



Does Compensation Important? The Effect of Compensation on Teachers Performance in Vocational High School

Windasari*¹, Muchammad Zulham Yahya²

*¹Educational Management Department, Faculty of Education, Universitas Negeri Surabaya.

²SMK Darut Tauhid, Bangil, Pasuruan

*Corresponding Author. Email: windasari@unesa.ac.id

Abstract: The purpose of this study was to determine the effect of compensation on the teacher performance in vocational school. This research used a quantitative approach. Data collection technique was by distributing a questionnaire using a five-likert scale. The sampling technique used was cluster random sampling. Samples taken from each school amounted to 3 teachers from each department, so there were 42 respondents from 5 schools. Validity test used the Pearson product moment. The analysis technique used to answer the research hypothesis uses simple linear regression. The results showed that teacher compensation had an effect on teacher performance in vocational high school.

Article History

Received: 16-10-2020

Revised: 24-12-2020

Published: 03-03-2021

Key Words:

Compensation,
Teacher
Performance,
Vocational.

How to Cite: Windasari, W., & Yahya, M. (2021). Does Compensation Important? The Effect of Compensation on Teachers Performance in Vocational High School. *Jurnal Kependidikan: Jurnal Hasil Penelitian dan Kajian Kepustakaan di Bidang Pendidikan, Pengajaran dan Pembelajaran*, 7(1). 42-49. doi:<https://doi.org/10.33394/jk.v7i1.3006>



<https://doi.org/10.33394/jk.v7i1.3006>

This is an open-access article under the [CC-BY-SA License](https://creativecommons.org/licenses/by-sa/4.0/).



Introduction

Education has an important role in helping to educate human life. Indonesia as a multicultural country with a lot of diversity need to employ a role of education (Wijaya, 2019). Indonesia government designing that the goal of national education is to develop the potential of students to become human beings who believe and fear God, have noble character, are healthy, knowledgeable, capable, creative, independent, and become democratic and responsible citizens. Values education or character education in Indonesia in the recent development, always becomes a priority program in the national education system (Suyatno et al., 2019). In order to achieve these educational goals, the quality of teachers is one of the determining factors for the success of students in the teaching and learning process. Teacher performance has a considerable contribution in developing the potential of students in schools. One of the aspect that affecting to teacher performance is payment system (Britton & Propper, 2016).

Empirical evidence shows there is a strong relationship between teacher compensation and quality. Existing research indicates that compensation has the potential to improve teacher performance (Rasmi et al., 2020). Compensation received by teachers, both financial and non-financial, will also have an impact on job satisfaction. Teachers who have good job satisfaction will continue to provide maximum performance. Meanwhile, compensation affect teacher work spirit in the form of providing good performance in teaching learning process in the classroom (Suryantoro et al., 2018).

Compensation is a form of service contribution that has been made to the organization provided to employees. Anthonia et al. (2019) explains that compensation is the price for services received or provided by others for the benefit of a person or legal entity. Kadarisman



(2012) argues that compensation is the entire remuneration received by employees as a result of carrying out work in the organization in the form of money or other, which can be in the form of salaries, bonuses, incentives, and other benefits, such as: health benefits, holiday allowances, food allowance, leave money and others.

Meanwhile, the purpose of compensation is to attract, motivate and retain people who perform well for the achievement of organizational goals. Furthermore, compensation contributed to teacher motivation at school (Perawati et al., 2018). Compensation given to individuals is a form of appreciation for services and efforts in completing their tasks and jobs.

Performance comes from the word job performance which is called actual performance, namely the achievement of goals (achievements) carried out by individuals. Performance is an act of process or a way of acting or performing organizational functions. If the organization has definite and clear standards in performance measurement that are tailored to organizational goals, it will be easy to know the results. People performance are influences of various factors (Muazza et al., 2019).

Meanwhile, according to Mulyasa (2013), performance defines performance as a person's performance which is shown in appearance, actions, and work performance as an accumulation of knowledge, skills, values and attitudes he has. Judging from this understanding, performance is closely related to individual satisfaction so that individual competencies will affect performance and also how much compensation is received. Teacher performance can be started from the aspect of basic abilities that must be possessed which is often referred to as "teacher competence". Teacher competence is a description of what a teacher should be able to do in carrying out his job, both in the form of teaching activities, the behavior he does, and the learning outcomes he has achieved.

