

THE WORK REALITIES OF RETAIL EMPLOYEES IN A TARGET-BASED PAY SYSTEM

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Abstract

This study aims to understand the work reality of PT Matahari Department Store Tbk employees at MDS Tangcity 394, especially when workdays and salaries are determined by monthly sales targets. Using a descriptive qualitative approach, this study analyzes employees' experiences and perceptions of the target-based work system implemented by management. The results of the study indicate that the target system provides a boost to productivity, but also creates psychological stress and economic uncertainty for employees. Salaries that depend on target achievement cause income disparities between individuals and workday uncertainty. These findings indicate the need for fairer management policies that are oriented towards employee welfare so that productivity can go hand in hand with job security.

Keywords:

Realistic work, retail employees, sales targets, work days, wage system

Introduction

The retail sector in Indonesia has experienced rapid growth over the past two decades. One of the key players in this industry is PT Matahari Department Store Tbk (MDS), known as the largest retail chain with branches throughout Indonesia. PT Matahari Department Store Tbk not only sells fashion and household products but also collaborates with various local and international brands through consignment schemes or joint sales targets. At MDS Tangcity 394, the work system implemented for employees with certain brands demonstrates a complex work reality. Employees are not only required to meet store operating hours but also to achieve sales targets set by the brands and PT Matahari Department Store Tbk management. Sales targets serve as the primary benchmark for assessing performance, determining incentives, and influencing the number of working days each month. This target-based work system creates an interesting dynamic between employee productivity, motivation, and well-being. On the one hand, this system encourages employees to work harder and be results-oriented. However, on the other hand, the dependence of income on target achievement creates economic uncertainty and psychological stress for some employees. In some cases, employees who do not meet targets are deprived of incentives and even have their work days reduced.

This phenomenon is crucial to study because it reflects the increasingly results-oriented working conditions in the modern retail sector, which often neglect employee well-being. Through this study, researchers attempt to describe how the work reality of employees at MDS Tangcity 394 is shaped by the sales target system, how this system impacts their social and personal lives, and how they interpret fairness and job satisfaction amidst the pressure of achieving targets. By understanding employees' direct experiences, this study is expected to provide a clear picture of the work reality in the modern retail sector and serve as a consideration for companies in creating fairer, more humane, and more sustainable work policies.

Literature Review

A. The Concept Of Work Realty

According to Berger and Luckmann (1966), social reality is formed through a continuous process of interaction between individuals and their environment. In the context of the workplace, employees' realities are determined not only by organizational rules and structures, but also by how they interpret their daily work experiences, relationships with superiors, and the pressures of the work system. Therefore, understanding work reality means understanding how employees interpret the situations, policies, and dynamics that affect their lives at work.

B. Work Motivation Theory

Work motivation is an important factor in explaining employee behavior and productivity. Herzberg (1959) proposed a two-factor theory: motivator factors (triggers of satisfaction) such as recognition, responsibility, and achievement, and hygiene factors (triggers of dissatisfaction) such as pay, working conditions, and relationships with superiors. In the context of a sales target system, these two factors can interact in a complex way: employees can feel pride when targets are achieved (a motivator), but also experience stress and dissatisfaction when income becomes uncertain or targets are perceived as too high (a hygiene factor).

C. Compensation System and Sales Target

Rivai (2020) explains that compensation is a strategic tool for companies to improve performance and retain employees. In a target-based system, compensation is based on work results, usually through incentives or bonuses. While this system can boost motivation and productivity, unclear assessment criteria and fluctuating sales results often lead to perceptions of unfairness and psychological stress. Therefore, it is important for companies to strike a balance between target-based incentives and guaranteed stable base salaries to maintain employee well-being.

D. Well Being and Job Satisfaction

Hasibuan (2019) emphasized that employee well-being encompasses physical, mental, and social aspects. Employees who experience excessive pressure due to demanding targets are at risk of burnout, which negatively impacts productivity and loyalty. The theory of work-life balance emphasizes that well-being is determined not only by income but also by an individual's ability to manage time between work and personal life. In the context of PT Matahari Department Store Tangcity, this balance is a major challenge for employees who must achieve sales targets under time pressure and competitive demands.

