THE EFFECT OF INCENTIVES ON THE PRODUCTIVITY OF IFIVE INDONESIA SALES PARTNERS

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ABSTRACT

The purpose of this study was to determine the effect of incentives on the productivity of IFive Indonesia Sales Partners. The research method used in this study uses a quantitative approach. The population is 36 people. The sampling technique uses saturated samples so that the number of samples in this study is 36 respondents. The data analysis technique uses simple linear regression. The results of the study show that there is a positive and significant effect of the effect of incentives on the productivity of IFive Indonesia Sales Partners. This is evidenced by the tcount > ttable value, namely 6.638 > 2.032 with a probability value (significance) = 0.000, which is below 0.05.

Keywords: Incentives, Productivity.

I. INTRODUCTION

A. Research Background

Human resources are a determining aspect in the success of a company, therefore special handling is needed from a company so that the company's goals can be achieved according to what is planned. If this is ignored, it is almost certain that it will affect the enthusiasm and passion of the partners which will ultimately affect their work productivity. The increase or decrease in partner work productivity is thought to be effectd by various factors related to the environment of a company or agency, such as: education, training, skills, and work motivation. If the partner's work productivity has decreased, a company or agency must think about what efforts will be made so that there is no decrease in partner work productivity that can affect the goals of an organization. Work productivity will be realized if the partners have the ability to complete the work or tasks given and that is their respective responsibilities. According to Harjanto & Rahmawati (2019) productivity is a measure that states how well resources are managed and utilized to achieve optimal results. Therefore, the company must be able to provide something that can make its partners increase work productivity with the aim that the company can run effectively and efficiently so that it can achieve the targets or goals that have been targeted previously. One effort that can be done to prevent a decrease in productivity is to provide stimulation in the form of appropriate incentives to partners so that partners can be motivated to improve their work performance, so that this has a positive impact on a company and can maximize the work of partners.

As stated by Hariandja (2018) incentives are a form of direct payment that is linked to performance and is interpreted as a profit sharing for partners due to increased productivity or cost savings. As is known in providing incentives, namely how much productivity results have been carried out or the more diligent the partner is, the higher the incentive, this is made so that it can create work enthusiasm for partners in the company. But sometimes the incentives given are not in accordance with what is expected by the partner.

After the researcher conducted initial observations, there was a phenomenon of problems that arose related to partner performance at the IFive Indonesia perfume company, namely the lack of optimal continuous improvement of incentive provision rules that were considered not in accordance with partner achievements, less able to complete work according to the specified time, less improving work results because some of the work results were not good and neat, lack of empowerment of human resources in improving the skills and abilities of partners. Based on these problems, it is suspected that the provision of compensation in the form of incentives is not appropriate so that it affects the increase in partner productivity. Therefore, the company must be able to improve the quality of its human resources. To improve the quality or capabilities of these partners, it can be done by increasing the incentives given by partners which are expected to provide positive feedback to the company. The existence of the phenomenon that has been described above, the researcher is interested in conducting a study entitled, "The Effect of Incentive on the Productivity of IFive Indonesia Sales Partners".

B. Problem Formulation

Based on the background of the problem that has been explained, the formulation of the problem for this research, namely:

1. Is there any effect of incentive on the productivity of IFIVE Indonesia sales partner?

C. Research Objectives

So the objectives of this research is:

1. To determine the effect incentive on the sales parter productivity of IFIVE Indonesia sales partner.

II. LITERATURE REVIEW

A. Incentives

Incentives are awards in the form of money given to those who can work beyond predetermined standards (Miranti & Perkasa, 2023). Dessler in (Mayki et al., 2024), incentives are salary increases given to an employee at a specified time in the form of a higher basic salary, usually based exclusively on individual performance.

Incentives are a form of motivation expressed in the form of money on the basis of high performance and are also a sense of recognition from the organization for employee performance and contribution to the organization (company) (Mangkunegara, 2021). Incentives are additional wages and salaries given based on work performance, not based on job evaluation. The provision of incentives is intended to increase employee productivity and retain high-performing employees to continue working in the organization/company (Muharam & Nurdin, 2020).

Incentives are a form of payment linked to performance and gainsharing, as a distribution of profits for employees due to increased productivity or cost savings (Rivai, 2014). Incentives are additional rewards given to employees whose performance is above standard performance. This incentive is a tool used by supporters of the principle of fairness in providing compensation (Hasibuan & Hasibuan, 2016).

The purpose of providing incentives to employees, among others, is as follows:

1. Providing different rewards due to different work results.
2. Encouraging employee morale and providing satisfaction.
3. Increasing productivity.
4. In carrying out his duties, a leader always needs his subordinates to carry out his plans.
5. The provision of incentives is intended to increase employee income so that they can meet their needs.
6. Retaining high-performing employees so that they remain in the company.

Based on the explanation above, it can be concluded that incentives are a system of providing rewards that are linked to performance, both material and

non-material, which can provide motivation or driving force for employees to work better and more enthusiastically, so that employee performance or work results increase, which ultimately can achieve the company's goals.

B. Productivity

Productivity is a mental attitude of a worker to always work more than what is being or has been done to achieve a business goal by accelerating and fulfilling the desired desires (Ramdhan, 2023). Work productivity is a concrete result produced by an individual or group in a certain time unit which concerns the efficiency between the results and the power provided through a systematic approach to maximize the quantity and quality of something or a product in accordance with the company's plans and goals (Kultsum, 2024).

According to Sutrisno & Sunarsi (2019) to measure work productivity both in the context of company evaluation and research, several concrete indicators or symptoms are needed that can be observed, including the following.

1. Ability

    Having the ability to carry out tasks. An employee's ability is highly dependent on the skills they have and their professionalism in working. This provides the power to complete the tasks assigned to them.

