The Remuneration Implementation of Government and Non-Government Employee Educational Staff in the General Service Institution University

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ABSTRACT

This research intends to investigate the implementation and what indicator that is used in implementing the remuneration of government and non-government educational staff in the university with the general service institution status. This research is conducted in Faculty of Engineering, University of Brawijaya, Malang-Indonesia. Location shows that the social situation which is categorized by three unsure that are location that is Faculty of Engineering, University of Brawijaya, perpetrator that is educational staff of Engineering Faculty, University of Brawijaya that accepts the remuneration, and activity that is the remuneration process. The research method uses the models of Miles and Huberman that is through the process of data reduction, data presentation, conclusion, and triangulation. This research is hoped to be able to analyze how the implementation is by accurate, equitable, and feasible based on the staff performance and then to propose a recommendation of educational staff remuneration system, so the remuneration system later is applied regarding to the available principals and the rules that have been applied. The result shows that in reality, in the implementation of the remuneration based on the performance in Faculty of Engineering University of Brawijaya, there is still a problem such as there is a difference between the remuneration that is accepted by government and non-government employee. In addition, there has not been objective and transparent in giving the rating weight in the duty letter

Keywords: Government employee, Non-government employee, Staff education, Remuneration, General service institution.

1. Introduction

Reformation of apparatus human resources is as one of the change areas that becomes as a priority agenda in the implementation of bureaucracy reformation. It is carried out for implementing the effective and efficient bureaucracy through the strengthen of state civil apparatus (ASN) management that is transparent, competitive, integrated, and merit. Staff performance management has not been going well, one of them is due to the parameter of the performance assessment has not been clear. It’s an open secret that the salary of government employee in Indonesia is paid the same without attending the performance that is carried out. By the end, the salary that is accepted by government employee has not given the incentive for performance implementation that is better, so it can turn off the creativity and innovation of employee in working.

According to Bekke et al. [1] that the reformation of payroll system has to be based on the individual worker based, training competency, experience, productivity or some other attribute as also presented in the Indonesian Laws No. 5/2014 about the state civil apparatus that the merit system is as the implementation of state civil apparatus policy and management which is based on the qualification, competency, and performance that is equitable and reasonable. To increase the salary without attending the factors will not give effective impact for the performance increasing of bureaucracy at all even it will cause the in-efficiency [2]. The success in changing the mindset and culture is determined by the level of feasible prosperity for the state civil apparatus as the tasks executor for implementing the clean and authoritative government [3].

The low compensation of government employee will decrease the motivation and stimulation for carrying out the corruption in the public sector and taking into institutionalized corruption [4].

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The effective remuneration system will give the important outcome for organization. However, the remuneration system that is not based on the equitable performance individual as well as organization can cause the jealousy. The measuring pattern of performance becomes as the main requirement for implementing the equitable remuneration [5]. The remuneration policy needs the regulation in such away that the implementation can be carried out clearly and controlled so the employee will get the feeling safe, valuable, and fell to be treated equitable.

Surya [6] added that the basic principle of effective remuneration system includes the individual equity, in the meaning that what is accepted by employee has to be equivalent with what that is given by employee to the organization. Internal equity in the meaning of there is equity between the job load and the reward that is accepted. However, the external equity is in the meaning of that the reward equity that is accepted by employee in the organization compared with the other organization which has the equivalence.

The government builds the General Service Institution (BLU) as the reformation form of public sector for increasing the service to the society. The General Service Institution (BLU) is one of the government efforts in carrying out the renewal of government institution management that is on duty to give the public service through the effective and efficient finance management and prioritize the productivity (performance). BLU is as the implementation of enterprising government and budgeting based on the performance [7].

The remuneration that is implemented in University of Brawijaya is established through the Rector Rule (Pertor) of Brawijaya University No 43/2016 about the Remuneration of Management Officer, Board of Supervisors, and Employee that is funded from non-tax revenue on 1st August 2016. University of Brawijaya is appropriate to implement the remuneration policy that can spur the employee motivation. The motivation will build the strong commitment for the employees for working with high work ethic so to be able to show the performance that is hoped by the organization.

