The Influence Of Employee Benefits Programson Employee Morale And Employee Performance In PT. CJI Pasuruan

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ABSTRACT : *Employee benefits program has been the concern of many companies in creating a suitable atmosphere in the workplace. Similarly, it has been done in PT CJI Pasuruan (CJIP). In some literatures, the employee benefits program has been described that they were the factors which influence to employee morale and employee performance. The purpose of this study is to confirm that influence. In this study, the employee benefits programs are divided into 3 groups. These are economic employee benefits, facilitative employee benefits and services employee benefits. The results of study in CJIP have found that Economic employee benefits have negative impact but not significant on employee morale; Facilitative employee benefits have a positive and significant impact on employee morale; Services employee benefits have a positive and significant impact on employee morale; and Employee morale have a positive and significant impact on Employee Performance .*

KEYWORDS -*Employee benefits program, Employee morale, Employee Performance, Economic employee benefits, Facilitative employee benefits, Services employee benefit*

Date of Submission: 20-04-2018   Date of acceptance: 05-05-2018

I.   INTRODUCTION

1.   Background

        PT. Cheil Jedang Indonesia Pasuruan Plant (CJIP) is one of CJ Corporation subsidiaries in ndonesia. Since it's 30 years operational, CJIP showed the excellent performace. One of the reasons why CJIP had an exccelent performance is employee's high morale. High morale can drive the employee to work better and harder to achieve company target. In maintaining employee morale CJIP always emphasizes the importance of organizational culture and create comfortable atmosphere in company. CJIP seems to be very concern in creating some benefits programs for employee to have comfortable atmosphere and make high employee morale. Some employee benefits programs created by CJIP devided into 3 catagories, they are Economic benefits program, Facilitative benefits program, and Services benefits program. According to Tomčíková, L.[1]in the reseach, it is very importance to align organization culture and employee motivation or morale to make excellent performace. Based on the results of the survey the top three benefits employees rated as very important are paid time off, health care/medical benefits, and flexibility to balance life and work issues.

        Some employee benefits program in CJIP as follows:Economic benefits program such as allowance to support working (meal allowance, trnsportation allowance, work shift allowance), allowance to improve the quality of life of employee and family (maternity allowance, marriage allowance, death allowance, medical allowance, hospital allowance), allowance to support pension period (pension fund); Facilitative benefits program such as phisical facilities (canteen, mosque, sport hall, sport yard, polyclinic, auditorium, locker, shower), non physical facilities (annual leave, long leave, maternity leave, marriage leave, death leave); Services benefit program such as service inside company activity (celebrating religious holidays, celebrating the employee's birthday, celebrating the company's birthday, celebrating the thanksgivingsday), sevices out company (assistace to see doctor, assistance to have medicine in apotic, assistance to enter hospital, assistance to have loan bank, employee and family vacation).

        As the benefits program already created, CJIP designed the program by aligning with local culture. CJIP located in Pasuruan city. Pasuruan city is known as religious city in Indonesia, it was very importance to create something that support this environment such as celebrating religious holidays, routine religious activies and facilitate big mosque for moslem employee. According to Singh, S [2] the employee welfare (or benefits) is a relative concept, relative in time and space. It therefore, varies from time to time, region to region and from country to country. In the implementation of benefits program in CJIP, there were any different between permanent employee and contract employee (outsourcing), but in priciple there was same. It is very importance to keep confortable atmosphere in company. In the research according to Verma, D., et al.[3] the principal

employer should provide similar welfare facilities like as regular employees get to increase the motivation and satisfaction level of the contractual workers which will ultimately enhance the overall productivity and effectiveness of the organization.

II.   PROBLEM STATEMENT

Based on the background above the problem statement design as follows:Does Economic employee benefits program have an influence on employee morale?Does Facilitative employee benefits program have an influence on employee morale?Does Services employee benefits program have an influence on employee morale?Does employee morale have an influence on employee performance?

III.   RESEARCH OBJECTIVES

The research aims to analyze and to explain:Economic employee benefits program have an influence on employee morale.Facilitative employee benefits program have an influence on employee morale.Services employee benefits program have an influence on employee morale.Employee morale have an influence on employee performance.

IV.   THEORITICAL BASIS

1.   Literature Review
1.1   Employee Benefits Program

Employee benefits programs are usually created by the company to increase the employee's ability to lead a sustainable living so the employee feel comfort in working. The fundamental goal of employee benefits programs is to improve the lives of employees and add happiness. Employee benefits programs can be as 'wise investments' that will generate profits in the form of greater efficiency stated by Choudhary, S [4].

Some opinions on employee benefits programs can be described as follows. Employee benefits programs can be interpreted as an effort to make life more appropriate for workers. These efforts are based on the law or some things on the needs of employees in accordance with their daily lives stated by Vetrivel, S. C. [5]. According to Armstrong, Milkovich & Boudreau stated in Amonoo, J.[6]Employee Benefit Program is part of an additional remuneration system in the form of cash of various types, may be in the form of insurance, services to employees, benefits of old age or some expenses incurred outside of work.

According to Strenitzerová stated in Stalmašeková, N., et al [7]The benefits program is an award given to the employee not only as an employee. Usually this award is not due to employee performance. Sometimes it is given due to the status or grade of employee, service and employment period of the employee. Benefits programs are divided into 3 basic groups, namely: Benefits programs for social needs such as pension funds, life insurance, business loans, child care;Benefits programs for work needs such as eating, drinking, sports, worship;Benefits programs related to employee positions such as company cars, job allowances, entertaiment money. According to Hariandja stated in Ramadhany, M., dkk. [8] The provision of benefits programs is not based on the performance of employees but based on the status of a person as an employee or member of the organization itself that aims to improve his personal needs to be able to lead a better quality of life.

Benefits program is a company's effort to provide the best facilities to all employees that impact on sense of happiness and can improve the quality and quantity also productivity. So the increasing of employee cilities will be happy and the level of performance increases and company profitability will increase stated by Srinivas, K.T.[9]. According to Hasibuan stated in Ramadany, M., dkk[8] that employee benefits program is one of the forms of compensation provided by the company as a form of policy that is complementary to the salary received in material or non-material. While the purpose is to improve the physical and mental quality of employees who will be able to increase work productivity.

The conclusion of some of the above opinions that the benefits program is an additional benefit that employees get in addition to the salary received. This benefits program is obtained by employees because of its position or grade as a member of the company organization. The purpose of providing welfare program itself is to increase employee confortness or to improve the standard of living or quality of life. The benefits obtained can be in the form of money, facilities (physical or non physical) and in the form of services both for the employee itself or for the employee's family.

1.2   The Type of Employee Benefits Program

In general, employee benefits programs provided by an organization or company can be different. This difference can be influenced by the type of company business, the corporate culture itself, the geographical position of the company, the social environment of the company, and most importantly in accordance with the ability and objectives of the company in case to provide benefits programs.
According to Cascio, Dessler, Bernadin, Odunlade, R. O., Gomez - Mejia, Balkin & Cardy stated in Tomčíková, L. [1]can be summaried that Employee benefits or welfare programs are divided into two parts: legal welfare

programs and welfare programs that are discretional. Welfare programs that are legal include social safe guards, while welfare programs include: health benefits, retirement benefits, unemployment benefits, promotions, awards, educational benefits. And in general the welfare program is also divided into the financial and nonfinancial benefit.

According to Ardanadkk.,Moekijat.stated in Ramadhany, M., dkk. [8], Economic welfare programs are generally in the form of money, given for the purpose of providing protection or security and guarantee to employees economically. The background of this policy given is because in this world, there really is no eternal and uncertain or like a mystery. The benefit is expected to be utilized if any burden condition or unwanted condition. So that the protection or economic security is a good thing for employees and can create peace.

The advantages of welfare facilities are to provide physical and intellectual fitness for employees, increase awareness of work to increase productivity, companies gain strength with energic employees to reach careers and contributing to the company, encouraging employees to work efficiently and creating a comfortable working environment stated by Ramya, TJ , et al.[10].

The following are examples of the types of economic, facilitative, and services employee benefits program according Hasibuan[11]:

No	Economic	Facilitative	Services
1	Pesion fund	Mosque	Docter and Hospital
2	Meal, Transport allowance	Canteen	Employee transpotation
3	Bonus	Store	Baby care
4	Worship allowance	Sport facilities	Law advocation
5	Maternity, Mariage allowance	Art facilities	Fund advisor
6	Death allowance	Training/seminar	Insurance
7	Medical, Hospital allowance	Many kind of leave	Housing loan
8	Uniform	Permit	Bank loan

Table1:Type of Benefits Program

1.3   EmployeeMorale

Employee morale has a very important role in maintaining the comfortable work place, it is responsibility of the organization. So to maintain and increase employee morale, it is be done by company. Employee morale is one of the important thing to encourage increased productivity or performance.

