these actions include :

a) Distribute the simulation results of the calculation of the development of the remuneration system.
b) Assistance
c) Discussion
d) Observation and Inventory of problems
e) Posttest

3. Observation

Based on the results of observations, it turns out with the application of development of remunureasi system in the second stage shows that employee perceptions related to the development of remuneration system cycle II has increased.

4. Reflection

In the process of data processing in the second cycle of this achievement level of employee satisfaction increased by 27%.

Discussion

Based on data descriptions and data analysis described above can be illustrated the answer to the formulation of problems that have been determined as follows:

a. How is employee satisfaction with remuneration system at Siti Khodijah Muhammadiyah Hospital Branch Along now?

The level of employee satisfaction related to the implementation of the remuneration system before the development can be seen in the following survey results:
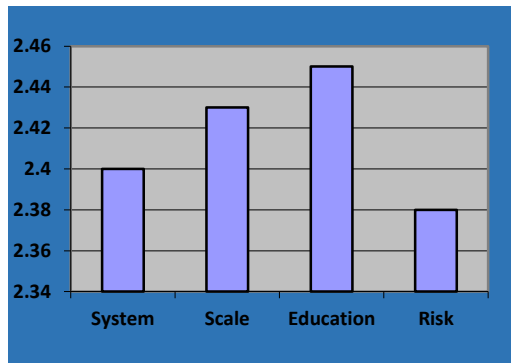

Figure 1. Employee Satisfaction Before Action

Figure 1 shows that employee satisfaction is related to the application of remuneration system in the hospital of 3, but if the average score score can be made, it can be concluded that the employee satisfaction scores average less than 3, this means that the level of employee satisfaction on the application the current remuneration is still low.

b. What is the effect of developing a remuneration system on employee satisfaction?

In general, the development of remuneration system has a positive effect on employee satisfaction. In cycle I and cycle II employee satisfaction scores have increased when compared with employee satisfaction scores before the development. This can be seen in Figure 2:
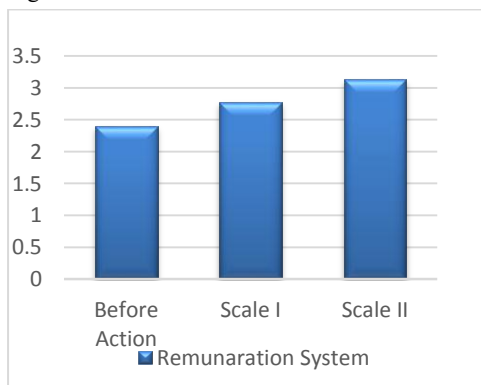

Figure 2. Related Satisfaction of Remuneration System

Figure 2 shows that the increase in employee satisfaction score related to the remuneration system has the highest increase when compared with other instruments that is 30%, then the risk of 29%, the amount of remuneration 26% and education by 23%.

c. What is the effect of developing a remuneration system on employee performance?

The concept of remuneration system development has proved positively affecting employee performance. This is seen in the results of a survey conducted by researchers both before the action and cycle I and cycle II. Here is the picture of the survey results the influence of the development of remuneration system on employee performance.
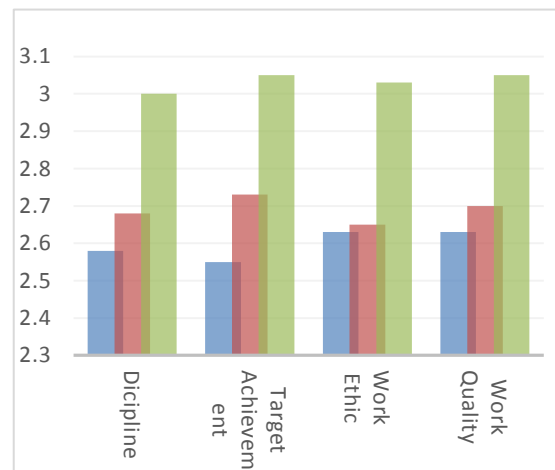

Figure 3. Remuneration Effect on Performance

Figure 3 shows that the development of the remuneration system has a positive effect on employee performance. This is evident in the rate of increase in the achievement of the target score of the highest increase of 20%, Discipline of 17%, Work Quality 16% and work ethic 15%.

Conclusion

Based on the results of research and discussion about the development of remuneration system using action research method, the researcher can draw the following conclusion:

1. The implementation of the existing remuneration system has not been able to meet the wishes and expectations of employees, it is seen in the results of observations before the act of remuneration system development where the score of employee satisfaction

and the effect of remuneration on performance is less than 3.

2. Implementation of the development of remuneration system can increase employee satisfaction. This can be seen in cycle I and cycle II where the score on each instrument has increased when compared with the score before the development of remuneration system. The mean value for each instrument in cycle I was 2.7 and in cycle II was JHJ3.06.

3. The increase of satisfaction score on each instrument in cycle I and cycle II is 15% and 27% when compared with pre-action score, while the improvement of employee performance score in cycle I and cycle II is 4% and 17%.

4. The increase of average score of development of remuneration system in cycle II related to satisfaction and performance is 11% and 13% if compared with cycle II.

Suggestion

Based on the results of research and conclusion above, the researcher has some suggestions to consider are:

1. The development of a remuneration system can improve employee satisfaction and performance, therefore hospital management is advised to use a performance-based remuneration system.

2. Monitoring and evaluation related to the implementation of remuneration system must be done continuously so that the purpose of application of remuneration system can be achieved.

3. The amount of remuneration funding source to be further enhanced because it is very influential on the determination of Rupiah Point Point (PIR), so Take Home Pay obtained can meet the standards of MSEs.

Limitations of Research

This study also has several limitations, namely:

1. The model of remuneration system development is still limited to make the formula has not reached the way of assessing performance.

2. Performance appraisal instruments have not been established because they require more detailed analysis so that the assessment system is not subjective.

3. Employee related data has not been updated yet.

4. This study was only conducted in private hospitals that may not represent other hospitals as a whole, due to limited time and funds owned by researchers.

APPENDIX

Test Results of Employee Satisfaction Instrument Validity

Respondents	No Item			
	1	2	3	4
Rxy	0,912357	0,651297	0,341557	0,882684
t mount	13,73772	5,290908	2,240369	11,57788
t table	1,685954	1,685954	1,685954	1,685954
information	*Valid*	*Valid*	*Valid*	*Valid*

Test Results of Employee Performance Instrument Validity

Respondents	No Item			
	1	2	3	4
Rxy	0,911414	0,60468	0,333196	0,911414
t count	13,6536	4,680029	2,178441	13,6536
t table	1,685954	1,685954	1,685954	1,685954
Information	*Valid*	*Valid*	*Valid*	*Valid*

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