

The Effect of Compensation and Work Life Balance on Work Satisfaction Mediated By Work Stress

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ABSTRACT: Work stress is one of the internal factors that need reduction for the betterment of the organization so employees can improve maximum work productivity. Employees who have a low level of work stress that would tend to be more satisfied in their work. Low work stress level will increase the number of employee attendance and decrease the number of resignation of employees in an organization. While employees who have high levels of work stress will lower attendance rates and increase the number of resignation of employees in an organization. The purpose of this study was to determine the effect of compensation and work life balance to work satisfaction mediated work stress. Our research conducted at PT. Sumber Buanajaya, Jakarta. Respondents who used as many as 160 employees. We are using Structural Equation Model (SEM). The results show that the compensation has an influence on work satisfaction, work satisfaction has no influence on work stress. Then compensation has no influence on work stress, work life balance have no influence on work satisfaction and work life balance has no influence on work stress.

KEYWORDS - Compensation, Work Life Balance, Work Satisfaction and Work Stress

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I. INTRODUCTION

Work stress is one of an internal factor in need to be upgraded for the purpose of betterment and progress of the organization which leads to maximal performance. Employee's work stress in a work is necessary to focused on by organization because work stress will cause the employee's to feel reluctant and unhappy to work with their superiors and colleagues. Aside from work stress, work satisfaction, work life balance and compensation are the most important because they will affect the success of an organization.

Employees with low work stress level, focus most attention on their work so that they are totally immerse and enjoying their work and tend to be more satisfied in working and work maximally. According to Robbins and Judge (2008) there are two approaches to managed stress, they are: individual approach and organizational approach. Work satisfaction is a happy working condition of an employee. Work satisfaction is considered as an important factor since the employees feel happy towards their organization.

One of the factors that support the formation of employee's work satisfaction is the existence of a good work life balance system in a company. Work life balance is the balance of life and work of a female or male employee to fulfill their responsibility as employee towards the company. Aside the responsibility of life, to have family is also as important, so that the female or male employee can fulfill all their life responsibility and work responsibility in a company, perfectly and without the pressure to hold up the work. According to Lockwood (2003) work-life balance is a balance condition on two demands where work and life of an individual is the same.

In the previous research Rood and Holdnak (2013) the result shows that level of compensation has a significant effect toward employee's work satisfaction. In this case, compensation also supports the Resort and Commercial Recreation managers. The compensation includes salary, commission and bonus. Yaseen (2013) on his research show the existing direct effect between compensation towards the work satisfaction of Doctors in Punjab. Doctors with high level compensation and adequate experience will go through high level of work satisfaction to the point of an increase in motivation and performance. This means, the higher the level of employee's compensation, job satisfaction is also getting better.

Maurya, Jaggi, Singh, Arneja, Arora (2015) stated that the effect between work life balance policies towards the work satisfaction of employees in India banking sector which has been successful and specifically have flexible policies, employees' welfare policies and option on the work patterns. Bell, Rajendran and Theiler (2012) in their research said that there is a relation between work stress, health, work life balance, and work life conflict among academicians. Work stress on universities globally increase on recent decades and have important implications for employee's performance and students academic grades. A close relation

between variables mentioned above can help the universities to increase effectively the life work balance in academic area.

Jung, Rhokeun and Zippay (2011) result of the research has a significant effect between the availability of work life balance programs to the schedule control and employee's work satisfaction. The employee's authority to arrange their own work time can produce a work satisfaction for the said employees. Mukururi and Ngari (2014) in their research show a positive relation between work life balance and employee's work satisfaction. The deciding factors of work life balance, in this case flexible policies, employee's welfare policies, options of work patterns to increase the employee's work satisfaction on a banking sector in Kenya.

