

## THE INFLUENCE OF WORK INCENTIVES AND SOCIAL SECURITY ON IMPROVING EMPLOYEE PERFORMANCE IN REGIONAL PUBLIC COMPANIES TIRTA JENEBERANG DRINKING WATER REGION, GOWA REGENCY

Indriani Dwi Cahyono<sup>1</sup>, Andi Rizfan Rizaldi<sup>2</sup>, M. Yusuf Alfian Rendra Anggoro<sup>2</sup>  
Management Study Program, Faculty of Economics and Business, Universitas Muhammadiyah  
Makassar, Indonesia

\*Corresponding Author

[indriandwicahyono@gmail.com](mailto:indriandwicahyono@gmail.com)<sup>1</sup>, [andi.risfan@unismuh.ac.id](mailto:andi.risfan@unismuh.ac.id)<sup>2</sup>, [rendranggoro@unismuh.ac.id](mailto:rendranggoro@unismuh.ac.id)<sup>3</sup>

### Abstract

*This research aims to analyze the effect of incentives and social security on improving employee performance at PDAM Tirta Jeneberang, Gowa Regency. The research method used is quantitative with a descriptive approach. The research location was carried out at PDAM Tirta Jeneberang, Gowa Regency, over a 3 month period. Data was collected through questionnaires and analyzed using descriptive statistical methods via applications Statistical Package for the Social Science (SPSS) 25. The results obtained from this research show that there is a positive relationship between Work Incentives (X1) and increased employee performance (Y), as well as Social Security (X2) which contributes positively to increased employee performance (Y) at PDAM Tirta Jeneberang Regency Gowa.*

**Keywords:** *Work Incentives, Social Security, Employee Performance Improvement*

## INTRODUCTION

Human resources play a very active role in an organization and company, therefore many companies are always trying to improve the quality of human resources so that employee performance increases in achieving company goals. Human resources are one of the most important assets in a company, because the key to a company's success begins with good human resource empowerment activities. Competent human resources are very much needed for a company. In this case, companies need to create the right strategy so that employee performance continues to increase and can support the company's success. By increasing the quality of human resources, employees can work more productively and more professionally so that the performance produced by employees can exceed the standards set by the company.

Employees who have high performance can make a big contribution to the company. Apart from that, companies need to give awards to employees who excel. This aims to increase employee productivity. In general, employees work to fulfill their living needs, so that employees are increasingly active in working in order to obtain satisfactory rewards or remuneration. Improving employee performance is also an important aspect in a company to achieve company success. Policies provided by the company to improve employee performance by providing compensation in the form of incentives and social security. Providing incentives is a very important thing given to employees because it is a form of appreciation or remuneration for the services provided by the company. company to employees for the achievements they have achieved and to motivate employees to improve their performance

(Hariandja, 2011) "incentives are a form of direct payment that is linked to performance and is defined as sharing profits for employees due to increased productivity or cost savings. As

is known, when providing incentives, the greater the productivity results that have been achieved or the more diligent the employee, the higher the incentive. This is designed to increase employee morale in the company. According to (Meiditami & Sunuharyo, 2018), incentives are the provision of money or bonuses received in addition to salary, which is intended as an appreciation for employees who excel at work and contribute to employees. If there is an incentive distribution program for employees, the company hopes that employees can increase their motivation in doing their work and it can be said that providing incentives will be a motivation for employees to work harder or their productivity can reach the targets that have been implemented. Performance is basically what employees do or don't do. Wirawan (2012) states that performance is an abbreviation of work energy kinetics. Performance is the output produced by the functions or indicators of a profession or job within a certain time

Social security can also affect employee performance. Social security provided to employees will certainly provide a sense of security for employees. Social security provided to employees can be in the form of accident compensation, grief compensation and medical expenses. The social security provided by the company will be able to provide peace of mind and a feeling of security to its workers. The role of the workforce in national development is increasing, accompanied by the various challenges and risks they face, therefore the workforce needs to be given protection, maintenance and improvement of their welfare, so that in the end it will increase national productivity (Setiadi, 2009).

Yoga Anggoro (2009) "Social Security is a protection for workers in the form of compensation in the form of money as a partial replacement for lost or reduced income and services as a result of events or conditions experienced by workers in the form of work accidents, illness, pregnancy, childbirth, old age and death." The Regional Public Company (Perumda) Tirta Jeneberang, Gowa Regency is one of the drinking water companies that operates in providing clean water to the people of Gowa. This company aims to meet the need for clean water with good quality and sustainability. PERUMDA Gowa is also responsible for ensuring the availability of water for industrial and business needs in its operational area and surrounding areas.

Based on the results of the author's observations, in the PERUMDA company there are work incentives in the form of bonuses and giving awards to employees who have good performance, as well as getting social security in the form of health and old age (pension) insurance, but there is a phenomenon that occurs in the Regional Drinking Water Public Company ( PERUMDA) Tirta Jeneberang, Gowa Regency, is one of the incentives in the form of a bonus. Many employees feel that the bonuses given by the company to employees are paid later than the date they should be. This will certainly give rise to a negative stigma for employees that the results they have worked on have not received appropriate appreciation from the company. so they lose motivation to improve performance.

