
**EVALUATION OF POULTRY SHOP BUSINESS
COMPENSATION SYSTEM BASED ON JOB VALUE USING HAY
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shafira.Irsti07putri@apps.ipb.ac.id, sitriamaulida@apps.ipb.ac.id**Abstract**

Compensation is one of the crucial things in a company that needs to be designed accordance with the 3Ps (Pay for person, pay for performance, and pay for position) so that employees can give their best contribution to the company. In this case, it is necessary to determine the grading between positions that reflects the knowledge, skills, and responsibilities of employees at each level. One of the weighting criteria can used are based on the Hay System, which is classified based on know- how, problem solving, and accountability. Budi Poultry Shop is one of the SMEs in Magelang which is engaged in chicken farming in partnership with PT Malindo Feedmill Tbk. The purpose of this study is to evaluate the payroll system in the Budi Poultry Shop compensation to be more fair and effective for each employee based on Job Value & Job Grading using hay job evaluation methods and a salary mapping system with the Adhered method and the Overlapping method. The data used in this study are primary data and secondary data obtained through the distribution of questionnaires, interviews, and literature studies to various sources relevant to the research. Based on the results of data processing, it is found that the compensation system for the SME Budi Poultry Shop is less than ideal. The ideal compensation system is to use an analysis of the salary mapping compensation system with the overlapping method to implement the efficiency of funds issued by SMEs.

Keywords: hay system; job grading; salary mapping

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Introduction

Basically, companies need employees to be able to achieve company goals, while employees need

companies to be able to meet their needs. So it is only natural that companies provide compensation in the form of compensation to their employees and employees should also give their best performance to the

company where they work. The compensation given by the company must also be comparable to what has been done by employees in the company, so that the

best performance can be provided by employees.

Compensation has an important role in improving the performance of human resources in a company. Compensation according to Mondy (2008), compensation is the total of all rewards received by employees as a substitute for the services they have provided. Inappropriate compensation will have an impact on employee performance. According to Hasibuan (2000), if the compensation given is appropriate, the employee's performance will be better, on the contrary if the compensation given is not

appropriate, the employee's performance will be worse. Thus, we need an appropriate payroll system design based on job value. There is also a need for a payroll system that is in accordance with the work, position, and individual values of the workers or based on the 3Ps (Pay for person, pay for performance, pay for position), so that employees can give their best contribution and the company can continue to compete with similar competitors.

This research takes a case study on the SME Budi Poultry Shop which is one of the SMEs in Magelang Regency which is engaged in chicken farming. Budi Poultry Shop has been established since 1977 and currently has 21 employees. Each employee has several tasks that are carried out according to the position he holds.

This SME implements a compensation policy using an employee level system. However, as an SME that has been around for a long time, which is more than 40 years, in fact the compensation received by its employees is still not distributed according to each level of employees. Based on this, we are interested in conducting a study to evaluate the compensation system at the SME Budi Poultry Shop using Hay Job Evaluation Methods based on job value.

After the amendment to the 1945 Constitution, the right to privacy which also includes the right to personal protection is one of the human rights and constitutional rights of citizens. (Wahyudi Djafar, 2019). This constitutional right is contained in Article 28G paragraph (1) of the 1945 Constitution of the Republic of Indonesia which reads "Everyone has the right to protect himself, his family, honor, dignity and property under his control, and has the right to a sense of security and protection from threats of fear." to do or not to do something which is a human right.". In addition, referring to the Constitutional Court Decision No. 5/PUU-VIII/2011, it is written that the right to privacy is also a part of human rights, and its scope includes information (right to information privacy) or also known as data

privacy (Niffari, 2020). Therefore, providing protection of citizens' personal data is a government obligation that must be fulfilled.

Indeed, the Indonesian government has begun to care about the protection of citizens' personal data. This can be seen from the Personal Data Protection Bill which has been included in the 2021 Priority National Legislation Program (Prolegnas). In addition, the Ministry of Communication and Information has also planned to establish an independent commission for personal data protection. With the existence of an independent commission for the protection of personal data, this can be the spearhead to ensure that efforts to protect personal data are carried out and the compliance of controllers and processors of personal data, both individuals, private legal entities, and public institutions in protecting the data. In addition, with the establishment of an independent commission for personal data protection, later this independent commission will have limited authority which will only handle cases related to data privacy through the courts.

