

**ANALYSIS OF JOB VALUE-BASED COMPENSATION SYSTEM
IMPLEMENTATION ON MSME PT BANEEX INDONESIA****Imam Firdaus Nugroho, Alief Ibadurrahman, Tubagus Yopi Ramadhan, Dhafa
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Email: alfmannn30@gmail.com, beramadhan@apps.ipb.ac.id, fadhiluhfadhil@apps.ipb.ac.id**Abstract**

One of the most significant contributors to the economy in the Republic of Indonesia is SMEs. SMEs are a pretty good means for forming and providing employment opportunities. There must be someone who has an entrepreneurial spirit and empathy for their environment in environment. SMEs are one of the actual evidence of the nation's economic development from educated people who want income and help people around them by creating jobs. Small and Medium Enterprises (SMEs) have an excellent opportunity to become a pillar of the people's economy. SMEs can be a good forum for job creation, with an average contribution to Indonesia's Gross Domestic Product (GDP) of 50% in the last three years. For a business to run correctly and adequately, work management is needed to regulate the rights and obligations of employers and workers. Entrepreneurs have the right to get income from their business, not apart from their obligation to pay for the hard work of their employees. Workers or employees have the right to be rewarded for their obligations, namely work. For a harmonious relationship for both parties, both employers and workers, good management of employees is required, including the payment of wages or salaries. Decent wages for workers can make them comfortable in a job and give their best effort. Compensation management is developing and implementing strategies, policies, and compensation systems that help an organization achieve its goals by obtaining and retaining the necessary people and increasing their motivation and commitment. The purpose of the establishment of compensation management is to respect employee performance, ensure fairness of employee salaries, retain employees or reduce employee turnover, obtain quality employees, control costs, and comply with regulations. Considerations regarding compensation management include pay for position, pay for a person, and pay for performance.

Keywords: Mandate; personal data; independent commission; personal data protection

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Introduction

One of the most significant contributors to the economy in the Republic of Indonesia is SMEs. SMEs are a pretty good means for forming and providing employment opportunities. There must be someone who has an entrepreneurial spirit and empathy for their environment in environment. SMEs are tangible evidence of the nation's economic

development from educated people who want income and help people around them create

jobs. Small and Medium Enterprises (SMEs) have an excellent opportunity to become a pillar of the people's economy. SMEs can be a good forum for job creation, with an average contribution to Indonesia's Gross Domestic Product (GDP) of 50% in the last three years (Soetjipto, 2020). Entrepreneurs have the right to get income from their business, not apart from their obligation to pay for the hard work of their employees. Workers or employees have the right to be rewarded for their obligations, namely work.

For a business to run correctly and adequately, work management is needed to regulate the rights and obligations of employers and workers.

For a harmonious relationship for both parties, both employers and workers, good management of employees is needed, including in the payment of wages or salaries. Decent wages for workers can make them comfortable in a job and give their best effort. Compensation management is developing and implementing strategies, policies, and compensation systems that help an organization achieve its goals by obtaining and retaining the necessary people and increasing their motivation and commitment, Cahayani (2005:77- -78). The purpose of the establishment of compensation management is to respect employee performance, ensure fairness of employee salaries, retain employees or reduce employee turnover, obtain quality employees, control costs, and comply with regulations. Considerations regarding compensation management include pay for position, pay for a person, and pay for performance.

This research was conducted to study and evaluate the payroll system by PT Baneex Indonesia with a system design based on job value. The most important thing is to ensure mapping the workload, job risks, and compensation that accompanies the job analysis. Information related to job grading (position level) will be raised from this job analysis activity. Compensation system analysis is also based on salary mapping, job evaluation, the point system method, minimum wage, and decent living needs at PT Baneex Indonesia.

Formulation of the problem

1. What are the characteristics of PT Baneex Indonesia?
2. What is the salary structure of PT Baneex Indonesia
3. How is the West Java Province Minimum Wage and Bekasi City Minimum Wage, along with their graphs of the basic salary

4. How is the compensation factor at PT Baneex Indonesia
5. What is the Job Value and Job Grading at PT Baneex Indonesia
6. How is the salary mapping of PT Baneex Indonesia using the adhered method?
7. How is the salary mapping of PT Baneex Indonesia using the overlapping method
8. What are the Decent Living Needs (KHL) of PT Baneex Indonesia's workers
9. How to determine compensation using the Eckenrode system method at PT Baneex Indonesia

A. Purpose

1. Analyzing the characteristics of PT Baneex Indonesia
2. Identifying the salary structure of PT Baneex Indonesia
3. Analyzing the West Java Province Minimum Wage and Bekasi City Minimum Wage along with its graph of the basic salary
4. Analyze compensation factors at PT Baneex Indonesia
5. Menganalisis Job Value dan Job Grading yang terdapat di PT Baneex Indonesia
5. Analyzing the salary mapping of PT Baneex Indonesia with the adhered method
6. Analyze the salary mapping of PT Baneex Indonesia with the overlapping method
7. Analyzing the Decent Living Needs (KHL) of workers at PT Baneex Indonesia
8. Analyze the determination of compensation using the Eckenrode system method at PT Baneex Indonesia

B. Benefits of research

The benefits of this research are the impact of achieving the goals, namely:

1. For companies, research results can be used as input related to providing more rational compensation and improving company welfare
2. For researchers and academics, get more information and knowledge related to compensation management

Method

A. Place and time of research

The data used in this study are primary data obtained from PT Baneex Indonesia through surveys and interviews and secondary data in literature studies such as journals, theses, research results, and books. Research activities began in September.

B. Data Types and Sources

In this study, the data used are primary data obtained from interviews and surveys with all employees of PT Baneex Indonesia and secondary data obtained from journals, books, theses, and research results.

