Analysis of Wage and Labor Productivity in the Hospitality Industry

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Abstract- The phenomenon of current prevailing wage is the phenomenon of high-wage high competitiveness. Wage theory developed by Rees (1973) and Katz (1980) suggested that wages should not look merely part of the production costs, but also wages are seen as part of efforts to improve the welfare and worker motivation. This theory is a theory of efficiency wages states that corporate profits could rise even though wages are paid above the equilibrium wage prevailing in the market. Yet here the two experts already take into account the quality of the workforce but have not yet come to empirical testing by developing a specific model. Therefore, researchers see this as an opportunity gap in an effort to uncover the phenomenon that occurs during labor and seeks to develop an empirical model to see the effect of wage and productivity as well as variables that can measure the quality of the workforce and a variety of other variables that affect wages and productivity collectively same. These factors are differences in the characteristics of the individual, human capital and the quality of working life (Quality of worklife). This research approach with constructivism approach through quantitative analysis techniques with a system of simultaneous equations. The unit of analysis is the study of labor in the hospitality industry .. The estimation results of research showed that education, training, experience, hours worked and productivity significantly positive effect on wages, while age and employment status are not significant. Quality of life and wages are significantly positive effect on productivity, while the education, experience, age and employment status are not significant. An important finding of the study that the training can significantly affect productivity but has a negative relationship. Overall, the findings of this study indicate that the positive effects of training on productivity will be greater in organizations that are willing to invest in a supportive working environment.

Index Terms- Human Capital, Hotel Industry, Labor Productivity, Quality of Worklife, Wage

I. INTRODUCTION

The phenomenon of prevailing wage now is the phenomenon of high-wage high competitiveness. Wage theory developed by Ress (1973) and Katz (1980) suggested that wages should not look merely part of the production costs, but also wages are seen as part of efforts to improve the welfare and worker motivation. The wage increase will boost the morale and welfare of the workforce. Increase in wages could also increase the motivation and productivity of labor. This theory is a theory of efficiency wages states that corporate profits could rise even though wages are paid above the equilibrium wage prevailing in the market. The reason is because the increase in wages can increase employee motivation, cost minimize movement of workers, reduce the dominance of the unions' bargaining power, as well as attract more highly qualified workforce (Katz, 1980).

Yet here the two experts already take into account the quality of the workforce but have not yet come to empirical testing by developing a specific model. Therefore the theory of efficiency wages states that there is a strong relationship between wages and productivity, and not the arrival of these experts did empirical testing on the quality of employment by developing a specific model, the researchers see this gap as an opportunity in an effort to uncover phenomena that occur on labor and seeks to develop an empirical model to see the effect of wage and productivity as well as variables that can measure the quality of the workforce and a variety of other variables that affect wages and productivity together.

Search of some previous studies mention that in addition to wages, motivation or urge someone to vote or work in the tourism sector, is strongly influenced by various factors. Besides external factors such as work environment, leadership, leadership and so forth, are also determined by internal factors inherent to each person such as innate, education level, past experience, desire or hope for the future (Kossen, 1987).

Furthermore, the results of research Peshave and Gujarathi (2014) suggested that this might work practices adopted by the hotel industry have a positive impact on employee productivity. However, productivity management system should be designed to focus on work practices in order to improve overall employee productivity. The hotel management should provide "Monitory Benefits" (salaries, wages, overtime and intensive) and "worklife balance" (weekly rest).

In addition, studies show that the productivity and quality of work life today is considered a major driving force for the company's performance. In recent years, the quality of work life (Quality of worklife) plays a key role in increasing the productivity of labor in many enterprises and large companies. QWL factors, job satisfaction, organizational commitment and team spirit are recognized as an important factor in organizational productivity and performance (Koonmee, 2010).

Quality of Work Life (Quality of worklife) reveals the importance of respect for the human being in the work environment. Thus the essential role of the quality of work is changing working environment that is technically and humane organization brings to the quality of work life better (Luthans, 1995). The results of the research dissertation Rosa Naude (2010) reveals the importance of leisure time indicated by the

relationship with various other life domains which ultimately leads to the quality of working life. With a good quality of working life will be more productive, efficient and profitable.

Labor productivity per hour worked is one important determinant. Low labor productivity has serious implications for international competitiveness and sectoral growth rates. Therefore, the productivity of labor also affects competitiveness in the international tourism market (Dwyer, 2000).

Harrison (2008) states that the growth of labor productivity is the only way to improve living standards in the long term, and real wages are the most direct mechanism to transfer the benefits of productivity growth.