Apart from being one of the next steps by Kominfo to realize the constitutional rights of citizens, the mandate to establish an independent commission for the protection of personal data is also contained in various laws and international agreements. Therefore, in this paper, the author will comprehensively discuss how the mandate of the procurement of an independent commission for personal data protection is reviewed from international legal instruments. In this paper, the authors focus on the United Nations Guidelines for the Regulations of Computerized Personal Data Files 1990 and the [APEC Privacy Framework \(2015\)](#). In addition, this paper will also present about 2 (two) neighboring countries that already have independent commissions specifically for the protection of personal data so that it is hoped that Indonesia can follow the example of these 2 (two) countries.

Method

1. Time and Location of

Research This research was carried out by taking a case study on the SME Budi Poultry Shop located at Jalan Sukarman No. 214 Secang, Magelang Regency, Central Java. The research was conducted for approximately 6 weeks starting in mid-August to the end of September 2021.

2. Types and Sources of Data The

data used in this study are primary data and secondary data. Primary data was obtained through distributing questionnaires and interviews to Budi Poultry Shop workers. To find out the compensation data for all employees in UKM, a questionnaire was distributed through Google Form. Meanwhile, interviews were conducted with SME employees to find out the work factors applied at the Budi Poultry Shop. The secondary data used comes from various literatures such as theses, articles, books and trusted national journals.

3. Data Collection

Method The sampling method in this study was saturation sampling with the census technique used to determine the salary data of all 21 employees of the Budi Poultry Shop. Saturation sampling is a technique when all members of the population are used as samples, provided that the population is not large and the researcher wants to make generalizations with very small errors (Binus, 2017). Then to find out the factors that form the basis for determining the salary applied by the Budi Poultry Shop, a technique is used purposive sampling. The respondents in this study that we used as samples were the Manager of the Budi Poultry Shop. The selection of respondents was done because the respondents were considered to understand the duties and responsibilities of the SMEs.

4. Data Analysis Methods

In preparing the payroll system of value-based positions on Budi Poultry Shop, performed data processing and multiple methods of analysis, including descriptive statistical analysis, method pointsystem and analysismapping salary(salarymapping).The author uses the help of software Microsoft Excel 2010for data processing where the data is converted into tables and graphs to make it easier for readers to understand. Furthermore, to draw conclusions from the processed data, descriptive analysis can be carried out.

Analysis with salary mapping is carried out to determine the percentage of the range spread and mid to mid salary from one position to another. After that, a comparison of the percentage between thewas carried out mid to mid and the range spread with thesalary structure conditions

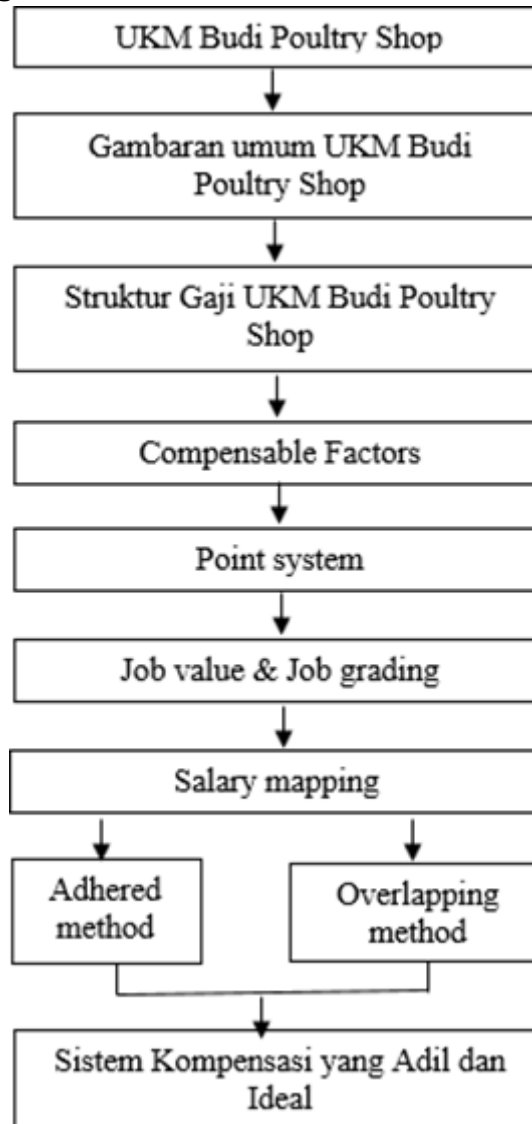
ideal, namely the mid to mid value is smaller than the range spread (Payscale Compensation Consultant 2013).

