ABSTRACT

Suhartanti. 2013. THESIS. Title: “The Implementation of Compensation System as The Support of Employees’ Work Discipline (Case Study in PG. Kebon Agung Malang)”.

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Human resource is the main asset which has big influence on the company’s progress. Compensation system as one of important functions in human resource management can support employees’ work discipline. Compensation system consists of (1) timing system, (2) outcome system, and (3) bulk system. Based on them, this research was conducted to determine how the compensation system applied by PG. Kebon Agung Malang and how work discipline at PG. Kebon Agung Malang is.

This research was conducted in PG. Kebon Agung Malang by using qualitative approach. The type of research is case study. Data collection techniques use documentation, observation and interview.

The research result is the compensation system applied in PG. Kebon Agung Malang is timing system in which the amount of compensation is applied based on timing standard; they are hour, day, week or month. Work discipline of the employees in PG. Kebon Agung Malang shows that the employees have obeyed the applied rules. This is proved based on employees’ work discipline when they come, take a rest and go home on time, wearing uniforms suitable with the applied rules, parking vehicles in the parking area provided by company, the low absenteeism, the employees do not neglect the task or job that is given by the employer, and do no smoke in the workplace.