C. Data Processing Method

The data that has been collected will then be analyzed and processed using quantitative analysis methods. The data will be processed using Microsoft Excel 2016 software. The processed data will be analyzed using job analysis, system method analysis, and salary mapping.

PT Baneex Indonesia is a company engaged in Manufacturing Spring and Assembly, established in January 2007 at Jl. Toyogiri RT. 002 RW.03 – Kp. Legon Ex. Jatimulya District. South Tambun. Regency. Bekasi with a building area of 576 M2. As a manufacturer of Automotive and Electronic components, we are always committed to providing the best products and services that can fulfill and translate customer desires. This commitment is held by all levels of management, starting from Top Management, Middle Management, and all employees who work at PT Baneex Indonesia; this UKM has a total of 35 employees.

B. Analysis of Respondents Characteristics

Respondents for the survey of salary data in the study came from employees of PT Baneex Indonesia, which consisted of 35 employees ranging from Director, General Manager, Manager, to Staff and Operators. The results of the survey can be seen in the table

Results and Discussion

A. MSME Overview

	Job Title	Jumlah	Syarat Pendidikan	Usia			Lama Memegang Jabatan		
				> 30 tahun	30-40 tahun	< 40 tahun	> 3 tahun	3 - 6 tahun	< 6 tahun
1	Deputy	1	Sarjana (S1)	-	1	-	-	-	1
2	Plant Manager	1	Sarjana (S1)	-	1	-	-	-	1
3	Account and storage Manager	1	Sarjana (S1)	-	1	-	-	-	1
4	Assisten plant Manager	1	Sarjana (S1)	-	-	1	-	-	1
5	Engineering Quality Manager	1	Sarjana (S1)	-	-	1	-	1	-
6	Engineering Fungsional Manager	1	Diploma (D3)	-	1	-	1	-	-
7	SPV Produksi	1	Diploma (D3)	-	1	-	-	-	1
8	Accounting and Storage Staff	1	SLTA/SMU	-	-	-	-	-	1
9	Staff PPIC	1	SLTA/SMU	1	-	-	-	1	-
10	Staff Quality Control	3	SLTA/SMU	1	-	-	-	3	-
11	Staff Engineering	3	SLTA/SMU	3	-	-	-	3	-
12	Staff Umum	2	SLTA/SMU	2	-	-	2	-	-
13	Operator Produksi	6	SLTA/SMU	4	2	-	3	1	1
14	Operator Umum	10	SLTA/SMU	3	3	4	5	2	3
15	Security	2	SLTA/SMU	-	2	-	-	2	-

Based on table 1, it is found that superiors have a relatively sufficient or mature age, such as above 30, to lead a division or unit. The top brass is also given a minimum of educational requirements that must be taken, such as a diploma for Engineering Functional Manager and production SPV, for the deputy to other manager positions are required to obtain a bachelor's degree. However, the minimum education taken is a high school / high school for staff positions themselves. Forage, it can be concluded from the table data above that all supervisors are over 30 years old, while for staff and operators, there are also employees under 30 years old. The holders of leadership positions have also been in this company for a long

time, generally above six years have worked until they can get a top position. Still, for the levels below it varies from under three years to above six years there are also available. Each division's distribution or distribution of employees is determined according to work needs. Therefore some divisions only contain one person because it is enough to be done by one person, and some contain up to 10 people because of such needs.

C. Salary Analysis of UMK and UMP

The following is a table illustrating the comparison of salaries for PT Baneex Indonesia employees with the Bekasi City Minimum Wage and West Java UMP.

Position	Basic salary	UMP	UK
Deputy	Rp8.500.000	Rp1.810.351,00	Rp4.782.935,00
Plant Manager	Rp8.500.000	Rp1.810.351,00	Rp4.782.935,00
Account and storage Manager	Rp8.500.000	Rp1.810.351,00	Rp4.782.935,00
Assistant plant Manager	Rp5.500.000	Rp1.810.351,00	Rp4.782.935,00
Engineering Quality Manager	Rp6.000.000	Rp1.810.351,00	Rp4.782.935,00
Engineering Fungsional Manager	Rp8.000.000	Rp1.810.351,00	Rp4.782.935,00
SPV Produksi	Rp5.000.000	Rp1.810.351,00	Rp4.782.935,00
Accounting and Storage Staff	Rp5.000.000	Rp1.810.351,00	Rp4.782.935,00
Staff PPIC	Rp4.000.000	Rp1.810.351,00	Rp4.782.935,00
Staff Quality Control	Rp5.000.000	Rp1.810.351,00	Rp4.782.935,00
Staff Quality Control	Rp3.000.000	Rp1.810.351,00	Rp4.782.935,00
Staff Quality Control	Rp3.000.000	Rp1.810.351,00	Rp4.782.935,00
Staff Engineering	Rp3.000.000	Rp1.810.351,00	Rp4.782.935,00
Staff engineering	Rp3.000.000	Rp1.810.351,00	Rp4.782.935,00
Staff Engineering	Rp3.000.000	Rp1.810.351,00	Rp4.782.935,00
General Staff	Rp3.000.000	Rp1.810.351,00	Rp4.782.935,00
General Staff	Rp3.500.000	Rp1.810.351,00	Rp4.782.935,00
Production operator	Rp3.000.000	Rp1.810.351,00	Rp4.782.935,00
Production operator	Rp3.800.000	Rp1.810.351,00	Rp4.782.935,00
Production operator	Rp3.800.000	Rp1.810.351,00	Rp4.782.935,00
Production operator	Rp2.100.000	Rp1.810.351,00	Rp4.782.935,00
Production operator	Rp2.100.000	Rp1.810.351,00	Rp4.782.935,00
Production operator	Rp1.500.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp4.000.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp6.000.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp4.000.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp4.000.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp2.000.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp2.000.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp2.000.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp2.000.000	Rp1.810.351,00	Rp4.782.935,00
General Operator	Rp2.000.000	Rp1.810.351,00	Rp4.782.935,00
Security	Rp2.100.000	Rp1.810.351,00	Rp4.782.935,00
Security	Rp2.100.000	Rp1.810.351,00	Rp4.782.935,00