Meanwhile, according to Mondy (2008) the method is point system used to provide a quantitative assessment of the relative value of work by allocating numerical values to job factors certain such as the knowledge required and the sum of these values. The stages of the point system method based on Mondy (2008) include determining groups jobs, identify compensable factors, determine factor weights, set prices for each job to get a midpoint salary, calculate pay ranges, pay levels, and make adjustments to salaries. Based on (Kartika L. et all, 2016) after we get the results of the mid point salary, then after that determine the basic salary and top salary which will produce 3 actual salary conditions, namely under paid, in paid, and over paid. Under paid occurs when

the actual salary received is lower than the basic salary, in paid occurs when the actual salary is between the base salary and the peak salary, and over paid occurs when the actual salary received is above the peak salary. From these results can then be created ideal payroll

system by doing a freeze on the conditions paid over and raise the salaries into the basic salary of the calculation point system for the conditions under paid.

5. Research Thinking Framework



Results And Discussion

1. Overview of UKM Budi Poultry Shop

Budi Poultry Shop is an SME engaged in chicken farming, especially broilers with a partnership system with PT Malindo Feedmill Tbk. This UKM is a family business that was founded in 1977 and is located at Jalan Sukarman

No. 214 Secang, Magelang Regency, Central Java. Until 2021, permanent employees at this UKM have reached 21 employees with an average production of 2-3 tons of live broilers every day, both from private cages and other breeder partners. With the number of private cages reaching 3 pieces spread

throughout the Magelang Regency, this UKM is constantly expanding its network.

Trading so that it continues to grow. Based on the MSME Law of 2008, Budi Poultry Shop is a medium-sized business because it has a turnover of 550 million per month and according to the Central Statistics Agency, it is a medium-sized business because it has a workforce of 21 people.

The vision of UKM Budi Poultry Shop is "Growing towards shared prosperity". The missions of this UKM are:

1. Provide feed and drugs of choice according to SOP
2. Maintain the quality and health of chickens with regular checks
3. Provide a convenient and safe delivery service
4. Creating jobs
5. Creating a professional and family work environment

The organizational structure of the Budi Poultry Shop UKM is as follows



Figure 2. Organizational structure of Budi Poultry Shop

2. SME Compensation System

Overview

Based on financial data obtained from the SME Budi Poultry Shop, the monthly turnover of this SME is 550 million rupiah. Meanwhile, the monthly basic salary operating expenses is Rp. 30,625,000. In practice, Budi Poultry Shop provides several types of additional compensation outside the basic salary such as mid-month salary, house allowance, employment insurance, health insurance, THR, achievement index as a bonus, overtime pay, and meal allowance. The amount received by each employee is different depending on the length of work and the type of work they do.

The compensation system implemented by the SME Budi Poultry Shop can be analyzed using salary mapping based on position level. However, the Budi Poultry Shop UKM does not yet have a clear organizational structure so that the compensation applied by Budi Poultry Shop is currently not in accordance with the level of position it occupies. Therefore, it is necessary to improve the organizational structure which is then calculated, analyzed, and evaluated to design an ideal compensation system for Budi Poultry Shop SMEs.

3. Characteristics of Respondents

Respondents in this study came from permanent employees of UKM Budi

Poultry Shop as many as 21 respondents. Analysis of respondent characteristics is used to categorize and

determine the type of respondent who is the sample in the study.

