DIVERSITY MANAGEMENT ON THE SALARY FOR JOB SATISFACTION CV. MEGAH PERSADA INDONESIAN DYNASTY

Wulandari Harjanti, Gamma Hardiyanto, Dodit Cahyo Nugroho
Fakultas Managemen, STIE Mahardhika, Surabaya, Indonesia
*Email untuk Korespondensi: dra.wulandariong@gmail.com, Gamma.hardiyanto@gmail.com, dodit.cahyo@stiemahardhika.ac.id

	ABSTRACT
Keywords: *Diversity, commitment, salary*	*This research aims to analyze the influence of diversity management on employee job satisfaction in CV. Megah Persada Indonesian Dynasty, with a special focus on the compensation or salary aspect. Diversity management is one of the important elements in creating an inclusive work environment, which is expected to increase employee satisfaction and productivity. In this study, a quantitative method was used by collecting data through a survey of company employees. The results show that good diversity management, especially in terms of fair and balanced payroll policies, contributes significantly to the increase in employee job satisfaction. These findings emphasize the importance of diversity management in creating a harmonious and productive work environment, as well as provide practical implications for companies in formulating policies related to human resource management.*

INTRODUCTION

Managing diversity in an organization from being a threat to being an opportunity to benefit from cultural diversity. Cultural diversity management, also known as CDM, has a positive correlation with organizational performance. Thus, it can be concluded that in a good organization, cultural diversity management will improve organizational performance (Abdullah et al., 2022). Due to the different backgrounds, values, beliefs, languages, religions and customs of each member, cultural diversity in an organization can be described as a blade that provides both benefits and disasters, which of course has an impact on the future of each member (Anurogo & Napitupulu, 2023; Najah & Lindasari, 2022).

Global competition requires organizations to be innovative. In doing so, the organization is actively involved in attracting a workforce that reflects societal conditions and helps the company expand into untapped markets (Dr Ha Rusdiana, 2022; Thian, 2021). Organizations seeking to develop a diverse workforce need to employ hiring practices that ensure women, minorities, and those with disabilities are included in their hiring plans. Organizations that are successful in recruiting for diversity find that inclusive attitudes in the workplace quickly spread (Sebayang et al., 2023; Subyantoro & Suwarto, 2020; Syah, 2019).

According to Mustari et al. (2024) Companies must understand the culture and values that support diversity and inclusion before implementing diversity and inclusion management. In multinational companies, diversity consists of five elements: age, gender, ethnicity or race, religion, and physical condition (Mustari et al., 2024a). Although looking at department percentages, the diversity of multinational companies is very high. The benefits of corporate diversity management are many, such as improving problem solutions through a diversity of knowledge sources, strengthening an organization's competitive position, meeting customer expectations, increasing productivity in complex tasks, and making customers feel more comfortable working with the same people. Diversity and inclusion can strengthen each other in an organization. Diversity gives people the opportunity to access different perspectives and ideas, while inclusion gives people an environment that supports those ideas (Diniarsa & Batu, 2023; Mustari et al., 2024b). Organizations that combine diversity and inclusion can innovate and address problems better. Studies show that demographically diverse and inclusive teams tend to perform better. Organizational performance is influenced by diversity and inclusion.

By understanding, embracing and managing diversity well, organizations can create an environment that encourages creativity and innovation, as well as increased productivity and performance. Therefore, understanding and applying this concept is very important for organizations that want to be successful and sustainable in the current dynamic and challenging business era, so look for the role of *diversity management* on the determination of related salaries *job satisfaction.*

Excellence and strength in competition can be achieved through diversity management. Diversity management can result in increased organizational performance and productivity as well as increased talent, skills, experience, innovation and foreign language skills (Shaker Ardakani et al., 2016) Additionally, diversity management helps maintain a diverse workforce, providing new and fresh ideas, promote strong growth, improve corporate image, and gain a valuable pool of human resources. Diversity includes not only differences but also similarities of various characteristics. Several levels of diversity include (Robbins & Judge, 2015): 1. Surface-level Diversity, namely diversity based on attributes such as gender, race, ethnicity, age, and others that can be found at this level. 2. Deep-level Diversity, namely diversity of values, personalities and work preferences forms this level. Diversity at this level includes separation, namely differences in opinion within group members, Variety, namely differences in certain categories (skills, knowledge, functional background) as well as disparity which is differences in valuable social assets or resources (wages, rank, authority and status) (Robbins & Judge, 2015).

