

# Strategy to Optimize the Compensation System and Performance Allowances Within the National Police

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## Abstract

The application of the principle of justice in providing compensation in the National Police is an interesting thing to discuss. With the enactment of the new ASN Law, which in detail explains the rights of civil servants and PPPK to support the transformation of employee welfare, of course, this is a challenge for the National Police in promoting a better compensation system that implements and prioritizes the Principle of Justice. With this method, it is expected to provide a comprehensive and comprehensive picture related to the system of providing compensation and performance allowances within the National Police. The results showed that remuneration was considered unable to appreciate the expertise of members in carrying out their daily duties. Some members with certain skills, that other members do not have, are not distinguished, so they are given the same reciprocity. In addition, in some cases, the calculation of remuneration is more emphasized on administrative aspects, such as absenteeism, without taking into account more deeply the performance and achievements carried out by each personnel every day The National Police is expected to have strategic steps in optimizing the compensation system for all its personnel, by paying attention to and evaluating the compensation system both in the form of improving the performance management system and evaluation of existing positions in the National Police agency. This is certainly a positive step in reforming the compensation system that has been imposed by the National Police.

**Keywords:** *Compensation, Performance Allowance, Strategy, Police HR Management, Internal Justice, External Justice.*



## A. INTRODUCTION

On October 3, 2023, the ASN Bill was enacted into a new ASN Law by the House of Representatives (DPR). This is certainly a strategic step by the government in transforming the management of civil servants (Fauzia et al., 2021). Quoting on the PANRB website, as many as seven clusters are the focus of the revision of the ASN Law consisting of strengthening the merit system; planning the needs of civil servants; fulfilling the welfare of civil servants; adjusting civil servants as a result of streamlining the organization; structuring honorary personnel; digitizing ASN management; and civil servants in executive, legislative and judicial institutions.

In the regulation, focusing on the important points of fulfilling the welfare of civil servants and PPPK, there are changes in the rights component of ASN and PPPK, consisting of income based on awards and recognition, awards based on motivation, benefits and social security facilities, work environment, self-development and legal assistance.

The definition of welfare itself is contained in the ILO (International Labour Organization) Convention, which includes services, facilities, and amenities to enable employees to perform their work. The convention further clarifies that wages include ordinary, principal, minimum wages or salaries and any additional income whatsoever in cash or kind to employees in connection with the employee's work. In principle, the provision of salary under the work done (equal pay for equal work).

The National Police of the Republic of Indonesia (Polri) as an organization in the public sector cannot be separated from the fulfillment of the internal welfare of its members. The fulfillment of the rights of members of the National Police refers to Government Regulation Number 17 of 2019 concerning the Twelfth Amendment to Government Regulation Number 29 of 2001 concerning Salary Regulations for Members of the National Police of the Republic of Indonesia. Meanwhile, the provision of allowances and others is regulated in Presidential Regulation Number 103 of 2018, Perkap Number 7 of 2020 (concerning the provision of performance allowances within the National Police), and PP Number 42 of 2010 concerning the rights of members of the National Police.

Based on Presidential Regulation Number 103 of 2018 concerning Employee Performance Allowances within the National Police of the Republic of Indonesia and Regulation of the Chief of the National Police of the Republic of Indonesia concerning Procedures for Providing Performance Allowances for Employees within the National Police, performance allowances are given to employees who work fully by calculating employee performance based on the results of performance appraisals. The performance appraisal in the National Police itself is the Performance Management System (SMK). Job Performance Assessment (PPK) for civil servants, and user kasatker for other employees.

The polemic over the provision of compensation in terms of emphasizing the principle of justice (equity) is still a debate for every circle. There is an opinion that the compensation system applied for Civil Servants (PNS) is still far from being expected. The pattern of compensation still determines the same basic salary for civil servants who have the same rank. Compensation in Human Resource Management (HRM) is an important thing that cannot be separated. The compensation system greatly affects the performance of the organization itself and individual employees, the implementation of a good system will increase employee motivation and work performance. Therefore, a fair and decent compensation system is needed in an organization or institution.