Table 1
Characteristics of Respondents

JABATAN	Jenis Kelamin		Usia (Tahun)			Lama Bekerja (tahun)		
	Pria	Wanita	<25	26-35	>35	<5	6-10	>10
Manager	0	1	0	0	1	0	0	1
Agen Marketing	1	0	0	0	1	0	0	1
Supervisor	2	0	0	1	1	0	2	0
Driver	3	0	0	1	2	0	1	2
Staff Kandang	8	0	1	4	3	1	3	4
Staff Ayam	5	0	2	2	1	1	1	3
Staff Dapur	0	1	0	0	1	1	0	0
Jumlah	19	2	3	8	10	3	7	11
Total	21		21			21		

Source: Data processed, 2021

Based on table 1, the results show that the number of male employees is more than female employees with a dominance of more than 90%. This is especially true for positions that use more physical energy, such as drivers, coop staff, and chicken staff. Most of the employees are more than 35 years old with more than 10 years of service. This indicates that most of the employees are employees who have worked for these SMEs for a long time, which indirectly

also reflects the lowrate of turnover SMEs.

4. Analysis of Employee Basic Salary on UMP and UMK

UKM Budi Poultry Shop is located in Magelang Regency, Central Java Province. For this reason, the Central Java UMP as comparison is Rp.1,798,979 and the Magelang Regency UMK is Rp. 2,075,000. The basic salary data uses the assumption that salaries are not deducted by any costs and employees work full time for one month.

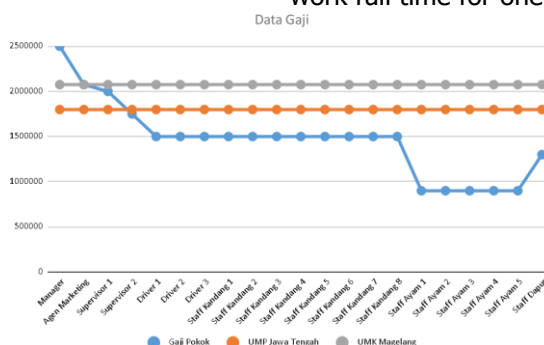


Figure 2
Comparison of the basic salary of employees with the UMP and UMK

Based on Figure 2, it can be seen that there are only 2 employees who get salaries above the UMP and UMK. One other position has been above the UMP but not yet above the UMK. While others are still less than the UMP and UMK. The high number of employees who earn a basic salary below the UMP and UMK is due to the many other benefits provided by the owner to employees such as monthly rice, work health and safety benefits, housing allowances, daily meal allowances, etc. For this reason, the owner feels that the basic salary which is still below the UMP and UMK is reasonable.

5. Determining the Ideal Compensation System for SMEs

In the compensation system as much as possible balance the ability to pay compensation with the performance and needs of employees so as to create a compensation system that can be accepted fairly by both parties. To be able to design a compensation system that is ideal there are several things you should do is to set the factors compensation (compensable factors), calculates the positions (job value) and job grading methods. Given Grade, analyzing salary mapping, making improvement of salaries by methods adhered to and the method overlapping, finally concluding the ideal compensation system for the SME Budi Poultry Shop.

6. Establish compensation factors (compensable factors)

This stage was conducted by interviewing internal experts SMEs ie in this case managers who can formulate compensation factors are used. The Table 2. Weighting of compensation factors

interview resulted in 10 compensation factors from the manager, namely:

- a. experience Work from the book Human Resources Management.
- b. Education level from the book Human Resources Management.
- c. conditions Working from the NHS Job evaluation handbook.
- d. The work complexity of the Government of Newfoundland and Labrador Job Evaluation System (JES).
- e. Decision making from the Government of Newfoundland and Labrador Job Evaluation System (JES).
- f. Work relations skills (guiding/advising others) from the CAAT Job Evaluation Manual.
- g. Responsibility for tools and equipment from the NHS Job evaluation handbook.
- h. Communication skills from the University of London Job Evaluation Manual.
- i. Physical effort from the NHS Job Evaluation Handbook.
- j. Responsibilities for information resources from the NHS Job Evaluation Handbook.

7. The calculation of the value of positions (job value)

Weighting is done so that each office can be grouped into a certain level so that the employee will be compensated for the degree of its competence in a company.