Meanwhile, several other variables that affect the productivity and labor costs has been investigated by several empirically previous pronouncing that working hours is one of the factors that affect wages and Productivity. The more the number of working hours devoted by labor in the economy, the wages or labor remuneration actually received will be even greater. Research Cataldi and Kampelmaan (2007) in Belgium investigated the relationship between working time, wages and productivity. The results showed that the average wage per hour in the company is not significantly dependent on part-time work. Besides the age variable labor is also quite decisive success in doing a job, both physical and non-physical nature. In general, the labor force aged parents have physically weak and limited, otherwise workforce young age has a strong physical abilities (Blanchard, 2004).

Then there is also the relationship between the status of a job with wages and productivity, where Ward (2001) examines the dilemma of system management contract workers, the results showed that employees with the status of contract workers do not fall in investment companies, but the productivity of the employees increases as wages received , Furthermore, the results of research Wiens (2002) showed that the company would allocate fewer resources to training and skills for contract employees rather than temporary rather than permanent employees.

Also according to the human capital approach, a variety of other factors that affect wages and productivity of the study results Becker (1976) showed that the difference in income is derived from the difference in labor productivity between men and women. Furthermore, Blanchard (2004) mentions that the work experience and training to be a determinant of income, while according to Polacheck (2004), wage differences can be explained by individual characteristics associated with productivity, such as level of education. So based on the phenomenon, theories and various results of previous research, this study will examine further and showed that the level of wages is influenced by productivity, which means that both influence each other. This study will use a simultaneous equation model and introduce some other variables that affect both the variable human capital, variable working hours, variable employment status as well as being specificity (novelty) in this study is introducing variable life quality of work (Quality of worklife) of workers in the hospitality industry. This is one of renewal of this study considering similar studies generally only stop the problem of how big the influence of individual characteristics and the characteristics of the human capital of the level of wages received by workers.

The research will focus on the influence of the level of wages and labor productivity especially in 3 star hotels to 5 star hotels as the population. The reason is because the five-star hotel has met the specified requirements such as physical requirements, the type of services provided, qualified labor force, number of rooms and others. By analyzing the individual characteristics, socio-demographic conditions, human capital and Quality of worklife (QWL) issues related to wages and its influence on the productivity of the hospitality industry worker wage in the city of Palembang is expected to be revealed.

II. RESEARCH METHODS

The research design uses constructivism paradigm approach is a paradigm that is almost an antithesis of understanding that lays observation and objectivity in finding a reality or science. This paradigm of looking at social science as a systematic analysis of the socially meaningful action through direct observation and detailed on social behavior in question create and maintain or manage their social world (Bogdan, 1975).

This research will look at the factors that affect wages and labor productivity in the hospitality industry in the city of Palembang. The unit of analysis is the study of people working in hotels from 3 to 5 star in Palembang. Based on data from the Department of Culture and Tourism of South Sumatra Province in 2015, the number of 3 star hotels to 5 star in Palembang were 17 hotels with a total workforce of 1,550 people. Population or territory generalization of this study is the number of people working in 17 3-star hotel to a 5 star in the city of Palembang. Total population of 1,550 workers. The star of every hotel there are ten departments of any hotel is the Front Office Department, Housekeeping Department, Food & Beverage Service Department, Kitchen Department, Marketing Department, Accounting Department, Purchasing Department, Engineering Department, Security Department and Personnel Department.

To measure a sample of a population of workers at 17 hotels 3 to 5 are carried out with 2 times the sampling technique is simple random sampling to calculate a sample of 17 hotels, as the next technique is a technique of proportionate stratified random sampling technique is used to calculate the sample of 10 departments at each hotel. The first simple random sampling technique was used to calculate the sample size of the population of labor force 3 to 5 star hotel, is calculated using a formula based on the sampling table determining the number of samples of a given population that developed Michael (1981). The formula is:

$$\mathcal{e} = \frac{3{,}841 \cdot 1.550 \cdot 0{,}5 \cdot (1-0{,}5)}{(0{,}05)^2 (1.550-1) + 3{,}841 \cdot 0{,}5 \cdot (1-0{,}5)}$$

$$\mathcal{e} = 307{,}97$$

Where :

$\chi 2$ = chi square value table for a certain λ ($\chi 2$ = 3.841 95% significance level) with dk = 1, standard error can be 1%, 5%, 10%

P = The proportion of the population = 0.5
d = Accuracy / Degree Assessment (0.05)
$\mathcal{Z}$ = Number of Samples
N = Total Population (2088 Manpower)

To analyze the data that has been collected is used an econometric model through a model of simultaneous equations. Simultaneous equation model is a model where there is more than one regression equation, where the similarities with each other interdependent (Gujarati, 2003).

