

ATTITUDE TOWARD COMPENSATION AND EMPLOYEE ENGAGEMENT OF ORGANIZATIONAL CITIZENSHIP BEHAVIOR

(Study of Staff Employees of One Mining Company in Kalimantan)

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Abstract---Attitude toward compensation is the response of a person (employee) to the compensation given by the company for what the employee has given or done for the company. The better the compensation given to employees can increase job satisfaction and employee attachment to the organization, can help attract potential employees to join the company and maintain and retain productive employees. This study aims to determine the influence of attitudes on compensation and employee engagement on Organizational Citizenship Behavior (OCB). This type of quantitative research, with a population and sample that is all employees staff position in mining contracting companies, amounting to 50 employees. The sampling technique in this study used a census with data collection methods using a measuring instrument in the form of a questionnaire with a Likert scale type. Validity in this study uses content validity, with the validity of the ratio of this study using the method of content validity ratio (CVR). Testing the analysis of measuring instrument items was calculated by Pearson's product moment correlation equation and reliability testing by Cronbach's Alpha technique. Data analysis method with multiple analysis techniques. Based on the results of the regression test above, the value obtained by sig. $0.00 < 0.05$ then H_0 is rejected and H_a is accepted, so it can be concluded that there is an influence of attitude towards compensation and employee engagement towards OCB simultaneously. From the determination test results obtained value of 0.325, the contribution of attitudes towards compensation and employee engagement is 32.5% to OCB, and 67.5% is influenced by other variables outside of the variables in this study.

Keywords---Attitude toward compensation, organizational citizenship behavior

I. PREFACE

A stronger US dollar exchange rate has weakened many currencies in Asia and other continents, including the Rupiah. This has resulted in several companies being negatively impacted, especially companies that conduct transactions using US dollars, such as one of them is a company engaged in the procurement of heavy equipment spare parts imported from abroad. Besides the influence of the US dollar exchange rate, external factors that have a negative impact on companies are the decline in world oil prices to the lowest level in the past 6.5 years, so that the world economy becomes more uncertain and makes competition more stringent and severe (Kompas, 2015).

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One type of industry affected by the above two things is the coal mining industry, it is estimated that more than 40 coal companies have closed (Suhendra, 2015), so if it is assumed that one company has 200 employees, there are around 8,000 employees who have experienced termination of employment (Layoffs). Based on unsatisfactory economic growth figures, the government gave a circular regarding an increase in the Minimum Wage for each province by 8.71% for 2018, and in 2019 the minimum wage increased by 8.03%, this was one of the factors that affected the healthy cash flow of the company. To be able to survive and win the competition under the pressure of uncertain global conditions, every organization in this case the company is required to pay more attention to the process of managing human resources as one of the most important aspects of several other aspects, such as financial aspects, machinery, materials, technology and marketing.

Related to some of the problems above, one of the company's strategies that can be carried out amid negative business growth is compensation efficiency, in the form of not too large annual increases, reductions in recruitment of new workers and delays or stopping production bonuses. Compensation has a significant influence on positive work behavior of employees, this is supported by research by Fitrianasari et al (2013), that the provision of good compensation will have a positive effect so that the better the attitude of employees towards compensation, the more strengthens the Organizational Citizenship Behavior (OCB) .

In addition to the compensation aspect, to create positive work behavior is how to create employee attachment to the company which in the end every given task can be carried out properly by the employee. Many organizations or companies of various sizes, both large and small, make large investments to create high employee engagement. There are even some companies that make employee engagement a healthy benchmark for whether or not a company. Business consultant and former General Electric CEO Jack Welch (Mello, 2015) stated that "there are three indicators that can be seen in a healthy company, first employee engagement, second customer satisfaction and third healthy cash flow".

Jack and Suzy Welch (in Mello, 2015) also stated that "No company, small or large, can win a long journey without empowering its employees to trust the company's mission and understand how to achieve it. That is why companies need to measure employee engagement at least once a year using surveys. "

According to Noe et al (2014), one of the factors that influences high productivity is employee engagement, employees who have involvement in the company where they work, will provide many benefits to the company such as high productivity, good service to customers and low turn over or exit employee entry. Employees who have a positive bond with the company are expected to be able to do every job that is given, each organization wants to have employees who are willing to do every work voluntarily either written in the work contract or job descriptions that have been mutually agreed upon or matters not listed in the document, this is in accordance with research (Ardianzah, 2017), that there is a relationship between employee engagement with organizational citizenship behavior with a correlation rate of $r = 0.528$.

