

## THE EFFECT OF COMPENSATION AND COMMUNICATION ON EMPLOYEE JOB SATISFACTION IN PT. RESTU MULIA CIPTA MANDIRI GRESIK

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### Abstract

The purpose of this study is to evaluate the impact of communication and remuneration on job satisfaction at PT. Restu Mulia Cipta Mandiri. Overall, the indicators utilized in this study are reliable (Cronbach's Alpha coefficient  $> 0.6$ ) and valid (correlation coefficient  $> 0.250$  with significance level 0.05). The outcomes of the conventional assumption test further demonstrate that this study has satisfied, among others First, neither regression model exhibits multicollinearity; second, neither model exhibits heteroscedasticity; and third, neither model exhibits autocorrelation. Communication is the most predominate variable value in this study (X2). That is, the compensation (X1) variable receives a value of 0.209 and a multiple regression analysis coefficient value of 0.901. From this value, it can be concluded that communication has a bigger, or even dominant, value than compensation. The fact that these factors are employed frequently can be used to explain why communication is more important. At PT. Restu Mulia Cipta Mandiri, the value of employee job satisfaction increases with the quality of remuneration and internal communication. According to the analysis's findings, all variables significantly influenced how compensation (X1) and communication (X2) impacted worker job satisfaction (Y).

**Keywords:** Compensation, Communication of employee job satisfaction.

### PRELIMINARY

Numerous facets of life changed as a result of the pandemic. 2020–2021 will be a very difficult time for practically all business practices around the world, especially in Indonesia. As many as 86 percent of workers in Indonesia have been impacted by the Covid-19 outbreak since early 2020, according to a JobStreet study performed in October 2020. The survey's findings revealed that the pandemic had a significant negative impact on workers' quality of life. Even though they still have a job, up to 33% of participants in the study said they were dissatisfied with their current employment status. The work from home policy is one of the causes of this dissatisfaction, however it is not the main one. Despite having a fun appearance, the work from home policy has its own difficulties. For instance, there are many distractions in and around the home office that might impair focus and productivity.

Both government and private offices will likely rely heavily on human resources to advance. In order to compete in the global economy, an organization has to have human resources with the will to advance and the ability to be creative. Due to intense competition, an office is expected to be able to improve performance in order to keep up with changes. The objective of any office must be to benefit and inspire those who work for the company. Employee job satisfaction must be taken seriously by the office because it has the power to motivate employees to perform at their best. From the perspective of the business, HR is necessary for conventional goals.

Employees have a crucial role in a company's ability to achieve its objectives. There are undoubtedly many disparities between each employee's talents, abilities, needs, and gender. Paying employees is one way that a corporation will recognize or reward their performance. Compensation is an expense for the business, and the business anticipates that paying compensation will result in higher work performance rewards from employees. Therefore, in order for the firm to benefit from an achievement or employee's effort, the worth of that job must exceed the remuneration offered by the organization (Hasibuan, 2015). Everything an employee receives in exchange for their labor is considered compensation. The existence of employees with the caliber and integrity of employee labor is a major factor in determining an organization's growth. Employees who work well according to the standards set have reasons, especially compensation issues.

Wibowo (2014) states on page 165 that communication is a method used in organizational structures to inform management and employees about many pertinent issues. While communication is a process in which a person (communicator) conveys stimuli (often using verbal symbols) to alter the behavior of others, Haryani (2016) claims that communication is a process (communicants). According to Mangkunegara (2014), communication is the process of passing along knowledge, concepts, and understanding to another person so that he can interpret it in accordance with the intended goal. According to Supardi (2016), communication is an effort to persuade others to understand beliefs in the way that those who hold them do. It is intended that conversation will lead to a point of equality and mutual understanding. Communication has a broader meaning than just saying or writing something, it also includes an understanding.

It may be inferred from the experts' understandings of and definitions of communication that communication is the act of a person delivering messages or information to others through their activities. In essence, businesses and organizations interact as well. Business communication is much more sophisticated than individual communication. Business communication is defined as communication that takes place within the firm. People who will speak with one another within a corporation, sometimes referred to as internal communication, can be observed whether the communication is non-verbal or vocal. However, since business communication is formal, verbal communication alone is the focus. However, in real life, it's also important to comprehend nonverbal cues. Verbal communication is the exchange of ideas via the use of symbols with widely understood meanings. In verbal communication, symbols can be expressed by sound, writing, or images. A person can communicate without using words by employing a variety of gestures, voice intonation, attitudes, and other non-verbal cues.