SUBFAKTOR	Pengalaman Kerja	Tingkat Pendidikan	Kondisi Kerja	Kompleksitas Kerja	Pengambilan Keputusan	Keterampilan Hubungan Kerja	Tanggung Jawab terhadap Alat - alat dan Peralatan	Keterampilan Berkomunikasi	Usaha Fisik	Tanggung Jawab terhadap Catatan dan Laporan	Jumlah Bobot	% Bobot	
	1	2	3	4	5	6	7	8	9	10			
Pengalaman Kerja	1	3	7	5	3	5	2	0.33	7	5	38.33	20.18%	
Tingkat Pendidikan	0.33	1	5	3	2	0.33	3	2	4	3	23.67	12.46%	
Kondisi Kerja	0.14	0.20	1	0.33	0.20	0.11	0.33	0.33	5	3	10.65	5.61%	
Kompleksitas Kerja	0.20	0.33	3	1	0.33	3	5	0.33	1	0.33	14.03	7.39%	
Pengambilan Keputusan	0.33	0.50	5	3	1	0.33	2	0.33	3	3	18.50	9.74%	
Keterampilan Hubungan Kerja	0.20	3	9	0.33	0.33	1	3	0.20	0.20	0.33	17.60	9.27%	
Tanggung Jawab terhadap Alat - alat dan Peralatan	0.50	0.33	3.00	0.20	0.50	3.00	1	0.50	0.33	3.00	12.37	6.51%	
Keterampilan Berkomunikasi	3	0.50	3	3	3	5	2	1	7	0.33	27.83	14.66%	
Usaha Fisik	0.14	0.25	0.20	2	0.33	5	3	0.14	1	0.33	12.40	6.53%	
Tanggung Jawab terhadap Catatan dan Laporan	0.20	0.33	0.33	3	0.33	3	0	3	3	1	14.53	7.65%	
											Total	189.92	100.00%

Although the contents of the United Nations Guidelines for the Regulations of Computerized Personal Data Files 1990 in general are also about Source: Data processed, 2021

The weighting of these factors shows the level of importance between factors, with a value of 1 meaning that both factors are equally important, a value of 3 meaning that factor one is slightly more important than other factors, a value of 5 means that factor one is more important than other factors, a value of 7 means that factor one is very more important than

other factors, the value of 9 which means that one factor is absolutely more important than the other factors and the value of 2,4,6,8 is the middle value. From the results of the calculation of the weight of the compensation factor above, the calculation of the value of the compensation factor for each position will be calculated.

Table 3
Calculation of compensation factor value for each position

SUB FAKTOR		Pengalaman Bekerja	Tingkat Pendidikan	Kondisi Kerja	Kompleksitas Kerja	Pengambilan Keputusan	Keterampilan Hubungan Kerja	Tanggung Jawab terhadap Alat - alat dan Peralatan	Keterampilan Berkomunikasi	Usaha Fisik	Tanggung Jawab terhadap Catatan dan Laporan
NO	JABATAN	NILAI	NILAI	NILAI	NILAI	NILAI	NILAI	NILAI	NILAI	NILAI	NILAI
1	Manager	4	4	1	2	4	5	3	3	1	4
2	Agen Marketing	3	3	3	3	3	4	2	3	2	3
3	Supervisor	4	4	3	3	3	2	3	2	3	5
4	Driver	2	1	2	2	2	2	2	2	5	4
5	Staff Kandang	3	3	3	1	3	2	3	2	4	2
6	Staff Ayam	1	1	3	2	2	2	1	2	4	1
7	Staff Dapur	2	1	2	2	3	2	2	1	5	2

Source: Data processed, 2021

Based on table 3 the values listed indicate the importance of a compensation factor in a position. The higher the value indicates that the factor is more important in the related position. From the results of the calculation of the value of the

compensation factor for each position above, they will be calculated job value of each position by multiplying the weight of the compensation factor with the value of the compensation factor for each position listed in table 2 and table 3

Table 4
Calculation of value positions (job value)

NAMA PEMEGANG JABATAN / NILAI SUB FAKTOR		$\sum N \times B$ (Job Value)
NO	JABATAN	
1	Manager	640
2	Agen Marketing	563
3	Supervisor	615
4	Driver	422
5	Staff Kandang	494
6	Staff Ayam	326
7	Staff Dapur	384