Currently developing countries are experiencing a shortage of qualified teachers in education. As an important factor in success in learning, teachers should have good performance. Vocational High School (SMK) is one of the educational institutions in Indonesia that plays a role in producing graduates who have the competence to be ready to work. Thus, the quality of Vocational High Schools greatly determines the quality of Indonesian Human Resources (HR). Data (Dikbud, 2016) show that the performance of vocational high school teachers is still in the poor category with a value of 77.60%. Based on data on teacher performance on vocational high school issued by the Ministry of Education and Culture can be seen that in general the quality of vocational high school teachers is still underperforming. Previous research that has been carried out related to motivation is research conducted to determine teacher performance in public schools. The compensation given to public teachers has a different system from the compensation system given to private teachers.

The latest information states that the current vocational high school graduates are really not ready to work. Some of the vocational high school alumni in Bangil whom we interviewed admitted that at their school the equipment for field practice was very limited. In addition to the lack of practical facilities, the competence of vocational high school students who are not ready to work is also obtained from their learning process while in school. Teacher performance in the learning process has an impact on student output. One of the most important factors affecting performance is teacher compensation. The condition of SMK Bangil indicates that the official income provided by the government through the non-permanent teacher functional allowance (GTT) is only between Rp. 250 thousand to Rp. 300

thousand per month. The compensation is relatively small so that it will affect the work motivation of teachers in teaching and learning activities in schools.

Another impact that arises is the low motivation of teachers to improve their individual competences. According to the Pasuruan Kadispendik (2017) that only 1,100 teachers in Pasuruan City have registered teacher certification. With the condition of the output of vocational high school Bangil graduates who were not ready for work and the low compensation received by teachers, the researchers wanted to find out whether compensation had an effect on the performance of private vocational school teachers in Bangil. Good teacher performance should be able to produce good vocational high school graduates. The purpose of this study was to measure how much influence compensation has had on the performance of private vocational school teachers in Bangil.

Research Method

This research is a quantitative study using a survey method (Arikunto, 2008). This research was conducted in 5 vocational schools in Bangil. The subjects of this study were 3 teachers from each department in each school. Each teacher will fill out and answer a questionnaire that has been distributed. The sampling method used is the Central Limit Theorem (a theorem which states that the sampling distribution curve for a sample size of 30 or more will centre on the population parameter value and will have all the properties of a normal distribution). In order not to focus on one point, the cluster random sampling method was used by taking 3 teachers from each department in each school so that the number of samples taken from the existing population was 42 teachers from 5 schools divided into 14 departments.

The data analysis technique used to test in this study is simple linear regression to test whether there is an effect of motivation and compensation variables on teacher performance. The design of this study will measure the compensation variable on performance



Figure 1. Impact of Variable X on Y

Note :

- X : Compensation
- Y : Teachers performance

From the figure above, the research hypothesis is structured as follows;

- H0: There is no significant effect of compensation on teacher performance
- H1: There is a significant effect of compensation on teacher performance

Finding and Discussion

Data collection in this study was carried out by distributing instruments to vocational schools. The questionnaires that have been filled in by respondents and then processed in SPSS and analyzed using simple linear regression. The data obtained through the distribution of the questionnaire were processed using SSS with a simple linear regression test. From the results of data processing obtained the following results.

Tabel 1. Linier Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.456a	.208	.189	2.425

a. Predictors: (Constant), X

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	
		B	Std. Error	Beta	t
1	(Constant)	33.146	2.994		11.069
	X	.541	.167	.456	3.244
					Sig.
					.000
					.002

a. Dependent Variable: Y

Based on the data analysis, the results show that teacher compensation has an effect on the performance of private vocational school teachers in Bangil. Financial incentives have also been seen as a viable way or tool to motivate teachers to higher levels of performance, attract teachers to be more effective in carrying out the teaching profession, and align teacher attitudes and interests with organizational goals (Santoso, 2017).