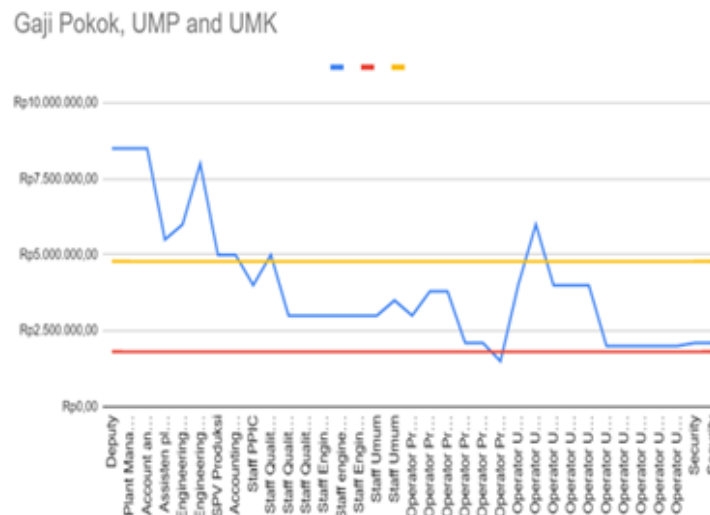


Figure 1
Comparison graph of basic salary, UMP, UMK

Based on table 2 and the picture above, it can be seen that there is only one person who gets a salary below the West Java UMP, namely a Production Operator, because his working time there has not been up to a year. Meanwhile, 34 other employees have received salaries above the West Java UMP. To compare the salaries of PT Baneex employees with the Bekasi City UMK, there are still many who get salaries below the Bekasi City UMK. Therefore, it is necessary to improve the compensation system so that employees at PT Baneex can get a decent salary.

D. Compensable Factor

This study uses ten types of compensable factors in the form of education, work experience, communication, initiative, flexibility, analytical thinking, conceptual thinking, analysis and problem solving, impact and influence, and integrity. (Source: Colleges of Applied Arts and Technology-Job Evaluation Manual and Hay's Dictionary). The following is a description of the ten components:

1. Education

This section identifies the minimum level of formal education

required to carry out the position's responsibilities. It consists of four levels, including level 1: No School, level 2: High School, level 3: Diploma, and level 4: Bachelor.

2. Work Experience

This refers to the minimum time required in a previous position to learn the techniques, methods, and practices required to perform this job. It consists of four levels, including level 1: No experience, level 2: Minimum one year, level 3: Minimum 2 years, and level 4: Minimum 5 years.

3. Communication

This factor measures how well the existing soft communication skills are needed to carry out the position's responsibilities effectively. It consists of five levels, including level 1: Communication involves the routine exchange of information using politeness and active listening. Level 2 involves the exchange of information that requires explanation or interpretation. Level 3: Communication involves explaining and interpreting information to secure understanding. May involve the communication of technical information and advice, level

4: Communication involves explaining and interpreting information in order to instruct, train, or gain cooperation from others, and level 5: Communication involves passing on information in order to obtain agreement, where interests may diverge, and negotiation skills to resolve complex situations.

4. Initiative

This factor measures the level of motivation of employees to do something that exceeds the demands of the task, do things that are not asked by anyone, which can improve work results and prevent problems, or find/create new opportunities. It consists of five levels covering levels including level 1: Act on current opportunities or problems, level 2: Act quickly in a crisis, level 3: Act for the next three months, level 4: Act for 4 – 12 months forward, level 5: Acting for one year ahead.

5. Flexibility

This competency requires understanding and appreciating different and conflicting views on an issue and adapting approaches for environmental changes. It can readily accept changes in the organization or job requirements. It consists of four levels, including level 1: Accept the need to be flexible, level 2: Apply rules and procedures with flexibility, level 3: Adjust tactics according to needs or situations, Level 4: Adjust strategy according to needs and situations.

6. Analytical Thinking

It is the ability to understand a situation/problem by breaking it down into logically small parts or tracing the implications of the problem or situation in stages. It consists of four levels including level 1: Breaking down a problem or situation into a list of simple tasks or activities, level 2: Analyzing the most important things from a problem or situation, level 3:

Anticipating obstacles that will arise and thinking ahead for steps next, level 4: Identify the parts of a complex problem and break it down into detailed parts, and show the causal relationship for each part.

7. Conceptual Thinking

It is the ability to identify patterns or relationships between situations unrelated to one another. This includes the ability to identify underlying issues in complex problems, summarize mixed and incomplete information into something clear, and create new concepts. It consists of five levels, including level 1: Using simple rules, reasoning, and experience in recognizing a problem or situation. Level 2: Drawing conclusions based on similarities and differences between one situation and another, level 3: Applying knowledge from theories or future trends than in looking at the current situation, level 4: Explaining a complex problem or situation, level 5: Thinking about something in a completely new way (Breakthrough thinking).

8. Analysis and Problem Solving

This factor measures the complexity involved in analyzing situations, information, or problems of varying degrees of difficulty; and developing other options, solutions, or actions. It consists of three levels, including level 1: Analysis and problem solving are carried out according to the instructions and procedures that have been set. Solutions may require selecting the most appropriate and predetermined alternative. Level 2: Situations and problems are quickly identified. Analysis or problem solving is elementary. Solutions may require modifying existing alternatives or past practices. Level 3: Situations and problems can be identified but may require further investigation to define

them precisely. Solutions require analysis and gathering of information, which may be obtained from areas or resources not usually used by the position.