Voluntary work related to work not listed in agreed upon documents is called Organizational Citizenship Behavior, hereinafter referred to as OCB. This voluntary behavior is not coercion from superiors and if not done is not considered as a basis for giving punishment. Several studies have shown that Employee Engagement is able to be a potential predictor of OCB behavior (Ariani, 2013). Many companies are affected by global conditions due to falling oil prices and technological advancements in the form of automation and digitalization, so that to survive in the midst of such a large exposure the company continues to make every effort to be able to develop and continue to grow positively, only efficiency in the employee cost sector into consideration, due to negative business conditions and growth.

This research was conducted at a coal mining company (hereinafter referred to as PT. X), which continues to rise and survive amid unfavorable external influences, it seems that the price of coal dropped from 2013 to 2017, although prices began to improve in 2018, of course The conditions were quite severe in previous years, making the condition of cash flow

was not yet stable. Some of the cases found include requests for layoffs, strikes, sick leave that is out of the ordinary and some behaviors showing a reluctance to complete a task are some of the phenomena that underlie this research.

Based on the background of the problems above, the study was conducted to see the effect of attitudes towards compensation, employee engagement, with OCB.

Compensation

Compensation is important in an organization, good compensation will affect the attitudes and behavior of employees. The better compensation provided to employees can increase job satisfaction and employee engagement with organizations that can help attract potential employees to join the company and maintain and retain productive employees.

According to Ivancevich (2001) compensation is the reward received by an individual as a substitute for employee contributions to the company. Milkovich & Newman (2005) put forward several points of view regarding compensation, namely:

- (1) From the perspective of the general public some people view compensation based on justice, for example how much compensation is given to themselves compared to others, how big is the difference in compensation given to men compared to women and vice versa.
- (2) From the stakeholder's point of view the compensation given is seen in the extent to which a person's performance provides benefits to these stakeholders.
- (3) From the employee's point of view, compensation is seen as a source of financial security, the better the compensation obtained, the safer the financial source. Based on the above it can be concluded that compensation is a reward given by the company to employees for work done based on the agreement of both parties.

Attitudes toward Compensation

A person's response to an event cannot be separated from feelings of like or dislike, happy or unhappy, this is called attitude. Attitudes have an important influence on behavior, a person's attitude towards something will usually cause the person to behave in a certain way. However, attitude is not the only determinant of behavior. The environment around us will also affect attitude. Usually we cannot control the environment, but we can control our attitude (Kaswan, 2015).

Experts have various definitions of attitude, one of which was stated by Fishbein & Ajzen et al (Azwar, 2016) that attitude is affect or judgment - positive or negative about an object. Allport in (Kaswan, 2015) holds, attitude is a state of being prepared both mentally and nervously, organized through experience, which has a dynamic influence and leads to one's response to all objects, and situations, associated with the situation. In addition, Eagly and Chaiken in (Kaswan, 2015) describe attitudes as psychological tendencies expressed by assessing certain entities with the level of support or rejection.

Kaswan (2015) provides several essential things about attitudes, namely: attitude is a mental state, nerve, or mind that is accepted as truth. Attitudes encourage someone to think, feel, or act both positively and negatively towards people, ideas or events. Attitude is not an innate factor, but is obtained through learning, or experience. From some of the above notions, it can be concluded the understanding of the attitude towards compensation is the response of a person (employee) to the compensation given by the company for what the employee has given or done for the company.

Compensation Component

According to Kaswan (2017) compensation consists of 3 components, first the basic compensation is fixed compensation that employees receive regularly, either in the form of salary or wages. The two benefits are sometimes called indirect compensation, some examples of benefits are health insurance, holidays and others. The last component is an incentive, a program designed to reward employees for good performance, usually in the form of bonuses or profit.

Employee Engagement

Each company and consultant has a different definition of Employee Engagement, along with several definitions collected by Mello (2015), among others, Caterpillar Company defines Employee Engagement as a commitment, effort, and desire of employees to continue working in their organization. Intuit Company, Inc. describe Employee Engagement, is how employees think, feel, and act on their position, work experience, and company. Meanwhile, according to the Gallup Organization Consultant Employee Engagement is involvement and enthusiasm in working.

Based on some of the definitions above, it can be concluded that employee engagement is an employee engagement and involvement with an organization characterized by enthusiasm in work, involvement in assigned tasks, good commitment to work and the company, and a desire to remain or work at the company. the.