**Tabel 1 Social Security**

<b>Social security obtained by employees</b>
BPJS of Employment
BPJS Health
Pension plan
Pension Guarantee

*Source: Gowa PDAM data processing*

In the table above there are several social guarantees, but social security for health is one of the problems faced by Perumda employees, some employees ignore the social security facilities because there are difficulties when arranging the use of social security. Social security is expected to provide a sense of security and calm for employees when working, because when working employees feel protected by the company. And the social security provided by the company is still not in line with what employees expect, and there is an uneven distribution of compensation expected by employees who have entered retirement, are sick or have an accident while working.

Based on the number of employees of PERUMDA Tirta Jeneberang, Gowa Regency, problems related to incentives and social security are problems that must be faced by the company because they are related to optimizing employee performance. Decreased performance will certainly hinder the company in achieving the targets set, because with the large number of employees in the company must be able to maximize the potential of all employees to achieve the goals to be achieved.

### **RESEARCH METHODS**

This research uses descriptive research with a quantitative approach. According to Sugiyono (2018), the quantitative method is a research method based on positivistic (concrete data), research data in the form of numbers measured using statistics as a calculation test tool, related to the problem being studied to produce a conclusion.

This research uses primary data in the form of respondents to statements in the questionnaire and secondary data which includes employee data. This research contains the influence of work incentives and social security on improving the performance of employees of the Regional Public Company (PERUMDA) Tirta Jeneberang, Gowa Regency.

The data analysis method employed in this research utilized quantitative descriptive analysis, validity testing, reliability testing, classical assumption testing, multiple linear regression analysis, hypothesis testing, dan coefficient of determination test.

## RESULTS AND DISCUSSION

### 1. Result

Picture 1. Normality test

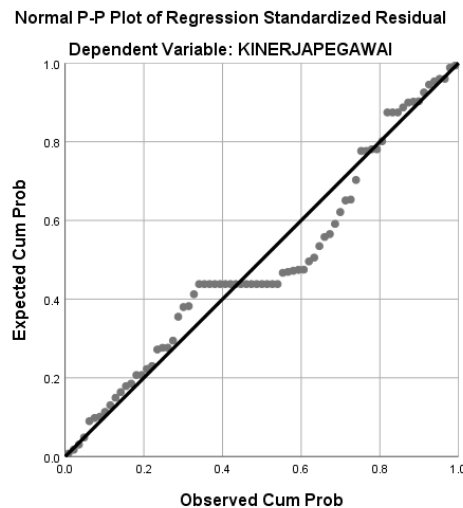


Table 2. Regresion Test

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.310	3.160		2.313	.024
	Work Incentiv	.420	.125	.378	3.354	.001
	Social Security	.432	.110	.440	3.908	.000

a. Dependent Variable: EMPLOYEE PERFORMANCE

Based on the table above, the results of the multiple linear regression analysis show that the constant value (a) is 7.310, the Work Incentive variable value (b1) is 0.420 and the Social Security variable value (b2) is 0.432, so the results obtained are then entered into the equation as following:

$$Y = b_0 + b_1X_1 + b_2X_2 + e$$

$$Y = 7,310 + 0,420X_1 + 0,432X_2$$

**Table 3. Test T**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.310	3.160		2.313	.024
	Work Incentiv	.420	.125	.378	3.354	.001
	Social Security	.432	.110	.440	3.908	.000
a. Dependent Variable: EMPLOYEE PERFORMANCE						

Based on the results shown in the table above, it can be observed that for the t-value obtained in the appendix:

1. For the variable (X1) work incentives obtained t calculated 3.354 greater than t table = 0.227 ( $3.354 > 0.227$ ) with a significance level of 0.00 which means H1 is accepted. Thus, the first hypothesis of this research is proven, meaning that there is a significant influence of work incentives on employee performance at the Regional Drinking Water Company (PERUMDA) Tirta Jeneberang, Gowa Regency.
2. For the variable (X2) social security,  $t = 3.908$  is greater than t table = 0.227 ( $3.908 > 0.227$ ) with a significance level of 0.00, which means H2 is accepted. Thus, the second hypothesis of this research is proven, meaning that there is a positive and significant influence between social security on employee performance at the Regional Drinking Water Company (PERUMDA) Tirta Jeneberang, Gowa Regency.

**Table 4. Test R**

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.763 <sup>a</sup>	.582	.570	1.886
a. Predictors: (Constant), Social Security, Work Incentives				
b. Dependent Variable: Employee Performance				

Based on the table above. In the "Model Summary" table, the value obtained for R Square is 0.582 or 58.2%. It can be concluded that the contribution ability of the independent variables, namely work incentives (X1) and social security variables (X2) to employee performance (Y) is 58.2%. Meanwhile, the remaining 41.8% ( $1-0.582$ ) was influenced by factors not examined in this study.