9. Impact and Influence

This competency is based on the desire to influence or impact others with specific personal goals, certain impressions he wants to display, and specific actions he wants others to take. Including is the most appropriate approach to obtain support and cooperation to achieve specific business goals. It consists of six levels, including level 1) Expressing the desire to influence but not take action, level 2: Persuade directly in the discussion or presentation, level 3: Performing dual or more actions (persuasion measures) to persuade without trying to match the level and interests of the audience, level 4: Tailoring the discussion or conversation to suit the interests and level of the audience, level 5: Taking action to influence, each step tailored to the audience, level 6: Develop strategies to influence certain parties such as lobbying, building support 'behind the scenes.

10. Integrity

It is to act consistently following the values considered

necessary even in difficult circumstances to do this. Integrity shows that a person's actions follow the values he believes in. In other words, "only word with deed." It consists of four levels including level 1: Understanding values, code of ethics and acting honestly and openly, level 2: Performing actions that are consistent with values and beliefs, level 3: Acting according to values even though it is difficult to do so, level 4: Act according to values even though it involves excellent costs and risks.

Analysis of the Compensable Factors Weight and Scale of PT Baneex Indonesia Employees This study uses the hay profile method to determine the weights and scale of compensable factors of PT Baneex Indonesia employees. It uses a pairwise comparisons scale as a weight reference (Source: Analysis of Qualitative and Quantitative Rankings in Multicriteria Decision Making). The following is the result of calculating the weight and scale of compensable factors for employees of PT Baneex Indonesia using the hay profile method:

Table 3
Skala pairwise comparisons

No	Description
1	Both criteria are equally important
3	Criterion (A) is slightly more important than criterion (B)
5	Criterion (A) is more important than criterion (B)
7	Criterion (A) is more important than criterion (B)
9	Criterion (A) is more important than criterion (B)

Tabel 4
Bobot dan Skala Compensable Factors Karyawan PT Baneex Indonesia

Sub Faktor	Know-How					Problem Solving		Accountability			Weight	
	Educational	Work experience	Communication	Initiative	Flexibility	Analytical Thinking	Conceptual Thinking	Analysis and Troubleshooting	Impact and Influence	Integrity		
Education	1,00	5,00	0,20	0,20	5,00	5,00	0,20	0,20	5,00	0,20	21,80	11,95%
Work experience	0,20	1,00	0,20	0,20	5,00	5,00	5,00	0,20	5,00	5,00	21,80	11,95%
Communication	5,00	5,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	17,00	9,32%
Initiative	5,00	5,00	1,00	1,00	3,00	3,00	3,00	3,00	3,00	3,00	27,00	14,80%
Flexibility	0,20	0,20	1,00	0,33	1,00	1,00	1,00	1,00	1,00	1,00	6,73	3,69%
Analytical Thinking	0,20	0,20	1,00	0,33	1,00	1,00	0,20	0,20	0,20	0,20	4,33	2,38%
Conceptual Thinking	5,00	0,20	1,00	0,33	1,00	5,00	1,00	0,20	0,20	0,20	13,93	7,64%
Analysis and Troubleshooting	5,00	5,00	1,00	0,33	1,00	5,00	5,00	1,00	0,20	0,20	23,53	12,90%
Impact and Influence	0,20	0,20	1,00	0,33	1,00	5,00	5,00	5,00	1,00	0,20	18,73	10,27%
Integrity	5,00	0,20	1,00	0,33	1,00	5,00	5,00	5,00	5,00	1,00	27,53	15,10%
											182,40	100,00%

The table shows that the compensable factor with the highest weight is integrity, with a total score of 27.5 and 15.10%. In contrast, the compensable factor with the lowest weight is analytical thinking, with a total score of 4.33 and only 2.38. %. The total

score of all compensable factors used is 182.40.

Job Value Analysis of PT Baneex Indonesia Employees

The following is a table that compares the position scores of all employees of PT Baneex Indonesia:

Tabel 5
PTBaneex Indonesia employee position score comparison table

No	Sub Faktor Position	Know-How			Problem Solving			Accountability			
		Educational	Work experience	Communication	Initiative	Flexibility	Analytical Thinking	Analytical Thinking	Analysis and Troubleshooting	Impact and Influence	Integrity
1	Deputy Director	4	4	4	3	3	4	4	3	5	4
2	Plant Manager	4	4	4	3	3	4	3	3	5	4
3	Manager accountant	4	4	3	3	4	4	3	3	4	3
4	Assistant Plant Manager	3	3	4	3	3	2	3	3	5	3
5	Manager quality control	4	4	4	2	4	3	3	3	3	3
6	Manager engineering	4	4	4	2	4	3	3	3	3	3
7	Supervisor produksi	4	4	2	2	2	2	2	2	3	3
8	Staff accountant	3	3	2	1	3	2	1	2	2	4
9	Staff epic	3	3	2	1	3	4	2	2	2	3
10	Staff engineering	3	3	2	1	3	4	2	2	2	3
11	Staff quality control	3	3	2	1	3	4	2	2	2	3
12	Operator Produksi	2	2	4	3	2	1	3	1	3	2
13	Staff mum	2	2	4	3	2	1	3	1	3	1
14	Operator Umum	2	2	4	3	2	1	3	1	3	1
15	Security	2	2	4	1	2	2	3	1	3	1

The table shows that the position with the highest position value is Deputy Director, with a total score of 38. In contrast, the position with the lowest position value is Security, with a total score of 21. Job Grading and Job Value

Job Grading is the process of compiling a salary table following a predetermined salary mapping. This table describes the class of each position and data and information about the available salaries.