Method

This study uses a descriptive qualitative approach that aims to describe and understand in depth the work reality of employees at PT Matahari Department Store Tbk (MDS) Tangcity 394. This approach was chosen because it can reveal the meaning behind employees' work experiences directly and contextually.

Data collection was conducted through in-depth interviews with three informants who work at MDS Tangcity 394 with different brands: The three were selected using a purposive sampling technique, namely the selection of informants based on certain criteria relevant to the research objectives, such as length of service, position, and involvement in the sales target system. The interviews were structured with question guides based on the 5W + 1H indicators (What, Who, Where, When, Why, and How). These questions cover five main aspects:

1. Work systems and sales targets,
2. Salary and incentive systems,
3. Motivation and work pressure,
4. Job satisfaction and fairness, and
5. Social and personal impacts on employees.

The data obtained was then analyzed using thematic analysis, which involved examining each interview result in depth, identifying emerging patterns and themes, and then grouping them into thematic categories that represented employees' experiences and perceptions of the target-based work system. To ensure data validity, researchers also conducted source triangulation, comparing interview results across informants to ensure the consistency and accuracy of the findings.

Results

This section presents the research results obtained from in-depth interviews with a number of employees working at PT Matahari Department Store Tbk at MDS Tangcity 394. The results of this study describe the work reality of employees who live in a monthly sales target-based work system, where work days and salary amounts are largely determined by the sales achievements obtained by each individual.

Indicator	Question	Responden I	Responden II	Responde III
work system and targets	Work System That Applies to Your Workplace	The Company's Working System is 8 Hours. Morning 09:30-16,30 and Afternoon 14.00-22.00	The Company's Working System is 8 Hours. Morning 09:30-16,30 and Afternoon 14.00-22.00	Normal working hours, 8 hours, with two shifts: usually one morning shift per week and one afternoon shift per week
	Determine Monthly Sales Targets	Office of Brands and Companiesn(MDS Tangcity 394)	turnover increased by 20% from last month	Targets are determined by the office and Matahari Store
	Briefing Place About Work Targets	Work Area Before Opening the Shop	At the beginning of the month 5 days, the 1st	In the Matahari store area
	Target to Be Achieved Each Month	The Beginning of Very Month	The Beginning of Very Month	Monthly targets are only given at the beginning of the month
	Sales Targets Are Important In Work	Be a Reference to Achieve the Specified Target	benchmark for sales because if you don't have a target you will just work as you please	Due to work demands

	Sales Target Not Achieved Didn't Reach Their Targets	Not Getting Incentives and Looking for Reasons why they	there is no incentive and must give a reason	It's a mental burden, but it's a benchmark for us to achieve the specified sales targets
salary and incentive system	Which Includes Salary	basic salary and overtime	only UMR and overtime are paid	Just a salary. If you reach your target, you'll also get an incentive, and there's no overtime
	Determine The Size Of The Shirt	companies from their respective brands	determined by the company	From the office admin of our own brand
	Where Are The Salary	there is a pay slip that the company gives us	from the pay slip sent	From a payslip sent via email
	When Receive Salary	usually between the 5th and 10th	between the 5th and 10th, and if it is a weekend it will be moved forward or backward	From our own brand, we receive it twice, from the 10th to the 20th
	Salary Varies Depending on Sales Targets	If the sales target is not achieved, then working hours will be reduced and salaries will be daily.	If the target is exceeded, working hours will be reduced and salary will be calculated daily.	A reduced work schedule due to not reaching the sales target

	Feeling if the Salary is Reduced	become a burden on the mind because the salary is reduced	salary will be reduced	Of course, we're disappointed, and our salary is also less.
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motivation and work pressure	What Makes You Enthusiastic About Working	Keep the spirit alive	Stay enthusiastic because there are still many people out there who are still looking for work	Because of family
	Who is Your Inspiration in Working	the most important thing is yourself, family, friends, boyfriend	yourself, friends, family	First, my wife, second, my family, and friends
	Where is the Break Time to Relieve Work Stress	can heal and look for part-time work	canteen, if it's a holiday you can rest at home	On the front porch when we're off work and in the smoking area when we're on a break
	When do you Feel Stressed With the Work System	when sales drop drastically	when conditions are not suitable, for example on weekends it should be 7 million, now it is only 2 million	When sales don't reach the target
	Why do you Still Work Here	for daily expenses and many others	sufficient for life	For the sake of family and to help the family economy
	Facing the Pressure of Monthly	Healing and sleep	refreshing	Don't worry about it, because that's the demand of our job.