The occurrence of remuneration system in the University of Brawijaya is giving the implication that is the demands to the employees to increase the service performance as presented in the performance contract. The optimism employee said that there will be the clear measuring to their performance, however, the pessimism employee assumed that the subjectivity in performance assessment that is carried out by the management side will still be possible. Before the remuneration policy is implemented in 2016, the previous year University of Brawijaya accept the performance allowance from APBN, however, the gift of performance allowance has not been based on the employee performance assessment but only based on the attendance list. The performance allowance is given to the government educational staff. However, the non-government educational staff cannot obtain the other allowance beyond the basic salary.

Faculty of Engineering is one of the faculties in University of Brawijaya that is including in grade A in the remuneration system which the grade A has the biggest point. Based on the employee status, the employee is classified as government, non-government, and contract worker staff. However, the remuneration is only accepted by the government and non-government staff. The remuneration system that is based on the performance is hoped to be able to take the good atmosphere for the government as well as non-government educational staff but with the different implementation.
The remuneration system that is designed with well scheme is hoped to be able to emphasize the reward and punishment system so every quantity of remuneration that is given to the employee is as the reward of their performance. The feasible and equitable remuneration is regulated as a motivator tool for employee as the provision in the clausal 36 of Government Rule No. 23/2005 about the Finance Management Pattern of General Service Institution (BLU).

Based on the description above, this research intends to investigate the remuneration system implementation of government and non-government educational staff in the university that has the status of General Service Institution/BLU (The case study is in the Faculty of Engineering, University of Brawijaya). This research is hoped can analyze how is the implementation of remuneration system accurately, equitably, and feasibly based on the employee performance. Then, to propose a recommendation of remuneration system for educational staff, so the remuneration system later is applied regarding to the available principals and the rules that have been applied.

2. Materials And Methods

2.1. Concept of Remuneration

Some experts said that the concept of remuneration is the same as in the book of human resources management. It is the same as expressed by Amstrong and Murlis [8] which equalizing the remuneration concept and compensation concept. It is also presented by Ruky [9] which said the compensation concept with the aesthetic of remuneration concept.

Remuneration is an aesthetic that is often related in the context of remuneration or payroll. In the context of government bureaucracy, the remuneration is related with the rearrangement the employee payroll system that is based on the performance assessment by the aim to create the good and clean government system.

2.1.1. The Meaning of Remuneration

According to Mondy [10], remuneration is as the compensation form that is accepted by employees due to their contribution to the organization. Basically, remuneration is a tool for implementing the vision and mission of organization because the remuneration itself has the aims to attract the talkative and experienced officers, to maintain the qualified officer, to motivate the officer to effective work, to motivate in forming the positive behavior, and as a tool for controlling the expenses which all of them are as the factors that can help reaching the vision and mission of organization.

The definition of remuneration is regulated in the PMK No 10/2006-chapter 2 point 2 about the determination guidelines of remuneration for management officer, boards of supervisors, and employees of General Service Institution such as the remuneration is as a work compensation that can be as payroll, honorarium, fixed allowance, incentive, bonus of achievement, severance pay, and or pension.

Based on the MENPAN, the aim of remuneration is to stimulate the qualified human resources, to maintain the productive human resources so they do not move to private sector and to form the behavior that is oriented to the service and decreasing the corruption action, collusion, and nepotism. In addition, the remuneration system can create the positive competition between employees.
Remuneration is as the giving system of income or payroll to the employees that is more objective and equitable. Remuneration is enforced in the government institution that is sourced from pure rupiah fund (RM) that is usually also mentioned as APBN (Income Budget and State Spending) fund and or it is sourced from non-tax state acceptance (PNBP) or usually mentioned from BLU (General Service Institution) fund.