Metode Min/Max

Two methods can be used in determining job grading, namely the given system method or the min-max method. The explanations of the two methods are as follows:

1. Given System method

This method determines the distance between grades to get the desired grade.

Distance between grades=

Table 6
Metode Min/Max

No.	Position	$\sum N \times B$ (Job Value)	Grade	Min	Max
1	Deputy Director	691	V	612	720
2	Plant Manager	677			
3	Manager accountant	621			
4	Assistant Plant Manager	597	IV	520	612
5	Manager engineering	587			
6	Manager quality control	587	III	443	520
7	Supervisor produksi	498			
8	Operator Produksi	431	II	376	443
9	Staff ppic	429			

10	Staff accountant	424			
11	Staff quality control	424			
12	Staff engineering	424			
13	General staff	403			
14	General Operator	403			
15	Security	353	I	320	376

Based on the results using the min/max method, grade I is worth $[(320 \times 17.6\%) + 320] = 376.32$. And so on for other grades until the maximum value obtained has exceeded the current position value.

Salary Mapping (Salary Mapping)

● Salary mapping is a step carried out to find out the percentage of the range spread and mid to mid salary from one position to another. The following are some of the formulas needed in salary mapping, namely:

● Average:

Average or the average is used to determine the average salary of employees at that grade.

$$\frac{\text{Total gaji pada suatu jabatan}}{\text{Total karyawan pada suatu jabatan}}$$

● Spread:

Range Spread is used to determine the distribution of employee salaries on the grade of a job and adjusted to the company's financial capabilities.

$$\frac{\text{Batas max gaji pada level jabatan} - \text{Batas min gaji pada level jabatan}}{\text{Batas min gaji pada level jabatan}}$$

● Mid to Mid:

Mid to mid used to see the midpoint or the median value of employees' salary at that grade, which is used in fixing the salary structure.

$$\frac{\text{gaji Mid A} - \text{gaji Mid B}}{\text{gaji Mid B}}$$

The condition of a good salary structure is when the mid to mid-value is not greater than the range spread value or the mid to mid is smaller than the range spread. If the mid to mid is more remarkable, it can be said that the salary structure is less structured and needs to be improved. Improving the salary structure can be done using the Adhered and Overlapping methods. This step is carried out to achieve ideals within a company so that employees feel satisfied and performance increases and reduce jealousy between workers.

No	Position	Grade	Total Members	Total Salary	Aktual			Aktual	
					Min	AVG	Max	Mid To Mid	Spread
1	Director		1						
2	General Manager		2						
3	Manager		3						
4	SPV	I	1	50.000.000	5.000.000	7.142.857	8.500.000	111%	70%
5	Staff & Operator		26						
6	Security	II	2	88.000.000	1.500.000	3.384.615	6.000.000	-	300%

Based on the calculation results, the salary mapping results show that the current salary conditions are not ideal because there are still conditions where the mid to mid-value has a value greater than the range spread value. In addition, the difference in

salary between grades is still too far from the stipulated intervals, so it is not relevant. Therefore, there is an improvement in the new salary structure to achieve optimal working conditions.

2. Adherent Compensation System (Squash)

Jabatan	Grade	Total Anggota	Adhered			Adhered	
			Min	Midpoint	Max	Mid To	Mid Spread
Director		1					
General Manager		2					
Manager		3					
SPV	I	1	6.150.000	8.525.000	10.900.000	77%	77%
Senior Staff & Operator	II	9	3.500.000	4.825.000	6.150.000	75%	76%
Staff & Operator		17					
Security	III	2	2.000.000	2.750.000	3.500.000	-	75%

In the table, it can be seen that the spread has been corrected with the spread values for grades I, II, III of 77%, 76%, and 75%, respectively, which are optimal for the position structure of the company. Next is to determine the appropriate initial minimum salary of IDR 2,000,000. The next step is to determine the maximum salary with the formula [minimum salary + (minimum salary*spread)]. After that, determine the salary midpoint with the formula [(minimum

salary + maximum salary)/2]. In the Adhered method, the maximum value in the previous grade will be the minimum value for the next grade. The last step is to determine the mid-to-mid value with the formula [(midpoint value above it – midpoint value below it)/midpoint value below it]. After the results are obtained, the compensation system is ideal because the spread value is greater than the mid to mid-value. The following is an illustration of the adhered method compensation system.

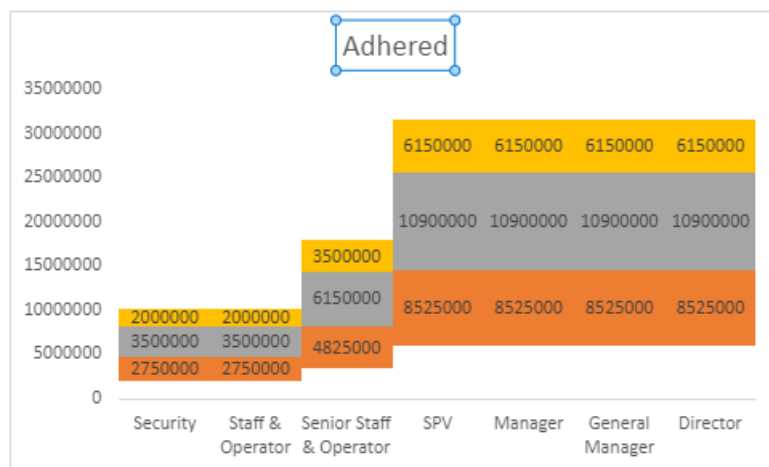


Figure 2
graph of adhered compensate compensation system

3. Overlap Compensation System (Overlapping)

No	Position	Grade	Total Members	Overlap			Overlap	
				Min	Midpoint	Max	Mid To Mid	Spread
1	Director		1					
2	General Manager		2					
3	Manager		3					
4	SPV	I	1	5.992.727	8.240.000	10.487.273	72%	75%
5	Senior Staff & Operator	II	9	3.503.650	4.800.000	6.096.350	71,54%	74%
6	Staff & Operator		17					
7	Security	III	2	2.050.000	2.798.250	3.546.500	-	73%