Aspects of Employee Engagement

Mello (2015) mentions that in assessing employee engagement, companies usually use attitude measurements or opinion surveys, here are ten themes: feeling proud of the company at work, feeling satisfied with the company, feeling satisfied with the job, having the opportunity to do challenging work, getting good recognition and feedback from each contribution, get support from superiors, have a business that is above average, have a good understanding of the work relationships and mission of the company, have growth prospects with the company, have the intention to remain in the company, from the aspects of the aspects mentioned above can be divided into several factors of attachment, firstly related to employees' attachment to the company such as feeling proud and satisfied with the company where they work, having growth prospects with the company, understanding the second company's mission related to employee attachment to jobs such as feeling satisfied with their work, having the opportunity to do challenging work, having a business that is above average, thirdly related to the employer gets recognition and feedback, gets superiors support, fourth is related to the intention to remain in the company.

Organizational Citizenship Behavior

Organ (Kaswan, 2017) defines Organizational Citizenship Behavior based on willingness to do a job, where the behavior is not recognized directly in the reward system within the company, and overall increases the effectiveness of organizational functions. Voluntary behavior in completing the tasks intended here is something that does not include the roles and things listed in the job description that has been arranged previously.

According to Kaswan (2017), there are three main characteristics derived from the above definition. First, OCB is essentially voluntary and goes far beyond the traditional demands of work. Unlike the job description agreed in the work contract or the Job Description document that must be carried out for each work item listed in the document, the employee will be penalized if the work specified in the document is not carried out. but in what OCB activities do employees are more based on their own choice, without coercion or persuasion from superiors and if not done then it is not considered as one of the grounds for punishment. Second, OCB is not directly or formally recognized by the reward system. Third, in the aggregate promoting organizational functions effectively and efficiently.

Dimensions of Organizational Citizenship Behavior

Based on research conducted by Organ and his friends, there are five main dimensions of OCB, among others: altruism, conscientiousness, sportsmanship, courtesy and civic virtue (Kaswan, 2017). The first dimension is altruism, which is defined as all voluntary behavior that has an impact on certain other people associated with tasks or problems in the

organization. Examples included in altruistic behavior include employees who help co-workers complete certain projects, even their helpers are not responsible for completing the project. The second dimension is conscientiousness, which includes moving / doing something that exceeds the minimum requirements required for the job role. For example, employees who do not go on vacation and work to complete projects that are nearing deadlines are employees who show conscientiousness. The third dimension is sportmanship which is described as avoiding complaining of small complaints, reviling little things that are real or that are wishful thinking. The fourth dimension is courtesy, which means keeping coworkers informed about things that are relevant to them. Some employees have a tendency to keep relevant facts and keep certain events confidential. Good organizational citizens do the opposite. They share it with certain people because they don't know what information might be useful for others. The fifth dimension is civic courtesy, which includes responsible participation in the political life of organizations, such as attending meetings, discussing organizational issues outside of work time, and raising concerns.

II. RESEARCH METHODOLOGY

This research will be carried out with quantitative research, where the population and sample numbered 50 employees, namely all staff position employees in one of the mining contracting companies operating in South Kalimantan, where the Head Office of the company is located in Jakarta. The sampling technique in this study uses a census with data collection methods using a measuring instrument in the form of a questionnaire with a Likert scale type, the scale used is the scale of attitudes toward compensation, employee engagement scale and scale of organizational citizenship behavior. Validity in this study uses content validity, with the validity of the research ratio using the content validity ratio (CVR) method. Testing the analysis of measuring instrument items was calculated by Pearson's product moment correlation equation and reliability testing by Cronbach's Alpha technique. Data analysis methods with multiple analysis techniques, both simultaneously and partially.