The above problem is relevant to research conducted by (Munte, 2017) which states that Remuneration is considered unable to appreciate the expertise of members in carrying out their daily duties. Some members with certain skills, that other members do not have, are not distinguished from other members, so they are given the same reciprocity. In addition, in some cases, the calculation of remuneration emphasizes more on administrative aspects, such as absenteeism, without taking into account more deeply the performance and achievements carried out by each apparatus every day (Gozali, 2023). Employees who produce more performance on

that day are equated with employees who are less productive in performance. (Ferdiyono & Santoso, 2018) suggest that the remuneration system must be applied fairly. The National Police must consider the amount of remuneration based on the responsibilities received by members of the National Police, to improve the performance of members. This is because there are still members with the same rank level, but have heavier responsibilities and get the same amount of remuneration.

The application of the principle of justice in providing compensation in the National Police is an interesting thing to discuss. With the enactment of the new ASN Law, which explains in detail the rights of civil servants and PPPK to support the transformation of employee welfare, of course, this is a challenge for the National Police in promoting a better compensation system that implements and prioritizes the principle of justice.

The National Police is expected to take strategic steps in optimizing the compensation system for all its personnel, by paying attention to and evaluating the compensation system, both in the form of improving the performance management system and evaluating existing positions in the National Police agency. This is certainly a positive step in reforming the compensation system that has been imposed by the National Police.

Some of the results of previous studies used in the study entitled "Strategy for Optimizing the Compensation and Performance Benefits System in the Police Environment", were used to find out what various problems had been studied before so that researchers could avoid the risk of repeating the same study without making a significant contribution to the scientific literature, which could further help avoid redundancy in this study. In addition, the results of these past studies are used to compare and analyze new research findings, which can then be used to identify patterns or trends that may exist in the literature. The results of previous research can also provide a deeper understanding of the research topic and its context, which can help researchers interpret the results of this research better. By looking at the usefulness of the results of this previous research, the following are explained some of the research results studied in this study, including:

The results of research by (Nurhuda et al., 2021) entitled "The Effect of Remuneration on the Performance of Police Members at the Bareleng Police Intelligence Unit.". This study aims to determine how much influence performance allowances or gratuities have on the performance of 41 members of the Bareleng Police Station. Based on the results of research and analysis that have been presented in the discussion, it can be concluded that the Performance Allowance variable has a considerable influence on job loyalty. This shows that the higher the performance allowance, the greater the increase in job loyalty, although the importance of task suitability and job hazards must still be considered.

The results of Rinaldi's research, (Yusuf & Al Arif, 2015) entitled "Analysis of Kerinci Police Performance Allowances". The purpose of this study was to find out how the Police Performance Allowance in the Kerinci Resort Police. The success of an organization can be achieved by developing human resources, such as strengthening

work systems and adopting planned, methodical, continuous, and coordinated efforts to improve employee services. To regulate employee actions, the division of labor must be carried out effectively, by placing each employee according to his experience and ability, to assist employees in carrying out their responsibilities consistently.

The results of (Gustika, 2013) entitled "The Effect of Remuneration on the Performance of Pasaman Police Members (Case Study of Police Members with the rank of BRIPDA S/D BRIPKA). With a sample of 50 people, the problem examined in this study is how much influence the provision of remuneration has on the performance of some Pasaman police stations. The purpose of this study is to assess whether the provision of remuneration has an effect or not on performance. From the results of the study, the provision of remuneration has a significant effect on the performance of Pasaman Police members, meaning that every increase in remuneration will improve the performance of Pasaman Police members.

Based on the above problems raised by the author, research questions can be formulated by focusing on the system of implementing Compensation and Performance Allowances in the National Police Agency by prioritizing the principle of justice and paying attention to the performance aspects of each Police personnel. The purpose of this study is to analyze the implementation of Performance Compensation and Allowance in the National Police Institution, determine the factors that influence the implementation of Performance Compensation and Allowance in the National Police Institution, and determine the optimization strategy for the provision of Compensation and Performance Allowance for Police personnel.

## **B. METHODS**

This paper uses analytical descriptive methods by being carried out through literature studies. The literature used is sourced from books and journals that have relevance related to the problems raised by the author. In addition, literature related to internal regulations of the National Police that discusses the system of Compensation and Performance Allowances is the source used by the author in this paper. With this method, it is expected to provide a comprehensive and comprehensive picture related to the system of providing compensation and performance allowances within the National Police.