Thus the compensation and financial incentives provided to teachers are important factors in competitive competition among existing private vocational high school. Financial incentives appear to be quite successful in developing countries (Imberman, 2015). Compensation as financial and non-financial extrinsic rewards provided by the employer for the time, skills and efforts given by employees to fulfill job requirements aimed at achieving organizational goals. In other hand, if teacher compensation are not met, then teacher performance will decline (Arif et al., 2019). Another form of non-financial rewards, namely the opportunity for teachers to take part in training and self-development, is also very influential on teacher performance and the achievement of school organizational goals. School leader should be design a fair system into teacher compensation due the positive impact through teacher performance (Widayati, 2019).

Teacher who have good performance, carry out learning tasks in class well, are supported by good technical skills or competencies. Pedagogics competences carry out due to their duties also affect teacher performance in classroom (Purba et al., 2018). This means that the provision of compensation in the form of both financial and training is very influential on teacher performance in schools. These results are in accordance with (Santoso, 2017) which defines motivation as a stimulant and driving force for a person's willingness to work.

Compensation is two important variables in influencing the level of teacher performance. Intrinsic incentives are internal rewards given by employees such as self-esteem which is a feeling of achievement and development of specific skills and talents. Benefit (reward) is a type of non-monetary compensation and is intended to improve the quality of life of workers in a workforce in organizations. Another form of internal intrinsic, namely the



internal desire of the teacher to teach well in the classroom and supported by the provision of non-monetary compensation in the form of training to increase the competence of schools will have a very positive impact on teacher performance in schools. Medical allowance and transport allowance as monetary compensation affected people performance (Kumar, 2016).

In addition, this study also proves that teacher compensation has a positive effect on the performance of private vocational school teachers in Bangil. Private school should their regular payment of compensation (Uwannah et al., 2019). The greater or higher the compensation provided by the school to the teacher, the higher and better the quality of teacher performance. This is in line with (Madhani, 2014) that compensation should encourage desired behaviors. Good job performance, experience, loyalty, new responsibilities and other behaviors can be rewarded. Several private vocational schools in Bangil have implemented a training delivery system as a form of non-financial compensation for their teachers (Abdullah et al., 2019). In order to improve teacher performance, one of program could be implemented is giving training to improve their skill and ability (Matriadi & Dalimunthe, 2018). Moreover, promoting teacher regularly will enhance teacher work performance (Mohammed & El-jajah, 2019). There is also crucial to design the strategic compensation system (Tola, 2019).

School organizations must consider the needs and desires of teachers to support the achievement of maximum teacher performance. The headmaster is must have the right strategy to motivate the all of teachers to carry out their tasks and functions (Andriani et al., 2018). (Tumilaar, 2015) research results show that discipline, administration, and motivation at the same time affect employee performance. Apart from motivation and compensation, other factors that can be taken into consideration in assessing teacher performance are discipline and administration. School discipline and administration contribute to creating good teacher performance. (Fasasi et al., 2016) study results show that satisfaction, recognition, working conditions, administration and staff associations in decision making are some of the extraordinary elements that can encourage teachers to perform more productively. In this study, it was also found that age and experience had an impact on their motivation. Moreover, there are organizational culture is also affected teacher performance (Prayoga & Yuniati, 2019).

While (Rasheed et al., 2016) found that most teachers were paid less compensation, this was shown by the learning process, talent development and their ability to carry out their job duties. Thus educators must be given attention, giving them preparation for increasing self-competence and the level of wages must be arranged according to their abilities, experience and talents. Improvements in knowledge and skills relevant to the work in each school as well as experienced in the training also need to be considered (Diliantari & Dewi, 2019)

(Abdulsalam & Abubakar Mawoli, 2012) explored the relationship between motivation and teaching performance and lecturer research performance. This shows that motivation has an important impact on teaching implementation but does not have a major impact on the conduct of research. In the context of secondary education (vocational high school) motivation makes a large contribution to teacher teaching performance. Compensation strategy also has a correlation to teacher quality in general (Colson et al., 2018).