The remuneration consists of payroll, honorarium, and performance incentive (KMK 1178/2015). If it is seen from remuneration unsure, the payroll system is simpler and leads to the payroll based on the performance. Salary is paid by attending group, department value, responsibility and or working time. Honorarium is given to BLU board of supervisors that is sourced from the PNBP fund. Performance incentive is given to the officer or employee that is sourced from PNBP fund based on the key performance indicator (KPI) that has been determined in the performance contract. To be able to apply the remuneration system, work unit or government institution has to propose the remuneration proposal to the Ministry of Finance.

The Ministry of Finance as the regulation maker about the remuneration system suggests to carry out the process of department evaluation which considers the input required, thinking process involved, and output expected. The three considered categories is described into 10 factors detailly such as:

(1) Technical compensation: substantial knowledge and skill that is relevant which is obtained through the formal education, training, and work experience in the certain time period; (2) Managerial: the complexity of leadership that is seen from the aspect of leadership type, leadership characteristic, and scope of leadership; (3) Communication: the complexity of communication that is seen from the type of aspect and the context of information, job role and the aim of reciprocity communication process, the parties involved and the situation of communication contact; (4) Analysis of work environment: the mental complexity in analysis problem and to determine the problem cause is the most possible; (5) Decision guideline: the complexity of thinking effort in determining the basic of action decision for solving a problem and or to finish the duty, and to save the decision result and determine the reaching of result that is hoped; (6) Work condition: the complexity some dominant work condition is intensively on going during the work process and inconveniences condition or the condition that is undesirable but inevitable and can cause the risk although the action of preventive, equipment, and safety have been strived for being used.

Surya [6] added that the basic principle of effective remuneration includes the principal of individual equity, in the meaning that what is accepted by employee must be equivalent with what is given by the employee to the organization. Internal equity is as there is the equity between job load and the reward that is accepted. However, the external equity is as the reward equity that is accepted by the employee in his organization compared with the other organization that has the equivalence. The remuneration system is a sensitive problem and not too easy to be carried out. The errors in determining the remuneration policy can cause the turmoil in the members who feel to be harmed. Therefore, to determine good remuneration system is needed good analysis by the organization management.

2.1.2. Component of Remuneration

The component of remuneration can be classified into two that are financial and non-financial remuneration. The description of remuneration concept is as follow:
1. Financial remuneration consists of direct and indirect remuneration.

a. Direct financial remuneration consists of the payment that is accepted by an employee in the form of salary, wages, bonus, and commission. Salary is remuneration in the form of money that is accepted by employee as the consequence from his position as employee that gives energy and thought donation for reaching the objective of company. Meanwhile wages is as the direct financial reward that is paid to employee based on the working time, number of goods that are produced or many services that are given. So, the wages is not the same with salary which is the amount is relatively fixed, but the amount of wages is depended on the output that is produced.

b. Indirect remuneration or allowance is including all of financial allowance that is not included in direct remuneration such as life and health insurance program, social help like benefit (pension guarantee, labor social guarantee, and educational help), and absence that is paid like maternity leave, medical leave etc.

2. Non-financial remuneration consists of the satisfaction that is obtained by employee from the work itself and from the work environment. The description about it is as follow:

a. The satisfaction that is obtained by employee from the work itself like: interesting duty, work challenge, responsibility, achievements achieved, the possibility of promotion for potential employee.

b. The satisfaction that is obtained by employee from work which can be created by the company and employee such as psychology and physics effect where the person is working such as healthy and reasonable company policy, supervision by competent employee, fun coworkers, the giving of status symbol, convenient work environment, distribution of equity work, flexible work time.

2.1.3. Principle of Remuneration System

Santoso [11] mentioned that there are 5 principles that will be applied in the remuneration system as follow:

1. Merit system that is the determination of PNS salary based on the department value

2. Equity in the meaning of department with job load and work responsibility with the same weight is paid the same and work that demanded knowledge, skill, and high responsibility is higher paid.