In previous studies there is a substantial literature on compensation to work satisfaction, work life balance to work satisfaction, relationship work life balance and work stress (having only two or three variables). Very little literature that discussed in our study who raised four variables, namely compensation, work life balance, work satisfaction and work stress in an organizational context. A literature review conducted by Rood and Holdnak (2013) have studied that the level of compensation has a significant impact on employee satisfaction. In this case the compensation also support managers Resort and Commercial Recreation. Factors that influence the level of compensation seemed to involve the experience (in the field, how many years in this job and rank or responsibility) as well as other factors such as age and gender. Additionally, the organization evaluates job and career satisfaction problems managers. But the results are narrow, because many factors influence work satisfaction and requires further research.

The other study was conducted by Bell, Rajendran and Theiler (2012) in this study there is a relationship between work stress, health, work life balance and work life conflict among academics. Work stress on university globally increased in recent decades and has important implications for the performance of employees and academic values of the students. A close relationship between the variables above can help the university to effectively improve work life balance in academia. There are limitations in the study only focused on work life balance and work stress that needs further research. Therefore, the question is what factors are affecting job satisfaction? As an answer to these questions we conducted research to gain a deeper understanding about the influence of compensation and work life balance to work satisfaction mediated work stress so that with the mentioned understanding the significance of all four variables for the organization can be understood and useful to improving employee's performance in the organization.

Employee's with a high work satisfaction level is expected to be driven to work maximally in carrying out their responsibility on the faith of the organization's success in accomplishing its tasks and goals, then it will benefit its employees. The company's policy in the management of human resources, among other things: employee compensation policies, policies on work life balance and other policy-oriented employee satisfaction and decrease the level of stress in the work environment. It is expected to reduce the level of employee turnover annually. Based on the explanation, this study aims to: (i) to determine the effect of compensation and work satisfaction; (ii) to determine the effect of work stress and work satisfaction; (iii) to determine the effect of compensation and work stress; (iv) to determine the effect of work life balance and work satisfaction; (v) to determine the effect of work life balance and work stress.

II. LITERATURE REVIEW

Work Stress

Work Stress according to Robbins and Judge (2008) is a dynamic condition where an individual is faced with opportunity, demand, or resources related to what other individual wants and the result is perceived not definite or important. Stress defines by Griffin and Moorhead (2011) is someone's adaptive respond towards a stimulus in which placed an excessive psychological and physical demand on the individual. According to Cummings and Worley (2005) stress is a thing that refers to a reaction towards the condition of an environment, that include physiological and psychological respond towards the environment condition, which cause the individual to change or adjusting their behavior.

From a few understanding of work stress mentioned above, it can be concluded that work stress is a condition or respond faced by an individual in order to fulfill demands from other individual in used of resources available within them self that puts psychological and physical demands faced by the individual at work place.

Work Satisfaction

According to Smith, Kendall and Hulin (1969) in Luthans (2006), there are a number of work satisfaction dimensions which can be used to reveal important characteristics related to work, where person can respond. That is the first dimension, the work itself. Each work needs a certain skills according to the respective field. Difficult or not a person's job and the feelings that person has on their skills whether it is required in doing that job, will increase or reduce work satisfaction. Second, supervisor, good supervisors is willing to appreciate the work of their subordinates. To subordinates, supervisor can be considered as a father/mother/friend figure

apart of their seniors. The third factor is coworker, is a factor related to the relation of between employer and the employee to another employee, either the same or different kind of work. The next factor is promotion, is a factor connected with the availability of opportunity to achieve career enhancement during their work. The last is salary factor which the factor of employee's subsistence which deemed worthy or not.

An individual will be satisfied or dissatisfied with his/her job of which is a personal nature which depend on how the individual perceive compatibility or conflict between his or her desires to his/her outcome (gained). It can be concluded that the understanding of work satisfaction is a positive attitude from workforce which includes the feelings and behavior towards his/her work through the assessment of the job as a gesture of appreciation in achieving one of the important work values.