Job satisfaction is one component that should be taken into account when an organization grows and develops because employees are the backbone of an organization's success. In order to increase employee responsiveness to their work, it is necessary to take into account the overall degree of employee satisfaction. According to Indryani (2012), feelings related to job satisfaction are expressed by employees regardless of how much they enjoy their work. When there is poor coordination, time management, task division, and commitments, work is frequently not completed on time, and there are individuals who are less flexible in completing the work assigned to them, problems with job satisfaction are frequently encountered. For example in determining work stages of repairs work on the grounds that the obligations given are too many but are not noticed by the organization.

Organizations also need to be aware of employee job satisfaction levels because they are a crucial resource that must be appropriately handled by organizational executives in order to produce high-quality data. Employee discipline at work is a requirement for job satisfaction in the organization. Employees who report feeling satisfied with their jobs at work are more likely to report enjoying their work. A positive outlook on diverse work-related situations is a

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component of job satisfaction. Organizations need to pay attention to employee work satisfaction, and the leadership of the organization is primarily responsible for achieving this.

A type of business organization called PT. Restu Mulia Cipta Mandiri works on contractor or office projects. A professional who works in the building or construction industry is known as a contractor. Its office may be found at Gresik Regency, Jl. Dr. Wahidin Sudirohusodo XI-D/03-B. One of the many subsidiaries of PT. Restu Mulia Cipta Mandiri is situated on Jl. Ketintang Madya No. 83, Ketintang, Kec. Gayungan, Surabaya City, East Java. Before the COVID-19 outbreak, the company was doing remarkably well.

Similar to many other businesses that have seen a drop as a result of Covid-19, this one is attempting to start recovering like it did before the outbreak. Visited the PT. Restu Mulia Cipta Mandiri in September 2022, whose address is Jl. Dr. Wahidin Sudirohusodo XI-D/03-B, Gresik Regency, and spoke with the secretary of the board of directors to conduct a casual interview. It appears that they inquired about the number of employees, the number of divisions, and the organizational structure of the company. Additionally, researchers discovered several intriguing business-related occurrences or issues. The first problem is regarding employee compensation that was delayed due to the pandemic, this was caused by the company's income and expenses being unstable, many expenses were outweighed by decay. As a result, some employee compensation was delayed.

Researchers discovered communication issues in addition to concerns with pay. In order to successfully accomplish organizational goals, good communication is required. At its headquarters, the company employs 42 people and 22 divisions. The researchers learned from their sources that there was a lack of formality in office communication, which needed to be investigated. To what extent do employees understand the tasks that must be completed using the means of communication used in the corporate environment, to what extent do employees like the way that communication is done in the corporate environment, to what extent does communication have an impact on each employee's attitude, The fourth is how to foster positive relationships within the business through internal communication, and the fifth is what employees will do in the event of a miscommunication. Therefore, the researcher draws the conclusion that some of these issues are mentioned in Sutardji's indicators. It is evident how much of an impact communication and compensation have on each employee's job happiness.

Based on the foregoing, the researcher concurs with the findings of Adi Pamungkas, Inayat Hanum Indritasi, and Anindita Imam Basri (2022), who discovered that employee job satisfaction is significantly influenced by salary and good communication. In this study, the theory is employed to fill a theoretical hole. The researcher took the title from the earlier description. **"EFFECT OF COMPENSATION AND COMMUNICATION ON EMPLOYEE SATISFACTION AT PT. RESTU MULIA CIPTA MANDIRI"**.

## **RESEARCH METHODS**

### **I. Research Design**

A survey and an experimental approach are examples of the quantitative research type that was employed in this study. The term "quantitative method" refers to a research technique that examines particular populations or samples, collects data using research instruments, and then analyzes that data quantitatively or statistically in order to test the hypotheses that have been established. Validation tests, reliability tests, and conventional assumption tests are employed as data analysis techniques. While employing multiple regression analysis, T test, and

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F test for data analysis and hypothesis testing. All 42 employees were included in the sample for this investigation. If the researcher uses all samples, the sample is said to be saturated.

**RESULTS AND DISCUSSION**

In this study, three conclusions and debates were drawn the relationship between compensation and employee work satisfaction; the relationship between compensation and employee job satisfaction; and the relationship between compensation and communication. The description of each dependent and independent variable is as follows:

**Test Results t**

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	-4.491	3.862		-1.163	.252		
X1_Kompensasi	.209	.117	.179	1.792	.041	.531	1.883
X2_Komunikasi	.901	.119	.758	7.588	.000	.531	1.883

a. Dependent Variable: Y\_Kepuasan

A. Effect of compensation on employee job satisfaction

The influence of remuneration on employee job satisfaction has a sig value of 0.41, which is less than the value of 0.05, according to the results of hypothesis testing. Therefore, at PT. Restu Mulia Cipta Mandiri, pay is a crucial factor in how satisfied employees are with their jobs. These factors have a positive direction of influence, therefore the stronger the remuneration, the more satisfied employees are with their jobs. As a result, the claim that "There is a considerable effect of compensation on employee job satisfaction at PT. Restu Mulia Cipta Mandiri" was demonstrated to be true and accepted as fact was stated. The more favorable and in line with the pay offered, the happier the employees are at PT. Restu Mulia Cipta Mandiri.