The presence of diversity can lead to more conflict, which in turn can cause employees to be less satisfied with their jobs. On the other hand, if diversity can be managed well, it will result in increased employee productivity and job satisfaction. In addition, diversity can increase an institution's ability to compete, as well as employee welfare, including a work environment that can increase motivation, appreciation, stimulation and enjoyment, which can increase financial capabilities. This research aims to analyze the implications of improving employee welfare by managing diversity management well, which will later have an impact on the company's financial condition and on providing fair and sufficient employee salaries, one of the solutions is the implementation of CSR (Corporate Social Responsibility). According to Fauzi (2023), in implementing the intensity of CSR (Corporate Social Responsibility), companies can provide opportunities for their employees to develop new skills and knowledge, which can increase their satisfaction and motivation at work so that they can provide maximum contribution and improve the quality of work. Employee (Fauzi & Manao, 2023). Additionally, by prioritizing employee well-being through health care programs and more flexible work arrangements, companies can create a productive, more employee-friendly work environment. T. Hani (2017) emphasized that good CSR implementation can improve employee welfare by providing fair compensation for a safe and healthy work environment and career development opportunities. Companies have a social responsibility to pay attention to the welfare of their employees.

METHOD

This action research model is a research approach that works in a cyclical process that produces new perspectives and converts those perspectives into action, and then analyzes the results of those activities (Farhan et al., 2017). Action research is a research approach that focuses on understanding the problem and creating practical solutions for it. the problem becomes a social experiment that introduces a new way of policy by monitoring its impact. Action research is a joint effort to determine and improve the performance of a process to make it more effective (Farhan et al., 2017). Action research is a method used to reconstruct the method of determining diversity in salaries at CV. Megah Persada Dynasty Indonesia

In each research method given there are certain steps that must be taken, as is the case in this action research. Action research may differ due to the needs and problems of different individuals or institutions. The steps that must be taken according to Huda (2013:4) are as follows:

1. Diagnosis, identification of main problems as a basis for the organization to change and become better.
2. Action planning, researchers and participants together understand the main problem and then proceed to organize appropriate action planning. Solve the problem.
3. Taking action, researchers and participants jointly carry out action planning in the hope of solving the problem.
4. Evaluation, after the implementation (taking action) is deemed sufficient, after that the researcher and participants jointly evaluate the results of the action. application.

Learning, is the final step of the cycle that has gone through review. Once each step has been completed and then the investigation can be concluded. This is a series of steps formulated by Davidson (2004:73) in Huda (2013:4) to carry out investigative actions. Data source Primary data is a source of research data obtained directly from original sources. Primary data can be in the form of opinions of subjects both individually and in groups, observation results and test results show that in qualitative research, the primary data sources are words and actions. Therefore, the source of primary data in this research is the opinions,

actions and understanding of informants. The importance of anonymity and confidentiality in this survey must be carried out by ensuring the anonymity and confidentiality of respondents to obtain honest and representative answers.

RESULTS AND DISCUSSION

CV. Dynasty Megah Persada operates in the field of construction consulting, working in the construction zone such as assessment, planning, design, supervision and management of the building construction process, so that the goal becomes the main thing. The so-called goal is the reason for the completion of diversity itself so that the facilitation process trains, builds teams, meets with leaders, manages content, processes and structures to meet the needs of individuals, groups or teams. The facilitation process is used to help a group of people achieve their goals, the reason for holding the meeting, etc. Facilitation is provided by a person, called a facilitator, who leads pairs of people or groups to gain knowledge and information, and work collaboratively.

From the results of interviews with the human resources sector, it is clear that the role of diversity management and its influence on salaries and employee job satisfaction in companies is needed, so it is recognized that this involves recognition, understanding and appreciation for employee differences, such as ethnic background, gender, age, sexual orientation. , and others, to create an inclusive work environment, where every employee feels accepted, valued and empowered to contribute optimally. In addition, discrimination in salaries based on differences in gender, race, or other characteristics can damage employee morale and motivation.

For companies, implementing policies from owners to human resources for transparent and fair remuneration, which considers contribution and performance, not personal attributes, can help reduce pay gaps and increase perceptions of fairness in the workplace. And this requires an increased sense of fairness in compensation to build trust and loyalty. This means they tend to be more involved and motivated in their work. Managers use this. Good diversity management can also reduce potential conflicts that may arise from differences in culture or perception, thereby creating a more harmonious work environment.