In some literatures employee morale meant as follows: According to Nitisemito stated in Hendri, E.[12] the spirit of work is essentially a manifestation of high morale. Employee morale is the mental attitude of individuals and groups who show their sincerity in carrying out the work so as to encourage to work better.According to Hasibuan, Siswanto stated in Ramadhany, M., dkk.[8]the spirit or morale in work is the behavior of a person that describes the will, excitement, and sincerity in carrying out a job that arises pleasure that causes a person better in completion of the work in achieving the goals already set by the company.

According to Nitisemito,Hasibuan stated in Danti, F. P. dkk[13] the term morale or self-spirit is often referred to as work and work morale. Employee orale is to do the job more actively, so that the work is expected to be completed faster and better. The employee morale can be referred to the desire and sincerity of a person doing his job well and disciplined to achieve maximum skills, thus, high morale will stimulate employees to work and perform better,

Morale is a difficult quality to describe that involves feelings, emotions, behaviors and perceptions that exist within an organization and its members. Positive morale or spirit is described as a characteristic of discipline, self-confident, caring on work stated by Shaban, O. S., et al. [14].

The conclusion of some of the above opinions that that morale is a behavior that exists in a person that shows willingness, desire, enthusiasm, a strong drive and seriousness in doing a job that has been charged to arise pleasure that can make someone better, faster and more active to complete the work

1.4   Relation of Employee Benefits Program with Employee Morale

Benefits programs provided to employees that have the intent to maintain andto improve the physical and mental condition of employees in the hope to increased productivity of work stated by Ramadhany, M., dkk. [8].Improvement of the physical and mental conditions will stimulate the morale of work that affects the growing sense of responsibility of employees and the obligation to complete the job well. The company strives to pay more attention on employees than to pay the salary, the company has considered several benefit packages to boost the morale or motivation of employee stated by Stalmašeková, N, et al.[7].

Employee benefit aims to maintain high morale and employee motivation so it can keep for longer duration, creating comfortable working conditions and creating harmonious working relationships between employers and employees staed by Reenu, M., Panwar, J. S.[15]. According to Vallas, Elson, Pearson stated in Odeku, O.F., Odeku, K.O. [16] lack of or inadequate benefit package to the employees limits the social and organizational conditions of workersand impact on their productivity. It could impact also on the team morale which limits the firm's ability to provide an overarching normative or moral framework within which workplacechange might unfold, leaving team systems vulnerable to anomic tendencies, to status distinctions

among hourlyemployees, and to other sources of instability.Morale on work or high morale can be interpreted as an employee feel the satisfaction in his job, have high effort, creative work, do the initiative and have a high commitment to the company as well as the focus on achieving the goals of the company than to the goals of themselves. While low morale impacts the opposite such as increase complain, thus making poor performance stated by Tiwari, U.[17].

Employeesatisfaction has remained a remarkable area of discussion in the field of management, psychology and especially in organizational behavior and human resource management. It is extremely necessary for the management to look into the welfare and well-being of their employees such as looking into the monetary and non-monetary rewards. Organizational rewards system and employees' satisfaction is seen as an interrelated component in an organization. Organizational rewards are known to help an organization boost the employees' motivation thus leading to employees' satisfaction. According to Danish and Usman stated in Munap, R. [18] that rewards system serve as the most contingent factor in keeping employees' self-esteem high and passionate.According to Güngörstated in Shahzadi, I., et al.[19]theorganizations in this dynamic globalized world are continuously trying to develop and motivate their employees to help achieve enhanced performance with various Human Resource applications and practices. Reward management system is the highly used practice for the enterprises to achieve the desired goals.According to Nitisemito stated in Danti, F. P., dkk. [13] In order to increase employee morale in the organization of the company, it should be consider several factors that trigger increasing morale such as: Adequate salary, Spritual need attention, Comfortable work environment, Self esteem, Conformity of employee placement, Feeling safely for the future, Growth of loyalty, Involving employee on discussion, The right incentive.

From the description above if the company can implement employee benefit program very well, it can make employee morale higher and better. It is clear that given employee benefits program will affect employee morale. So that corporate goals can be achieved in accordance with that has been established.

1.5 Employee Performance

The goal of the organization or company can be achieved if the performance of employees is same with the company expactation. If the employee's performance is lower the company's expectations it is imposible to achieve company goal. So the employee's performance becomes very important thing in the company's life.

According to Siagian stated in Hendri, E.[12] Performance is the achievement or ability of a person who in terms of reliability, initiative, innovation, thoroughness, work, presence, attitude, cooperation, tidiness, quality of work, etc. According to Mondy, Premeaux stated in Hendri, E. [12] Performance is influenced by objectives, performance is the impact of motivation or enthusiasm and ability to be able to complete a task or job, a person must have a degree of willingness and a certain level of ability. One's willingness and skill, it is not effective enough to do something without a clear understanding of what to do and how to do it . According Mangkunegara stated in Ramadhany, M., dkk. [8] understanding of work performance is the result of work in quality and quantity achieved by the employee in performing their duties in accordance with the responsibilities given to them.

According to Azar and Shafighistated in Shahzadi, I., et al. [19]Employeeperformance is actually influenced by motivation because if employees are motivated then they will do workwith more effort and by which performance will ultimately improve.According to Wang stated in Ibrar, M., Khan O.[20] that in many organizations, awareness on employee is a very important role in maintaining and creating commitment of all employees for best performance and a best performance will give satisfaction. According to), Armstrong, Baron stated in Hendri, E. [12]Performance is the result of work that has strong relationship with organizational strategic goals, consumer satisfaction and economic contribution.Employee performance is highly depend on how the company's strategy is made and conducts it continuously in the effort to create and increase the performance itself stated by Marina Ramadhany, M., dkk. [8]. According to Bevanstated in Jayaweera, T. [21] Job performance is a very significant factor affecting profitability of an organization.

According to Bernadin stated inHendri, E. [12] some approaches to measure employees perfomance that have achieved as follows: Quality, degree of results of activities already done to meet perfect; Quantity,amount of the result alredy had; Timeliness, degree of duration of working to meet target already set; Effectiveness, degree of use of an organization's human; Independence, the degree to which an employee can perform his or her job function without assistance.

From some opinion above, it can be concluded that the performance of employees is the level of implementation of work as employee obligation that shows both in quality and quantity of result of work has been done that met standards have set by company.

1.6 Relation of Employee Morale with Employee Performance

Employee morale is one important thing to have a maximum employee performance. There are some opinions about relation of positive employee morale with positive employee performance. According to

Fretwellstated in Wantania, Y.I., Lapian, S.L.H.V. J. [22], Employee morale within an organization has a direct impact on the satisfaction level of its customers and the company's ultimate success. Employees are considered the most important resources, and the winning card in the hands of management.

According to Stephen stated in Shaban., O. S., et al. [14]. Low productivity may be traceable to poor employee motivation. The success and effectiveness of any firm depend to a large extent, on how well employees are motivated. Theories of human resource management, as well as theories of motivation, suggest that motivated employees tend to be more creative and productive, and it is wise for any management to use these theories in order to increase productivity and competitiveness.According to improve Azar and Shafighi, staed in Shahzadi, I., et al. [19]Employee performance is actually influenced by motivation because if employees are motivated then they will do work with more effort and by which performance will ultimately.

2. Previous Research

The research a study byRamadhany, M., dkk. [8] Effect Employee benefits programon Employee morale and Employee performance (Case study on Permanent employee Compartment HRD of PT. Petrokimia Gresik)has shown that Economic and fasilitative employee benefit program has positive impact on Employee morale and Employee performance.

The research a study by Hendri E [12]Effect emloyee morale on employee performanceof Economy Faculty of PGRI University Palembanghas shownthat employee morale has a positive impact on employee performance. The research a study by Danti, F.P., dkk. [8] Effect Direct and Indirect Compensation on Employee morale has shown that Direct and Indirect Compensation have positive impact on on Employee morale.

The research a study by Wantania, Y.I., Lapian, S.L.H.V. J. [22] The Effect of Employee Morale and Fcilities toward Emoloye Efficiency of PT, Astra International Tbk. has shown that employee morale and facilities have a positive impact on employee efficiency of work.

The research a study by Kusuma, H.Y., dkk. [23] The Effect of Incentive on Motivation and Performance (Case study on employee of Grand Pujon View Hoten Pasuruan) has shown that Material and Non material incentive have an effect on motivation and performance.

The research a study byYefina, S. dkk. [24]The Effect of Incentive on Motivation and Employee Performance (Case study on employee of PT. Bank Rakyat Indonesia (Persero)) has shown that incentive have an effect on motivation and employee performance.