Conclusion

The results showed that teacher compensation had an effect on teacher performance in vocational high school. If the compensation received is higher, the performance of private vocational school teachers in Bangil District will be even higher. That's important for organization to review the compensation strategies that applied. Vocational High School in Bangil applied monetary and non-monetary compensation strategies to improve their teacher performance. The suggestions for future researchers are that the scope of this study is focused on private vocational school teachers in Bangil District which have an impact on the limited generalization of the study. This limitation implies the need for further studies to generalize the results obtained in a different and broader context, so that the concepts tested in the model can be increased their external validity

Suggestion

The results of this research conclude that there are compensation has a significant effect through teacher performance. Therefore, for the vocational high school in Bangil it is necessary to design compensation system based of people performance.

References

- Abdullah, F., Manan, A., Sumarsono, T. G., & Hidayatullah, S. (2019). The Effect of Motivation , Competency and Compensation toward Performance. *International Research Journal of Advanced Engineering and Science*, 4(1), 51–55.
- Abdulsalam, D., & Abubakar Mawoli, M. (2012). Motivation and Job Performance of Academic Staff of State Universities in Nigeria: The Case of Ibrahim Badamasi Babangida University, Lapai, Niger State. *International Journal of Business and Management*, 7(14), 142–148. <https://doi.org/10.5539/ijbm.v7n14p142>
- Andriani, S., Kesumawati, N., & Kristiawan, M. (2018). The influence of the transformational leadership and work motivation on teachers performance. *International Journal of Scientific and Technology Research*, 7(7), 19–29.
- Anthonia, O. N., Okeke, M. N., & Ikechukwu, I. A. (2019). Compensation Management and Employee Performance in Nigeria. *International Journal of Academic Research in Business and Social Sciences*, 9(2), 384–398. <https://doi.org/10.6007/ijarbss/v9-i2/5552>
- Arif, M., Syaifani, P. E., Siswadi, Y., & Jufrizen, J. (2019). Effect of Compensation and Discipline on Employee Performance. *Proceeding of The 3rd International Conference on Accounting, Business and Economics*, 1(1), 263–276.
- Arikunto, S. (2008). *Dasar Dasar Evaluasi Pendidikan*. PT. Bumi Aksara.
- Britton, J., & Propper, C. (2016). Teacher pay and school productivity: Exploiting wage regulation. *Journal of Public Economics*, 133, 75–89. <https://doi.org/10.1016/j.jpubeco.2015.12.004>
- Colson, T., Willis, C., & Satterfield, C. (2018). Strategic Teacher Compensation: The Effects on Teacher Quality. *EJEP: EJournal of Education Policy*.
- Diliantari, K. R. D., & Dewi, I. G. A. M. (2019). Effect of training and compensation of employee performance mediated by job satisfaction. *International Research Journal of Management, IT and Social Sciences*, 6(6), 95–103. <https://doi.org/10.21744/irjmis.v6n6.768>