Table 1. Benefits of Accepting Diversity

Treatment	Description
Conduct Diversity Training	training for managers and employees about the importance of diversity and how to manage differences in the workplace
Payroll Policy	objective criteria such as experience, performance, and responsibility, not demographic attributes
Inclusive Culture	promotion of the values of inclusion and empowerment through clear communication and good examples from leadership

Source: semi-structured interview processed by the author

Risk in implementation, such as resistance to change and prejudice that may exist among employees or management. Companies must make a long-term commitment to cultural change and continue to evaluate existing policies and practices

How do you measure success, sir? :
"I look at the standard salary report based on standards, namely education, job responsibilities, which then I have to ensure equality in compensation and other factors such as objective assessment of performance and work experience, neatness and operational standards of the work handled."
How do you measure their salary satisfaction on job satisfaction?
"sometimes people like me will naturally Ask casually about their perceptions of pay fairness, work environment, inclusivity, and diversity policies, and my questions may include questions about feelings of appreciation, and work-life balance"
Did you measure? job satisfaction?
"I use a little scribble with a certain index or score value to measure overall satisfaction from the work that has been done and compare it based on work over time."
On sensitive parts of CV. Dynasty Megah Persada uses key performance indicators (KPI) to assess:
1. Employee retention and turnover rates, especially in underrepresented groups, can be an indicator of the effectiveness of diversity and inclusion policies.

2. Measuring employee productivity and contribution to the organization as an indicator of job satisfaction and engagement.
3. Assess the level of employee involvement and participation in company activities, which can indicate their sense of involvement and satisfaction.
4. Performance Appraisals: Monitor career development and promotions among employees from diverse backgrounds to ensure that all have equal opportunities to develop.

These four things are used to measure a company's practices against industry standards or other companies to ensure that diversity and inclusion policies are in line with best practices in the industry. With this, managers can gain a comprehensive picture of the effectiveness of their diversity policies and their impact on pay and job satisfaction.

Impact in pay fairness measures as part of a job satisfaction survey to understand employee perceptions of whether they feel valued and treated fairly. Several things are often done in management

1. Perception of Fairness in Salary
. Internal Equity: "How fair do you feel your salary is compared to colleagues in the same position?"
    a. External Fairness: "How fair do you feel your salary is compared to other industry or company standards for similar positions?"
    b. Procedural Fairness: "Do you feel that the salary determination process at this company is transparent and fair?"
    c. Distributive Justice: "How satisfied are you with the distribution of salaries and bonuses at this company?"

2. Questions about Transparency and Communication
    a. "Do you feel that information about salary structures and compensation policies is communicated clearly?"
    b. "Do you understand how your performance affects salary and bonus determinations?"

3. Questions of Equality of Opportunity
    a. "Do you feel you have an equal chance of getting a raise or promotion compared to other coworkers?"
    b. "Do you feel there is bias or discrimination in determining salaries at this company?"

4. Questions about Recognition and Awards
    a. "Do you feel that your contributions and achievements are adequately valued in the form of compensation?"
    b. "How often do you receive awards or recognition for your work, and how does this affect your perception of pay?"

5. Questions about the balance of salary and duties
    a. "Do you feel that your salary is commensurate with your responsibilities and workload?"
    b. "Do you feel that your salary reflects your level of skill and experience?"

6. Demographic analysis by collecting demographic data such as gender, age, department, or length of work to analyze whether there are differences in perceptions of fairness in remuneration across various groups.

7. General Satisfaction Score Provides a general score for satisfaction with pay and perceived financial well-being, which can be linked to the specific questions above to provide an overall picture of job satisfaction regarding pay.