Work Life Balance

Greenhaus, Collins and Shaw (2003) in the journal of Parkes and Langford (2008) defined work life balance as a stage where a person is bound between work responsibility and family/life responsibility. According to Sturges and Guest (2004) in the journal of Parkes and Langford (2008), work balance and the life of work life balance defined here as the ability of an individual to meet their work, meet family commitment, as well as work responsibility and other activities (such as social activities). Consistent with a strategy to appeal and retain a diverse workforce, work balance and work life balance is often considered to be more important for women and older employees (De Cieri, et al., 2005; Pocock, 2005; Schmidt, 2006) in the journal Parkes and Langford (2008).

Based on the above understanding, it can be concluded that the understanding of work life balance is the balance of work and life of both female and male employee to fulfill their responsibility as an employee's of a company. Besides of responsibility in life. Having a family is equally important, so that female or male employees can fulfill all of life and work responsibility with the company, perfectly and without pressures which might hamper the job.

Compensation

According to Dessler (quoted by Lies Indriyatni, 2009) compensation has three components as follows: (1) Direct financial payment in the form of salary, and incentive or bonus/commission; (2) Indirect payment takes the form of support and insurance; (3) Non-financial rewards such as a flexible working hour and a prestige office.

Mondy and Noe (1993: 320) compensation can be divided into two types: financial compensation and non-financial compensation. Direct financial compensation is as follows: salary, wage, bonus and commission; while indirect compensation is also called allowances which include all the financial rewards which are not included in direct compensation. Non-financial compensation consists of well received satisfaction from the work itself, such as responsibility, chance for confession, opportunity for promotion or from psychological environment and or physical where the individual is, like a fun co-worker, healthy policies, cafeteria, work sharing, work compacted on week day and availability of spare time.

Michael and Harold (1993) divided compensation to three form: material, social, and activities. The material forms of compensation are not limited to money like salary, bonus, and commission, but all forms of physical amplifier (*physical reinforcer*), such as parking facility, phone and a comfortable office space, as well as various forms of allowances, for example pensions, health insurance. Social compensation is closely linked to the need to interact with others. The form of this compensation for example is status, recognition as expert in their fields, rewards for achievements, promotion, tenure certainty, recreation, formation of groups of decision making, and a special group set for problem solving. While the activity compensation is a compensation which able to compensate the work aspects that they don't like by giving the chance to do a certain activity.

III. HYPOTHESIS DEVELOPMENT

Salisu, Chinyio and Suresh (2015), regarding the employees in state-owned construction company in Jigawa State, Nigeria also said that there is a very significant contribution between compensation and job satisfaction of employees of government-owned construction company in Jigawa State, Nigeria. Compensation received by the employee is still below the minimum wage so that they experience job dissatisfaction. It is concluded that the salaries and incentives have no effect on job satisfaction. While pension funds have significant levels of work satisfaction because pension funds are received every month after retirement. Tessema, Ready and Embaye (2013), in their study on the effect of the salary and benefits of the employee satisfaction across countries, a survey conducted in the United States, Malaysia and Vietnam argued that this research award of financial and non-financial, as measured by salary, benefits and awards (in this case the compensation has a significant impact on job satisfaction. in this study the theoretical and practical implications that employees experience job satisfaction and motivation by the monetary and non-monetary rewards.

Yaseen (2013), about the influence of factors on job satisfaction employee compensation-a study of work dissatisfaction doctors in Punjab. In this study showed a direct influence on job satisfaction between the compensation of doctors in Punjab, India. The doctors who have a high level of compensation and adequate work experience will experience job satisfaction level higher so as to increase motivation and performance. This means that the higher the level of compensation the employee job satisfaction is also getting better. Job satisfaction is main elements to improve the motivation and performance of doctors. Compensation system organizations in providing benefits to employees, for example, housing allowances are distributed properly and transparently. Organizations also need policies vacation time for the doctors to lower the stress levels of the doctor. Based on the above literature hypotheses that can be submitted:

H₁: High compensation increase work satisfaction

The relationship between job satisfaction and job stress in previous studies such as that delivered by Kashefi (2009), in his research on job satisfaction and / stress of work as psychological consequences in working disebuah organization in Illinois, USA in his research that the level of job satisfaction is high influenced by the level of stress low employment rate and vice versa low job satisfaction is influenced by high levels of job stress. There is a significant and positive relationship between job satisfaction and job stress with three measuring devices internalization and by some job characteristics. In this study, the results of path analysis applications to explore linkages or relationships either directly or indirectly between job satisfaction and job stress as the expectations of the relationship with the boss not only significantly increases job satisfaction but also reduce the level of work stress. On the other hand the increased workload significantly improve work stress and lower job satisfaction. Strategy by the company's internal human resource management with complex organizational renewal that cause symptoms socio psychological, simultaneously improving employee satisfaction and lower levels of work stress

Research Rasi (2014), about the impact of work stress to job satisfaction case studies of engineers in Bali, Indonesia also said that there is a significant relationship between job satisfaction and job stress. It is important that the company should have the ability to set the level of stress engineers to improve their job satisfaction. Until now there are no specific rules to improve the job satisfaction of engineers because it is still dependent on their motivation and how their perceptions about the condition of the employees. On the other hand, the characteristics of job satisfaction, participatory approaches are inseparable both advantages and disadvantages. Some engineers like the decision making process regarding their areas of work, while others feel happy doing routine work. Participation engineers increase their productivity if they are able to do their job very well. This has a positive impact on customer satisfaction so that the engineers were delighted with their performance. Based on the above literature hypotheses that can be submitted:

H₂: A low work stress increase work satisfaction

In previous studies such as that delivered by Stutzer and Frey (2004), the case study of job stress workers in Germany, the study said there is a positive and significant relationship between compensation and job stress. The workers in Germany took the decision to start looking for the location of the plant close to their homes or flats so as to minimize expenses for their transportation costs. Most of those using rail transportation. The low compensation for most workers indicate low ability to meet their needs, including transportation costs. It shows the relationship between compensation and job stress. This means that the higher the level of compensation of employees, the level of work stress will decrease. Vice versa if the level of employee compensation low, the level of work stress will increase.

H₃: High level of compensation decrease the level of work stress

The relationship between work life balance and job satisfaction on research conducted by Cookson (2016), about the role of work life balance programs on job satisfaction of case study at Walden University employees in the United States, shows that work life balance positive effect on job satisfaction. Work life balance can increase employee satisfaction. Research Mukururi and Ngari (2014), about the effect of worklife balance policies on job satisfaction in the banking sector in Kenya which stated that a significant difference between the work life balance on job satisfaction. The results of this study indicate that there is a positive relationship between the variables work life balance and job satisfaction. Objectively research on work life balance policy influence on job satisfaction at Commercial Bank in Kenya and in particular to access and flexible policies, welfare policies of job design options and their provision.

In this case the management of commercial banks at the central business district needs the attention of all the variables in this study to increase the job satisfaction of their employees and consequently will improve the performance of financial institutions. Quality of work life balance policies increase business strategy and focus on potential policies that affect the quality of work of employees and more concerned with building

employee performance, commitment to work and job satisfaction. Work life balance can increase job satisfaction. Based on the things that have been mentioned above, the proposed hypothesis is:

H₄: A high work life balance increase employee's work satisfaction

In the Banwell (2006) research, work stress has a serious consequent including physical and mental problems. As consequence, more than one out of five respondents who's involve in a health consultant about work stress. Work stress has a direct consequence to the employees especially from the employee's attendance. According to a respondent survey, there is a 63% respondent who feels the important of the achievement of work life balance. A survey to 55 respondents which stated that they are having difficulties to reach a high level of work life balance if their stress level is also high. And vice versa, if work stress level is low then the employees will easily reach a higher work life balance. This shows that there is a connection between work life balance with work stress, meaning a high work life balance then work stress level is decreasing. The opposite also apply, a low work life balance will increase the work stress level. Based on the above mentioned point then the hypothesis proposed as follows:

H₅: A high work life balance decrease the level of work stress

IV. RESEARCH METHODS

Population and Sample

In this study we examined the population-level staff of PT. Sumber Buanajaya totaling 160 respondents. In deciding the sample size adjusted to according to standard sample with analysis technique of Structural Equation Model (SEM). The sampling process is done using Maximum Likelihood Estimation (ML) is effective for the samples ranged 150-400 samples (Sekaran, 2004).