## 2. Data Quality Test

### a. Validity Test

**Tabel 5**  
**Validity testing result**

No	variable	item	R table	R count	Informasion
1	Work Incentives (X1)	X1.1	0,227	0,644	Valid
		X1.2	0,227	0,674	Valid
		X1.3	0,227	0,637	Valid
		X1.4	0,227	0,745	Valid
		X1.5	0,227	0,585	Valid
		X1.6	0,227	0,737	Valid
		X1.7	0,227	0,667	Valid
		X1.8	0,227	0,508	Valid
2	Social Security (X2)	X2.1	0,227	0,489	Valid
		X2.2	0,227	0,569	Valid
		X2.3	0,227	0,627	Valid
		X2.4	0,227	0,617	Valid
		X2.5	0,227	0,706	Valid
		X2.6	0,227	0,454	Valid
		X2.7	0,227	0,772	Valid
		X2.8	0,227	0,648	Valid
		X2.9	0,227	0,772	Valid
3	Employee performance (Y)	Y.1	0,227	0,598	Valid
		Y.2	0,227	0,313	Valid
		Y.3	0,227	0,677	Valid
		Y.4	0,227	0,618	Valid
		Y.5	0,227	0,562	Valid
		Y.6	0,227	0,602	Valid
		Y.7	0,227	0,701	Valid
		Y.8	0,227	0,744	Valid
		Y.9	0,227	0,663	Valid

Source: SPSS V.25 Data Processing Results

Based on the table above, validity testing is related to all the statement indicators in the questionnaire as a tool for measuring problems in this research. In the questionnaire, the calculated r value is greater than the r table value, namely 0.227. The researcher concluded that all statement items in the questionnaire could be said to be valid.

## b. Reliability test

**Table 6**  
**Reliability testing result**

No	Variable	Cronbach's Alpha	N of Items	Information
1	Insentif kerja (X1)	0,800	8	Realiabel
2	Jaminan Sosial (X2)	0,808	9	Realiabel
3	Kinerja Pegawai (Y)	0,787	9	Realiabel

Source: SPSS V.25 Data Processing Results

In the table above, the alpha value for each variable is known. The alpha value for variable X1 is 0.800, for variable X2 social security the value is 0.808, and the alpha value for variable Y is 0.787. So it can be concluded that the alpha value for each variable has a value greater than the probability value of 0.60, meaning that the items in each variable are said to be reliable or worthy of being used as a measuring tool for data collection in next research .

## CONCLUSION

Based on the results of the research and discussion, conclusions are drawn in this research, namely:

- a. Based on the results of the research conducted, it can be seen and proven that the work incentive variable has a significant influence on improving employee performance at the Regional Drinking Water Company (PDAM) Tirta Jeneberang, Gowa Regency.
- b. Based on the results of the research conducted, it can be seen and proven that the social security variable has a significant influence on improving employee performance at the Regional Drinking Water Company (PDAM) Tirta Jeneberang, Gowa Regency.

## REFERENCES

- A Akbar, Setiadi. 2009. Panduan Penelitian Sosial. Jakarta: Yayasan Lembaga Kemala. Alfabeta. 2011.
- Anggoro, Yoga. Undang-Undang No 3 Tahun 1992 tentang Jaminan Sosial Tenaga Kerjadan Undang-Undang No 11 Tahun 1992 Tentang Dana Pensiun. Jakarta. Visi Media. 2009.
- Armstrong and Baron, 1998, Perfect Management, Institut of Personal and DevelOpment, London, h. 16-17
- Bolung Rio Vicky, Silcy Ijeova Moniharapon dan Genita G. Lumintang, 2018, Pengaruh Pelatihan Dan Kompensasi Terhadap Kinerja Pegawai Pada Bpmpd Provinsi Sulawesi Utara (The Effect Of Training And Compensation To Employee Performance At Bpmpd Province North Sulawesi), Jurnal EMBA, Vol.6 No.3 Juli 2018
- Davis, Keith dan John W. Newstrom, 2016, Human Behavior at Work: Organizational Behavior, Ninth Edition, Singapore. Mc. Graw-Hill International Edition.
- Fahmi, Irham, (2014). Pengantar Manajemen Keuangan, Bandung: Alfabeta.

- Ghozali. Imam. 2013. Aplikasi Analisis Multivariate Dengan Program, Edisi 7 IBM SPSS 21 Update PLS Regresi. Semarang. Badan Penerbit Universitas Diponegoro.
- Hariandja, M. T. E. (2006). Manajemen Sumber Daya Manusia. PT. Gramedia Widiasarana Indonesia.
- Hariandja, Marihot T.E, 2011. Manajemen Sumber Daya Manusia. Jakarta: Grasindo.
- Hariandja. Manajemen Sumber Daya Manusia :Pengadaan, Pengembangan, Pengkompensasian, dan Peningkatan Produktivitas Pegawai. Jakarta. Grasindo. 2011.
- Hasibuan. Melayu S.P (2001). Manajemen Sumber Daya Manusia, Jakarta: PT. Bumi Aksara.
- Mangkunegara, A.A Anwar Prabu. 2009. Manajemen Sumber Daya Manusia.Bandung: PT. Remaja Rosdakarya.
- Mathis Robert L. dan John H. Jackson. 2006. Human Resource Management.