The research a study by Ibrar, M., Khan, O, [20]The Impact of Reward on Employee Performance (A Case Study of Malakand Private)has shown thatReward (extrinsic and intrinsic) have positive correlation on Employee Performance

The research a study by Ndungu, D. N. [25] The Effects of Rewards and Recognition on Employee Performance in Public Educational Institutions: A Case of Kenyatta University, Kenyahas shown that Rewards (extrinsic and intrinsic) and Recognition have positive effect on Employee Performance and financial reward has negative effect on Employee Performance.

The research a study by Tessema, M. T., et al. [26]. The Effects of Employee Recognition, Pay, and Benefits on Job Satisfaction: Cross Country Evidencehas shown thatEmployee Recognition, Pay, and Benefits have impact significantly on Job Satisfaction

The research a study by Yousaf, S., et al. [27]. Impact of Financial and non Financial Rewards on Employee Motivationhas shown thatFinancial and non Financial Rewards have impact on Employee Motivation

The research a study byKumari, M. S., Tatareddy, M. [28]. Impact of Employee welfare facilities on Job satisfaction: A study with reference to Secunderabad Division of South Central Railwayshas shown thatEmployee welfare facilities have impact on Job satisfaction.

3. Conceptual Framework
Base on some theories as conceptual framework, it can be described as follows:
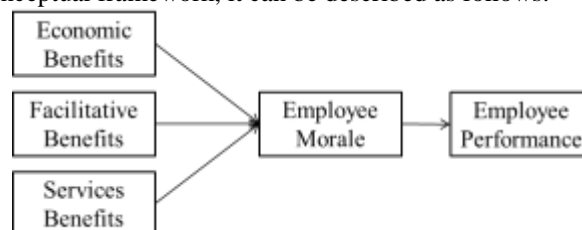

Figure 1: Research Conceptual Framework

4. Hypothesis
H1: There is a positive influence of Economic benefits on Employee morale significantly.

H2: There is a positive influence of Facilitative benefits on Employee morale significantly.
H3: There is a positive influence of Services benefits on Employee morale significantly.
H4: There is a positive influence of Employee morale on Employee performance significantly.

V. RESEARCH METHOD

1. Approach of Reseach

In this research, to analize the model using Quantitative approach that identify statstically the correlation between the variables. Quatitative approach as a scientific method because it has some scientific creteria such as realistic, empiric, objective, measurable, systematic, and rational.

2. Type of Research

Type of research that is used is explanatory research. This research use quantitative approachment with use primer data. Explanatory research is one kind of research that is used to explain the caustic between research variables and to test hypotesis that already design stated by Singarimbun, Efendi.[29]

3. Operational Definition of Variable

To test the hypotesis, It must be identified the variables that involve in the research first. As research needs, variables as an object of reseach or the factors havethesymptomsthat will be observeb. Operational definition is an indication that variable can be measured stated by Singarimbun, Efendi. [29]. To know the operational of variable, It must measure the variables through their indicators. The operasional definition of this research as follows:

3.1 Employee Benefit Programs

The operational definition of Employee Benefits program in this research refer to the employee benefits programs in PT. CJI Pasuruan factory
Economic benefits program such as allowance to support working (meal allowance, transportation allowance, work shift allowance), allowance to improve the quality of life of employee and family (maternity allowance, marriage allowance, death allowance, medical allowance, hospital allowance), allowance to support pension period (pension fund);
Facilitative benefits program such as phisical facilities (canteen, mosque, sport hall, sport yard, polyclinic, auditorium, locker, shower), non physical facilities (annual leave, long leave, maternity leave, marriage leave, death leave);
Services benefits program such as service inside company activity (celebrating religious holidays, celebrating the employee's birthday, celebrating the company's birthday, celebrating the thanksgivingsday), sevices out company (assistace to see doctor, assistance to have medicine in apotic, assistance to enter hospital, assistance to have loan bank, employee and family vacation).

3.2 Employee Morale

According to Azwar, S. [30] the indicators of employee morale can be measured by use the questionare that listed as follows: I am going to work with steady feelings, I always thinking my work in the best way, I don't think to move to other company, It is a satisfaction if I finished my work on time, I like my work, I trust that my work mate that understood me, I feel that my work such a part of my life, I eel that I knew my work clearly, I try to come to my work place earlier, I am very happy with my work, I feel comfort with my work mate, I am proud with my work

3.3 Employee Performance

According to Bernadin stade by Hendri, E [12] some aproachments to measure employe performace as follows:Qualty, it measured from employee perception on the quality of work, perfect work, skills, an ability, Quantity, the amount of result of work that can be measured with unit, cycle of work, On time, it is the level of work finishing according to the duration that have been set, Effectiveness, it is the level of use the resources of the organization such as manpower, money, technology, material that can be maximized in order to increase the result per unit of resource, Independency, It is the level ability of worker to do the fuction of working, Commitment, It is the level of sincerity and reposibility of worker to employer

4. Population and Sample

Population is a generalization area consisting of objects / subjects that have certain quality and characteristic that set by the researchers to be studied and then drawn as conclusions. The sample is part of the number and characteristics of the population.

Sampling is required if the population is very large, and the researcher has a limitation to reach the entire population so that the researcher needs to determine the target population and the affordable population and then determine the number of samples and sampling techniques that is used stated by Sugiyono [31]

4.1   Population
          The population in this study were 694 non managerial status (supervisor and site operasional). In 694 employees consist of 364 employees in production and 330 employees in non-production section

4.2   Sample
          PLS SEM is possible using small sample size. Small sample sizes with minimum requirements are: 10 times the size of the most formative indicator used to measure 1 latent variable or 10 times of the largest number of structural paths addressed to the others latent variables in the structural model stated by Sarwono, J. [32]. In this study a minimum sample was taken based on 10 times of the largest number of structural paths addressed to the others latent variables in the structural model, which is 10 times 4 structural paths equal to 40 minimal samples.
          The sampling technique used in this research is Probability Sampling. According to Sugiyono [31] Probability Sampling is a sampling technique that provides equal opportunities for every element (member) of the population to be elected as a sample member. Then, after sampling which gives equal opportunity, this research also uses Simple Random Sampling. Simple Random Sampling according to Sugiyono [31] that taking sample members of the population is done randomly regardless of the level status in the population".
 To have the sample, it used simple random sampling with target of 20% from total population that is equal to 138.8, and rounded to 140. In survey implementation, questionnaires distributed to entire population with target of return in 2 weeks, after sample collected at least 20% of survey population closed.

5.   Technique of Data Collection
          In conducting the research, the collected data will be used to solve the existing problems, so the data must be reliable and accurate The data types used in this study are primary data and secondary data. Primary data is data obtained from the first source. Primary data used in this research is obtained through questionnaire method that data collecting technique which is done by giving questionnaire or a set of question or written statement to respondentsstated by Sugiyono [31]. In this questionnaire there are draft questions that are logically related to the research problem and each question is answers that have meaning in testing the hypothesis. Questionnaire in this research have 5 (five) alternatives answer using Likert scale, that is: Strongly Disagree (SD) with score 1, Disagree (D) with score 2, Neutral (N) with a score 3, Agree (A) with score 4, Strongly Agree (SA) with score 5.
          While to obtain data and supporting information which is secondary data of researcher use documentation, that data which not collected by researcher directly in field but already exist and documented by other party. Data collected through this documentation techniques include data about some information about the object or subject of research according to the needs of the study.

6.   Technique of Data Analysis
          Data Analysis by Sugiyono [31] is as follows: "Data analysis is an activity after data collected from all respondents. Activities in data analysis are grouping data based on variables and types of respondents, tabulation data based on variables, presenting data each variable studied, perform calculations to answer the formulation of the problem and perform calculations to test the hypothesis that has been proposed.

6.1   Descriptive Analysis Technique
          Descriptive data analysis technique is an analysis technique to analyze data by describing the data that has been collected actually without any intent to make generalizations of the research results. Included in the technique of descriptive statistical data analysis such as the presentation of data into forms such as graphs, tables, percentage, frequency, diagrams, graphs, mean, mode. The data is derived from the answers given by the respondents on the items contained in the questionnaire. Furthermore, researchers will process the data that has been tabulated and given an explanation. According to Sugiyono[31] Descriptive analysis is a statistic use to analyze data by describing the data that has been collected as it is without intending to make conclusions that apply for generalization.

6.2   Inferential Statistical Analysis
          Inferential statistics, (statistical inductive or statistical probabilities), is statistical technique that used to analyze sample data and the results are applied to the population stated by Sugiyono [31]. In accordance with

the hypothesis that has been formulated, inferential statistical data analysis is relevant to be used as the analysis technique for structural equation (Structural Equation Modeling / SEM).

SEM is an evolution of the model of multiple equations developed from econometric principles and combined with the regulatory principles of psychology and sociology, SEM has emerged as an integral part of academic managerial research stated by Ghozali, Latan [33].