Measurement

The measurement of each variable is done by Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's test of Sphericity. Bartlett's test of Sphericity is used to test whether there is a correlation between variables. MSA (Measure of Sampling Adequacy) expected is 0,500 minimum (Malhotra, 2004). The work stress of 23 operational all is valid, the work satisfaction scale of 5 operational and only 3 operational are valid, compensation scale of 12 operational and only 8 operational are valid. Because a reliability value of a questionnaire indicated by having an adequate reliability if Alpha Cronbach's coefficient is bigger or equal 0,500 then, the table above showed Alpha Cronbach's coefficient have a good reliability which is above 0,500 so that it can be said as compensation variable, work life balance, work satisfaction and work stress can be trusted as an instrument of data collection in a research.

V. RESULT AND DISCUSSION

Our research focus on compensation and work life balance towards work satisfaction mediated by work stress and the result shows that from five hypothesis proposed, there is one data which supported the hypothesis and four other data were not supported the hypothesis, as the SEM testing was conducted can be seen on Figure 2 as follows:

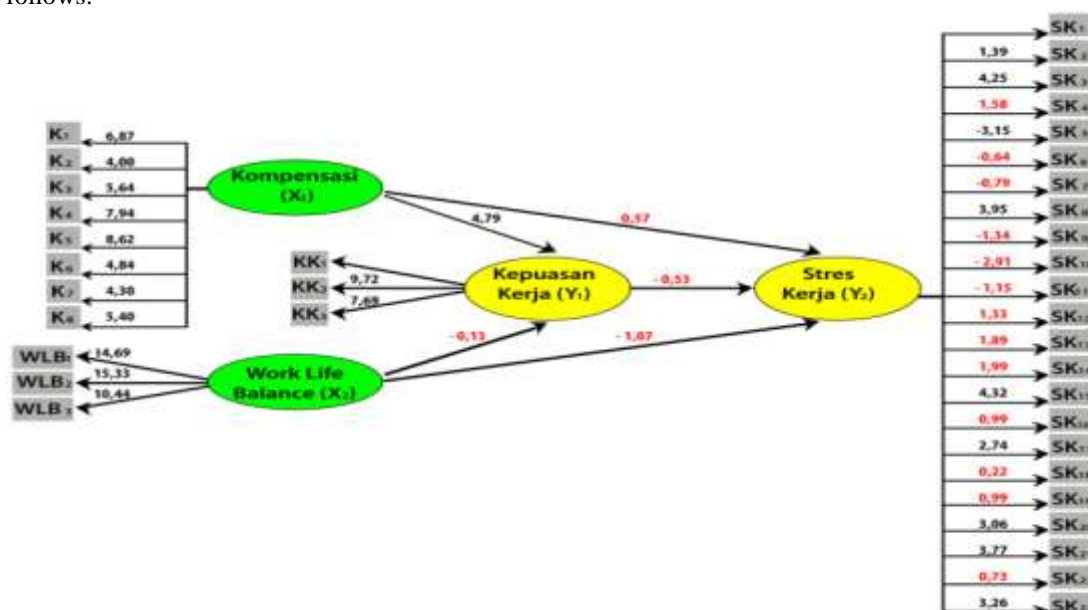


Figure 2
Path Diagram T-Value

Based on the above Figure 2 Path Diagram T-Value which are the hypothesis on this research, presented in a structural equation as follows:

Table 2 Hypothesis of Research Model Testing

Hypothesis	Hypothesis Statement	T-Value	Explanation
H ₁	High compensation increase work satisfaction	4,79	Data support hypothesis
H ₂	High work satisfaction decrease work stress	-0,53	Data did not support hypothesis
H ₃	High compensation decrease work stress	0,57	Data did not support hypothesis
H ₄	High work life balance increase work satisfaction	-0,13	Data did not support hypothesis
H ₅	High work life balance decrease work stress	-1,07	Data did not support hypothesis

VI. DISCUSSION

The result of the first hypothesis (H₁) test, it was found that the result of analysis supported hypothesis H₁, which is high compensation increase work satisfaction by 4,79. This showed that the work satisfaction of an employee is influenced by compensation. Compensation is an important factor because there are a lot of researchers that consider compensation as the main determinant of employee's work satisfaction. This is according to the research conducted by Rood and Holdnak (2013), level of compensation has a significant effect on employee's work satisfaction. In this case, compensation is also support the managers of Resort and Commercial Recreation. Compensation includes salary, commission and bonus. Salisu, Chinyio and Suresh (2015), also stated that there is a significant contribution between compensation and work satisfaction on the employees of Jigawa State, Nigeria in construction sector. Tessema, Ready and Embaye (2013), in their research they said that financial rewards and non-financial, in which is measured by salary, support and rewards (in this case compensation has a significant influence to work satisfaction).

On the result of second hypothesis (H₂), it was found that the analysis result did not support the second hypothesis H₂ which is the level of low work stress do not increase work satisfaction by -0,53. This shows that employees work satisfaction is not effected by work stress. This conveniently accorded to the research of Ardakani et.all (2013), a research journal of health community showed that the correlation analysis result between work satisfaction and work stress have a negative correlation. This study case of the research on the employees of a control room in oil refinery, Iran; in this case the level of work stress is divided into three levels: low level work stress, normal level work stress and high level work stress. Only 18.4% from total of employees in the oil refinery's control room that experience work satisfaction. Work accident factor (injuries) during working hour and the level of employees' absence also play a role in effecting dissatisfaction level.

Other researcher who supported second hypothesis is Nadeem and Abbas (2009), an international journal for management and business. It was a case study for employees in Islamabad, Pakistan; divided into three levels: staff level employee (lower level), managers (mid level), and directors (upper level). The research showed there is no correlation between work satisfaction and work stress on the upper level employees by the numbers of (-0.235); while the number of mid level showed by (-0.319) and lower level with the number (-0.438) have a negative and significant correlation.

On the other side, the increase of workload significantly will cause the work stress to increase and reduce work satisfaction. Company's internal strategy by HR management with organizational renewal complexly cause a socio-psychologist syndrome, simultaneously improving employee's work satisfaction and lower the work stress level. Testing result of second hypothesis (H₂) also contradicts the research by Rasi (2014), about the impact of work stress towards the work satisfaction with case study of engineers in Bali, Indonesia, stated that there is a meaningful connection between work satisfaction and work stress. Until this moment there is no special regulation to increase work satisfaction of the engineers because it still depend on their motivation and how their perception about the employees' condition.

On the third testing of hypothesis number three (H₃), it is found that the analysis result do not support hypothesis number three which is a high level of compensation can reduce work stress by 0.57. This show that work stress was not affected by compensation. High compensation cannot reduce the level of work stress, and vice versa, low level compensation do not increase work stress. This is because compensation is an important variable in the life of many people. This is according to the research of Safitri and Fihir (2013) who's concluded that compensation has no effect on work stress of the employees in central administration of Universitas Indonesia. The respondent who is not satisfied with compensation received is 51%; meanwhile the number for satisfied respondent is 49%. Similar to research by Mutiarawana (2014) who concluded that partial compensation have a significant and negative effect to work stress. Research by Khoddin (2012) showed that compensation have no effect on work stress. Based on the data analysis on the connection of service rewards or

salary with work stress of nurses in the inpatient unit obtained by using the Fisher Exact correlation test, obtained $p\text{-value } 0.727 > \alpha (0.05)$.