Of theories that have been described previously that the supply of labor based on wage terms of labor demand. Demand depends as wage labor, compared with productivity. Supply of labor is also determined by the wages and labor characteristics itself. Companies employer provides wage dependent than labor productivity and labor expect wages are paid according to their productivity. there is a relationship between wages and productivity.

$$W = \delta_0 + \delta_1 P$$
$$P = \gamma_0 + \gamma_1 W$$

This shows that wages affect productivity and wages affecting productivity. Some of the variables that affect wages and productivity such as sociodemographic characteristics such as age, ethnicity, number of dependents, employment status, variable human capital: education, training and work experience, variable working hours and variable Quality of worklife (QWL). Following the model of theory and research results:

Where :

$$W = \alpha_0 + \alpha_1 Edu + \alpha_2 Trn + \alpha_3 Exp + \alpha_4 Age + \alpha_5 Sts + \alpha_6 Tme + \delta_1 P + \varepsilon_1$$
$$P = \beta_0 + \beta_1 Edu + \beta_2 Trn + \beta_3 Exp + \beta_4 Age + \beta_5 Sts + \beta_6 QWL + \gamma_1 W + \varepsilon_2$$

The method used to estimate the regression function in this study are Three Stages Least Square (3SLS). 3SLS is a method that is applied to all the equations contained in the model at the same time and provide assessments for all parameters simultaneously. The system is a system of simultaneous equations that explain the dependent variable together (Koutsoyiannis, 1977).

Problems identified in the model of simultaneous equations is important to be able to process parameter estimation and subsequent economic analysis. Problem identification means that the parameter estimates can be obtained from the structural equation coefficients estimated reduced form. To find a parallel derivative or form reduce the two equations must be solved simultaneously to find the value (Gujarati, 2003). Here are the results of reduced form of research :

$$W = \lambda_0 + \lambda_1 Edu + \lambda_2 Trn + \lambda_3 Exp + \lambda_4 Age + \lambda_5 Sts + \lambda_6 Tme + \lambda_7 QWL + \varepsilon_1$$
$$P = \mu_0 + \mu_1 Edu + \mu_2 Trn + \mu_3 Exp + \mu_4 Age + \mu_5 Sts + \mu_6 QWL + \mu_7 Tme + \varepsilon_2$$

Three Stages Least Squares (3SLS)

The method used to estimate the regression function in this research is using Three Stages Least Square (3SLS). Three Stages Least Square method is applied to all the equations contained in the model at the same time and provide assessments for all parameters simultaneously. This method was developed by Theil and Zellner as a continuation of Two Stages Least Square. In the system of equations that is really specific, then use 3 SLS method will be more efficient than 2 SLS. Condition equation that can be used for 2 and 3 SLS SLS is just identified (Baltagi, 2008).

Likert scale

Likert scale is used to measure the variables Quality of worklife (QWL) since this variable is the value of labor satisfaction over their working life. Likert scale is a scale used to measure attitudes, opinions, and perceptions of a person or group of people about events or social phenomena. The way the measurement is to confront a respondent with a statement and then asked to asked to answer five answer choices, where the value of the answers have values different answers. Variable Quality of worklife in the study awoke on 9 and 58 point statement dimension. With a rating scale values obtained can then look for the value of each of the questions asked in the 308 respondents.

Validity test

Validity test is used to determine the feasibility of the items in a list of questions to define a variable. Testing data validity test is done by correlating step between the scores have been obtained for each question (questionnaire) to correspondent with a total score.

Test Reliability

Reliability is a measure that shows that the measuring instruments used in the study behavioral have reliability as a measuring tool, the consistency of which is measured through the measurement results over time if the phenomenon being measured does not change (Harrison, 2006). Test reliability will be tested by using the technique of "Alpha Cronbach".

III. RESULTS AND DISCUSSION

Validity and reliability of results

Validity and reliability of the study was used to test the variable declaration item Quality of worklife (QWL). In QWL variables consisting of 58 items were awakened statement of 9 dimensions of QWL. In this study conducted twice validity and reliability. Having tested the validity of the first then obtained the numbers r count for each item. For reliability test results showed Cronbach Alpha value of 0.964 greater than 0.90 means perfect reliability and suggestions throughout the entire test items reliably and consistently internally because it has a strong reliability.

The results of the first test of validity, of the fifty-eight items were 55 items statement statement of values r> 0.25 means 55 item valid statement to measure the variables to be studied, but there are 3 statement item that has a value of r <0.25. For reliability test results of both Cronbach alpha values obtained for 0,965 greater than 0.90 means perfect reliability and suggestions

throughout the entire test items reliably and consistently internally because it has a strong reliability. And to the validity of the test results on fifty-five statements r values obtained for all of these greater than 0.25 which means that each statement is valid and can be point statement for the variables studied.