- Fasasi, Y. A., P.A.O., E., & Oyeniran, S. (2016). Malaysian Online Journal of Maximum Job Performance in Nigerian Higher. *Malaysian Online Journal of Educational Management*, 4(1), 32–43.
- Imberman, S. (2015). How effective are financial incentives for teachers? *IZA World of Labor*, June, 1–10. <https://doi.org/10.15185/izawol.158>
- Kumar, D. (2016). Impact of Compensation Factors on Teachers' Job Satisfaction: An Econometric Focus. *Global Disclosure of Economics and Business*, 5(2), 67–76. <https://doi.org/10.18034/gdeb.v5i2.130>
- Madhani, P. M. (2014). Aligning Compensation Systems With Organization Culture. *Compensation & Benefits Review*, 46(2), 103–115. <https://doi.org/10.1177/0886368714541913>
- Matriadi, F., & Dalimunthe, R. F. (2018). *Analyzing the Compensation and Competence on Senior High School Teacher's Performance through the Mediating Role of Job Motivation*. 46(Ebic 2017), 612–619. <https://doi.org/10.2991/ebic-17.2018.98>
- Mohammed, A., & El-jajah, G. W. (2019). Payment of Teachers' Salary and Promotion as Correlate of Teachers' Job Performance in Senior Secondary Schools in Adamawa State, Nigeria. *International Journal of Philosophy and Social-Psychological Sciences*, 5(4), 39–46.
- Muazza, Sari, S. R., Noviyanti, S., Hendra, R., Makmur, Harja, H., & Hidayat, M. (2019). Analyzing working compensation and climate on teachers' performance. *International Journal of Scientific and Technology Research*, 8(12), 1668–1673.
- Perawati, Lian, B., & Tobar. (2018). The Influence of Compensation, Work Motivation and Discipline on Teacher's Work Productivity. *European Journal of Education Studies*, 5(7), 202–213. <https://doi.org/10.5281/zenodo.2371953>
- Prayoga, S., & Yuniati, S. (2019). Pengaruh Budaya Organisasi Sekolah Terhadap Kinerja Guru SMA Negeri di Kota Mataram. *Jurnal Kependidikan: Jurnal Hasil Penelitian Dan Kajian Kepustakaan Di Bidang Pendidikan, Pengajaran Dan Pembelajaran*, 5(1), 54. <https://doi.org/10.33394/jk.v5i1.1394>
- Purba, C. B., Rafiani, & Ali, H. (2018). The Influence of Competency, Organizational Commitment and Non Financial Compensation on Teacher Performance in SMAN 29 Jakarta. *Scholars Journal of Economics, Business and Management (SJEEM)*, 227–239. <https://doi.org/10.21276/sjebm.2018.5.3.13>
- Rasheed, M. I., Humayon, A. A., Awan, U., & Ahmed, A. ud D. (2016). Factors affecting teachers' motivation: An HRM challenge for public sector higher educational institutions of Pakistan (HEIs). *International Journal of Educational Management*, 30(1), 101–114. <https://doi.org/10.1108/IJEM-04-2014-0057>
- Rasmi, R., Muis, M., & Pono, M. (2020). The Impact of Compensation, Work Environment, and Commitment towards Job Satisfaction on Private High School Teachers Performance in Makassar City. *Hasanuddin Journal of Applied Business and Entrepreneurship*, 3(1), 82–100. <https://doi.org/10.26487/hjabe.v3i1.299>
- Santoso, A. B. (2017). *The effect of teacher's motivation through teaching performance at the village*. 60–81.
- Suryantoro, I., M.Amin, M., & Chiar, M. (2018). The Effect of Compensation and Motivation to Spirit at Work of Elementary School Teachers in Hulu Sungai Sub-District of Ketapang Regency. *Journal of Education, Teaching and Learning*, 3(2), 288–295. <https://doi.org/10.3167/sa.2014.580207>



- Suyatno at al. (2019). Strategy of Values Education System. *International Journal of Instruction*, 12(1), 607–624.
- Tola, B. (2019). The Effect of Competence and Compensation on the Performances of Agricultural Extension Employee in Banten Province of Indonesia in Digital Era 4.0. *International Journal of Recent Technology and Engineering*, 8(2), 1580–1585. <https://doi.org/10.35940/ijrte.b2272.078219>
- Tumilaar, B. R. (2015). the Effect of Discipline, Leadership, and Motivation on Employee Performance At Bpjs Ketenagakerjaan Sulut. *Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 3(2), 787–797.
- Uwannah, N. C., Eteete, M. A., & Mark, O. G. (2019). Work Environment , Compensation and Teachers ' Productivity: Evidence from Ogun State , Nigeria. *European Journal of Scientific Research*, 154(1), 83–93.
- Widayati, K. D. (2019). Kompensasi Terhadap Kinerja Guru Pada Sekolah Dasar Negeri Jatiwaringin X Bekasi. *Widya Cipta - Jurnal Sekretari Dan Manajemen*, 3(1), 17–24. <https://doi.org/10.31294/widyacipta.v3i1.5058>
- Wijaya, H. (2019). Redefining the Success of Education: Where Indonesia Has Excelled and Where It Has Not. *Jurnal Humaniora*, 31(2), 118. <https://doi.org/10.22146/jh.v31i2.36532>