2. Improving the results achieved

    Trying to improve the results achieved. Results are one that can be felt by both those who do it and those who enjoy the results of the work. So an effort to utilize work productivity for each person involved in a job.

3. Work enthusiasm

    This is an effort to be better than yesterday. This indicator is seen from the work ethic and the results achieved in one day then compared to the previous day.

4. Self-development

    Always build yourself to improve work skills. Self-development can be done by looking at what challenges and expectations will be faced.

5. Quality

    Quality is the result of work that can show the quality of an employee's work. So improving quality aims to provide the best results which in turn will be very useful for the company and itself.

6. Efficiency

    Comparison between the results achieved with the total resources used. Input and output are aspects of productivity that have a significant influence

Based on the opinions of these experts, it can be concluded that work productivity is a measure of how efficiently resources, such as time and labor, are used to produce goods or services. Simply put, productivity reflects how much output is produced from the input used. There are several factors that affect work productivity, including employee skills and motivation, working conditions, and the technology used. Increased productivity can bring benefits to

individuals, companies, and the economy as a whole, such as increased income, operational efficiency, and competitiveness.

III. RESEARCH METHODOLOGY
A. Research Scope
This research was conducted at IFive Indonesia Sales Partners located in South Tangerang. This research uses descriptive methods and verification methods with a quantitative approach.

B. Population and Sample
According to Sugiyono (2015), population is a generalization area consisting of objects or subjects that have certain quantities and characteristics determined by researchers to be studied and then conclusions drawn. Furthermore, according to Siyoto & Sodik (2015), a sample is part of the number and characteristics possessed by the population, or a small part of the population members taken according to certain procedures so that they can represent the population. The sample must be able to represent the characteristics of the entire population. In other words, the population and sample are two interrelated and inseparable results. This study uses a saturated sample method because the number of samples using the entire IFive Indonesia sales partners population is 36 people.

C. Research Type
This study uses descriptive methods and verification methods with a quantitative approach. The descriptive method is a research method that conveys facts by describing what is seen, obtained, and felt (Ramdhan, 2021). While the verification method is a research method that aims to determine the causal relationship between variables through a hypothesis test through a statistical calculation so that the results of the evidence are obtained that show the hypothesis is rejected or accepted.

IV. RESEARCH RESULT
A. The Effect of Incentive on Productivity
1. Linear Regression Test

Table 1
Linear Regression Test

Coefficientsᵃ

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	16.566	3.145		5.268	.000
INCENTIVE	.561	.084	.753	6.668	.000

a. Dependent Variable: PRODUCTIVITY
Source: SPSS Data Processing version 22, 2024.

Based on table 2 above, the simple linear regression equation is as follows:

$\hat{Y} = 16.566 + 0.561 X$

Based on the calculation results above, it can be explained as follows:

a. The intercept constant value of 16.566 is a constant (a). States that if X = 0, then the value of $\hat{Y} = 16.566$.

b. The regression coefficient value of the incentive on productivity is 0.561. This means that if the incentive on increases by 1 unit, it will increase sales partners productivity by 0.561.

2. Correlation Coefficient Test

Table 2
Correlation coefficient test X

Model	R
1	.753

Source: SPSS Data Processing version 22, 2024.

The correlation coefficient is a value that measures the significance, direction, and intensity of the relationship between two variables. The goal is to obtain patterns and the closeness or strength of the relationship between two or more variables.

Based on table 3 above, the R figure (correlation coefficient) is 0.753. This shows that there is a strong relationship between incentive on sales partners productivity.

3. Determination Coefficient Test

Table 3
Correlation coefficient test X
Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.753[a]	.567	.554	3.905

a. Predictors: (Constant), INCENTIVE
b. Dependent Variable: PRODUCTIVITY

Source: SPSS Data Processing version 22, 2024.

The determination coefficient test (R^2) is carried out to determine and predict how large or important the contribution of influence given by the independent variables together is to the dependent variable.

The result of the R^2 (R Square) value is 0.567. This shows that 56.7% of incentive has a contribution to effect sales partners productivity, while the remaining 30.2% is effectd by other variables not examined in this study.

4. T Test

The T-test is a statistical test used to test the truth or falsity of a hypothesis which states that there is no significant difference between two sample means taken randomly from the same population.

Based on table 1 above, the t-count value is 6.638, while the t-table value for n = 36 is 2.032. So because the t-count value > t-table, which is 6.638 > 2.032, the probability value (significance) = 0.000 which is below 0.05, thus it can be concluded that there is a positive and significant effect of productivity on sales partners producivity.

V. CLOSURE

A. Conclution

Based on the results of the research and data analysis conducted in this study, the authors conclude as there is a positive and significant effect of the Job Promotion variable on Employee Performance. This is evidenced by the t-count value of 9.486, while the t-table value for n = 36 is 2.032. So because the t-count value > t-table, which is 6.638 > 2.032, the probability value (significance) = 0.000 which is below 0.05, thus it can be concluded that there is a positive and significant effect of incentive on the productivity of IFive Indonesia Sales Partners.

B. Suggestion

Based on the conclusions above, the following suggestions can be put forward:

1. The influence of incentives on IFive Indonesia is considered quite good, this should be expected to sales partners to continue to improve their work productivity so that the company's previously set goals can be implemented.
2. Furthermore, it is also expected for leaders to supervise every job done by sales partners so that the work done by sales partners can run well, and the work productivity of sales partners remains stable and the company's goals are achieved, especially in the sale of perfume products from IFive Indonesia.
3. The increase in incentives should be increased from the previous value. So that it can achieve more maximum results and motivate sales partners to work better and have high work enthusiasm.

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