In this paper, we will discuss the extent of the implementation of compensation and performance allowances within the National Police. The author will analyze whether the compensation system and performance allowances have met the words fair and decent for National Police personnel so far. By knowing this, strategic steps will be formulated to optimize the provision of compensation and performance allowances in the National Police institution in the future by referring to the theories and concepts that are referenced by the author.

## C. RESULTS AND DISCUSSION

### 1. Compensation Management

In today's globalized world, for an organization to have a competitive advantage over its competitors, there must be a robust compensation strategy to attract and motivate people to join the company. It should also reduce the employee turnover rate (Kaihatu, 2016).

Compensation management is one of the sub-sections in the human resource management approach in terms of managing employees to support the achievement of the Company's strategy and the development of positive working relationships and psychological contracts, to overcome problems related to how employees should be appreciated related to their work achievements (Ilahi & Widowaty, 2021) (Catio, 2020)

Compensation management means putting in place a fair compensation structure where employees are rewarded for their efforts (Sianturi & Pramukty, 2023). This serves as a source of encouragement for high-achieving and well-performing employees to try harder and work harder so that together they can help build a strong and highly competitive atmosphere within the organization. (NGOZI, 2022)

(Springer, 2011) list the main characteristics of compensation as follows:

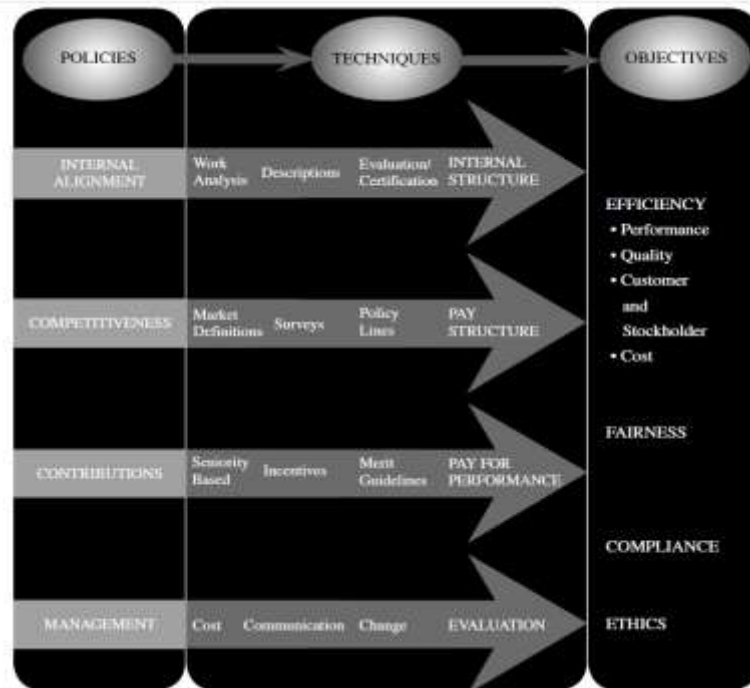
- a. Improve the improvement of individual and organizational performance.
- b. Drive value-added performance.
- c. Provide room for flexibility by helping to achieve the most efficient wages for human resources within the organization.
- d. Provide a support base for managers.
- e. Facilitate the strategic objectives of the organization.
- f. Motivate employees.
- g. Make the labor market more competitive by attracting and retaining highly skilled and qualified people.
- h. Make room for fair play and equality.
- i. Offers value for money.
- j. Encourage teamwork

There are various forms of compensation and almost all of these forms of compensation can be categorized into four broad types (Brumberger & Lauer, 2015). The four types are:

- a. Wages and Salary: Wages are paid to non-permanent employees and are usually based on an hourly compensation rate (the more hours worked, the higher the pay), while salaries are paid to permanent employees and are based on a fixed weekly, monthly, or annual rate of pay.
- b. Incentive Plans: These are additional remuneration paid in addition to the employee's regular wage or salary. These programs can be long-term or short-term.
- c. Employee Benefit Programmes: Employee benefit packages include paid leave, pension plans, reimbursement of Education expenses, recreational activities, and cafeteria services.
- d. Additional Privileges: Employees in the organization may be entitled to

additional benefits such as the use of Company vehicles/cars, club membership, or travel allowances. These benefits can represent a significant portion of salary, especially for executives.

