

REVIEWING WAGE POLICIES TO ENSURE EMPLOYEE WELFARE

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ABSTRACT

This research is aimed at analyzing labor wage policies to ensure employee welfare. This research uses qualitative research methods with descriptive analysis. The data sources used in the research are as follows, namely primary and secondary data. This research technique uses the snowball sampling technique, which is a technique for collecting sample data from data sources that are small in number but provide complete information, namely the HRD (human resource department) and production employees. The explanation for data collection for this research is the interview method, observation method, documentation method. Based on the results of the discussion and research, it was concluded that the policy on wages for workers was regulated in the Employment Law and the Collective Labor Agreement made and agreed upon by employees and the company. The wages of workers at the company are in accordance with the Regional Minimum Wage provisions and the payroll system is very good for its employees. This can be identified based on the company's payroll system which is not given every month but is given every week and employees are never given wages outside of that time. This shows that employees receive their salaries on time. In addition, employee rights and welfare have been fulfilled. For employees, the wage policy in the company where they work has advantages that can be felt by all employees, because comfort and welfare are based on the income earned. At the same time, employees are also more effective when completing their work. Apart from that, the company also provides employee welfare facilities in accordance with the company's and employees' ability to provide employee rights through welfare facilities. This facility is provided to create a harmonious relationship between the company and employees and create work enthusiasm for employees.

Keywords: wage policy, employee welfare.

INTRODUCTION

The rise in demonstrations against workers to fulfill their rights as workers shows that there is a gap regarding the wages given by companies to their employees. In this condition, the relationship between employers and workers experiences quite strong differences regarding the perception of the interests of each party in achieving needs. Companies provide wages by thinking carefully so that employees can handle production

activities towards achieving work goals (Oude Nijhuis, 2015). On the other hand, workers have the right to earn a decent income to meet their needs. The fact that is often encountered is that employees' daily needs are not met, which is the initial trigger for demonstrations to the government to make regulations regarding employee wages and welfare (Sanjoyo, 2013). The demonstrators want the government to make a policy regarding wages. This is because wages do not comply with the work agreement or working hours exceed the worker's productivity time limit. On this occasion, the government intervened with companies and workers against companies regarding the determination of minimum wages. Likewise, the central government gives authority to regional governments with regional autonomy, so regional governments have the authority to determine regional minimum wages for provincial, district or city governments in order to protect workers' rights and realize employee welfare (Febriani & Solechan, 2017). The government makes wage policies with the aim of improving employment problems among the population regarding the quality and quantity of workers in the labor supply. However, the government is carrying out improvements in long-term planning regarding employment issues. Therefore, a proper wage system is needed for company supervision to support the company's efficient capabilities.

Wages according to government regulation Number 8 of 1981 are rewards obtained from workers' results in carrying out work, both in the field of goods and services and in the field of productivity, which employers provide to workers after carrying out work. In companies, wages are given by considering workers in completing productivity as a result of achieving a job (Alam et al., 2020). Workers have the right to receive adequate income for their living needs. A good labor remuneration policy does not only rely on labor withdrawal rates, but a good promotion or promotion policy must also ensure that the amount of salary and wages for each job must be based on the value of the goods (price) of the job (Clemens et al., 2018). Salaries and wages do not depend on high rank or position, but depend on the work of the workers in the company. Developing a wage system is one of the methods taken in managing human resources owned by a company. Salary management that is not in accordance with established procedures will result in employee disappointment, this can lead to a decrease in employee productivity (Jirjahn, 2016). Considering the important role of labor in the world of work and the life of the nation (Henry, 1994), the government has an obligation to regulate everything related to employment. In achieving the goals of a company, companies are required to build cooperation between the company and employees by meeting needs such as providing decent wages for workers, bonuses for overtime, health benefits or social security. With this, employees feel more comfortable and are cared for by the company so that employees are enthusiastic about achieving productivity targets (Djazilan & Arifin, 2022). Employees are important capital in a company so employees need management to remain productive (Mardikaningsih & Putra, 2021). In managing employees, it is quite difficult to do, because they have different feelings, desires, status in social achievements, backgrounds for each individual. Therefore, companies must be able to encourage them to remain productive in carrying out their responsibilities (Onyekwelu & Nwosu, 2021).

