

ABSTRACT

Influence of Motivational factor in the forms of Indirect Compensation and Incentive Provision upon Improvement In Performance of the Employees of PT. Telkom of Pamekasan Telecommunication Branch Officer

by :

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This research is intended to analyze the influences of indirect compensation and incentive provision significantly affecting the employee's performance and to find out variables with dominant influence upon the performance of employees of PT. Telkom of Pamekasan Telecommunication Branch Officer.

This research constitutes the Explanative Research with non-experimental nature and describes the casual relation among variables through hypothetical examination. Population and sample of this research consist of 55 employees of PT. Telkom of Pamekasan Telecommunication Branch Officer with fixed salaries. Meanwhile, the instrument applied in this research are the methods of questionnaire, interview and documentation. Measurement upon variables is described in detail in the form of statement items referring to Likert scale with the scores ranging between 0 to 4. The variable investigated under this research is the performance of employees of PT. Telkom of Pamekasan Telecommunication Branch Officer as a bound variable, whereas its free variable are indirect compensation and incentive provision. To analyze the data, a multiple linear regression model is applied.

Result of the research proves that both free variables jointly influence the performance of employees at the role of 20.1 % and $F_{\text{regression}} = 6.544$ with the significance of 0.000 ($p < 0.05$), and $t_{\text{regression}} = 2.504$ with the significance of 0.015 ($p < 0.05$), thus the incentive provision is proven to be a dominant variable upon the improvement of employee's performance with the contribution of 0.364. Based on the data analysis, it can be further described that because variable of incentive provision has a dominant influence upon the employee's performance, it is suggested to increase the incentive provision supported as well by the increase in indirect compensation in order to produce the reliable Human Resources who are professional in their work performance.

Key Words : Indirect compensation, incentive, performance