3. Feasible that can fulfil the feasible life need (not minimal)

4. Competitive which the PNS salary is equivalent with the employee salary with the same qualification in private sector for avoiding the brain drain.

5. Transparent in the meaning that PNS only obtain the salary and official allowance.

Mondy, Noe and Hasibuan in Sancoko [12]-[14] presented some indicators of remuneration as follow:

1. The remuneration value is compared with the other government institution

2. The remuneration is compared with the performance that is given

3. The remuneration value is compared with the seniority in the employee list

4. The remuneration value is compared with the experience that is owned
5. The remuneration value is compared with the grade that is owned
6. The remuneration value is compared with the potency that is owned
7. The remuneration value is compared with the need that has to be fulfilled

2.2. General Service Institution (BLU)

General Service Institution starts to enter to the public since the birth of Indonesian Laws No 1/2004 about the state treasury, mainly chapter XII part 68-69 about finance management of general service institution. In the government rule is described clearly starting from the concept, requirement, determination, and revocation of BLU/D until the finance management of BLU/D [15].

In the Laws No 1/2004 about the state treasury chapter 1 part 23 mentioned that the general service institution is as the institution in the government environment that is formed for giving the services to the society about goods sully and or service that is sold without prioritizing to find benefit and in carrying out the activity is based on the efficient principle and productivity.

From the definition above, it can be seen that BLU is an institution (work unit of budget/good user) in the government environment that has been formed with the aim for giving the services to the society as the supply of goods or services without prioritizing for finding benefit. It means that BLU is allowed to find benefit but to find benefit is not the main aim because the main aim of BLU based on the Government Rule No 23/2005 is to increase the services to the society in the scheme to increase the general prosperity and to educate nation life by giving the flexibility in the finance management based on the principles of economy and productivity and application of healthy business.

The general service institution is classified into two that are general service (center) and regional general service institution that each of them has the rule itself. For the government institution that is determined as the general service institution (center), so the rule follow the available rule in the Government Rule No. 23/2005 about the finance management of general service institution. However, the government institution that is determined as the regional general service institution follows the Government Rule No. 23/2005 about the finance management of general service institution and Government Rule in the Country No. 61/2007 about the technical guidelines of finance management.

Before being enforced the status of general service institution on the state university, the income source is come from Income Budget and Country Spending (APBN), research and cooperation of regional/industry government (private) and student tuition fee (SPP) as the non-tax country reception (PNBP). The state university with BLU status, all of finance reception is not categories as non-tax country reception (PNBP), so the university income does not directly enter into treasury fund. In this context, the state university is as the parent institution agent that is not oriented to manage the budget based on the performance by enclosing the separation of country asset and the university. The BLU university that is expressed healthy in the aspects of financial, academic, and campus management will be potential to be able to increase the level into legal entity university (Padang Ekspress, 24 July 2012).
The main reason to change the university status into the general service institution (BLU) is assessed effective to increase the services to the society that need the easy and affordable educational access. The BLU university is assumed not prioritizes to find benefit, but it is remained based on the efficient and productivity principles. As the legal entity, the state university performs the main task such as performs the function of high education, public function, non-profit, and still obtain the country funding. It is explicitly expressed in the Laws No. 12/2013-chapter 63 part 3. The commitment of enforcement the BLU in state university is more direct into the autonomy, design, management, at a time the institution development.

2.3. Research Location

The location is selected in Faculty of Engineering, University of Brawijaya. Location shows that the social situation which is categorized by three unsure that are location that is Faculty of Engineering, University of Brawijaya, perpetrator that is educational staff of Engineering Faculty, University of Brawijaya that accepts the remuneration, and activity that is the remuneration process.

The reason of selection the location because the Faculty of Engineering has the grade-A in the classification of remuneration in University of Brawijaya. The grade A has the highest point in every activity item in the remuneration, so if the point is converted into rupiah, the income nominal will be high. However, in the temporary observation indicates that there is remuneration reception gap between the educational staff. In addition, until now there has not been carried out a study to analyze or to evaluate the problem.