The company's benchmark for achieving company success is seen from the profits earned by the company and the welfare of its employees. In this case, employees have an important role for the company because they are the ones who produce raw goods into finished materials. Employee welfare is needed to make employees more motivated to complete work, realize a goal in obtaining satisfaction, encourage individual desires in carrying out activities related to the company (Patro, 2017). Based on the opinion of Darmawan et al. (2022), employee and job satisfaction are interrelated. Well-being is a factor that contributes to employee job satisfaction. Therefore, to ensure employee welfare, it is necessary to pay attention to and increase job satisfaction through various strategies, including recognition for work results, good communication, offering career opportunities, work-life balance, and competitive compensation. As a company leader, you must be aware of employee welfare, with this the company's way of branding the company is through employees by fulfilling employee welfare so that the company's goals can be achieved. The importance of employee welfare is ensuring that employees are not transferred to other companies, increasing motivation and work morale or increasing employee loyalty to the company. Thus, it is natural for companies to pay sufficient attention to good salary and wage policies for the workforce in the company in order to achieve prosperous employees. There is relevant research as a reference source for this research, including from Pattiwael et al. (2017); Gupta (2023); Nurhayati et al. (2023).

Labor wage policy is an important policy in the world of work, especially in ensuring employee welfare. However, this policy cannot be viewed in isolation from other factors that influence employee well-being, such as social interactions in the workplace. Social interactions in the workplace can influence employee motivation and performance, thereby impacting their well-being. Therefore, research regarding the emergence of conflicts that occur in the workforce regarding wage policies, the aim of this study is to analyze workforce wage policies to ensure employee welfare.

METHODS

This research adopts a qualitative research method with a descriptive analysis approach. This research is field research which is directly involved in collecting data at the research location. Primary and secondary data sources were used in this research, which involved HRD (Human Resource Department) and production employees as respondents. The sampling technique uses the snowball sampling method, where sample data is obtained from a limited number of sources but is able to provide comprehensive information. The data collection methods applied involve interviews, observation and documentation. This approach provides space for researchers to gain an in-depth understanding of the internal dynamics of the organization, especially related to the relationship between HRD, production employees, and factors that influence employee well-being.

RESULTS AND DISCUSSION

The Human Resource Department (HRD) operates with a dual perspective, focusing on both company progress and employee performance. This perspective extends to employees who evaluate their productivity and welfare within the company. The remuneration structure for labor indicates a departure from the conventional monthly payment model, as the company adopts a weekly payroll system. Additionally, employee salaries align with the prevailing Regency Minimum Wage.

The company diligently fulfills its obligations and upholds the rights of all employees, including those related to the Employment Social Security Administering Agency and old age benefits, surpassing the requirements outlined in the Regency Minimum Wage. In addition to these rights, the company provides various facilities, such as menstrual leave and attendance premiums. Menstrual leave entails a unique provision where menstruating employees receive twice their monthly salary from the company. The attendance premium, on the other hand, offers additional compensation if an employee completes a full month's work, exceeding the agreed-upon Regency Minimum Wage. These practices highlight the company's commitment to employee welfare and adherence to legal and regulatory standards.

The wage system in this company is gradual, meaning the period of apprenticeship, training, beginners, and certain stages, beginners, advanced, skilled, advanced or official are permanent workers in this company. Wages in this company are in accordance with the Regional Minimum Wage that has been determined and wages are given to employees on time, the wage system given to employees is not monthly but a weekly salary system for employees. Wages are also distributed through Automated Teller Machines and the company also provides rights so that everything is fulfilled for its employees. The company also provides wages according to working hours and is always on time. The minimum working hours at this company are nine hours and the worker system is also part-time, the income obtained from the company also depends on the target, so if the employees work more than the company's working hours, the employees will earn more than the Regional Minimum Wage. Therefore, if employees work in a company and work beyond working hours, then that is considered overtime. According to the company, the policies determined by the company are regulated in the Employment Law and the Collective Labor Agreement made and agreed upon by employees with the company. Apart from that, the establishment of this company is indirectly to improve and improve the welfare of workers or provide opportunities and provide job vacancies that have not yet found workers so that all local people do not experience unemployment in the future.

The company's commitment is to ensure the well-being and security of its workforce through a comprehensive policy. Employee welfare, encompassing both material and non-material aspects, is a supplementary form of compensation formulated as part of this policy. The primary objective is to preserve and enhance the physical and mental well-being of employees, thereby boosting their morale in the workplace.

Recognizing the substantial meaning and benefits of employee welfare, managers are motivated to establish and implement welfare programs (Baranowski, 2019). These programs must adhere to established regulations, ensuring fairness and feasibility with internal and external consistency considerations, and they should be aligned with the capabilities of the employees.

The conditions for employee welfare encompass various aspects, including facilities and infrastructure. The provision of welfare facilities is strategically aimed at fostering long-term employee retention. It is of paramount importance, contributing significantly to meeting the physical and mental needs of employees and their families. These facilities adhere to relevant legal frameworks. The overarching goal is to create a work environment where employees feel comfortable and receive adequate facilities, infrastructure, and salaries in accordance with the Regional Minimum Wage.