In compensation management, a pay model is needed so that the compensation system can run well. Compensation and benefits models help managers to formulate and understand compensation systems for their employees in a structured manner. This model consists of three main components, namely the purpose of the compensation model, the basis of a policy, and the technique that connects the policy to the goal (Suaib et al., 2022)



**Gambar 1. Model Pay Compensation**

Source: Milkovich et al., (2011: 18-23)

The payroll model developed by Milkovich and Newman provides a structured approach to organizing a payroll system. The model consists of three parts: the objectives of the remuneration model, the policies underlying the structure, and the methodology that links the policies to the objectives. The remuneration system must be competitive enough and aim to comply with laws and regulations. There are all kinds of compensation. A complete remuneration plan includes a base salary, commissions, bonuses, and additional benefits.

To meet diverse goals, companies must consider several basic factors when developing compensation systems, such as employee health, job title, performance, and talent. This study explores the creation of compensation systems based on three criteria, as proposed by (KANG, 2023): job-based wages, performance-based wages, and skill-based wages. These three elements are described below.:

- a. Job-based pay: The value of remuneration is determined by the Company based on employment. Internal equality, quality of work, level of difficulty, and responsibility are parameters of salary design. The equity theory of

organizational behavior, which focuses on internal equity, serves as the theoretical foundation for job-based pay. Employees will compare their contributions and rewards with those of other employees to equalize the gap, according to equity theory (Wonua et al., 2023)

- b. Skill-based pay: An employee's ability is used to determine remuneration, also known as knowledge-based pay. This means that employees get different compensation based on their talents, education, and abilities. Managers have placed high importance on skill-based salaries in recent years.
- c. Performance-based pay: Performance-based pay is a flexible compensation system that takes into account equality and varying individual expectations and provides appropriate rewards for work completed. Although this design increases the Company's costs, the advantages far exceed the costs. Employees will work harder and be more loyal to the organization if their needs are recognized and their learning motivation increases. As a result, the bond between employer and employee will be stronger.

## 2. Equity Theory

Employee fairness and human resource compensation strategy can also be referred to as salary fairness, which is based on the company's organizational commitment. In an enterprise, various measures and methods are carried out to improve the fairness of human resource compensation according to the work behavior and attitude of employees, and the commitment and organizational structure are investigated and studied according to the sense of fairness of employees, different human resource compensation methods are evaluated according to the company's internal work stage, and the organization's commitment is cited to deepen the human resource compensation appraisal system. And to understand and effectively evaluate employees' sense of fairness. (Liu, 2020)

The theoretical approaches used as a reference in determining a manager's compensation theory are equity theory and neoclassical labor market theory. Understanding equity theory in practice seen from the point of view of managers according to (Kuranchie-Mensah & Amponsah-Tawiah, 2016) is equity theory positing that employees assess the benefits they receive from employers by comparing them both inside and outside the company.

Justice will not happen by itself, but some conditions require the achievement of justice. According to (Sirait, 2021), conditions of fairness are achieved when an employee feels that the rate of return on his investment has an equivalent relationship with the rate of return on investment of other employees. (Suhartini, 2023) stated that the theory of justice proposes three types of equity that managers can consider in assessing the return of their employment relationships, namely:

- a. Individual equity is achieved when employees perceive that an employer rewards individual employees according to individual variations in productivity, length of service, and/or work effort recognized through unique individual wage rates;

- b. Internal equity, in which employees perceive that employers value job positions within the organization appropriately (e.g., setting wage rates for positions within the organization). It is most often associated with various assignments to specific job categories;
- c. External equity is achieved when employees are perceived to be proportional to the external market rate applicable to their work

The three theories of justice proposed by Wallace & Fay provide clues that compensation can be viewed from the perspective of the individual, and the internal and external environment of the organization. These three perspectives are the focus of the manager's attention in considering the type of compensation to be provided by management.

### **3. Compensation in Human Resource Management**

Human resources are considered the most important investment and determine the future direction of the organization. Human Resources are considered valuable resources for a company and thus contribute to improving its performance. According to (Peráček, 2020), "one of the most important prerequisites for success is human resources and their motivation to work", and wages are one of the most effective drivers of human resources in companies.

The steps to having the best employees are developing and implementing a strategic human resource plan, figuring out personnel needs, recruiting employees and selecting the right employees, training, evaluating through performance appraisals, and of course motivating to ensure employee retention. Another important step is to offer a Compensation and Benefits Package (Portolese, 2018).