7.   Step of SEM

Some steps that have been done in running SEM analysis techniques are as follows:Development of Model based on Theory and Concept, Construct the Path Diagram, Conversion of Path Diagrams into Structural Models, Select Input matrix, Identification of Problem, Evaluation of Fit-Fit, Interpretation and modification model

8.   Tool of Test

Tests in this study using SmartPLS software (Partial Least Square)that doing evalluation of model measurement (outer model), model structure (inner model) and hypothesis.

8.1   Measurement Model (Outer Model)

The measurement model (outer model) is evaluated by using reliability and validity tests.

Reliability test can be usedCronbach's Alpha. The value reflects the reliability of all indicators in the model. The minimum value is 0.7 (ideally 0.8 or 0.9). The value of ρc (composite reliability) also can be used to interprete as Cronbach's Alpha. Each latent variable should be able to explain the variant of each indicator at least by 50%. Therefore the absolute correlation between the latent variable and the indicator must be larger than 0.7 (the absolute value of the outer loadings). The reflective indicator should be removed from the measurement model if it has an outer loadings value lower than 0.4.

Validity test, there are two types of validity test in PLS SEM that are convergent validity and discriminant validity. Convergent validity has the meaning that a set of indicators represents a latent variable and the underlying latent variable. The value represented by the average value of the extracted variance (AVE). The AVE value is at least 0.5. This value describe convergence validity which means that a latent variable is able to explain more than half the variants of its indicators in average. The AVE value of each latent variable must be larger than the highest R^2 value with the value of other latent variables. The second criterion for discriminant validity evaluation is that 'loading' for each indicator is expected to be larger than its 'cross-loading'.

8.2   Structural Model (Inner Model)

Structural models are performed to predict the relationship between latent constructs. There are several tests for the structural model as follows:R Square of endogenous constructs. R Square value is the coefficient of determination in endogenous constructs. R square values of 0.67 (strong), 0.33 (moderate) and 0.19 (weak).Estimate for Path Coefficients, it is the coefficient value of the path or the magnitude of the relationship / influence of the latent construct. Performed by Bootstrapping procedure. Prediction relevance (Q square) otherwise known as Stone-Geisser's. This test is performed to determine predicted capability. Q square value 0.02 (small), 0.15 (medium) and 0.35 (large). It is only done for endogenous constructs with reflective indicators.

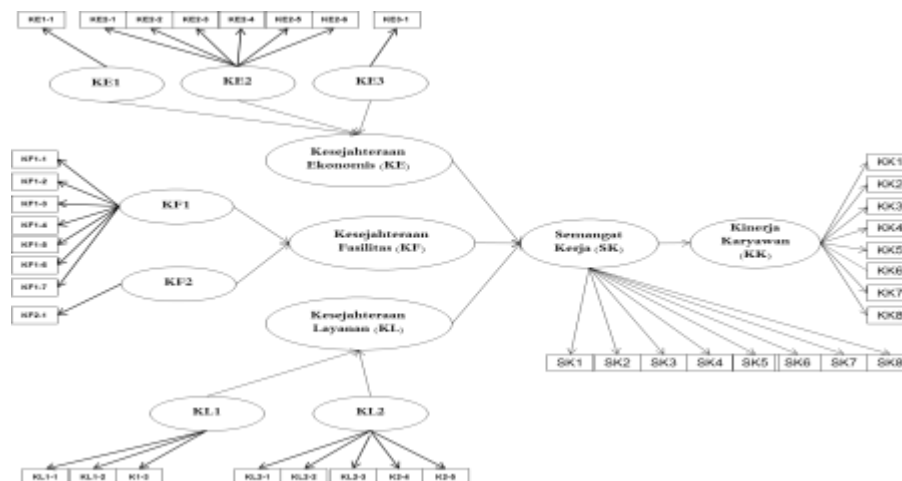Structural model in this research is described as follows:

Figure2: Research Structural Model

8.3   Hypothesis Test
Generally explanatory research method is using PLS. Because in this method there is consist of Hypothesis testing. The hypothesis testing can be explained from the value of t-statistics and probability values. To test the hypothesis using a statistical value with alpha 5%, the t-statistical value is 1.98. So the acceptance / rejection criteria Hypothesis is Ha accepted and Ho rejected when t-statistics> 1.98. To reject / accept Hypothes by using probability value thatHa is accepted if p value <0,05

VI.   RESULT AND DISCUSSION
1.   Research Object Description
PT. Cheil Jedang Indonesia Pasuruan Factory (CJIP) is the object of research. CJIP is one of the two production units of PT Cheil Jedang Indonesia located in Arjosari Village, District of Rejoso, Pasuruan Regency. The other one is PT. Cheil Jedang Indonesia Jombang Factory located in Jombang District. CJIP itself was founded in 1998. In CJIP employees can be categorized into Production and Non Production employees. Production employees are employees related to the processing that produces products of CJIP, while Non-Production employees are employees who work to assist and support production team and do the administrative activities in the factory.

Characteristic of Production employee is working shift or working continuously for 24 hours with working hours is arranged into Shift 1 is 07.00 ~ 15.00; Shift 2 is 15.00 ~ 23.00; and Shift 3 is 23.00 ~ 07.00. While Non-Production employees are working daytime or work from morning until afternoon with working hours set from 08.00 ~ 17.00 hours.

The length of working service of CJIP employees whether Production or Non-Production varies starting with a less than 5 years to over 20 years. And the age of CJIP employees both Production team and Non-Production team also varies starting under the age of 30 years old to over 50 years old. The number of employees in CJIP is 736 Persons consisting of 42 persons with managerial status and 694 non-managerial status employees (supervisor and site operational). The subjects of this study are employees who are non-managerial status or supervisory and site operational. The sample profile obtained in this study is as in the following table:

Description	Frequency	Percentage
Sex		
Male	146	93%
Female	11	7%
Total	157	100%
Working Area		
Non Production	76	48%
Production	81	52%
Total	157	100%
Grade		
G2	64	41%
G3	70	45%
G4	23	15%
Total	157	100%
Age		
30 years old or less	46	29%
31 to 40 years old	33	21%
41 to 50 years old	69	44%
Over 50 years old	9	6%
Total	157	100%
Length of Working Service		
1 to 5 years	22	14%
6 to 10 years	38	24%
11 to 15 years	7	4%
16 to 20 years	22	14%
21years or over	68	43%
Total	157	100%

Table 2: Profile of Research Sample
Source: Secondary Data Processed, 2018
2.   Data Analysis
2.1   Data Descriptive Analysis

Item	SD (1)		D (2)		N (3)		A (4)		SA (5)		Total		Average
	f	%	f	%	f	%	f	%	f	%	f	%	
KE1-1	0	0.0	2	1.3	27	17.2	50	31.8	78	49.7	157	100	4.30
KE2-1	0	0.0	2	1.3	11	7.0	52	33.1	92	58.6	157	100	4.49
KE2-2	0	0.0	1	0.6	15	9.6	51	32.5	90	57.3	157	100	4.46

Item	SD (1) f	SD (1) %	D (2) f	D (2) %	N (3) f	N (3) %	A (4) f	A (4) %	SA (5) f	SA (5) %	Total f	Total %	Average
KE2-3	0	0.0	0	0.0	3	1.9	22	14.0	132	84.1	157	100	4.82
KE2-4	0	0.0	0	0.0	2	1.3	34	21.7	121	77.1	157	100	4.76
KE2-5	0	0.0	0	0.0	12	7.6	53	33.8	92	58.6	157	100	4.51
KE2-6	0	0.0	0	0.0	10	6.4	56	35.7	91	58.0	157	100	4.52
KE3-1	0	0.0	0	0.0	7	4.5	44	28.0	106	67.5	157	100	4.63
Total Average													4.55

Table3 : Distribution of Frequency of Economic Benefits Variable

Source: Primary DataProcessed, 2018

Based on the reading of Table 3 Economic Benefits variables in CJIP generally have been good even more than enough. Variable Economic Benefits in CJIP with the total average mean value of 4.55 which means the score is in the area above good value even close very well. Based on the data, the economic benefits is given by CJIP is good. Mean value of each indicator variation is not too wide, so that each item of economic benefits given is good. The large mean value is 4.82 that is about Hospital Allowance (KE2-3) and 4.76 is Medical Allowance (KE2-4).