The table shows differences in salary improvements using the overlapping method. The difference is that the maximum value of the previous grade is greater than the minimum value of the following grade (overlapping). The first step for improving salaries with the overlapping method is to determine the initial minimum salary of Rp. Two million with a spread of 73%, and the spread rate increases for each position, which is 74% for grade II and 75% for grade III. The second step is to determine the maximum salary for grade 1 with the formula [minimum salary + (minimum salary*spread)]. The third step is to determine the grade 1 midpoint value with

the formula [minimum salary + (minimum salary*spread)]. The fourth step is to determine the midpoint value for grades above it following company policies and capabilities. The last step is to determine the minimum value with the formula [midpoint / (1 + (0.5*spread in the row))] and determine the maximum value with the formula [minimum salary + (minimum salary*spread)]. After the results are obtained, the compensation system is ideal. Because the spread value is greater than the mid-to-mid value, the following is an illustration of the compensation system for the overlapping method:

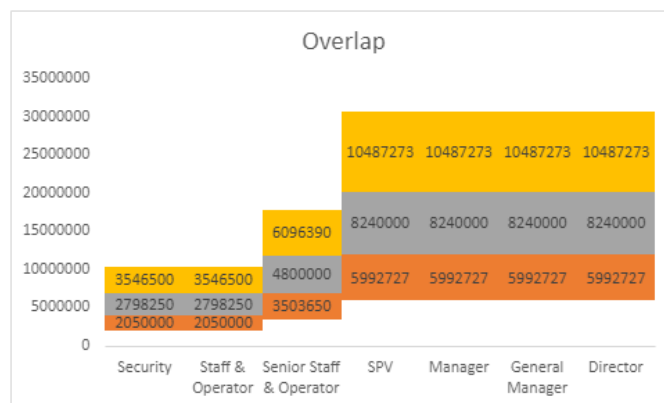


Figure 3
graph of overlap compensation system

4. Analysis of decent living needs

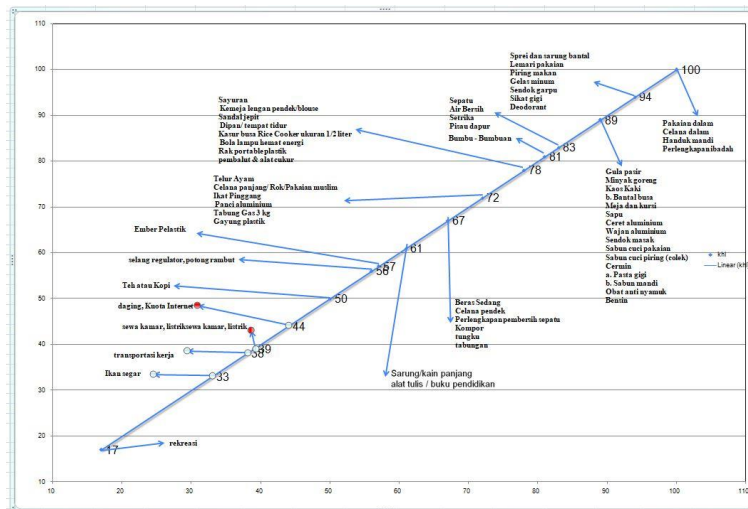


Figure 2
Descriptive analysis of the components of decent living

Tabel 10
The following is the processed result of the gap analysis obtained based on the previous KHL analysis.

