
Effect of Career Development and Compensation on Work Productivity

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Abstract: *This study aims to determine and analyze effect of career development and compensation on work productivity. The type of research used is correlational research. Population in this study are 120 employees of PT Asia Sakti Wahid Foods. Sample is selected by probability sampling technique. Through the slovin formula, sample in this research is 100 samples. The data analysis method in this study uses multiple linear regression. The results show that career development has a positive and significant effect on work productivity. Compensation has a positive and significant effect on work productivity.*

Keywords: *Career Development, Compensation, Work Productivity.*

1. INTRODUCTION

Competition in the era of globalization is getting tighter, basically, all companies have the hope to continue to develop according to the business scope of the company itself. But in the era of globalization which is marked by changes that are so fast that it is required to make adjustments in all aspects that exist in the organization. With the limited human resources available, the organization is expected to be able to optimize it so that the organizational goals that have been set are achieved (Hariandja, 2002).

Organizational behavior as a basic science of the application of human resource management policies has facilitated various empirical studies on various factors of organizational behavior on performance. Performance is the result of work in quality



and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. The development of the company is of course not only with the performance of employees but requires employees who are competent and also accompanied by discipline and motivation of employees in doing work so that the organizational goals that have been set are achieved (Achmad, 2013).

The service productivity and performance of the company is determined by the service workforce in the company, so the quality of the workforce, especially employees, is needed to get the quality of the employee's own work. understanding to determine ability in work skills, and assessment of career development at work, so that each quality obtained will add to work productivity as expected.

Work productivity also sees an update in the formulation of compensation policies in accordance with current conditions that are satisfactory for the workforce, namely employees, so that employees remain loyal in their work at the company, with a compensation system also so that it can motivate employees to be more active at work, and also the compensation received must be in accordance with the daily amount of work with the wages received in order to work well, and if the compensation given by the company is sufficient and fair for employees, this will encourage and motivate employees to work even better in doing their jobs and more responsible for each task given, as well as compensation as well as to avoid the level of turnover of employees who leave more than those who enter to work, so that it will create an imbalance in the number of hours worked with the amount of service provided because many leave (Mangkunegara, 2012).

PT Asia Sakti Wahid Foods is a professional manufacturing company that sells and exports biscuits, wafers, and chocolate products of various variants. The company was founded in 1978 and is primarily based in Medan City, North Sumatra Province, Indonesia. Consistent product innovation has always been an important aspect in PT Asia Sakti Wahid Foods starting from the conception, and development process to delivery to customers, thus providing a wide selection of products. Some of the company's products include marie biscuits, cracker varieties, cookies and wafer products, and chocolate. In addition, PT Asia Sakti Wahid Foods can also develop or produce products according to customer requests. All of the company's products comply with international quality standards and are greatly appreciated in various markets around the world.

This study aims to determine and analyze effect of career development and compensation on work productivity.

2. RESEARCH METHODS

The type of research used is correlational research. This research is carried out with the aim of detecting the extent to which variations in a factor are related or



correlated with one or more other factors based on the correlation coefficient (Pandiangan et al., 2023).

Population is the entire object or subject that is in an area and fulfills certain requirements related to the research problem, or the entire unit or individual within the scope to be studied (Martono, 2010). Population in this study is 120 employees of PT Asia Sakti Wahid Foods. Sample is part of the number and characteristics possessed by the population (Sugiyono, 2013). Sample is selected by probability sampling technique. Probability sampling technique is that each member of the population has the same chance of being selected as the sample with the same chance of being selected as the sample (Umar, 2000). Through the slovin formula, sample in this research is 100 samples.

The data analysis method in this study uses multiple linear regression. Based on the number of independent variables, the regression is divided into 2, namely simple linear regression and multiple linear regression (Ratnawita et al., 2023). For simple linear regression it only consists of 1 independent variable and 1 dependent variable, while for multiple linear regression it consists of 2 or more independent variables and 1 dependent variable.

3. RESULT

General Description

PT Asia Sakti Wahid Foods is a professional manufacturing company that sells and exports biscuits, wafers, and chocolate products of various variants. The company was founded in 1978 and is primarily based in Medan City, North Sumatra Province, Indonesia. Consistent product innovation has always been an important aspect in PT Asia Sakti Wahid Foods starting from the conception, and development process to delivery to customers, thus providing a wide selection of products. Some of the company's products include marie biscuits, cracker varieties, cookies and wafer products, and chocolate. In addition, PT Asia Sakti Wahid Foods can also develop or produce products according to customer requests. All of the company's products comply with international quality standards and are greatly appreciated in various markets around the world.

In the company's pursuit of product excellence, our quality standards and modern facilities have earned the company many certifications over the years such as Halal Certificate, SNI-ISO 9001-2008, HACCP, Bintang Dua, and SNI Biscuits & Wafers. At ASWFOODS, companies respect customer needs and consider them equally important. Because of this, the company strives to not only provide quality products but also maintain professional communication with customers to ensure the company fully understands their needs and provide committed service where the company can create an impact for generations to come.



The company's vision is to become a national company that is known and recognized and makes a meaningful contribution to society. The company's mission is to gain market share with quality products and sustainable innovation and provide social care and benefits.

The following is a description and details of the tasks that are owned by the organizational structure within the company:

A. Director

Make policies and directions to be achieved by the company.

B. Sales Manager

Supervise and control all sales activities.

C. Bookkeeping Manager

Keep records of all bookkeeping activities in the company.

D. Finance Manager

Perform control and supervision of all financial activities within the company.