Likert Scale Variable Quality of worklife

One of the main goals of this study was to see whether labor 3-star hotel to five-star satisfied with Quality of Work Life (Quality of worklife) they are overall. The nine dimensions of Quality of worklife, namely (1) Health and Safety, (2) Economic and Family, (3) Social, (4) Choice, (5) Self-Actualization, (6) knowledge, (7) Creativity and Aesthetics, (8) Management and (9) Children. Of the nine dimensions of QWL the weight of the highest percentages of the dimensions of Health and Safety at 77.104 percent, to interpret these percentages through grains statement questionnaire it means that the workers were satisfied with the working environment is safe and clean, what we do not create stress and energy Employers have the opportunity to stay healthy and fit.

The next highest is the second dimension of Self Actualization of 74.249 per cent means that the workforce feel the work performed to his potential so they can channel their talents and skills. In addition, labor also felt that supervisors and management concerned with what the workers are doing, provide an opportunity for workers to perform the duties and responsibilities of a larger and were given the opportunity to give a fresh new ideas. The third dimension is the highest is Knowledge of 73.597 percent, which means the workforce feel offers educational programs and opportunities to learn new standards in an effort to improve corporate performance, workers also feel companies educate employees to be professional and better and help employees to learn job skills required.

The fourth dimension is the dimension of Choice amounted to 72.811 per cent means that the workforce feel valued at work either by employers, management and colleagues, workers feel valued based on their performance, help serve hotel guests to be satisfied with the service of the hotel where they work also be an achievement for workers the next labor was comfortable with the uniforms worn and feel appreciated for it.

The fifth dimension as the highest, Leisure Time dimension of 72.386 percent means that workers feel they have time for rest, recreation and sports in an effort to balance their working lives. The sixth dimension is the dimension of Creativity and Aesthetics of 70.276 percent which means the employment of a hotel feel working to encourage each person to express his creativity and design of workplace facilities are nice and lovely. Dimensions of the seven who were in the top 70 percent is the dimension of Social Affairs, with a weight of 72.273 percent means the employment find discount good friend at work, besides workforce also feel communication between colleagues is effective, there is a good relationship and a sense of unity among the workforce and labor can still have time to socialize with life outside of work.

There are two dimensions that weight percentage is below 70 percent of the dimensions of the percentage of 69.545 percent Management and Economic dimensions and friendly percentages 67.516 percent. This means that under labor were less satisfied with the standards and procedures set out in the management and space management democratic less wide open, manpower is also less satisfied with the given workload management.

Further to the economic dimension and family labor means less satisfied on aspects of their salary, workers feel their jobs are less flexible in order to make extra money, they also feel the hotel is less care about the welfare of labor economics. Besides labor also find the hotel where they work less attention to family life of employees, and find a place to work away from home and the location of their child's school.

Function approach Wages (W) were analyzed in this study is the wage asked directly to the respondents, while the independent variable is the Education (Edu), Training (Trn), experience (Exp), Age (Age), Employment Status (Sts), hours of Work (tme) and Productivity (P). Wages for the estimation models with 3 SLS where the coefficient of the equation is further expressed in the following equation:

$$W = -44{,}39199 + 1{,}097399\,Edu + 0{,}189580\,Trn + 0{,}038281\,Exp + 0{,}125008\,Age$$
$$(6{,}267482) \quad (0{,}191504) \quad (0{,}041840) \quad (0{,}011557) \quad (0{,}095839)$$
$$+ 0{,}16152\,Sts + 0{,}079154\,Tme + 0{,}391915\,P$$
$$(1{,}075443) \quad (0{,}020570) \quad (0{,}070904)$$
$$R^2 = 0{,}390493$$
$$\bar{R}^2 = 0{,}376271$$
$$F = 38{,}69648$$

Information :

() = Standard Deviation
W = Wages
Edu = Length of Education
Trn = Total Training
Exp = Total Experience
Age = Age
Sts = Employment Status, D = 1 workers remain, D = 0 contract or casual workers.
Tme = Working Time
P = Productivity

From the results of the estimation model estimation wage model with 3 SLS method, there are five variables are positive and significant effect on the variable salary is variable Education (Edu) positive effect amounting to 109.73 percent with a significance value of 0.0000 (less than 0.05), variable Training (Trn) positive effect of 18.95 percent with a significance value of 0.0000 (less than 0.05), variable experience (Exp), positive effect amounting to 3.82 per cent with a significance value of 0.0000 (more less than 0.05), variable Hours of Work (tme) positive effect amounting to 7.91 per cent with a significance value of 0.0001 (less than 0.05), and the variable Productivity (P) positive effect amounting to 39.19 per cent by value 0.0000 significance (less than 0.05).