According to (Dessler, 2020), employee compensation and benefits include all forms of payment provided to employees and arising from their jobs, in addition to regular wages or salaries. This compensation and benefits consist of direct financial payments (13th salary, bonuses, profit sharing, etc.) and indirect financial payments (health coverage, health insurance, paid vacation, etc.). According to (DS, 2017), allowances are classified into three categories. The former is not taxable for personal use and includes health insurance, company-sponsored lunches, and others. The second and third categories are taxable. In the second category are benefits such as life insurance, which can be offered by the employer at a low cost, due to the presence of rebates, while the third category consists of paid leave. (Shtembari et al., 2022), as stated in (Peráček, 2020), use the term 'remuneration' which according to them means not only salary or other cash remuneration, but also other forms of indirect compensation for employees for the work they do. It also includes formal recognition, promotion, and employment benefits provided by employers to employees, not dependent on their employment, but derived from employment relationships within the organization.

**Table 1. Compensation & Human Resource Management**

Human Resource Management	Compensation & Benefit Principle
Recruitment & Selection	1. Attracting Applicants 2. Retaining employees
Performance Appraisal System	1. Merit Pay Principle 2. Pay For Performance
Training	Increase compensation and benefits with skill development (Pay for skill)
Career Coaching	An employee's career shows the compensation and benefits obtained
Employment Relations	Creating a good cooperation agreement between each element in the organization
Policy & Legislation	1. Some rules still govern the provision of compensation and benefits 2. Compensation and benefit evaluation and monitoring system
Termination	1. Compensation system and benefits of retired employees 2. Retirement preparation program

Source: Processed by the author from various sources

#### 4. Application of Compensation in POLRI Institutions and Influencing Factors

One form of appreciation and recompense for the services of an organization or agency to its employees for the implementation of obligations that have been entrusted to employees is to provide remuneration. This also applies to police agencies, where remuneration is given to police members for their performance. The remuneration given to employees employed by the Indonesian National Police will be able to improve their performance in serving the community. It is expected that the development of remuneration policies for employees employed by the National Police of the Republic of Indonesia based on workload, responsibility, and performance can minimize abuse of authority such as corruption, collusion, and nepotism.

The fulfillment of the rights of members of the National Police refers to Government Regulation Number 17 of 2019 concerning the Twelfth Amendment to Government Regulation Number 29 of 2001 concerning Salary Regulations for Members of the National Police of the Republic of Indonesia. Meanwhile, the provision of allowances and others is regulated in Presidential Regulation Number 103 of 2018, Perkap Number 7 of 2020 (concerning the provision of performance allowances within the National Police), and PP Number 42 of 2010 concerning the rights of members of the National Police.

**Table 2. List of Compensation of Police Members**

Compensation of Members of the National Police	
Basic salary	<ol style="list-style-type: none"> <li>1. Group (Rank)</li> <li>2. Group Working Period (Mkg)</li> </ol>
Allowances	<ol style="list-style-type: none"> <li>1. Position Allowance</li> <li>2. Family Allowance</li> <li>3. Side Dish Allowance</li> <li>4. Rice Allowance</li> <li>5. Other Benefits</li> <li>6. Performance Allowance</li> <li>7. THR</li> <li>8. Other Benefits</li> </ol>
Facilities	<ol style="list-style-type: none"> <li>1. Work Facilities</li> <li>2. Official House/Dormitory/Mess</li> <li>3. Transportation</li> <li>4. Kapor (Police Individual Equipment)</li> </ol>
Guarantee	<ol style="list-style-type: none"> <li>1. Pension Security</li> <li>2. Old Age Guarantee</li> </ol>
Protection	<ol style="list-style-type: none"> <li>1. Health Insurance / Services</li> <li>2. Work Accident Insurance</li> <li>3. Death Guarantee</li> <li>4. Legal Assistance and Security Protection</li> </ol>
Appreciation	<ol style="list-style-type: none"> <li>1. Honors</li> <li>2. Special Promotion</li> </ol>
Other Compensation	<ol style="list-style-type: none"> <li>1. Leave</li> <li>2. MPP</li> <li>3. Service Funeral</li> <li>4. Funeral Money</li> <li>5. Spiritual, mental, and traditional constructions</li> <li>6. 13th Salary</li> </ol>

Source: Processed by the author from various sources

The master salary is paid on the first working day of the month concerned unless otherwise stipulated by laws and regulations. The first salary of members is determined in the decision on the appointment, payroll, and placement of members of the National Police. The salary of the CPNS Polri is paid after the person concerned is declared to have carried out his duties based on a statement letter of carrying out duties (SPMT).