Source: Data processed, 2021

Tabel 6
Salary mapping UKM

NO	JABATAN	GRADE	Total Persons	Total Salary	ACTUAL			ACTUAL	
					Min	Average	Max	Mid to Mid	Spread
1	Manager (1)	IV	3	Rp6,250,000	Rp1,750,000	2,083,333	Rp2,500,000	33.21%	42.86%
	Supervisor (2)								
2	Agen Marketing (1)	III	9	Rp14,075,000	Rp1,500,000	1,563,889	Rp2,075,000	4.26%	38.33%
	Staff Kandang (8)								
3	Driver (3)	II	3	Rp4,500,000	Rp1,500,000	1,500,000	Rp1,500,000	55.17%	0%
4	Tukang Masak (1)	I	6	Rp5,800,000	Rp900,000	966,667	Rp1,300,000		44%
	Staff Ayam (5)								
Total			21	Rp30,625,000					

Source: Data processed, 2021

Based on table 6, the results of the salary mapping show that there are still non-ideal salary conditions. Where the value spread has not increased along with the increase in grade from low to high level and there is still a mid to mid value which is still larger than the spread. The ideal condition is only seen in the manager, supervisor, marketing agent, and cage staff positions where the value is mid to mid is smaller than the range spread value. While the rest

are in less than ideal conditions. It is said that it is not appropriate because the distance from one position level to another is too far and not too close together so that there will be a salary increase that is too extreme. This shows that internal justice has not been created in the company.

8. Salary improvement using the method The adhered

following are the results of salary improvement using the adhered method

Table 7
Salary improvement using the method adhered

NO	JABATAN	GRADE	Total Persons	Total Salary	ACTUAL			ACTUAL	
					Min	Midpoint	Max	Mid to Mid	Spread
1	Manager (1)	IV	3	8.483.916	Rp2.421.000	2.930.499	Rp3.439.098	40,32%	42,00%
	Supervisor (2)								
2	Agan Marketing (1)	III	9	14.421.300	Rp3.755.000	2.088.450	Rp2.421.800	36,72%	38,00%
	Staff Kantong (8)								
3	Driver (1)	II	3	4.500.000	Rp1.300.000	1.527.500	Rp1.755.000	32,83%	35%
	Staff Pesawat (2)								
4	Staff Ayam (1)	I	6	6.350.000	Rp1.000.000	1.150.000	Rp1.300.000	30%	30%
	Staff Ayam (5)								
21				33.795.216					

Source: Data processed, 2021

In the table above, it can be seen that the spread has been fixed with the spread value for the driver at 32.83% and the spread rate has increased for each position and the mid to mid value has been

smaller than the spread value. Next is to determine the initial minimum salary that the business owner isof, which is IDR capable1.00.00 with a spread

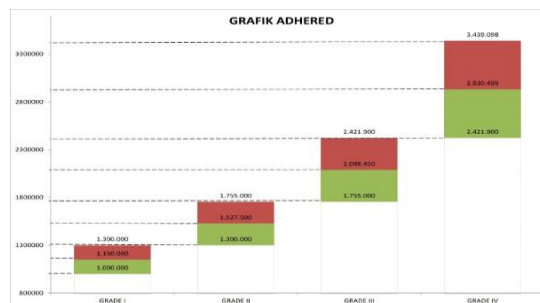


Figure 3
Illustration of overlapping compensation (adhered)

In the picture above, it can be seen that the maximum value for grade 1 will be the minimum value for grade 2, as well as for subsequent grades. In this compensation system, a person with a salary at grade 1, cannot have a salary

at a level grade above it. Likewise, a person with a salary of grade 2 cannot have a salary at a grade level below or above. Likewise with the other grades.

9. Salary improvement using the method overlapping

Table 8
Salary Mapping with the overlapping method

NO	JABATAN	GRADE	Total Persons	Total Salary	New Salary Structure			Increase & Spread	
					Min	Midpoint	Max	Mid to Mid	Spread
1	Manager (1) Supervisor (2)	IV	3	6,032,285	1,795,918	2,200,000	2,785,918	37.50%	45,000
2	Sales Marketing (1) Staff Kandang (8)	III	9	13,873,333	1,333,333	1,600,000	1,973,333	30.61%	40,000
3	Driver (3) Staff Cleaner (1)	II	4	4,000,000	1,056,034	1,225,000	1,448,034	6.52%	120
4	Staff Asisten (1) Staff Asisten (5)	I	6	6,950,000	1,000,000	1,150,000	1,300,000		150
				31,875,578					

Source: Data processed, 2021

The table shows the improvement salary using the overlapping method. The most visible difference from the overlapping method is that only the maximum grade 2 grade is lower than before, this means that senior workers in grade 2 are overpaid. In addition, the minimum grades for grades 2 and 3 also appear to be lower than before, which

also indicates that workers entry - level at this grade are also overpaid. However, the salaries of entry-level workers at grade 1 increased significantly based on the ability of SME owners to increase their basic salary to be close to the UMP and UMK even though it has not been exceeded.