Variable Education (Edu) positive and significant impact on wages means that the higher the education level, the higher wage rate. It stands to reason, because the level of education regarding the knowledge, insight and how one behaves, rising wages in accordance with the increase in the level of education is

an effort to reward academic achievement of a labor force, and thus the workforce will be eager to add to his knowledge.

Variable Training (Trn) positive and significant impact on wages means more frequency of training undertaken by the higher wage rate. This means the increase in the amount of training it will have an impact on increasing the amount of wages paid.

Variable experience (Exp) positive and significant impact on the wages of labor means that more and more experience, the higher the level of wages. This means that if the employee has more experience then wages must be increased. The effect of variable experience the coach is still low, there may be other factors that influence such a different hotel standard type of star that the work done is also different, as a result of this experience can not be applied to intact at the hotel where work now.

Variable Hours of Work (tme) positive and significant impact on wages means more hours of work, the greater the reward. This suggests that the more time devoted labor working in the field work, the more their contribution to the wages received any hotel will be in accordance with the time that has been poured out. However, the percentage of variable hours of work itself is relatively small, it is considered the result of other factors, such as hours of overtime work carried out by the labor force but such workers do not get overtime pay, but only get the basic wage.

Variable Productivity (P) positive and significant impact on wages means increasing labor productivity, it will increase the level of wages received. This is consistent with the theory and the results of previous studies that there is a strong relationship between wages and labor productivity, that positively affects the productivity of the wages received by workers.

Furthermore, from the results of model estimation method 3 SLS wages there are two variables that affect positive and not significant to the variable wage variables Age (Age) at 12.50 percent positive effect but not significant effect on wages with a significance value of 0.1926 (more greater than 0.05) means that increasing age has no effect on the wage increase.

Next is the variable Employment Status (Sts) of 16.15 percent positive effect but not significant effect on wages with a significance value of 0.8807 (greater than 0.05) means that the job status does not affect the wages received. This is due to the fact the research findings in the field said that the presence of the permanent status but have no impact on the increase in labor costs.

This condition can occur because the wage system in making labor with wages received permanent status tend to show a stable trend rather than increased, so despite long working period, the wages are not enough to increase. Variables Employment status (Sts) between permanent workers or casual contract is different from its effect on wages. Workers remained lower than the influence the contract or casual workers at 0.16152. From the regression equation obtained by the coefficient of determination (R2) that is equal to 0.390493 means that 39.0493 percent of the variation of the dependent variable determined by the independent variable.

R2 test is one test tool to see how big the overall variation of independent variables can explain the variation of the dependent variable. The estimation results of the model indicate that the adjusted R-square of 0.376271 percent, This means that the independent variables can explain the dependent variable of 37.62 percent, the remaining 62.38 percent is explained outside the model equations.

F value table used DF1) of k-1 = 8-1 = 7, while for (DF2) is nk = 308-7 = 301, criterion test (α = 5 percent), F (0,05) = (7 ; 400) = 2.03, while the value of F count = 38.69648. Thus F count larger than F table, it means H0 H1 accepted and rejected, which means that all independent variables simultaneously affect the dependent variable.

From the estimation method 3 SLS obtained t value for each independent variable, namely the partial count variable t Education (Edu) amounted to 5.730415, variable Training (Trn) of 4.531085, variable experience (Exp) amounted to 3.312367, Working Hours variables (tme) amounted to 3.848096 and variable Productivity (P) of 5.527415 is greater than t table 1.645, suggesting that H1 is accepted and H0 means independent variables significantly influence the dependent variable means variable Education (Edu), Training variables (Trn), experience (Exp), variable Hours of Work (tme) and variable Productivity (P) is partially significant effect on the variable wages (W). Meanwhile t value variable Age (Age) amounted to 1.304353 and variable Employment Status (Sts) of 0.15019 smaller than t table 1.960 means that H1 is rejected and H0 means the variable Age (Age) and variable Employment Status (Sts) partially no significant effect on variable wages (W).