Based on Presidential Regulation Number 103 of 2018 concerning Employee Performance Allowances within the National Police of the Republic of Indonesia and Regulation of the Chief of the National Police of the Republic of Indonesia concerning Procedures for Providing Performance Allowances for Employees within the National Police, performance allowances are given to employees who work fully by calculating

employee performance based on the results of performance appraisals. The performance appraisal consists of a Performance Management System (SMK) for members of the National Police, a Work Performance Assessment (PPK) for civil servants, and a user Kasatker for other employees.

**Figure 2. Table List of Employee Performance Allowances within the National Police of the Republic of Indonesia**

No.	KELAS JABATAN	TUNJANGAN KINERJA PER KELAS JABATAN
1	2	3
1.	Wakapolri	Rp. 34.902.000,00
2.	17	Rp. 29.085.000,00
3.	16	Rp. 20.695.000,00
4.	15	Rp. 14.721.000,00
5.	14	Rp. 11.670.000,00
6.	13	Rp. 8.562.000,00
7.	12	Rp. 7.271.000,00
8.	11	Rp. 5.183.000,00
9.	10	Rp. 4.551.000,00
10.	9	Rp. 3.781.000,00
11.	8	Rp. 3.319.000,00
12.	7	Rp. 2.928.000,00
13.	6	Rp. 2.702.000,00
14.	5	Rp. 2.493.000,00
15.	4	Rp. 2.350.000,00
16.	3	Rp. 2.216.000,00
17.	2	Rp. 2.089.000,00
18.	1	Rp. 1.968.000,00

Source: Annex to Presidential Regulation Number 103 of 2018

The performance allowance payment system in the National Police institution is based on the Regulation of the Chief of Police Number 13 of 2015. According to Article 3, the amount of performance allowance index is given based on position class by considering rank/class, echelon/position, and position. Furthermore, Article 8 states that the payment of performance allowances for employees within the National Police who do not meet working days and hours will be reduced. Employee performance appraisals should have an impact on tax home pay or the amount of the performance allowance payment index, both in the form of salary and benefits. According to the assessment category, individuals who perform well will have different experiences from those who are medium achievers. It also changes according to the amount and quality of work completed.

Referring to the list of compensation for police members above, of course, these components have been fulfilled and include the welfare of police members. However, in its implementation, there are still many obstacles faced in the application of compensation and benefits to members of the National Police. If we detail, then these obstacles are as follows:

- a. Some members with certain skills, that other members do not have, are not distinguished from other members, so they are given the same reciprocity
- b. The calculation of remuneration emphasizes more on administrative aspects, such as absenteeism, without taking into account more deeply the performance and achievements carried out by each member every day
- c. There are still members of the same rank who have greater responsibilities and