B. The effect of communication on employee job satisfaction

The influence of communication on employee job satisfaction has a sig value of 0.00, which is less than 0.05, according to the results of hypothesis testing. As a result, communication at PT. Restu Mulia Cipta Mandiri significantly affects employee job satisfaction. These factors have a positive direction of influence, therefore the more effective the communication, the more satisfied the employees are with their jobs. Thus, the claim that "There is a considerable influence of communication on employee job satisfaction at PT. Restu Mulia Cipta Mandiri" was proven and acknowledged as true was declared to be true.

C. Effect of compensation and communication on employee job satisfaction

The research of this study's findings demonstrates that employee work satisfaction is significantly influenced by both the variables of compensation (X1) and communication (X2) at the same time (Y). It is evident from the F test findings that all independent variables, including pay (X1) and communication (X2), have an immediate impact on employee job satisfaction. The sig value in the F test is 0.000, which is less than 0.05. (Y). inside PT. Restu Mulia Cipta Mandiri. There is a considerable impact of both salary and communication on employee job satisfaction at PT. Blessing of Mulia Cipta Mandiri, according to the research hypothesis. It has been demonstrated to be accurate. The better the provision of compensation and the state of communication that is used daily, the higher the job satisfaction of employees at PT. Restu Mulia Cipta Mandiri.

**Reliability Test**

Variable	Total item	Reliability test results (cronbach alpha)
X1_Compensation	8	0,858
X2_Communication	10	0,911
Y_Job satisfaction	10	0,917

The methodology used to assess reliability in this study makes use of the Cronbach Alpha Arikunto technique (Juliandi et al., 2014, hal. 82). The present study makes use of SPSS data analysis. If the instrument variable's nilai cronbach alpha is greater than 0.6, it is reliable (terpercaya). When the cronbach alpha (reliability index) is less than 0.06, the instrument is considered unreliable (untrue) (Juliandi et al., 2018, hal. 22).

Due to data showing an angka greater than 0.5, the dependability of the variables X1 Compensation (0,858), X2 Communication (0,911), and Y Kepuasan kerja (0,917) can be determined.

**F Test**

Simultaneous or simultaneous test (F test) shows that all independent variables consisting of compensation (X1) and communication (X2) have a simultaneous effect on the dependent variable of employee job satisfaction (Y).

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1150,910	2	575,455	65,947	,000 <sup>b</sup>
	Residual	322,865	37	8,726		
	Total	1473,775	39			

a. Dependent Variable: Y

b. Predictors: (Constant), X2, X1

Based on table 4.17, the F test results above, the significant value is 0.000, which means  $<0.05$ . This shows that  $H_0$  is rejected and  $H_1$  is accepted. Thus, compensation (X1) and communication (X2) simultaneously have a significant effect on employee job satisfaction (Y).

### CONCLUSION

It is possible to draw the following conclusion from the formulation of the problem, literature review, and outcomes of the analysis and debate that were detailed in the preceding chapters :

1. Pay has a favorable and large impact on workers' job satisfaction. Employee job satisfaction may increase if employers pay employees according to their performance and award them bonuses, bonuses, and insurance.
2. Employee happiness is positively and significantly impacted by communication. Employee job satisfaction may rise if understanding, pleasure, effect on attitude, better relationships, and company actions that are in line with the wishes are present.
3. The job satisfaction of PT. Restu Mulia Cipta Mandiri personnel is significantly impacted by both compensation and communication. If the impact of remuneration and communication grows, employee job satisfaction will also increase. Both of these variables will have a good impact.

### SUGGESTION

The following recommendations are made in this study:

1. By offering fair compensation, it is anticipated that PT. Restu Mulia Cipta Mandiri may uphold and deepen their compassion for workers.
2. It is anticipated that the business would enhance and uphold effective communication and promote a suitable attitude toward everyone, both internal and external. Because everyone will then give the business a positive evaluation for the service or treatment it offers.
3. Among the various issues affecting employees' job happiness in the organization are pay and communication. Therefore, it is anticipated that staff members may speak informally and pleasantly, as this might help others around us feel at ease. When one is comfortable, doing all the job seems simple and easy, which helps the leadership of the firm achieve its goals and ensures that rewards are given and received in accordance with the actions taken and the requests expressed.

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