Results Productivity Model Estimation Method with 3SLS

For the results of model estimation Productivity with 3 SLS value equation coefficients are then expressed in the following equation:

P = 76,43038 + 0,061928 Edu - 0,067989 Trn - 0,008538 Exp - 0,092955 Age

(4,223091) (0,173380) (0,036466) (0,010005) (0,081800)

+ 1,433338 Sts + 0,112203 QWL + 0,300163 W

(0,930104) (0,036880) (0,045347)

R^2 ***= 0,192164***

$\bar{R}^2$ ***= 0,173314***

F = 14,367651

Information :
() = Standard Deviation
P = Productivity
Edu = Length of Education
Trn = Total Training
Exp = Total Experience
Age = Age
Sts = Employment Status, D = 1 workers remain, D = 0 contract or casual workers.
QWL = Quality of worklife
W = Wages

From the estimation model of productivity with 3 SLS method there are two variables are positive and significant impact on productivity variable is the variable Quality of Work Life (QWL) positive effect amounting to 11.22 per cent with significant value 0.0024 (less than 0.10) and Wages variable (W)

positive effect amounting to 30.16 per cent with significant value 0.0000 (less than 0.10).

Variable Quality of Life Work (Quality of worklife) positive and significant effect on productivity means higher satisfaction scores of labor would work environment associated with 9 dimensions of QWL namely in terms of Health and Safety, Economic and Family, Social Choice, Self Actualization, Knowledge , Creativity and Aesthetics, Management and Leisure. then productivity will be greater.

Variable Wages (W) positive and significant impact on productivity means higher wage levels, the productivity will increase. It can be indicated that the main motivation tool to increase the productivity of labor is the wage increase. This is consistent with the theory and the results of previous studies that there is a strong relationship between wages and labor productivity, that reward positive effect on labor productivity.

Furthermore, from the results of model estimation productivity by 3 SLS method there are three variables did not significantly affect the productivity variable is the variable of Education (Edu) positive effect amounting to 6.19 percent but did not significantly affect the productivity with significant value 0.7211 (greater than 0, 05), variable experience (Exp) negative effect of (-0.85) per cent and do not significantly affect the productivity with a significance value of 0.3898 (greater than 0.05), the variable Age (Age) negative effect of (-9 , 29) percent and does not significantly affect the productivity with significant value 0.2563 (greater than 0.05) and variable Employment Status (Sts) amounted to 143.33 percent positive effect but not significant effect on productivity with significant value 0.1238 (greater than 0.05).

Variable Education (Edu) effect is positive but not significant effect on productivity means that with the addition of the level of education does not necessarily affect the increase in productivity. Variable experience (Exp) and no significant negative effect on productivity. Similarly, the Age (Age) and no significant negative effect on productivity. Variables Employment status (Sts) but not significant positive effect on the productivity of this means that although the status still does not yet necessarily improve labor productivity are increasingly improving their productivity. In contrast with the status of contract and casual or in other words, daily or weekly, it makes the workforce to increase its productivity in order to survive to keep working on the hotel.

Furthermore, from the results of model estimation productivity by 3 SLS method, there is one significant variable but the negative effect of variable experience (Exp) with significant value 0.0627 (less than 0.10) but has a negative effect (-6.79) percent. This is an important finding in this study because of the experience effect on productivity but its influence is inversely proportional to productivity. This means that if experience increased productivity decreases, or high productivity despite lacking experience. This could be caused by improper training areas of work and disrupt the work of the main labor.

R2 test is one test tool to see how big the overall variation of independent variables can explain the variation of the dependent variable. The estimation results of the model indicate that the adjusted R-square of 0.173314 percent, This means that the independent variables can explain the dependent variable of 17.33 percent, the remaining 82.67 percent is explained outside the model equations.

F value table used (DF1) of k-1 = 8-1 = 7, while for (DF2) is nk = 308-7 = 301, criterion test (α = 5 percent), F (0,05) = (7; 400) = 2.03, while the value of F count = 14.367651. Thus F count larger than F table, it means H0 H1 accepted and rejected, which means that all independent variables simultaneously significant effect on the dependent variable.

From the estimation model of productivity with 3 SLS method, then obtained t count for each independent variable, namely the partial count variable t Training (Trn) of -1.864430, variable Job status (Sts) of 1.541051, variable Quality of worklife (QWL) amounted to 3.042359 and variable wages (W) of 6.619220 is greater than t table 1.645, suggesting that H1 is accepted and H0 means independent variables significantly influence the dependent variable means variable Training (Trn), variable Employment Status (Sts), variable Quality of worklife (QWL), variable wages (W) partially significant effect on productivity variable (P).

Meanwhile the value of the variable t Education (Edu) amounted to 0.357180, variable experience (Exp) of -1.864430 and variable Age (Age) of -1.136371, smaller than 1.645 t table means and H0 rejected H1 accepted meaning variable Education (Edu), variable Training (Trn), variable experience (Exp) and variable Age (Age) partially no significant effect on productivity variable (P).