Item	SD (1) f	SD (1) %	D (2) f	D (2) %	N (3) f	N (3) %	A (4) f	A (4) %	SA (5) f	SA (5) %	Total f	Total %	Average
KF1-1	1	0.6	1	0.6	0	0.0	32	20.4	123	78.3	157	100	4.75
KF1-2	1	0.6	6	3.8	43	27.4	67	42.7	40	25.5	157	100	3.89
KF1-3	0	0.0	4	2.5	33	21.0	69	43.9	51	32.5	157	100	4.06
KF1-4	0	0.0	4	2.5	73	46.5	51	32.5	29	18.5	157	100	3.67
KF2-1	0	0.0	0	0.0	2	1.3	55	35.0	100	63.7	157	100	4.62
KF1-5	0	0.0	2	1.3	30	19.1	73	46.5	52	33.1	157	100	4.11
KF1-6	0	0.0	3	1.9	22	14.0	56	35.7	76	48.4	157	100	4.31
KF1-7	0	0.0	2	1.3	26	16.6	76	48.4	53	33.8	157	100	4.15
Total Average													4.20

Table 4: Distribution of Frequency of Facilitative Benefits Variable

Source: Primary Data Processed, 2018

Based on the reading of Table 4 Facilitative Benefits variables in CJIP generally have been good even more than enough. Variable Facilitative Benefits in CJIP with the total average mean value of 4.20 which means the score is in the area above good value even close very well. Based on the data, the facilitative benefits is given by CJIP is good. Mean value of each indicator variation is not too wide, so that each item of facilitative benefits given is good. The large mean value is 4.75 that is Mosque Facility (KF1-1) and 4.67 is Leave Facility with money compensation if not used (KF2-1).

Item	SD (1) f	SD (1) %	D (2) f	D (2) %	N (3) f	N (3) %	A (4) f	A (4) %	SA (5) f	SA (5) %	Total f	Total %	Average
KL1-1	0	0.0	0	0.0	4	2.5	70	44.6	83	52.9	157	100	4.50
KL1-2	0	0.0	0	0.0	18	11.5	71	45.2	68	43.3	157	100	4.32
KL1-3	0	0.0	0	0.0	15	9.6	65	41.4	77	49.0	157	100	4.39
KL2-1	0	0.0	0	0.0	4	2.5	41	26.1	112	71.3	157	100	4.69
KL2-2	0	0.0	1	0.6	6	3.8	49	31.2	101	64.3	157	100	4.59
KL2-3	0	0.0	2	1.3	9	5.7	48	30.6	98	62.4	157	100	4.54
KL2-4	0	0.0	5	3.2	24	15.3	68	43.3	60	38.2	157	100	4.17
KL2-5	0	0.0	0	0.0	16	10.2	59	37.6	82	52.2	157	100	4.42
Total Average													4.48

Table5: Distribution of Frequency of Services Benefits Variable

Source: Primary Data Processed, 2018

Based on the reading of Table 5 Services Benefits variables in CJIP generally have been good even more than enough. Variable Services Benefits in CJIP with the total average mean value of 4.48 which means the score is in the area above good value even close very well. Based on the data, the services benefits is given by CJIP is good. Mean value of each indicator variation is not too wide, so that each item of services benefits given is good. The large mean value is 4.69, that is Service of assistance to enter Hospital (KF1-1) and 4.59 is Service of assistance to see doctor (KF2-1).

Item	SD (1)		D (2)		N (3)		A (4)		SA (5)		Total		Average
	f	%	f	%	f	%	f	%	f	%	f	%	
SK1	0	0.0	1	0.6	8	5.1	76	48.4	72	45.9	157	100	4.39
SK2	0	0.0	3	1.9	25	15.9	61	38.9	68	43.3	157	100	4.24
SK3	0	0.0	0	0.0	9	5.7	67	42.7	81	51.6	157	100	4.46
SK4	0	0.0	0	0.0	4	2.5	61	38.9	92	58.6	157	100	4.56
SK5	0	0.0	0	0.0	0	0.0	56	35.7	101	64.3	157	100	4.64
SK6	0	0.0	0	0.0	10	6.4	72	45.9	75	47.8	157	100	4.41
SK7	0	0.0	0	0.0	4	2.5	66	42.0	87	55.4	157	100	4.53
SK8	0	0.0	1	0.6	5	3.2	73	46.5	78	49.7	157	100	4.45
Total Average													4.46

Table6: Distribution of Frequency of Employee Morale Variable
Source: Primary Data Processed, 2018

Based on the reading of Table 6 Employee Morale variables in CJIP generally have been good even more than enough. Variable Employee Morale in CJIP with the total average mean value of 4.46 which means the score is in the area above good value even close to very well with the score of each indicator almost the same. Based on the data that all indicator have high score, it mean or can be explained that employees work happily, come to work early with a steady heart, always thinks to work better, feel comfortable working and feel working in CJIP is a part of the life, and never thought moved to other company.

Item	SD (1)		D (2)		N (3)		A (4)		SA (5)		Total		Average
	f	%	f	%	f	%	f	%	f	%	f	%	
KK1	1	0.6	1	0.6	0	0.0	32	20.4	123	78.3	157	100	4.75
KK2	1	0.6	6	3.8	43	27.4	67	42.7	40	25.5	157	100	3.89
KK3	0	0.0	4	2.5	33	21.0	69	43.9	51	32.5	157	100	4.06
KK4	0	0.0	4	2.5	73	46.5	51	32.5	29	18.5	157	100	3.67
KK5	0	0.0	0	0.0	2	1.3	55	35.0	100	63.7	157	100	4.62
KK6	0	0.0	2	1.3	30	19.1	73	46.5	52	33.1	157	100	4.11
KK7	0	0.0	3	1.9	22	14.0	56	35.7	76	48.4	157	100	4.31
KK8	0	0.0	2	1.3	26	16.6	76	48.4	53	33.8	157	100	4.15
Total Average													4.20

Table7 : Distribution of Frequency of Employee Performance Variable
Source: Primary Data Processed, 2018

Based on the reading of Table 7 Employee Performance variables in CJIP generally have been good even more than enough. Variable Employee Performance in CJIP with the total average mean value of 4.46 which means the score is in the area above good value even close to very well with the score of each indicator almost the same. Based on the data that all indicator have high score, it mean or can be explained that employees are working with good attendance, can build communication with their team, try to finish the work well and satisfactorily, work can achieve the target with low damage rate and try to innovate.

2.2   Data Inferential Analysis
2.2.1   Evaluation of Measurement Model (Outer Model)
The outer model of the research data as shown below algoritm, To confirm the convergence validity of each factor by looking at the loading factor values of each construct:
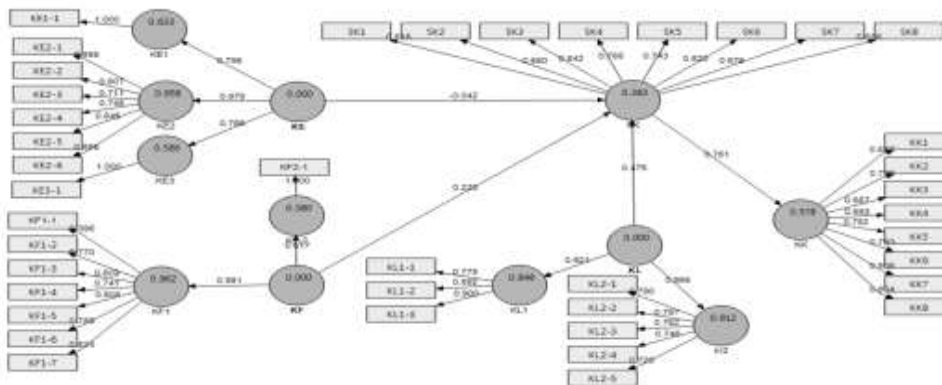

Figure 3:Result of Initial PLS Algorithm

Source: Primary Data Processed, 2018

In the fig. 3 it can be seen that all the indicators of the existing construct have a loadingfactor value is larger than 0.6 except the KF1-1 indicator has a loading factor value of 0.396 or a value lower than 0.6. Therefore the item is invalid and should be removed from the model, so it must be done again.

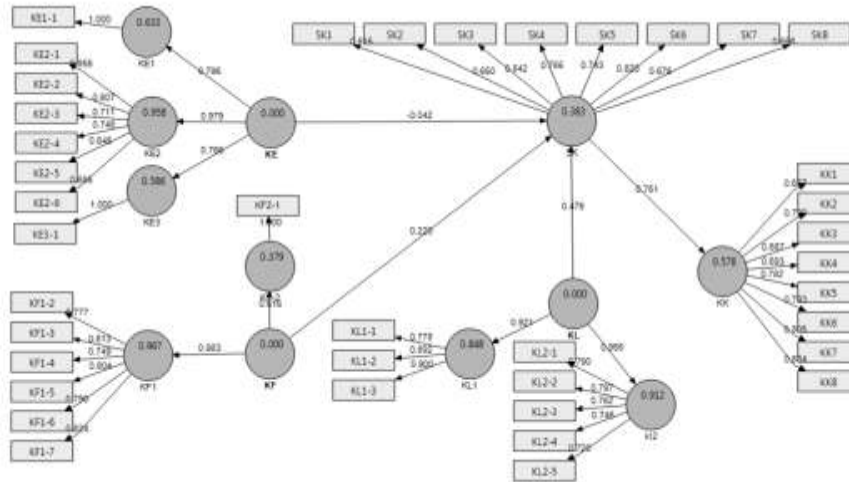After KF1-1 removed and performed processing data again and obtained image of algoritm as follows:

Figure 4: Result of Final PLS Algorithm

Source: Primary Data Processed, 2018

To ensure he validity of the factors,it can be seen from the algorithm above, the value of loading factor of all indicators is not lower than 0.6 so it can be said all valid data. Convergent validity can also be seen from the Average Variance Extracted (AVE) value as in the following table:

	AVE
KE	0.586024
KE1	1.000000
KE2	0.604445
KE3	1.000000
KF	0.575492
KF2	1.000000
KF1	0.629215
KK	0.579307
KL	0.565392
KL1	0.737119
SK	0.530890
KL2	0.582740

Table 7: AVE

Source: Primary Data Processed, 2018

AVE value of each construct is larger than 0.5. Therefore there is no problem of convergent validity in the model being tested.Due to there was no convergent validity problem then the next test is discriminant validity. Discriminant validity can be tested by looking the cross-loading as table follows:

	KE	KE1	KE2	KE3	KF	KF-2	KF1	KK	KL	KL1	SK	kl2
KE 1-1	0.795760	**1.000000**	0.700559	0.542362	0.521795	0.450993	0.482973	0.344794	0.508128	0.477254	0.306715	0.478202
KE 1-1	0.795760	**1.000000**	0.700559	0.542362	0.521795	0.450993	0.482973	0.344794	0.508128	0.477254	0.306715	0.478202
KE 2-1	0.828867	0.563319	**0.854633**	0.565998	0.452317	0.474316	0.398486	0.305043	0.576966	0.519278	0.306425	0.560070
KE 2-1	0.828867	0.563319	**0.854633**	0.565998	0.452317	0.474316	0.398486	0.305043	0.576966	0.519278	0.306425	0.560070
KE 2-2	0.788378	0.558733	**0.807354**	0.535103	0.503463	0.459435	0.459839	0.299514	0.547593	0.482652	0.295174	0.539372
KE 2-2	0.788378	0.558733	**0.807354**	0.535103	0.503463	0.459435	0.459839	0.299514	0.547593	0.482652	0.295174	0.539372
KE 2-3	0.667181	0.399155	**0.710729**	0.434875	0.288456	0.391643	0.233467	0.259659	0.483248	0.424740	0.290322	0.476917
KE 2-3	0.667181	0.399155	**0.710729**	0.434875	0.288456	0.391643	0.233467	0.259659	0.483248	0.424740	0.290322	0.476917

KE 2-4	0.694293	0.427899	**0.745782**	0.416445	0.317868	0.320247	0.283213	0.319564	0.508443	0.428235	0.302434	0.515886
KE 2-4	0.694293	0.427899	**0.745782**	0.416445	0.317868	0.320247	0.283213	0.319564	0.508443	0.428235	0.302434	0.515886
KE 2-5	0.852846	0.721303	**0.845210**	0.557975	0.526032	0.512951	0.472680	0.345119	0.581823	0.559742	0.358238	0.537377
KE 2-5	0.852846	0.721303	**0.845210**	0.557975	0.526032	0.512951	0.472680	0.345119	0.581823	0.559742	0.358238	0.537377
KE 2-6	0.710928	0.558586	**0.684652**	0.565107	0.602390	0.517405	0.557686	0.342178	0.568327	0.601322	0.386077	0.483660
KE 2-6	0.710928	0.558586	**0.684652**	0.565107	0.602390	0.517405	0.557686	0.342178	0.568327	0.601322	0.386077	0.483660
KE 3-1	0.765809	0.542362	0.662418	**1.000000**	0.449321	0.554660	0.377442	0.255906	0.511430	0.499912	0.346992	0.466059
KE 3-1	0.765809	0.542362	0.662418	**1.000000**	0.449321	0.554660	0.377442	0.255906	0.511430	0.499912	0.346992	0.466059
KF1-2	0.417822	0.361582	0.395485	0.333958	0.765107	0.370002	**0.776852**	0.312657	0.428735	0.424283	0.342403	0.387353
KF1-2	0.417822	0.361582	0.395485	0.333958	0.765107	0.370002	**0.776852**	0.312657	0.428735	0.424283	0.342403	0.387353
KF1-3	0.355581	0.332906	0.348694	0.207288	0.796118	0.357307	**0.813150**	0.308214	0.506428	0.503326	0.434913	0.455777
KF1-3	0.355581	0.332906	0.348694	0.207288	0.796118	0.357307	**0.813150**	0.308214	0.506428	0.503326	0.434913	0.455777
KF1-4	0.314209	0.376236	0.281179	0.207167	0.714745	0.256586	**0.748684**	0.306056	0.387836	0.349735	0.321905	0.376073
KF1-4	0.314209	0.376236	0.281179	0.207167	0.714745	0.256586	**0.748684**	0.306056	0.387836	0.349735	0.321905	0.376073
KF1-5	0.462363	0.403248	0.458972	0.279658	0.803173	0.429987	**0.804121**	0.359861	0.575816	0.542372	0.352379	0.541028
KF1-5	0.462363	0.403248	0.458972	0.279658	0.803173	0.429987	**0.804121**	0.359861	0.575816	0.542372	0.352379	0.541028
KF1-6	0.447244	0.336014	0.429198	0.385013	0.778298	0.369289	**0.790366**	0.284931	0.556450	0.522461	0.367540	0.523812
KF1-6	0.447244	0.336014	0.429198	0.385013	0.778298	0.369289	**0.790366**	0.284931	0.556450	0.522461	0.367540	0.523812
KF1-7	0.560063	0.484994	0.547817	0.376675	0.817657	0.404619	**0.823870**	0.403088	0.691204	0.665975	0.462984	0.637845
KF1-7	0.560063	0.484994	0.547817	0.376675	0.817657	0.404619	**0.823870**	0.403088	0.691204	0.665975	0.462984	0.637845
KF2-1	0.606220	0.450993	0.576765	0.554660	0.615626	**1.000000**	0.461959	0.366020	0.505440	0.518912	0.474684	0.442161
KF2-1	0.606220	0.450993	0.576765	0.554660	0.615626	**1.000000**	0.461959	0.366020	0.505440	0.518912	0.474684	0.442161
KK1	0.297304	0.228524	0.296076	0.209336	0.353471	0.310834	0.324747	**0.687321**	0.382041	0.336751	0.679501	0.375650
KK2	0.385475	0.354404	0.379188	0.235446	0.421081	0.348959	0.393436	**0.790158**	0.403615	0.384061	0.592650	0.375859
KK3	0.239619	0.224733	0.241441	0.119285	0.346286	0.153928	0.354125	**0.687124**	0.290500	0.269443	0.449209	0.276071
KK4	0.210721	0.222494	0.201308	0.122756	0.154509	0.206704	0.125521	**0.692988**	0.270617	0.216555	0.517583	0.282944
KK5	0.324829	0.279888	0.325904	0.193143	0.299224	0.235529	0.282444	**0.781804**	0.297945	0.245736	0.505781	0.306189
KK6	0.246389	0.191419	0.253513	0.143575	0.382839	0.187993	0.387939	**0.793108**	0.335115	0.256526	0.616063	0.359462
KK7	0.321437	0.258154	0.314841	0.241708	0.329864	0.371396	0.286010	**0.805496**	0.396149	0.311503	0.607375	0.418305
KK8	0.406386	0.335374	0.406704	0.263466	0.389897	0.363522	0.354349	**0.834422**	0.439102	0.395369	0.595013	0.425744
KL1-1	0.584505	0.385415	0.589295	0.453837	0.496916	0.493793	0.443614	0.390616	0.723823	**0.777897**	0.468832	0.605680
KL1-1	0.584505	0.385415	0.589295	0.453837	0.496916	0.493793	0.443614	0.390616	0.723823	**0.777897**	0.468832	0.605680
KL1-2	0.526967	0.408729	0.517865	0.394268	0.636927	0.426065	0.617213	0.344519	0.799787	**0.891976**	0.497503	0.646039
KL1-2	0.526967	0.408729	0.517865	0.394268	0.636927	0.426065	0.617213	0.344519	0.799787	**0.891976**	0.497503	0.646039
KL1-3	0.575344	0.433631	0.567106	0.443314	0.595178	0.424727	0.570190	0.308694	0.843341	**0.900340**	0.477391	0.712674
KL1-3	0.575344	0.433631	0.567106	0.443314	0.595178	0.424727	0.570190	0.308694	0.843341	**0.900340**	0.477391	0.712674