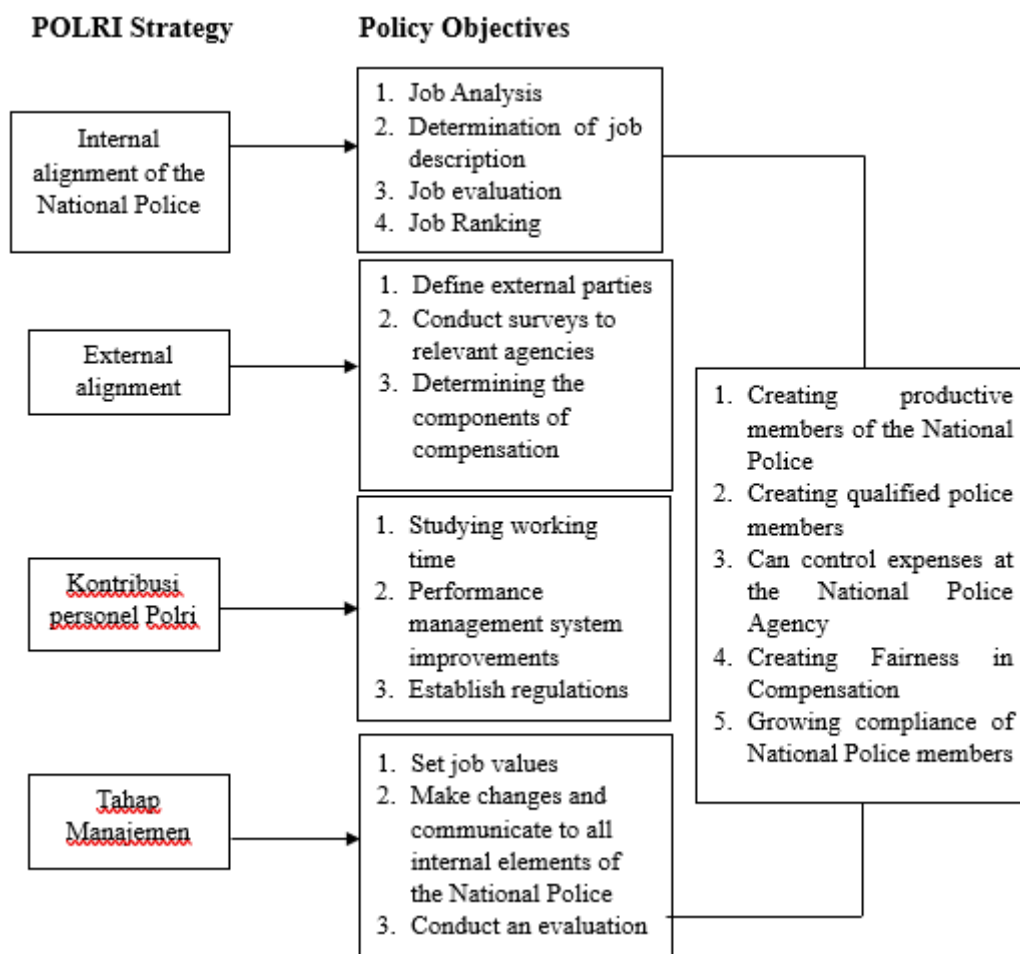
- are paid the same amount.
- d. The implementation of the salaries and allowances of police members has now been carried out well, but in terms of providing orphans, orphans, warakauri/widowers and parental allowances for police members are still not well socialized.
  - e. Police personnel entering retirement do not have a picture of activities/work after retirement
  - f. Health services (periodic health checks) are currently still limited and cannot serve most police personnel, especially periodic health services which are only able to serve 30% of police members
  - g. Mourning money for the families of police personnel who died / died / died while on duty has not been well socialized

## **5. Strategy for Optimizing Compensation and Benefits in National Police Institutions**

The application of compensation within the National Police is one of the human resource management practices that must be carried out with a well-structured system and produce a positive impact on members themselves and the organization. The still finding obstacles in the application of compensation within the National Police requires internal institutions to have solutions to solving these problems. A design or scheme for the application of compensation and benefits is needed that answers every problem to reform the National Police institution. The design of the compensation system must adjust to the environmental conditions of the National Police internally and externally and of course under the needs and current conditions of the National Police.

Because the National Police is part of the government, efforts to improve the welfare of Polri members are a very basic need in the context of bureaucratic reform in the National Police, considering that this is closely related to the mission of changing the culture of the National Police (cultural reform). With the new remuneration structure, every member of the National Police must have high endurance not to collude. To be able to carry out their duties and activities as well as possible, members of the National Police must perform well to provide good work results for the institution. Members of the National Police can increase their monthly compensation by showing good performance. It is estimated that by providing remuneration, members of the National Police will be more motivated. (Munte, 2017)

Based on the theoretical basis discussed above, the application of the pay model conceptualized by (Skinner & Zare-Behtash, 2018) is considered to be an analytical knife in designing strategies to optimize the application of compensation and benefits in the National Police.