3. Results and Discussions

Unsure that are used in the SKP are as follow:

1. The main duties of the department

The main duties of the department that will be carried out has to be based on the duty, authority, and responsibility of department. Generally, the activities are referred to the organization yearly work plan (RENJA) as the implementation of policy in the scheme of reaching the objective and aim of the organization that has been determined. Therefore, the orientation is on the end result in reality and measured.

2. Activity weight of main duty

The activity weight of main duty is determined due to the difficulty level and priority level of work that has been carried out, by considering the criteria of type variety and job characteristic. The activity weight based on the type criteria and job characteristic are as follow:

a. Aspect of difficulty level (score 1 until 6)

b. Aspect of priority level (score 1 until 6)

3. Work objective that will be reached

After the activity weight is determined, then the work objective is determined that is key result area as the indicator of what identification that will be reached, what will be produced, what will be measured, not how much.
Therefore, the work objective that will be reached only giving size and not the amount that will be reached, but as the tool for measuring the result of every implementation of main duty activity.

4. Target

By having been determined the weight and objective for every activity, so it is necessary to be determined the target that will be implemented clearly in every activity implementation of department main duty as the size of work achievement. Target is not as the standard of ideal work achievement and not as the minimal or maximal size, however, it is as the size or benchmarks of realistic work achievement but it is full challenges. Therefore, in determining the target of work achievement, there has to consider 4 aspects as follow:

A. Aspect of quantity (Target of Output/ TO) can be as document, concept, text, decision letter, report etc.

B. Aspect of quality (Target of Quality/ TK) that has to predict the quality of the best work result, in this scope the value is given 100 with the mention as very good, for example the target of quality has to be 100.

C. Aspect of time (Target of Time/ TW) that has to consider how much time that is needed for finishing a work, for example quarterly, chess month, semester, or one year etc.

D. Aspect of cost (Target of Cost/ TB) that has to analyze how much cost that is needed for finishing a work in one year which is expressed in unit cost, for example million, hundred million, milliard etc.

By considering the four aspects, so the determination of target has to attend the criteria as follow: 1) specific; 2) measurable; 3) accurate; 4) realistic; and 5) time bond.

5. Additional duty or creativity is as the supporting activity of main duty by the leader and it is loaded to be carried out. However, the creativity is as the ability to create a new thing that is beneficial for the organization. The additional duty and or creativity is given the maximal weight about 40% with the detail is about 10% for the additional duty and about 30% for the creativity.

3.1. Indicator Remuneration System in Faculty of Engineering, University of Brawijaya

Principally, the criteria of giving the remuneration that is implemented is based on the grade which the grade will be impacted to the reception of remuneration. Garde for employee regarding to the Indonesian President Rule No. 32/2016 is presented as in the Table 1.

<table>
<thead>
<tr>
<th>Grade</th>
<th>Performance Allowance (Rp)</th>
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<tbody>
<tr>
<td>17</td>
<td>22,842,000</td>
</tr>
<tr>
<td>16</td>
<td>17,413,000</td>
</tr>
<tr>
<td>15</td>
<td>12,518,000</td>
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<tr>
<td>14</td>
<td>9,600,000</td>
</tr>
<tr>
<td>13</td>
<td>7,293,000</td>
</tr>
<tr>
<td>12</td>
<td>6,045,000</td>
</tr>
</tbody>
</table>
3.2. Recommendation

To give the compensation. There is necessary to be considered the unsure of equity and feasibility. In giving the compensation, it is very important to be attended the equity problem. Equity is not as the same taste is the same without hairy look, however, it has to be related with the relation between input (sacrifice) and output. The higher the sacrifice, the higher income to be hoped. Therefore, which must be assessed is sacrifice (input) that is needed by a department. Input in a department is intended from the requirements (specifications) which has to be fulfilled by the person who is taking office. Therefore, the higher income (output) too to be hoped. The output is shown from the compensation that is accepted by the employee which there is explicitly listed the equity sense that is very attended by every employee as the acceptor of the compensation. If the demand of equity like it has been fulfilled, it means that the organization has been had the internal consistency in the compensation system. Besides the equity problem in giving the compensation, it is necessary to be also attended the feasibility problem. The understanding of feasible is related with the life standard like minimum main need or minimum compensation regarding with the government provision. Feasibility can also be seen by comparing the compensation with the other organization. If the feasibility has been reached, so the organization has reached what is mentioned as external consistency.