KL 2-1	0.486191	0.337339	0.501824	0.324389	0.475144	0.353470	0.451628	0.345716	0.715518	0.519412	0.429476	**0.789694**
KL 2-1	0.486191	0.337339	0.501824	0.324389	0.475144	0.353470	0.451628	0.345716	0.715518	0.519412	0.429476	**0.789694**
KL 2-2	0.518601	0.351733	0.518144	0.420435	0.445583	0.375677	0.413754	0.393918	0.728186	0.537211	0.444029	**0.796505**
KL 2-2	0.518601	0.351733	0.518144	0.420435	0.445583	0.375677	0.413754	0.393918	0.728186	0.537211	0.444029	**0.796505**
KL 2-3	0.493920	0.333548	0.507926	0.345408	0.485658	0.262726	0.484743	0.362478	0.687876	0.494357	0.434362	**0.762218**
KL 2-3	0.493920	0.333548	0.507926	0.345408	0.485658	0.262726	0.484743	0.362478	0.687876	0.494357	0.434362	**0.762218**
KL 2-4	0.493004	0.384816	0.508399	0.276104	0.528328	0.356913	0.511639	0.339338	0.747993	0.649559	0.393879	**0.745631**
KL 2-4	0.493004	0.384816	0.508399	0.276104	0.528328	0.356913	0.511639	0.339338	0.747993	0.649559	0.393879	**0.745631**
KL 2-5	0.522502	0.410731	0.510003	0.409048	0.504733	0.332403	0.490416	0.351004	0.757261	0.700600	0.454226	**0.720224**
KL 2-5	0.522502	0.410731	0.510003	0.409048	0.504733	0.332403	0.490416	0.351004	0.757261	0.700600	0.454226	**0.720224**
SK1	0.451317	0.357598	0.436324	0.362805	0.549638	0.472659	0.508277	0.463877	0.578435	0.561328	**0.615242**	0.530635
SK2	0.311357	0.214389	0.312578	0.238877	0.387295	0.333420	0.357758	0.394081	0.392784	0.331974	**0.650319**	0.397311
SK3	0.312430	0.219042	0.303833	0.271951	0.389936	0.332912	0.361490	0.585007	0.496539	0.467690	**0.842366**	0.466131
SK4	0.175390	0.127383	0.174431	0.133982	0.294952	0.322310	0.257028	0.557255	0.365468	0.345663	**0.764850**	0.342023
SK5	0.317272	0.180309	0.323287	0.265020	0.332615	0.389955	0.283442	0.618600	0.459861	0.431256	**0.743073**	0.432897
SK6	0.381845	0.350116	0.351632	0.332332	0.442642	0.398909	0.406266	0.704324	0.443814	0.397042	**0.819626**	0.432437
SK7	0.305834	0.148702	0.295227	0.341327	0.348111	0.277943	0.327830	0.487490	0.387004	0.398511	**0.675973**	0.337182
SK8	0.177682	0.145814	0.194217	0.042311	0.294097	0.204508	0.283330	0.562559	0.334706	0.297477	**0.685725**	0.328005

Table 8: Cross Loadings

Source: Primary Data Processed, 2018

The table above shows that the loading value of each indicator to its construct is larger than its cross loading value. From the analysis of cross loading it found that there is no problem with discriminant validity. For example the value of loading the indicator SK8 to its construct (SK) is equal to 0.685725, while the value of cross loading indicator SK8 to other constructs as in table 8 in sequence are (KE = 0.177682; KE1 = 0.145814; KE2 = 0.194217; KE3 = 0.042311; KF = 0.294097; KF1 = 0.283330; KK = 0.562559; KL = 0.334706; KL1 = 0.297477; KL2 = 0.328005)

The final step in the outer model evaluation is to test the unidimensionality of the model. The unidimensionality test was performed using Composite reliability and alpha cronbach indicators. For both of these indicators the cut-off value point is 0.7.

	Composite Reliability
KE	0.918371
KE1	1.000000
KE2	0.901031
KE3	1.000000
KF	0.904030
KF-2	1.000000
KF1	0.910490
KK	0.916363
KL	0.912028
KL1	0.893349
SK	0.899548
KL2	0.874583

Table 9: Composite Reliability

Source: Primary Data Processed, 2018

The table 9 above shows that the entire construct have a value of composite reliability larger than 0.7. Therefore, there is no reliability / unidimensionality problem in the established model. While the value of Cronbachs Alpha as in the following table:

	Cronbachs Alpha
KE	0.898013
KE1	1.000000
KE2	0.867404
KE3	1.000000
KF	0.875112
KF2	1.000000
KF1	0.881910
KK	0.895481
KL	0.889443
KL1	0.819409
SK	0.871289
KL2	0.820539

Table10: Cronbachs Alpha

Source: Primary Data Processed, 2018

From the table 10 above shows that the entire construct has a Cronbachs Alpha value larger than 0.7. Therefore, there is no reliability / unidimensionality problem in the established model.

2.2.2 Testing of Structural Model (Inner Model)

Inner model evaluation can be done in three ways. The third way is to look from R^2, Q^2 and GoF.

	R Square
KK	0.578428
SK	0.382553

Table11: R Square

Source: Primary Data Processed, 2018

The following test for Inner model can be done by looking at the value of Q^2 (predictive relevance). To calculate Q^2 we can use the formula

$Q^2 = 1-(1-R12)(1-R22)$

$Q^2 = 1 – (1-0.5784282)(1-0.3825532)$

$Q^2 = 0.557215$

According to Tanenhaus stated in Hussein, A. S. [34]mentioned the last step is to find the value of Goodness of Fit (GoF). To calculate the GoF can be used the formula:

$$GoF = \sqrt{AVE \times \overline{R^2}}$$

GoF = 0.51644942

Nilai GoF small = 0,02, GoF medium = 0,15 dan GoF besar = 0,35.

2.2.3 Hypothesis Testing

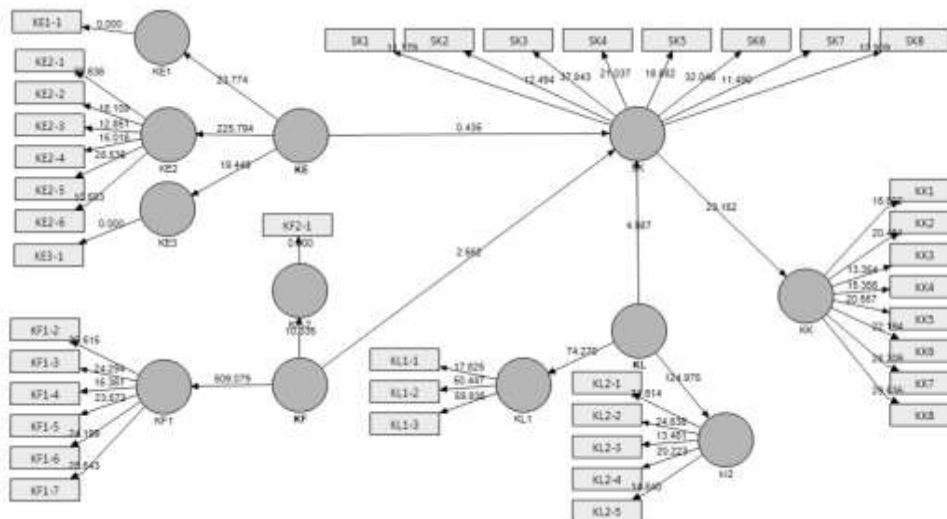To test the hypothesis after resampling with bootstrapping subsampel 500, obtained algorithm as follows:

Figure 5: PLS Algorithm Bootstrapping

Source: Primary Data Processed, 2018

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (|O/STERR|)	Sig P	Hypothesis
KE -> SK	-0.042068	-0.0417	0.096738	0.096738	0.43487	0.66	Rejected
KF -> SK	0.220226	0.230717	0.085965	0.085965	2.5618	0.01	Accepted
KL -> SK	0.475115	0.469732	0.09528	0.09528	4.986533	0.00	Accepted
SK -> KK	0.760544	0.765152	0.032835	0.032835	23.16235	0.00	Accepted

Table 12: Path Coefficients (Mean, STDEV, T-Values)

Source: Primary Data Processed, 2018

T table 1.98, if the value of T table is smaller than the value of T calcutaed, it was that Ha accepted that meant there was no influence between the related variables. Or it also can be judged from the Significant probability (Sig P) is smaller than 0.05

The hypothesis statement that has been made is as follows: Hypothesis 1, there is a significant and positive influence of economic benefits on employee morale; Hypothesis 2,there is a significant and positive influence of facilitativebenefits on employee morale; Hypothesis 3, there is a significant and positive influence of servicesbenefits on employee morale; Hypothesis4,there is a significant and positive influence between employee morale on employee performance

Interpretation of the bootstrapping result is as follows:

Hypothesis 1 Test, the testing is to confirm the influence of Economic benefits (KE) on Employee morale (SK) by comparing the value of T table with the value of T calculated of bootstrapping results in table 12 or by calculating Sig. P. In the table can be read the value of T calculated is 0.43487 that value is larger than T table 1.98 and Sig. P calculation results value is 0.66 that is larger than 0.05 so that it can be interpreted that there is not a significant influence ofEconomic benefits (KE) on Employee morale (SK). Based on the test can be concluded hypothesis 2 was not accepted. The mean sample value (M) is (-0.0417) so it meant the influence was negative.