Following are several steps that companies can take to increase salary transparency. Based on interviews, there are 7 important points that can be said to be indicators, namely

1. Clear and Documented Payroll Policy
2. Open Communication
3. .Use of Salary Standards and Ranges
4. Structured Performance Evaluation and Appraisal
5. Internal Audit for Salary Balance
6. Policies in the Recruitment Process
7. Transparency in Bonuses and Incentives in achieving targets

By thereby increasing transparency in payroll, companies can create a more open, fair and inclusive work environment, ultimately increasing job satisfaction and employee retention

CONCLUSION

Survey results should be analyzed in depth to identify areas where employees feel less than fair or satisfied. The company then needs to take appropriate steps, such as revising compensation policies, increasing transparency, or providing managerial training, to correct the identified problems. Increasing payroll transparency is an important step to building trust and ensuring fairness in the workplace. Transparency in payroll helps employees understand how their salaries are determined, reduces uncertainty, and prevents unfair

pay gaps. Reducing the pay gap is an important step to ensure fairness and equality in the workplace. Pay gaps are often caused by a variety of factors, including discrimination, lack of transparency, and differences in access to career development opportunities.

REFERENCE

Abdullah, Z. A., Mustafa, H. A., Yıldıran, C., & Fidan, Y. (2022). The Management of Cultural Diversity and its Impact on Organizational Performance. *Karadeniz Uluslararası Bilimsel Dergi*, *1*(53), 46–64.

Anurogo, D., & Napitupulu, D. S. (2023). *Esensi Ilmu Pendidikan Islam: Paradigma, Tradisi dan Inovasi*. Pustaka Peradaban.

Diniarsa, M. R., & Batu, R. L. (2023). Evaluasi Penerapan Kebijakan Diversitas Dan Inklusi Dalam Manajemen Sumber Daya Manusia Terhadap Kinerja Organisasi. *Jurnal Ilmiah Manajemen, Ekonomi, & Akuntansi (MEA)*, *7*(2), 1439–1456.

Dr Ha Rusdiana, M. M. (2022). *MANAJEMEN SUMBERDAYA MANUSIA: Untuk Meraih Keunggulan Kompetitif*. Arsad Press.

Farhan, A., Obaid, S. N., & Azlan, H. (2017). Corporate governance effect on firms' performance–evidence from the UAE. *Journal of Economic and Administrative Sciences*, *33*(1), 66–80.

Fauzi, A., & Manao, M. (2023). *Human Resource Discipline Policy Factors, Corporate Social Responsibility" CSR", Increasing Human Resource Empowerment and Social Responsibility for Employee Welfare at PT*. SKM.

Mustari, V. H., Hasan, S. Z., Sulaeman, M. M., Lubis, F. M., & Suyatno, A. (2024a). Pengaruh Diversitas dan Inklusi Terhadap Kinerja Organisasi. *Journal of Economic, Bussines and Accounting (COSTING)*, *7*(2), 3199–3204.

Mustari, V. H., Hasan, S. Z., Sulaeman, M. M., Lubis, F. M., & Suyatno, A. (2024b). Pengaruh Diversitas dan Inklusi Terhadap Kinerja Organisasi. *Journal of Economic, Bussines and Accounting (COSTING)*, *7*(2), 3199–3204.

Najah, Z., & Lindasari, L. M. (2022). Pendidikan Islam: wajah baru menghadapi tantangan globalisasi. *Ensiklopedia: Jurnal Pendidikan Dan Inovasi Pembelajaran Saburai*, *2*(01), 9–18.

Robbins, S. P., & Judge, T. A. (2015). Organizational behavior. Jakarta: Salemba Empat. grammar. Salovey, P., & Mayer, JD (1990) Emotional Intelligence Imagination. *Cognition and Personality*, *9*, 185–211.

Sebayang, T. E., Jati, P., Atmojo, K., Hayati, N., Elshifa, A., Safari, B., Syarifuddin, S., Siswanto, A., Afiyah, S., & Budiraharjo, J. (2023). *Buku Ajar Manajemen Sumber Daya Manusia*. PT. Sonpedia Publishing Indonesia.

Shaker Ardakani, M., Abzari, M., Shaemi, A., & Fathi, S. (2016). Diversity management and human resources productivity: Mediating effects of perceived organizational attractiveness, organizational justice and social identity in Isfahan's steel industry. *Interdisciplinary Journal of Management Studies (Formerly Known as Iranian Journal of Management Studies)*, *9*(2), 407–432.

Subyantoro, A., & Suwarto, F. X. (2020). *Manajemen Sumber Daya Manusia Strategi*. Penerbit Andi.

Syah, Y. L. (2019). Perilaku Organisasi. *Konsep Dan Implementasi. Cetakan Pertama. Bogor: In Media*.

Thian, A. (2021). *Pengantar Manajemen Bisnis*. Penerbit Andi.