Respondent	Salary (wages)	KHL fulfilled	KOHL	UK	GAP Gaji/Upah	Description
1	Rp8.500.000	64	Rp1.872.375	Rp4.782.935,00	Rp6.627.625	Wages >KHL
2	Rp8.500.000	64	Rp1.872.375	Rp4.782.935,00	Rp6.585.600	Wages >KHL
3	Rp8.500.000	58	Rp1.914.400	Rp4.782.935,00	Rp7.648.460	Wages >KHL
4	Rp5.500.000	62	Rp2.298.015	Rp4.782.935,00	Rp3.201.985	Wages >KHL
5	Rp6.000.000	60	Rp1.876.707	Rp4.782.935,00	Rp4.123.293	Wages >KHL
6	Rp8.000.000	29	Rp851.540	Rp4.782.935,00	Rp7.148.460	Wages >KHL
7	Rp5.000.000	42	Rp966.467	Rp4.782.935,00	Rp4.033.533	Wages >KHL
8	Rp5.000.000	42	Rp966.467	Rp4.782.935,00	Rp4.033.533	Wages >KHL
9	Rp4.000.000	47	Rp1.114.567	Rp4.782.935,00	Rp2.885.433	Wages >KHL
10	Rp5.000.000	39	Rp1.360.015	Rp4.782.935,00	Rp3.639.985	Wages >KHL
11	Rp3.000.000	50	Rp1.315.967	Rp4.782.935,00	Rp1.684.033	Wages >KHL
12	Rp3.000.000	50	Rp1.315.967	Rp4.782.935,00	Rp1.684.033	Wages >KHL
13	Rp3.000.000	50	Rp1.315.967	Rp4.782.935,00	Rp1.684.033	Wages >KHL
14	Rp3.000.000	50	Rp1.315.967	Rp4.782.935,00	Rp1.684.033	Wages >KHL
15	Rp3.000.000	50	Rp1.315.967	Rp4.782.935,00	Rp1.684.033	Wages >KHL
16	Rp3.000.000	50	Rp1.315.967	Rp4.782.935,00	Rp1.684.033	Wages >KHL
17	Rp3.500.000	50	Rp1.315.967	Rp4.782.935,00	Rp2.184.033	Wages >KHL
18	Rp3.000.000	50	Rp1.315.967	Rp4.782.935,00	Rp1.684.033	Wages >KHL
19	Rp3.800.000	50	Rp1.315.967	Rp4.782.935,00	Rp2.484.033	Wages >KHL
20	Rp3.800.000	51	Rp1.627.067	Rp4.782.935,00	Rp2.172.933	Wages >KHL
21	Rp2.100.000	49	Rp1.561.075	Rp4.782.935,00	Rp538.925	Wages >KHL
22	Rp2.100.000	49	Rp1.561.075	Rp4.782.935,00	Rp538.925	Wages >KHL
23	Rp1.500.000	51	Rp1.534.875	Rp4.782.935,00	-Rp34.875	Wages <KHL
24	Rp4.000.000	26	Rp433.567	Rp4.782.935,00	Rp3.566.433	Wages >KHL
25	Rp6.000.000	54	Rp1.401.908	Rp4.782.935,00	Rp4.598.092	Wages >KHL
26	Rp4.000.000	56	1.857.375,00	Rp4.782.935,00	Rp2.142.625	Wages >KHL
27	Rp4.000.000	54	1.382.400,00	Rp4.782.935,00	Rp2.617.600	Wages >KHL
28	Rp4.000.000	52	1.213.167,00	Rp4.782.935,00	Rp2.786.833	Wages >KHL
29	Rp2.000.000	49	Rp1.561.075	Rp4.782.935,00	Rp438.925	Wages >KHL
30	Rp2.000.000	49	Rp1.561.075	Rp4.782.935,00	Rp438.925	Wages >KHL

31	Rp2.000.000	49	Rp1.561.075	Rp4.782.935,00	Rp438.925	Wages >KHL
32	Rp2.000.000	49	Rp1.561.075	Rp4.782.935,00	Rp438.925	Wages >KHL
33	Rp2.000.000	49	Rp1.561.075	Rp4.782.935,00	Rp438.925	Wages >KHL
34	Rp2.100.000	49	Rp1.561.075	Rp4.782.935,00	Rp538.925	Wages >KHL
35	Rp2.100.000	49	Rp1.561.075	Rp4.782.935,00	Rp538.925	Wages >KHL

The analysis results based on the data in the table above show that all SME employees of PT Baneex Indonesia have expenses below the UMK. This can be seen in the comparison of average salaries which vary from Rp. 400,000 to Rp. 6,627,625, this can be said to be safe and not detrimental because the average employee receives wages below KHL expenses except for one person.

In addition, the wages received by PT Baneex UKM employees compared to their KHL expenses can be met with a minimum wage requirement of IDR 2,000,000, which is the average expenditure of 5 respondents to meet their daily needs. Although employees' average salary/wages are below the minimum

wage, the KHL expenditures adjust the wages they get so that there are no difficulties in meeting their needs.

5. Eckenrode Evaluation

The next stage is to do the weighting with the Eckenrode system method. The weighting is done using ten compensable factors: education, experience, communication, initiative, flexibility, analytical thinking, conceptual thinking, analysis and problem solving, impact and influence, and integrity. The weighting of factor values is carried out to determine the priority level between factor values , as seen in the following table.

NO	Factor	Order										Total	N	BOB OT
		1	2	3	4	5	6	7	8	9	10			
1	Education	1	1	1								3	24	0,169
2	Work experience	2	1									3	26	0,183
3	Communication				2						1	3	12	0,085
4	Initiative			1	1	1						3	18	0,127
5	Flexibility		1			1	1					3	17	0,120
6	Analytical Thinking					1		2				3	11	0,077
7	Conceptual Analysis and Troubleshooting			1			1		1			3	13	0,092
8	Impact and Influence		1				1			1		3	13	0,092
9	Integrity							1		1	1	3	4	0,028
10	Value	9	8	7	6	5	4	3	2	1	0		142	

In the table above, the highest points are on the work experience factor, and the lowest points are on impact, influence, and integrity. Points are obtained by multiplying the points from each sequence by the value below it (points x value) of all the columns in

the factor. In this way, points are obtained for each factor. Then determine the weight of each factor obtained by dividing the points by the total points of all factors. Then allocate the weight to each factor and then to each lowest level. For a more detailed explanation, see the table below.

Factor	Weight	Performance Measurement Indicator Interval						Interval
		1	2	3	4	5	6	
Education	0,169	17	68	118	169			51
Work experience	0,183	18	74	129	183			55
Communication	0,085	8	27	46	65	85		19
Inisiatif	0,127	13	41	70	98	127		29
Fleksibilitas	0,120	12	48	84	120			36
Analytical Thinking	0,077	8	31	54	77			23
Conceptual Thinking	0,092	9	30	50	71	92		21
Analysis and Troubleshooting	0,092	9	50	92				41
Impact and Influence	0,028	3	8	13	18	23	28	5
Integrity	0,028	3	11	20	28			8

Based on the table above, the calculations using the Eckenrode system method are obtained by weight for each factor. The highest weight is found in the work experience factor of 0.183, while the lowest is found in the impact and influence factor and integrity with 0.28. Then determine the lowest and highest numbers in each table. The lowest number is the product of the weights by 100 and is placed in the column at the

lowest level. In contrast, the highest number is the product of the weights with 10000 and is placed in the column at the highest level in each factor. Then to determine numbers other than the lowest and highest numbers, the way is to determine the interval first by subtracting the highest number from the highest number in each factor and then dividing by the result of the number of levels by deducting one.