III. RESULTS

Validity test in this study uses content validity with the face validity method and peer review or the readability test, the results of the peer review make the basis for researchers to improve a few sentence items to better describe the existing indicators. The instrument tryout was conducted on 126 respondents who had the same characteristics as the research respondents. The researcher uses the item correlation method to analyze the items that have been made for each instrument, and see the results of Corrected item-total Correlation, from the SPSS version 24.00 data processing application. The results of the analysis of the items in this study contained a number of invalid items, namely on the scale of attitudes towards compensation, of the 13 items there were 1 invalid items with a reliability value of 0.834. On the Employee Engagement scale of 40 items, 7 items are invalid with a reliability value of 0.935. And on the Organizational Citizenship Behavior (OCB) scale of 24 existing items, 10 invalid items are invalid with a reliability value of 0.801. The hypothesis test used by researchers is multiple regression because the researcher wants to know the effect of the independent variable on the dependent variable as well as prove the hypothesis that the researcher has made. The multiple regression results obtained by the value of sig. $0.00 < 0.05$ then H_0 is rejected and H_a is accepted, so it can be concluded that there is an influence of attitude towards compensation and employee engagement towards OCB simultaneously. Partially, employee engagement has sig. $0,000 < 0.05$, it can be concluded that there is an influence of employee engagement on OCB, for the attitude towards compensation has a sig. $0.007 < 0.05$, it can be concluded that there is an influence of attitudes towards compensation towards OCB. Based on the equation test, it can be concluded that if there is an increase of 1 unit in the employee engagement variable, OCB will decrease by -0.214 with the assumptions of other variables constant. If the value

of attitude towards compensation increases by 1 unit, the OCB value will increase by 0.261 assuming other variables are constant. From the results of the regression equation above it can be concluded that the employee engagement variable has more influence on the level of OCB than the attitude variable towards compensation. To see how much the contribution of the influence given the dependent variable on the independent variable. Determination test is carried out with the results. R square shows the number 0.325 based on this value, the contribution of attitudes towards compensation and employee engagement is 32.5% towards OCB, and 67.5% is influenced by other variables outside of the variables in this study. The highest frequency of respondents from 50 respondents on the employee engagement scale, there were 18 people or 18% were in the high category, 2% were in the low category and 62% included in the medium category with a mean finding of 68.7. For the scale of attitude towards compensation, the category of attitude towards compensation is obtained with a total of 41 respondents or 82%, a high category of 10% and a low of 8% with a mean finding of 36.48. And OCB scale distributed to 50 respondents obtained the highest category of respondents in the medium OCB category with a total of 32 respondents or 64%, while with a high category of 36% with a mean finding of 31.4.

IV. CONCLUSION

Based on the results of the first data analysis conducted by researchers, it is known that there is an influence of attitudes towards compensation for OCB on staff employees of one of the companies engaged in coal mining contracting in the South Kalimantan area (hereinafter referred to as PT. X). The above is in accordance with the opinion of Kaswan (2017), that as a result of the poor compensation system will cause dissatisfaction with employees, which in turn decreases productivity and quality of work life, increases complaints, strikes, attempts to change jobs and so on. High complaints, work strikes accompanied by high absenteeism or absenteeism can cause OCB behavior to decrease, because negative behavior is a counter productive attitude.

If it is understood from Kaswan's opinion above, if the compensation given is not good, it will have an impact on bad behavior, otherwise good compensation can increase OCB behavior, thus it is expected that the activities carried out by employees really come from internal factors, without being forced and pressured in such a way. Keep in mind that compensation is not always seen from the amount of wages received when compared to other similar companies, but how the company management communicates properly and correctly related to compensation given based on the company's internal and external factors. In addition, the provision of wages must be adjusted to the schedule that has been agreed in the work contract, because if this is not met, the employee's attitude towards compensation can be a negative influence on the OCB variable. From the results of the regression test the attitude towards compensation has a negative value of -0.214 which indicates that the attitude towards compensation predicts a significant decrease in OCB.

The results of the second data analysis concluded that there was an influence between employee engagement on OCB with a positive regression value of 0.261. Employee engagement and involvement with an organization characterized by enthusiasm at work, involvement in assigned tasks, good commitment to work and the company, and the desire to stay or work at the company have a positive influence on OCB, this is in accordance with research Ariani (2013) that employee engagement can be a potential predictor of OCB behavior.

Furthermore, based on the results of data analysis conducted on the three variables simultaneously it can be concluded that the attitude towards compensation, employee engagement has a significant effect on OCB, seen from the value of R Square (R^2) = 0.325. Based on this value, the contribution of attitudes towards compensation and employees engagement amounted to 32.5% of OCB, and 67.5% was influenced by other variables outside of the variables in this study.

Based on the results of the analysis of research data, it can be concluded that there is an influence between attitudes towards compensation for OCB for staff employees at PT X, as well as there is an influence between employee

engagement on OCB. And the results of the simultaneous analysis, there is an influence between attitudes towards compensation, employee engagement on OCB.

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