**Figure 2. Compensation System Optimization Strategy in the National Police Environment**

Source: Processed by the author from various sources

By adopting the pay model from (Suaib et al., 2022), the National Police can take strategic steps in optimizing and improving the provision of compensation and benefits within the National Police. The main components that need to be considered by the National Police are setting strategies, and determining policies and goals to be achieved. If we further analyze Figure 2 then the explanation is as follows:

- a. In internal alignment, the steps that can be taken by the National Police are by analyzing and evaluating positions in the National Police institution. The National Police in this case can form a special team for the job evaluation acceleration program. Then the preparation of position grades in the internal Police is carried out and the results of the position evaluation are used to formulate position grades and the amount of compensation and benefits for members of the National Police. The formulation used then continues to unite with the existing system in the internal police related to the performance appraisal system, class and length of service, and competence of police personnel. The acceleration of bureaucratic reform in the National Police institution is about a more effective human resource management system in the human resource cycle starting from recruitment to termination of Polri

members.

- b. External alignment that can be done by the National Police is by paying attention to the development of the public and private sectors globally, not only domestically but also abroad. Economic dynamics in the national and international scope as well as technological developments and scientific advances are components that need to be considered by the National Police. The National Police must be able to build cooperation with relevant stakeholders in the formulation of compensation and benefits policies. Compensation system survey activities in other institutions are also a strategic step as a reference from the National Police in determining Compensation and Benefits policies within the National Police. The National Police must also pay attention to the salary level policy by assessing the price policy of each job to determine compensation that applies the principle of fairness
- c. Regarding the contribution of police personnel, the thing that needs to be done is to evaluate the service period of police personnel. This is necessary because it reflects the loyalty of the members of the National Police themselves in their work. Length of service is closely related to class and Periodic Salary Increase (KGB). The improvement of the National Police performance management system must also be reviewed by applying the principle of strengthening the Merit System so that the principle of justice is fulfilled in determining compensation and benefit policies in the National Police Institution. Regulations related to compensation and benefit policies need to be reviewed, this is necessary so that there is a permanent legal basis that can be guided by all National Police personnel and the Compensation Provision system is socialized evenly to all Police Personnel.
- d. In the management stage, it is necessary to determine the value of the position after a series of job evaluations carried out. The new compensation system must also be socialized to all personnel so that changes to the compensation system can be felt benefits for individual personnel and organizations.

The implementation of the above strategy certainly has the aim of creating superior Police Human Resources by improving the system of providing Compensation and Benefits in the National Police Institution. The application of the principle of justice in providing compensation is expected to be realized so that there is an appreciation for members of the National Police who have high performance that has a positive impact on the organization. With the establishment of a compensation system that prioritizes the principle of justice, there is certainly no jealousy between members of the National Police, of course, if there is no evaluation or improvement of the compensation system in the National Police will have an impact on the motivation and decreased performance of the National Police personnel. Good compensation will certainly foster the obedience of the National Police personnel themselves in carrying out orders or duties from superiors in each stake.

The implementation of an improved compensation system and the granting of rights to members of the National Police will certainly avoid violations of the code of

ethics related to KKN (Corruption, Collusion, and Nepotism). The fulfillment of the welfare of Polri members from the beginning of inauguration until retirement, will provide comfort for Polri members in carrying out their daily duties.

#### D. CONCLUSIONS

Based on the explanation above, it can be concluded that the strategy of optimizing the application of compensation in the National Police Institution requires changes and improvements in several aspects. Currently, the compensation system in the National Police still has non-optimization and does not fully comply with the principles of justice. This includes a lack of attention to factors such as job performance, length of service, job level, job weight, and education level in determining compensation. In addition, the difference in the cost of living between jurisdictions of members of the National Police is still a problem. The application of merit pay needs to be increased to increase the productivity of police members. Welfare improvement programs for members of the National Police need to be evaluated periodically, and new programs may be needed, especially related to retirement preparation for retired members.

For improvement, it was suggested that the National Police should accelerate bureaucratic reform and create specific policies that address compensation and benefits for its members. Existing regulations need to be reviewed and evaluated by applying the principle of fair and proper compensation. Improvements also need to be made in the indicators of compensation in the internal police, such as the performance appraisal system and position evaluation, by forming a special team to carry out the evaluation process. The National Police also needs to build a good cooperative relationship with relevant stakeholders in the preparation of the compensation system, as well as conduct surveys related to the compensation system in other institutions as a reference. Finally, excellent programs that improve the rights of members of the National Police, such as health services, housing facilities, transportation, legal aid, pension security, and old-age welfare, need to be improved.

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