

ABSTRACT

PROPOSAL FOR PROVIDING INCENTIVE WAGE IN EFFORTS TO IMPROVE LABOR PRODUCTIVITY (Case study in Craft Industry PT Harpa Inti Mandiri, Bantul, Yogyakarta)

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Labor is one of important factors in a company. Company that desire to push work achievement and productivity of its labor force should increase number of direct reward component in form of incentive relate directly to work performance and productivity. The study aimed to evaluate waging system prevail in craft industry PT Harpa Inti Mandiri and determine incentive waging system of labor in production section of pillow 'Banana' that its raw material is banana stem.

Standard time was used as base for determining incentive in relation to labor productivity. Method of incentive giving used based on amount of product unit produce in a given duration of time and time saving per unit product produced. Six methods of incentive offering used were Guaranteed Piece Rate, Emerson Efficiency, Gantt, Merick Compound Wage, Rowan Plan and Bedaux Pan methods.

Labor standard productivity in making pillow 'Banana' for work stations of bagor, drakon, treatment, patching, thick gluing, sewing, dakron filling, finishing and packing were 505, 315, 191, 17, 47, 5, 69, 429 and 176 units/day, respectively. Incentive giving method that can meet labor and company desire was combination of Gantt method and Merrick Compound Wage method that result in wage increasing per unit product for work stations of bagor, darkon, treatment, patching, thickness gluing, sewing, dakron filling, finishing and packing were 56%, 56%, 121%, 138%, 111%, 71%, 33%, and 43%, and total wage per unit product increased 102% of wage total per base unit when amount of product produced excess standard.

Keywords: standard time, labor productivity, incentive wage.

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