Ensuring a comfortable and conducive workplace, combined with salaries meeting regulatory standards, contributes to enhanced employee abilities. This improvement is further facilitated through training provided by superiors or foremen, empowering employees to achieve better performance and accomplishments. The comprehensive approach to employee welfare reinforces the commitment of the company to its workforce, fostering a positive and productive work environment.

Wage policies have a significant impact on employee performance, and through this relationship, have a direct influence on their level of welfare (Arifin et al., 2015). A fair and adequate wage level can be a motivator for employees to increase their productivity and dedication in the work environment (Anjanarko & Jahroni, 2022). Employees who feel appreciated through a transparent wage system tend to be more motivated and dedicated. On the other hand, dissatisfaction with wage policies can result in decreased motivation, reluctance to make maximum contributions, and can even trigger feelings of dissatisfaction that have a negative impact on the work environment. Dissatisfaction with wage policies, on the other hand, can harm employees' psychological and economic well-being, trigger a decrease in motivation, and have a negative impact on the quality of work produced (Gärling & Jansson, 2021). For this reason, wage policies that are implemented wisely and fairly can be a key factor in creating a positive work environment, supporting employee performance, and ultimately, improving their welfare. Several ways to determine the right wage system to improve employee performance can be considered, including:

1. A transparent and fair wage system can increase employee job satisfaction. Employees need to understand how wages are determined and feel that the system is fair.
2. Wage systems that have the potential to encourage employee enthusiasm for work productivity, such as incentive wages, can increase job satisfaction.
3. A wage system that pays attention to the overall welfare of employees, including physical, mental, emotional and economic aspects, can contribute to increasing job satisfaction.

4. Apart from salary, other factors such as work-life balance also play an important role in employee well-being. Therefore, a wage system that supports work-life balance can also contribute to increased job satisfaction.

The provision of pension money serves as a financial benefit for employees who have completed their years of service in the company, typically granted to those reaching 58 years old. Preceding retirement, employees undergo a two-year retirement preparation period during which they still receive a salary. The Employment Social Security Administering Agency plays a vital role in ensuring employment security, providing a sense of comfort to workers by offering protection in cases of work accidents, illnesses, or death. The family guarantee is another aspect, assuring employees that their families will receive support, as explained by the company. The company also grants a holiday allowance annually and provides leave allowances for employees. Moreover, there are guarantees for instances such as death, where employees receive insurance coverage, as well as a birth guarantee for pregnant employees, including a gift. Additionally, children of employees achieving scholarships or distinctions are entitled to guarantees, while orphans receive financial assistance and basic necessities from the company. These elements collectively reflect the labor wage policy's commitment to ensuring employee welfare, fostering a cooperative relationship between the company and its employees for mutual enhancement in both individual and corporate qualities. The proper management of these components contributes to the company's goal of becoming an independent entity with efficient production processes.

CONCLUSIONS

Based on the results of the discussion and research, it was concluded that the policy on wages for workers was regulated in the Employment Law and the Collective Labor Agreement made and agreed upon by employees and the company. The wages of workers at the company are in accordance with the Regional Minimum Wage provisions and the payroll system is very good for its employees. This can be identified based on the company's payroll system which is not given every month but is given every week and employees are never given wages outside of that time. This shows that employees receive their salaries on time. In addition, employee rights and welfare have been fulfilled. For employees, the wage policy in the company where they work has advantages that can be felt by all employees, because comfort and welfare are based on the income earned. At the same time, employees are also more effective when completing their work. Apart from that, the company also provides employee welfare facilities in accordance with the company's and employees' ability to provide employee rights through welfare facilities. This facility is provided to create a harmonious relationship between the company and employees and create work enthusiasm for employees. In this way, it is hoped that the company's goals can be realized without any obstacles. Thus, there are several suggestions made, including: (1) for companies and leaders to pay more full attention to

these variables (labor wages and employee welfare) so that direction so that employees can be motivated can be given appropriately in order to achieve the appropriate level of employee welfare. adequate; (2) the incentives given must be right on target and must also consider how much should be given so that it can benefit the agency as well as the employees who work in it and also so that it can encourage employees to improve their performance; (3) the government cannot ignore the welfare of the workforce, which means it must be more visionary in determining the wages workers receive and the facilities provided are properly adapted to the needs of the workforce; (4) Future researchers should further explore this research by involving relevant variables to influence the level of employee welfare.

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