Analysis of Wage Model

Based on estimates wage model using 3 SLS, variable Education (Edu) positive and significant impact on wages means that the higher the level of education will be higher wage levels. It stands to reason, because the level of education regarding the knowledge, insight and how one behaves, rising wages in accordance with the increase in the level of education is an effort to reward academic achievement of a labor force, and thus the workforce will be eager to add to his knowledge. This study supports the results Polachek (2004), Tansel and Bircan (2004), Blunch (2008).

Further training variables (Trn) positive and significant impact on wages means more frequency of training that followed, it will increase the higher wage rate. This means the increase in the amount of training it will have an impact on increasing the amount of wages paid. This is consistent with research Polachek (2004), Elia (2010), Fleisher, Li and Zhao (2011).

Variable experience (Exp) positive and significant impact on wages means more experience, the higher wages. This means that if the employee has more experience then wages must be increased. Results of research related variables is consistent with research experience Dustmann (2003).

The results of this study related to the variables of education, training and experience in accordance with the theory of Human Capital refers to the process associated with training, education and initiatives other professionals in order to improve the level of knowledge, skills, abilities, values, and social assets of the employees who will lead satisfaction and employee performance, and ultimately on company performance (Becker, 1964).

Variable Hours of Work (tme) positive and significant impact on wages means more number of hours devoted the higher wages. This suggests that the more time devoted labor working in the field work, the more their contribution to the wages received any hotel will be in accordance with the time that has been poured out. The research result is consistent with the results of research and Melendez Figueroa (1993), Cataldi and Kampelmaan (2007).

Variable Productivity (P) positive and significant impact on wages means increasing productivity, the higher wages received by employees. This is consistent with the theory of productivity where there is a relationship between how much output is produced and how many inputs required to produce that output (Blocher, 2000). Increased productivity can be achieved by pressing the smallest all sorts of costs included in utilizing human resources (do the right thing) and increases the maximum output (do the right thing) (Rajashree, 2013). The results also support previous research Hellerstein (1999), Van Biesebroeck (2011), Bande (2004),
Cashell (2004) and Bernhard (2013).

Furthermore, from the results of model estimation method 3 SLS wages there are two variables that affect positive and not significant to the variable wage variables Age (Age) and variable Employment Status (Sts). Age did not have an impact on wage increases, these results are not consistent with research Ehreinberg and Smith (1988), Heckman (1976) and Anne (2008). From the results of observational studies that with increasing age does not necessarily add to the wages of labor, the company that hotel work place more priority to the skills and results of the work done by staff and did not make age as a basis for remuneration.

Variables Employment status (Sts) has no significant impact on wages, this is due to the fact the research findings in the field said that the permanent status but have no impact on the increase in labor costs. This can happen because the wage system in the hotel made labor with permanent status, the wages tend to show a stable trend rather than increased, so despite long working period, the wages are not enough to increase. These results are not in line with research conducted by Picchio (2006).

Model Analysis of Productivity

On the results of model estimation productivity by 3 SLS method there are two variables are positive and significant impact on productivity variable is the variable Quality of Work Life (QWL) and variable wages (W). Variable Quality of Life Working positive and significant impact on productivity means higher satisfaction scores of labor would work environment associated with 9 dimensions of QWL namely in terms of Health and Safety, Economic and Family, Social Choice, Self Actualization, Knowledge, Creativity and Aesthetics, management and Leisure. then productivity will be greater. The results support the Walton (1975) about the QWL is defined as a balance between the desire or interest in working with corporate social responsibility. Robbins argued that QWL is a process by which an organization reacts to the needs of employees through the development of decision-making mechanism that allows employees to fully participate in designing their lives in the workplace. Furthermore, QWL organizations to improve productivity.

The results of this study are also consistent with the results of research Pilatti (2014) Santercole (1993), (French, 1990), Luthans (1995), Lau and May (1998), Jewell and Siegall (1998) Kondalkar (2009) and Rosa Naude (2010), which states that the QWL intense effect on labor productivity. Quality of worklife related to the high level of satisfaction of individuals who enjoy forms of work organization. QWL express respect for other human beings in their work environment. Thus the important role of the Quality of worklife is changing the organizational climate to be technically and humanely. Quality of worklife as feelings of employees towards work, relatives and organizations that lead to the growth and profitability of the organization. Feeling good about his work means employees feel happy to do the work that will lead to a productive work environment.