Therefore, to make effort for the equity, the determination of compensation by the organization is carried out by the manners as follow:

1. To analyze the department/ duty/ work

Analysis of department/ duty/ work is as the activity for finding the information about the duties that are carried out, and the requirement that is needed in carrying out the duty so can describe the duty description, specification of duty, and work performance. Analysis of department/ duty/ work is necessary to be carried out in order to be able to design the organization and to determine the description, specification, and evaluation of department/ duty/ work. Analysis of department/ duty/ work is related with to analyze and design the work that is worked, the method to work, and the reason of the work has been worked. Therefore, the analysis of department/ duty/ work will produce
a description list of department/ duty/ work, written statement about the employee duties and can also include the qualification standard which detail the minimal education and experience that is needed by an employee for carrying out the duties satisfactorily. The steps in work analysis consists of:

A. Determination of the main duties, activities, behaviors, or the duties that will be carried out in the work.

B. Determination of knowledge, abilities, skills, and some other characteristics (the factors of personality, behavior, skill, or physical and mental characteristic that is needed by the work) that are needed for carrying out the duties. The analysis activity of department. Duty/ work is as the base for evaluating the department.

2. To evaluate the department/ duty/ work

To evaluate the department/ duty/ work is as the systematic process for determining the relative value of a work to be compared with the other work. The process is to endeavor achieved the internal equity in the department/ duty/ work as a very important unsure in determining the compensation level. The evaluation of department/ duty/ work is generally carried out by considering the content of work or the factors like responsibility, skill, or ability, effort level that is carried out in the work, and work environment.

Every educational staff has to record and report every activity that is carried out every day through the application. The performance that in the beginning is reported only once a year in the report format of SKP by the application, every educational staff has to record and report the daily activities. This application is daring/ online that is used for making the staff performance report, in the implementation is integrated with the application of human resources information system which every staff entry the data and updates the data himself/ herself. Therefore, each staff has account with the user uses the staff main number (NIP/ NIK) and the password is only known by himself/ herself. The main data consists of 1) Staffing data; and 2) Personality data. The history data consists of 1) Family history; 2) Group history; 3) Department history; 4) Educational history; 5) Training history; 6) Reward history; 7) Achievement history; 8) DP3 (Assessment by leader) history; 9) Court history; 10) holiday that is outside the responsibility of state; 11) Medical history; 12) Salary history; 13) Credit number assessment (PAK) history; 14) Work achievement assessment (PPK) history; 15) Organization; and 16) Experience.

The available application gives the big effect to the organization as well as the individual as the part of organization. The organization has to prepare the policy, means, and infrastructure so the application can be implemented. The individual has the additional duty every day for recording and reporting the work result through the application. There is an incentive as the performance allowance that requires the organization for being innovated in the performance assessment system. In the previous condition, the performance assessment is carried out based on the amount of absence that is recorded by the finger print. However, the performance assessment should not only be based on the absence, but based on the work result that has been carried out and reflects the performance.