Figure 4

Illustration of a compensation system using the overlapping method

In the picture above, it can be seen that in this compensation system, there can be a possibility if an employee at grade 1 gets a salary that is in grade

2. And similarly applies to an employee at grade 2 can also get a salary that is in grade 1.

10. The Ideal Compensation System at Budi Poultry Shop

Table 9
Comparison of basic salary with the results of salary improvement using methods adhered and overlapping

No	Nama	Jabatan	Gaji Pokok	Adhered	Overlapping
1	Responden 1	Manager	2,500,000	3,439,098	2,785,918
2	Responden 2	Agen Marketing	2,075,000	2,421,900	1,973,333
3	Responden 3	Supervisor 1	2,000,000	2,622,918	2,020,408
4	Responden 4	Supervisor 2	1,750,000	2,421,900	1,795,918
5	Responden 5	Driver 1	1,500,000	1,500,000	1,500,000
6	Responden 6	Driver 2	1,500,000	1,500,000	1,500,000
7	Responden 7	Driver 3	1,500,000	1,500,000	1,500,000
8	Responden 8	Staff Kandang 1	1,500,000	1,500,000	1,500,000
9	Responden 9	Staff Kandang 2	1,500,000	1,500,000	1,500,000
10	Responden 10	Staff Kandang 3	1,500,000	1,500,000	1,500,000
11	Responden 11	Staff Kandang 4	1,500,000	1,500,000	1,500,000
12	Responden 12	Staff Kandang 5	1,500,000	1,500,000	1,500,000
13	Responden 13	Staff Kandang 6	1,500,000	1,500,000	1,500,000
14	Responden 14	Staff Kandang 7	1,500,000	1,500,000	1,500,000
15	Responden 15	Staff Kandang 8	1,500,000	1,500,000	1,500,000
16	Responden 16	Staff Ayam 1	900,000	1,000,000	1,000,000
17	Responden 17	Staff Ayam 2	900,000	1,000,000	1,000,000
18	Responden 18	Staff Ayam 3	900,000	1,000,000	1,000,000
19	Responden 19	Staff Ayam 4	900,000	1,000,000	1,000,000
20	Responden 20	Staff Ayam 5	900,000	1,000,000	1,000,000
21	Responden 21	Staff Dapur	1,300,000	1,300,000	1,300,000
Total			30,625,000	33,705,816	31,375,578

Source: Data processed, 2021

Based on the discussion, Budi Poultry Shop UKM can increase salaries which are below the UMR and UMP. If the owner feels unable, then at least the salary is close to one of the UMP or UMK and limits the salaries of employees who are in an overpaid condition. This is done so that the amount of salary issued with the value of the job or position is in accordance with the principles of internal justice in the company. Comparison of actual salary calculations with methods adhered and overlapping can be seen in table 9. The ideal compensation system for Budi Poultry based on this comparison is using the overlapping method because the difference with the actual salary is the least and most likely to be realized at this time. It is hoped that the compensation system used can be accepted by all parties.

Conclusion

Based on the results of research and analysis that has been done, the following conclusions can be drawn:

1. Based on the results of the formulation compensable factor, the determining factors in determining wages at the Budi Poultry Shop are work experience, education level, working conditions, complexity work, decision making, work relations skills, responsibility for tools and equipment, communication skills, effort physical, as well as responsibility for records and reports.
2. The calculation of the initial salary mapping of SMEs is not ideal and only 2 out of 21 employees receive a basic salary above the UMP and UMK, so it is necessary to improve the compensation system for SMEs.
3. Based on the comparative analysis using the adhered method and the overlapping method, it can be determined that the salary improvement method that is suitable for the Budi Poultry Shop UKM is

overlapping because the difference with the budget set is not too high and the UKM accepts it.

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