Furthermore, variable wages (W) positive and significant impact on productivity means higher wage levels, the productivity will increase. It can be indicated that the main motivation tool to increase the productivity of labor is the wage increase. Wages are high then people will feel fulfilled to meet their needs so that he can devote his concentration on his work and the results can be as expected. The results also support previous research Hellerstein (1999), Van Biesebroeck (2011), Bande (2004), Cashell (2004) and Bernhard (2013). Furthermore, from the results of model estimation productivity by 3 SLS method, there are four variables did not significantly affect the productivity variable is the variable of Education (Edu), variable experience (Exp), variable Age (Age) and variable Employment Status (Sts). Variable Education (Edu) effect is positive but not significant effect on productivity means that with the addition of the level of education does not necessarily affect the increase in productivity. This is not in line with the results Becker (1993). Variable experience (Exp) and no significant negative effect on productivity. The results of this study are not aligned with the research results Blanchard (2004), Fagbenle (2012), Brown (1989) and Acemoglu (1998) which states that work experience is reflected in the workers who have the ability to work in other places before. The more the experience acquired by a worker will make getting trained and skilled workers to do the job. This is one of the research findings, that in Palembang, workers who work in the hospitality sector, education and work experience factors had no significant impact on the productivity of labor. Education and work experience is considered merely a kind of administrative requirements (diploma and certificate) in wage increases, but not necessarily both of these factors increase the productivity. Implying that education has been reached by prospective workers must also be provided with training to improve their skills so that when entering the labor market, with an educational background which is owned also have special skills in the hospitality field. Another variable is Age (Age) and no significant negative effect on productivity. It is indicated that if the age increases, the ability to be on the wane with age will be reduced agility. In another study age is an approximation of the experience. Variables Employment status (Sts) positive effect but not significant productivity this means that although the status still does not make the workforce more and increase their productivity, but rather labor contract status and casual or in other words, daily or weekly, to make power the work does not have to remain at the hotel guarantee of employment, so that productivity will be

higher and showed a higher performance than workers with permanent status. This is not consistent with the results of research Ward (2001) and Wiens (2002).

Furthermore, from the results of model estimation productivity by 3 SLS method, there is one significant variable but the negative effect of variable Training (Trn). This is a finding in the study because the training effect on productivity but its influence is inversely proportional to productivity. This means that if the training increases productivity decreases, or high productivity despite less training. From the results of this research could deepen allegedly caused by improper training of field work and disrupt the timing of the main work of the labor force. So despite the substantial training but have no impact on hospitality services. Besides result of deepening through interviews with a sample of research, there is boredom experienced by workers who have worked long enough in the hotel, the training routine followed in the end it actually does not add to their productivity while also wages received by workers who had long work, did not experience a significant increase, so although equipped with increased knowledge and new skills, but not accompanied by wage increases, then it will positively impact the productivity of the labor force.

The results of this study differ from previous studies Lynch (1994) investigated the relationship between the training of new employees and their productivity, training costs, wages, and turnover for the company. The findings of this study support the findings actually Menon (2010) where the research results stated that the respondents do not consider education and training become key factors that affect productivity and more importantly is its own individual characteristics.

Based on estimates, cross tabulation and results of observational studies allegedly the main factors that have a negative effect on the education and training on productivity in the workplace include the quality of the work environment, organizational structure and processes, assignment of workers in places that are not in accordance with their qualifications and the lack of incentives such as money service, payroll system that does not increase even though the old work and the status of such workers as permanent employees. It also received training materials do not necessarily correspond with the areas of work that was involved, so that despite the training, but productivity is still low. Another factor is the technique of delivering the training material should also be improved in order to create understanding in accordance with expectations of the training. These findings have important policy implications that need for measures to enhance the positive effects of training on productivity. It seems that there is a closer relationship between education and training needs in the labor market. In addition to providing students with theoretical knowledge, educational institutions must provide students with skills and knowledge. Overall, the findings of this study indicate that the positive effects of training on productivity will be greater in organizations that are willing to invest in a supportive working environment. At the same time, workers also have to invest in improving their skills. In line with this hotel must consider salary increases in long-term employees working at the hotel, because although the amount of training given quite a lot and done regularly, if not accompanied by an increase in welfare is certainly not going to improve the productivity of the workforce, mainly to department house keeping and food and beverage service and wages earned are comparatively lower than other departments whereas this department is spearheading hospitality services, which services they are doing will be felt directly by consumers.

IV. CONCLUSION

Based on the issues and objectives of the study, and are associated with the analysis of the results of research and discussion, it can be concluded as follows:

1. Variable Education, Training, Experience, Hours of Work and Productivity is significantly positive effect on the variable rate of wages. Variables Age and Employment Status does not significantly effect on the variable rate of wage employment in the hospitality industry in the city of Palembang.
2. Variable Quality of Work Life (Quality of worklife) and Wage Rates significant positive effect on the variable Productivity. Variable education, experience, age and job status did not significantly affect labor productivity in the hospitality industry in the city of Palembang. While the training variables significantly affect productivity but negative effect relationship.

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