Hypothesis 2 Test, the testing is to confirm the influence of Facilitative benefits (KE) on Employee morale (SK) by comparing the value of T table with the value of T calculatedof bootstrapping results in table 12 or by calculating Sig. P. In the table can be read the value of T calculated is 2.5618 that value is larger than T table 1.98 and Sig. P calculation results value is 0.01 that is smaller than 0.05so that it can be interpreted that there is a significant influence ofFacilitative benefits (KF) on Employee morale (SK). Based on the test can be concluded hypothesis 2 was accepted. The mean sample value (M) is 0.230717 so it meant the influence was positive.

Hypothesis 3 Test, the testing is to confirm the influence of Services benefits (KE) on Employee morale (SK) by comparing the value of T table with the value of T calculated of bootstrapping results in table 12 or by calculating Sig. P. In the table can be read the value of T calculated is 4.986533 that value is larger than T table 1.98 and Sig. P calculation results value is 0.00 that is smaller than 0.05 so that it can be interpreted that there is a significant influence ofServices benefits (KE) on Employee morale (SK). Based on the test can be concluded hypothesis 2 was accepted. The mean sample value (M) is 0.469732 so it meant the influence was positive.

Hypothesis 4 Test, the testing is to confirm the influence of Employee morale (SK) on Employee Performance (KK) by comparing the value of T table with the value of T calculated of bootstrapping results in table 12 or by calculating Sig. P. In the table can be read the value of T calculated is 23.16235 that value is larger than T table 1.98 and Sig. P calculation results value is 0.00 that is smaller than 0.05 so that it can be interpreted that there is a significant influence of Employee morale (SK) on Employee Performance. Based on the test can be concluded hypothesis 2 was accepted. The mean sample value (M) is 0.765152 so it meant the influence was positive.

VII. DISCUSSION
1.1 The Influence of Economic Benefits on Morale employee

Based on the hypothesis 1, the influence of Economic Benefits (KE) on Employee Morale (SK) is negative but not significant or doubtful. It is different with the research by Ramadhany, M., dkk [8] that states that economic benefits programs contributepositively and significantlyto employee morale

The findings can be explained as follows:The test result was not significant that meant the respondents not focus on the economic benfits program for increasing morale.The existing economic welfare is not a dominant factor for increasing of morale considering that profile sample data about 14% of respondents have a working period of 16 ~ 20 years and 43% have more than 21 years of lenght of working service. With such lenght of working service it is assumed that their salaries are already categorized as high or more than enough.So with the sufficiency of salary earned, the economic value given in this economic benefits program is beyond the point of sensitivity of employees in response to this economic benefits program if correlated with the company's efforts to increase the morale or it can be said the value of money given in the economic benefits

program is common thing, because the value is already very small when compared with high salary earned is very enough.

1.2   The Influence of Facilitative Benefits on Morale employee

Based on the hypothesis 1 that the influence of Facilitative Benefits (KF) on Employee Morale (SK) is positive and significant. This could indicate that if Facilitative Benefitsprovided was good enough and positively boost morale. This is similar withthe research of Kumari, M. S. & Tatareddy, M. [28], especially about the facilitative benefits that is positive influence on satisfaction or morale. It is also similar with research of Ramadhany, M., dkk. [8]thatstates the welfare facilities has a positive and significant effect on morale.

In the fact that CJIP was facilitating the spiritual and physical needs of its employees provide the best for example big mosque built that can accommodate over 500 persons; Completing sports facilities include indoor sports facilities for Table Tennis, Billiard, Fittness; Badminton. And the open sports field available is for Football, Futsal, Volleyball, Tennis Field and Basketball. The completefacilities will increase employee comfortnessduring in company area.

1.3   The Influence of Services Benefits on Morale employee

Based on the hypothesis 2 that the influence of Servicesbenefits (KL) on Morale (SK) is positive and significant. This may indicate that the Services benefits provided or provided was good enough and positively boost morale. This is similar with theresearch of Kumari, M. S & Tatareddy, M.[28],especially about the services benefits that is positive influence on satisfaction or morale.

It is very interesting that services to employees and family employees especially about services to enter hospital. In this service program if the employee or family are sick and have to enter and stay in hospital, employees are served with the best services.All matters related with the were going to, during staying and leaving hospital were assisted and conducted by HRD and Polyclinic team. So that employees enter or leave the hospital without thinking about administrative and financial matter, they focused on recovery.Refer to data of respondents. The respondent age 31 years or over is 71%, assuming the respondents are already married and have children, so the services are very helpful and expected.

In other services such as religious activities services such as religious festivals, routine (weekly and monthly) religious studies can be perceived as the spiritual or morale qualities of employees. This service in line with thereligious culture in Pasuruan community. Refer to data, there is 60% or more CJIP employees are the people of Pasuruan.

1.4   The Impact of Morale on Employee Performance

Based on hypothesis 4 that the influence of Employee Morale (SK) on Employee Performance (KK) is positive and significant. In this research indicates that there is high morale influence canincrease employee performance. This is similar with research of Hendri, E. [12] that states that morale has a positive impact on employee performancesignificantly,. It is also similar with the results of research Wantania, Y.I., Lapian, S.L.H.V. J. [22]that states the morale has a positive effect on work efficiencysignificantly. The employee morale as a factor that influence on employee performance becomes one of the key to the success of the company to achieve its goals.

VIII.   CONCLUSIONS AND SUGGESTIONS

1.   Conclusions

Economic employee benefit program in PT. CheilJedang Indonesia Pasuruan factory has a negative effect on employee morale but not significant.Facilitative employee benefit program in PT. CheilJedang Indonesia Pasuruan factory has a positive effect on employee morale and significant.Services employee benefit program in PT. CheilJedang Indonesia Pasuruan factory has a positive effect on employee morale and significant.Employee morale in PT. CheilJedang Indonesia Pasuruan factory has a positive effect on employee performance and significant**.**

2.   Limitations

This study to see the effect on employee morale and employee performance is limited by employee benefit program variables that are divided into three groups based on the criteria such as economic, facilitative and services benefit program. The purpose of research is focused on the three criteria above, because they are a strong point that very interesting to be studied in PT CJI Pasuruan. On the other hand there are many kind of variable that can influence morale and employee performance such as the intensity of training programs, career opportunities, organizational culture or leadership type. So if the same research will be conducted with different object, procedure and variable, it can be a different conclusion and result.

In this study the sample is used 157 employees of a total 694 employees. The sampling method does

not reflect the perfect picture of the results of the analysis and the conclusion. Actually it is possible to conduct research to all employees (694 persons) as the objectso the result will be perfect to describe the actual condition in PT CJI Pasuruan. So the result can help PT CJI Pasuruan to keep and to develop the suitable employee benefit program.

3.   Suggestions
3.1   For PT. CheilJedang Indonesia Pasuruan Factory
Facilitative and Services employee benefits program in PT. CheilJedang Indonesia Pasuruan factory has a positive effect on employee morale and significant, so they were very important factors in creating employee morale and influence on employee performance. So it is recommendation for PT CJI Pasuruan plat to be kept and to be improved these factors.

Economic employee benefit program has negative effect but not significant. It is recommendation for PT CJI Pasuruan plat to be kept and if possible it can be improved, because according to respondents this program still had a benefit especially about hospital and medical benefits

Facilitative employee benefits program in PT. CheilJedang Indonesia Pasuruan factory has a positive effect on employee morale and significant. The two indicators of this program are Existence of mosque and leave facility. That meant the existence of mosque is very importance thing in PT CJI Pasuruan factory according to employee that in line with Pasuruan city culture so it is very importance to be kept as a factor of keeping high morale employee. And leave facility (that can be compensated to money if not use) also an importance factor to be kept in CJIPasuruan.

Services employee benefits program in PT. CheilJedang Indonesia Pasuruan factory also must be kept and improved especially service of going to hospitan and visiting doctor and drugstor in having medicine. It has correlation with over 50% respondents that age over 40 years old. To keep fitness of body in case of ready for working, these services are very helpful.

According to sample profile, employees that have lenght of working service over 20 years are about 43% and combining with 50% of employees age over 40 years, It is recommended to PT. CJI Pasuruan factory to make new benefits programs that support employes who will enter to their pension period such as eterpreunership training, bussines loan, etc.

3.2   For Next Research
This result of the research can be used as a reference for next similar research.If the next research will be done on the same object, it is possible to add the factors or variables that have correlation with employee morale and employee performace.

In this research result, the economis benefits program had negative influence on employee morale but not significant. Refer to sample profile, it is possible to make next research by comparison test based on the different lenght of working service and age of respondents.

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