Position Name	Basic Salary (Old)	Basic Salary (Adhered)	Basic Salary (Overlapping)	Basic Salary (Eckenrode)
Deputy	Rp8.500.000	Rp10.455.000	Rp10.187.636	Rp6.603.644
Plant Manager	Rp8.500.000	Rp10.455.000	Rp10.187.636	Rp6.442.769
Account and storage Manager	Rp8.500.000	Rp10.455.000	Rp10.187.636	Rp6.618.965
Assistant plant Manager	Rp5.500.000	Rp6.765.000	Rp6.592.000	Rp5.081.427
Engineering Quality Manager	Rp6.000.000	Rp7.380.000	Rp7.191.272	Rp6.182.304
Engineering Fungsional Manager	Rp8.000.000	Rp9.840.000	Rp9.588.363	Rp6.182.304
SPV Produksi	Rp5.000.000	Rp6.150.000	Rp5.992.727	Rp5.301.322
Accounting and Storage Staff	Rp5.000.000	Rp5.000.000	Rp5.005.214	Rp3.809.749
Staff PPIC	Rp4.000.000	Rp4.000.000	Rp4.004.171	Rp4.261.731
Staff Quality Control	Rp5.000.000	Rp5.000.000	Rp5.005.214	Rp4.261.731
Staff Quality Control	Rp3.000.000	Rp4.000.000	Rp4.100.000	Rp4.261.731
Staff Quality Control	Rp3.000.000	Rp4.000.000	Rp4.100.000	Rp4.261.731
Staff Engineering	Rp3.000.000	Rp4.000.000	Rp4.100.000	Rp4.261.731
Staff Engineering	Rp3.000.000	Rp4.000.000	Rp4.100.000	Rp4.261.731
Staff Engineering	Rp3.000.000	Rp4.000.000	Rp4.100.000	Rp4.261.731
General Staff	Rp3.000.000	Rp4.000.000	Rp4.100.000	Rp3.122.550
General Staff	Rp3.500.000	Rp3.500.000	Rp3.503.650	Rp3.122.550
Production operator	Rp3.000.000	Rp4.000.000	Rp4.100.000	Rp3.183.836
Production operator	Rp3.800.000	Rp3.800.000	Rp3.803.962	Rp3.183.836
Production operator	Rp3.800.000	Rp3.800.000	Rp3.803.962	Rp3.183.836
Production operator	Rp2.100.000	Rp2.800.000	Rp2.870.000	Rp3.183.836

Production operator	Rp2.100.000	Rp2.800.000	Rp2.870.000	Rp3.183.836
Production operator	Rp1.500.000	Rp2.000.000	Rp2.050.000	Rp3.183.836
General Operator	Rp4.000.000	Rp4.000.000	Rp4.004.171	Rp3.122.550
General Operator	Rp6.000.000	Rp6.000.000	Rp6.006.257	Rp3.122.550
General Operator	Rp4.000.000	Rp4.000.000	Rp4.004.171	Rp3.122.550
General Operator	Rp4.000.000	Rp4.000.000	Rp4.004.171	Rp3.122.550
General Operator	Rp4.000.000	Rp4.000.000	Rp4.004.171	Rp3.122.550
General Operator	Rp2.000.000	Rp2.666.667	Rp2.733.333	Rp3.122.550
General Operator	Rp2.000.000	Rp2.666.667	Rp2.733.333	Rp3.122.550
General Operator	Rp2.000.000	Rp2.666.667	Rp2.733.333	Rp3.122.550
General Operator	Rp2.000.000	Rp2.666.667	Rp2.733.333	Rp3.122.550
General Operator	Rp2.000.000	Rp2.666.667	Rp2.733.333	Rp3.122.550
Security	Rp2.100.000	Rp2.800.000	Rp2.870.000	Rp2.685.890
Security	Rp2.100.000	Rp2.800.000	Rp2.870.000	Rp2.685.890
TOTAL	Rp138.000.000	Rp163.133.333	Rp162.973.050	Rp138.000.000

Based on the salary improvement using the Adhered method, there is a difference between the actual salary at PT Baneex and the Adhered salary. The total actual salary (basic and allowance) is Rp. 138,000,000, and the total new salary based on the Adhered method is Rp. 163,133,333. So the difference between the actual salary and Adhered's new salary is Rp. 25,133,333

Likewise, with the salary improvement using the Overlapping method, there is a difference between the actual salary at PT Baneex and the Overlapping salary. The actual total salary is Rp. 138,000,000, and the new salary based on the Overlapping method is Rp. 162,973.05. So the difference between the actual salary and the Overlapping salary is Rp. 24,973,050.

Different from the salary improvement method of Eckenrode, there is no difference between the actual salary at PT Baneex and Eckenrode's salary. The actual total salary is Rp. 138,000,000, and the new total salary based on the Eckenrode method is Rp. 138,000,000, so there is no difference between the actual salary and Eckenrode's salary.

CONCLUSION

Based on the results of the analysis of the compensation system at PT Baneex Indonesia's MSMEs, the following conclusions can be drawn, ten factors affect compensation for PT Baneex Indonesia SMEs, including education, work experience, communication, initiative, flexibility, analytical thinking, conceptual thinking, analysis and problem solving, impact and influence, and integrity.

The wages received by most SME employees of PT Baneex Indonesia are already above the West Java UMP, while for one Production Operator, it is still below the West Java UMP. All PT Baneex Indonesia SME employees have expenses that match their salaries. A sound compensation system to be implemented to be effective uses the overlapping method.

REFERENCES

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