The result of this research is also supported by research done by Akbar (2003), which stated that there is no significant relation between type of work and work wage with work stress of the nurses in Nahdatul Ulama Demak Hospital which is proved by $p\text{-value } 0.320 > 0.05$. In this case majority of the nurses have service rewards or salary which most of them are bigger than regional minimum wage (UMR), female nurses also do not rely only on the salary from the hospital, their husband's income can also be the reason that work stress is not solely contributed by the service rewards gained (Machiyah, 2000).

On the result testing of the fourth hypothesis (H_4), it is found that the analysis result do not support the hypothesis H_4 , which is the high level of work life balance can increase work satisfaction by -0.13 . This shows that work satisfaction is not affected by work life balance. A high work life balance cannot increase work satisfaction and vice versa, low level work life balance do not reduce work satisfaction. This is accordingly to the research of Shujat, Cheema and Bhutto (2011) which shows that the work life balance had little effect on work satisfaction. Some factors of work life balance, such as: employees' turn over, work pressure, long working hour has a weak, negative and insignificant correlation towards the work satisfaction; whereas work life balance program and flexible working condition have a positive correlation towards work satisfaction. Bank employees in Karachi have a normal working hour and yet they are having difficulties split time for family. Similarly, working hour in PT. Sumber Buanajaya is less flexible and perceived as burden by the employees. Another similar research is by Maeran, Pitarelli and Cangiano (2013) which showed that work life balance has a negative correlation towards work satisfaction on 286 teachers in Vicenza Province, Italy. Work satisfaction only gained by the teachers who are single (not yet married) and has master's degree or more. Meanwhile most of the teachers is married and have children also have bachelor degree because for the teachers with family, they have to split their time for their family.

For the fifth hypothesis testing (H_5), it was found that the analysis result do not support the Hypothesis H_5 which is high level work life balance cannot reduce the level of work stress by -1.07 . This shows that job stress is affected by work life balance. The level of work life balance cannot decrease the high level of work stress, and vice versa, low level of work life balance do not improve work stress level. This is consistent with the research of Utomo, Djastuti and Mahfudz which concluded that the work life balance has a negative and significant effect on work stress for the employees of BPK Representative of Central Java Province. This not in accordance with the research submitted by Banwell (2006) who suggests that there is significant influence between work life balance to work stress. In this study, a survey of 55 respondents stated that they find it difficult to achieve a high level of work life balance if the work stress level is high and vice versa, if the level of work stress is low then the employees will be more likely to reach a high level of work life balance.

Managerial Implications

This research aims to determine compensation, work life balance and work satisfaction mediated by work stress. The amount of salary adjusted to the employee's position also has contribution. Although the salary scale is not yet adjusted to performance, but with the increase level of position then the responsibility of the work is also increased. Other factor is on-time salary payment in addition to incentives policies and bonus; they make the employees feel financially secure each month. The benchmark in compensation giving is relative; determining the amount of compensation is based on the government minimum wage and external consistency in force. This is important so that the working spirit and competent employees do not quit and the labor union's demand is reduced.

In this case, the increase of material compensation value is given to the employees with good performance and achievement in their work field. One of financial policy of PT. Sumber Buanajaya is that each employee with good performance and never missed work within the period of one month will receive bonus of Rp 200.000,00. By using the theory of justice in the payroll system it is expected to increase the employees' work satisfaction. The theory of justice is a theory of motivation that people assess their performance and attitudes by comparing their contribution to the work and the profits they gain from the company with the contribution and the benefit of others that is comparable (comparison others).

While the financial fairness is the employee's perception about the fairness of the payments they received. External equity in financial compensation materialized when the employees of a company received comparable amount to the employees who perform in similar positions on other company. The company is ought to perform a survey of compensation to determine how far along external justice of financial compensation takes form. Internal equity comes true when the employee receives payment according to the relative value of their positions within the same organization. Work evaluation is the main tool to determine internal equity. Employee equity takes place when the people who run similar position for the same company received payment according to unique factors of the employees, such as level of performance or seniority.