The change that is necessary to be carried out whether every institution has carried out or not the regulation of institutional, management as well as employee resources. It becomes important if the aspects are not touched and only chase the performance allowance, so there is happened the in-efficient organization.
So far which is of concern related with the measuring of staff performance is immeasurable and not directly related with what is carried out by the staff, so the success parameter cannot immediately realize. This is realized or not, in the government bureaucracy environment is generally shackled by habit that working is waiting to be rules or if there is initiative for carrying out the work asking the guidelines, so this is as if the legitimation in bureaucracy. Even though if observing the characteristic of bureaucracy by Weber, there is clarity that is reflected in the job desk, who carry out what, so the work can be divided up regarding to the work load that is as the responsibility. To reveal this that every staff is not necessarily realize how important his/ her involvement that is needed by organization, even though the role in the organization structure is clearly illustrated about the main duty and function.

By being based on the regulation and assessment of staff work objective that has been built by each institution, and the target every month can be determined, so in the relation with the payment of work allowance will be easier. It becomes as the constraint of every institution because it cannot necessarily determine the performance target in every month, so which is happened is identic with the staff absence every month. This phenomenon generally becomes as reference in carrying out the payment of performance allowance which the real performance should be measured. Therefore, the strategy that has to be carried out in giving the allowance based on the performance, there is not accurate formula except every staff is required to build the performance plan in the form of SKP with the certain target, whether that is monthly, quarterly, semester, or yearly which can be evaluated regarding to the performance achievement, so the payment of allowance is customized with the level of performance achievement.

The good remuneration system will be able to motivate and to increase the dedication, and a sense of belonging staff to the company. By the good motivation and dedication, the staff will be ready to carry out the best, even out of their responsibility in the work contract for the sake of company progress (which is not belonged to them). The remuneration system that is based on the performance has to consider in a balanced of allowance that is given to input and output, and the competence possessed. The input in this case is how a staff carry out a work to be able to reach the performance aim. It is related with what competence that is necessary to be authorized by the person. That’s it is necessary to be given the allowance for what competence that has been authorized by the person regarding which is required. So is with the output is what work result that is reached by the person in his/ her work. This output is the performance target that is produced by the person so it is needed to be given the allowance if the person is able to reach it.

Monday and Noe [12] presented that the compensation system attends three basic parts that are the policies that makes the basic of a compensation system, the techniques that build most of the compensation management mechanism, and the aim of compensation or the desired results. Besides that, in order to the compensation system becomes effective, it is needed to attend two things as follow: 1) First, the compensation system has to be responsive to the situation. The system has to be in accordance with environment and considering the aims, resources, and organization structure; 2) Second, the compensation system has to satisfy staff, to make sure the equity treatment to them and to give the allowance based on the performance. There is also expressed that to strive the equitable allowance system, so the company is needed to carry out as follow:
1. To apply the objective analysis and evaluation system of department which this system will be used as the basic for measuring the qualitative work factors (rating system).

2. To opened communicate of the department evaluation system which the aim is so all of staff can deeply understand how the system and it will work in weighing, measuring, and to give weight to the job or department that is handled by each staff.

The staff perception to the compensation is not only that the compensation system has to be balanced and equitable, but the perception also to the compensation system. The staff perception to the compensation equitable can be affected by the effectiveness of communication about the compensation information and the relation between company-employee and employee trust to the company management.

According to the Livingstone [16], there are some things that is necessary to be attended for forming the compensation that does not cause the staff feels to be unfair treated, the efforts are as follow: 1) to apply the opened compensation system in the analysis and implementation; and 2) the compensation that is given to the employee due to the clear determination and it should be based on the employee performance

4. Conclusion

Based on the discussion above, it can be concluded as follow:

1. The application of remuneration system in Faculty of Engineering, University of Brawijaya is determined based on the absence, work plan that is set by the educational staff as presented in the SKP and the activity as expressed by duty letter. It is applying for government and non-government educational staff.

2. In reality, there is still a problem in implementation of remuneration system which is based on the performance in Faculty of engineering, University of Brawijaya. The problem is there is the difference of remuneration that is accepted between the government and non-government educational staff. In addition, there has not been objective and transparent in giving the rating weight on the duty letter.

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Competing Interests Statement

The authors declare no competing financial, professional and personal interests.

Consent for publication

Authors declare that they consented for the publication of this research work.

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