E. Purchasing Manager

Control and supervise purchasing activities so as not to increase costs.

F. Personnel Manager

Carry out control over the activities of all employees in the company and supervise so that employees follow the established rules.

G. Production Manager

Perform control activities on the company's production activities.

H. Supervision

Helping every manager in their operational activities in order to facilitate the manager's work in handling employees and checking the results of employee work.

I. Staff

Carry out operational activities in accordance with their respective sections or divisions and directions from superiors.

J. Promotions

Carry out promotional activities to help companies market their products.

K. Admin

Assist marketing parties in recording sales and provision of other work needs.



L. Taxes

Perform various records related to tax reporting.

M. Cashier

Responsible for receiving and disbursing finances.

N. Receptionist

Conduct reception activities and also assist employees as operators in contacting external parties.

O. Security

Keeping the office safe from danger and also from things that are not good.

P. Office Driver

Carry out special delivery of employees for work purposes such as carrying out services and so on.

Q. Cleanliness

Maintain the cleanliness of the company room and work environment.

R. Foreman

Checking the amount of inventory in the warehouse and submitting a report to superiors.

S. Warehouse

Arrange the goods in the warehouse.

T. Goods Driver

Carry out delivery of goods that have been ordered by employees.

U. Kernet

Provide assistance to goods drivers in lifting goods and accompanying goods drivers when delivering goods to employees.

Multiple Linear Regression Results

Multiple linear regression is a statistical technique that simultaneously develops a mathematical relationship between two or more independent and dependent variables.

| Table i1. i iMultiple iLinear iRegression iResults | | | | | |
|---|------------------------------|-------------|----------------------------|-------|------|
| Coefficients^a | | | | | |
| Model | Unstandardized iCoefficients | | Standardized iCoefficients | t | Sig. |
| | B | Std. iError | Beta | | |
| 1 (Constant) | -34871.285 | 414153.432 | | -.084 | .933 |



| | | | | | |
|--|--------|-------|------|-------|------|
| Career iDevelopment | 1.358 | .191 | .511 | 7.118 | .000 |
| Compensation | 10.477 | 1.536 | .490 | 6.822 | .000 |
| a. iDependent iVariable: iWork iProductivity | | | | | |
| Source: iResearch iResults i(2023) | | | | | |

The results show that career development has a positive and significant effect on work productivity. This is in accordance with the opinion that career development is a planning and implementation of career plans that can be used for placement at a level that is appropriate to their expertise, as well as providing better opportunities according to abilities and potential. This will improve the quality of work that will try to control their careers and choose better careers so that they continue to achieve and obtain job satisfaction (Sinungan, 2003). Career development can make employees increase their work productivity and continue to be enthusiastic about working more loyally workplace. Company management must also see that career development must be managed properly in order to maximize the utilization of employee power and provide job satisfaction for employees. To be able to realize the achievement of quality service, it is necessary to have employees who are professional, have intellectual, technical, and interpersonal skills, work based on standard practices, and pay attention to ethical and moral rules. By looking at the results of this research, it is clear that career development is a variable capable of influencing changes in the level of work productivity. Employees who have to develop more in their careers will provide good performance and increase productivity, and hospital management should consider reviewing to provide employee development in work.

Compensation has a positive and significant effect on work productivity. If the compensation given is large, the employee's work productivity will improve and if the compensation given is small, the work productivity will be poor. Compensation management is a process of planning, organizing, and controlling activities related to the provision of attractive, attractive and motivating rewards for services or work performed at a cost that can be controlled, and provide motivational factors to influence someone in work and good compensation, of course, compensation that is still reasonable and fair according to the work and contribution made to the place of work. Compensation is remuneration for employees because those concerned have provided assistance or donations to achieve organizational goals (Sutrisno, 2012). Compensation for services is given due to workers' participation in the organization which includes salaries, wages, official housing, vehicle facilities, work clothes, meal allowances, official housing allowances, and other benefits. Motivation for satisfaction is also needed to see that work is not only about salary. This content theory is based on the factors of individual needs and satisfaction so that these individuals are willing to carry out their activities. The theory of satisfaction motivation seeks to find out about needs that can provide satisfaction and can encourage individual work enthusiasm. Basically, the higher standard of individual needs and also the desired satisfaction causes the individual to be more active in doing his work. This



research only examines financial compensation which will later provide input to hospitals to make policies regarding financial compensation for employees, which of course will impact on increasing employee work productivity. This study the relationship of compensation to employee work productivity is a positive relationship because if the increase in compensation given to employees can make the distance between the incoming and outgoing workers not far apart, so the hospital must make policies to provide proper compensation. The formulation of good and appropriate policies in terms of fairness or eligibility for employees, employees will feel satisfied and motivated to work and carry out activities in the hospital. Vice versa if the sense of justice and fairness is not fulfilled it will cause employees to be dissatisfied and work ineffectively, and make them leave work, so that it will affect employee work productivity.

4. CONCLUSION AND SUGGESTION

The results show that career development has a positive and significant effect on work productivity. Compensation has a positive and significant effect on work productivity.

Based on the results of the research, the suggestions given are as follows:

1. Companies can conduct training that is useful for increasing skills knowledge, soft skills, ethics, and empathy at work.
2. Does not differentiate training both internally and externally in the training received. It is expected that all employees who take part in the training will not distinguish between good training internally which is less serious because the training is only in the company, which many instructors know, and is not as serious about the material which is given.
3. Company management should build trust in career development that the company is the right place for him to work, as well as the importance of working together to maintain the loyalty of nurses to be able to work and not many, leave their jobs.

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