VII. CONCLUSION

Conclusion

The result of this study is expected to be useful for compensation policies and work life balance in PT. Sumber Buanajaya which will support the development of work satisfaction in PT. Sumber Buanajaya. Based on this study, researchers concluded that: (1) Compensation significantly effects work satisfaction in PT. Sumber Buanajaya. The better compensation practices in PT. Sumber Buanajaya, the better employee's work satisfaction. The compensation practices exist in PT. Sumber Buanajaya today can be considered good enough . namely adjusting employee salaries comparable with UMR DKI Jakarta. Besides employee who was never absent for a period of one month and have a good performance will be awarded a bonus of direct financial compensation. PT. Sumber Jaya Buana also provide health insurance, pension funds and awards to employees who excel are excursions to Asia. Of the overall form of direct financial compensation, non-direct financial compensation, and non-financial compensation, have been running accordingly and meet the compensation criteria that fulfil the requirements of the compensation theory; (2) Work satisfaction does not affect work stress of the staff level employees of PT. Sumber Buanajaya. High level of work satisfaction does not lower the work stress level; (3) Compensation does not affect the employees work stress of PT. Sumber Buanajaya. The compensation value in PT. Sumber Buanajaya cannot reduce the employee's level of work stress; (4) Work life balance does not affect work satisfaction of the staff level employees of PT. Sumber Buanajaya. Despite the availability of work life balance policy program at PT. Sumber Buanajaya such as family-friendly benefits needed by the employees to balance their life and work, which includes flexitime, job sharing, telecommunicating and others. Those cannot increase the employees work satisfaction; (5) Work life balance does not affect work stress on the staff level employees of PT. Sumber Buanajaya. The availability of family-friendly benefits cannot decrease the employees stress level at PT. Sumber Buanajaya.

Limitations

The research limitations referred to several weaknesses in this study. Some of the limitations in the study are: (1) The research was only conducted on the Semen Gresik distributor that is PT. Sumber Buanajaya; (2) The subject of the research was only staff level employees of PT. Sumber Buanajaya; (3) The research only discussed compensation, work life balance and work satisfaction mediated by work stress; (4) Inconsistency of respondents in answering a list of questions (questionnaire) and working conditions that make respondents are not quite comfortable when answering a list of questions (questionnaire) submitted to them.

Suggestion

Based on the above, we can put forward some suggestions which expected by company to increase the value of employee's compensation based on their performance, achievements, and competence using the theory of justice. This will effect on the increase of employees work satisfaction because their welfare level increased. Improvement of work life balance in the corporate environment should also be improved in order to create harmony in the work so that the employees will feel work satisfaction. However, the above mentioned must not be separated from the company's role in implementing an equitable compensation system for all employees.

In an organization, an employer should be able to provide impetus and encouragement to the employees so that they will feel motivated, appreciated and become more professionals in which certainly will affect the organization. Furthermore, the role of employees themselves to achieve success in an organization, an employee must demonstrate an increase in good performance, have a cooperative nature towards superior and colleagues, highly discipline and responsible. Based on the research conducted, the researchers noted that: (1) The results showed that the compensation practice in PT. Sumber Buanajaya is good enough especially for indirect financial compensation (health insurance, day-off, excursion, retirement); (2) The results illustrate the implementation of work life balance has not yet gone well. It is expected that management makes improvement and implement a work life balance program in conformity of the employees and the organization needs; (3) The company's management is expected to periodically perform a standard base pay for employees towards similar industry averages to gain a standard salary which is expected by the employees.

Thus, it is advisable for future research to add other variables to the development of the research. It is expected that the result of this research can be used to provide optimum benefit to the object of subsequent research; this study can also be a comparison study for the next research and it is advised to collect research data from more extensive research object.

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