job satisfaction and justice	Feel Satisfied With Current Salary	a little satisfied	a little satisfied	I'm not satisfied, because I'm feeling like my workdays have been reduced, and my salary is now calculated per day. My daily salary is 140,000 rupiah, for a 5-day workweek with two days off. I can only work 20 or 22 days a month
	Who Benefit Most From Sales Targets	of course the company and we can only implement the rules	company, we just follow	Definitely from our own brand company
	Complain or Suggestions About the Work System	can go to superiors to provide suggestions and criticism	criticism and suggestions to superiors for our complaints	Usually, I contact our own brand's supplier/supervisor about product issues or targets
	Hard Work is Rewarded Firly	when sales targets are achieved	when the target is achieved and the hard work is not in vain	When targets are met and sales are good
	Fair or Unfair Work System	it all depends on each workplace	fair and unfair depending on each workplace	That's fair
	Your Assesment of Salary	because it is fair according to our work demands which focus on sales and we have to accept the consequences if income does not meet the target.	It is fair in work demands with a target system, you have to accept the consequences	Fair, but only the working hours are reduced if targets aren't met.

Social and personal impact	The Influence of the Work System on Life	At first it was a burden for me, but I could only go through it well	at first it was a burden but over time you got used to it	It's definitely a burden
	Who Feel the Impact of Work	the most impactful is of course yourself	especially family, because work is for the family	For myself and my family, too, as I'm the head of the household
	What is Done When the Working Day is Reduced	look for positive things	find positive time like helping with housework	Looking for side jobs like being a Shopee online motorcycle taxi driver
	Working Hours Interfere With Personality	when we are on holiday, and the company contacts us when there is an urgent matter	urgent situations such as holidays still require contact with work	When I'm on vacation with my family, people from the office usually call about product issues or sales issues at the store. Honestly, it bothers me because I'm on vacation, and I'm burdened by store issues
	The Influence of Work on Social Relations	It definitely has an impact, especially if it is not achieved, it can sometimes become a mental and emotional burden.	influential and sometimes becomes a thought if the target has not been achieved	Not really
	Influence of Work-life Balance and Personality	has a balanced effect because they are used to working with sales targets	balanced because I'm used to it	I can balance it out

The results of this study indicate that the target-based work system at PT Matahari Department Store Tbk (MDS) Tangcity 394 has both positive and negative impacts on employees. In terms of productivity, most employees acknowledged that sales targets encourage them to be more disciplined, focused, and results-oriented. Targets are

considered the primary benchmark for assessing performance and determining incentives, thus motivating employees to work harder. However, on the other hand, this system also creates significant psychological stress. According to interviews, employees experience work stress, especially when sales decline or monthly targets are difficult to achieve. When targets are not met, employees do not receive incentives and may even have their workdays reduced. This leads to unstable income and feelings of anxiety. This situation aligns with Herzberg's (1959) two-factor theory, which states that dissatisfaction factors such as salary and work pressure can reduce employee motivation.

Discussion

The results of this study indicate that the target-based work system at PT Matahari Department Store Tbk (MDS) Tangcity 394 has both positive and negative impacts on employees. In terms of productivity, most employees acknowledged that sales targets encourage them to be more disciplined, focused, and results-oriented. Targets are considered the primary benchmark for assessing performance and determining incentives, thus motivating employees to work harder. However, on the other hand, this system also creates significant psychological stress. According to interviews, employees experience work stress, especially when sales decline or monthly targets are difficult to achieve. When targets are not met, employees do not receive incentives and may even have their workdays reduced. This leads to unstable income and feelings of anxiety. This situation aligns with Herzberg's (1959) two-factor theory, which states that dissatisfaction factors such as salary and work pressure can reduce employee motivation.

In terms of fairness and compensation, most employees believe that the target system benefits the company more than the individual. While this system can increase turnover, it also creates income disparities between individuals and uncertainty regarding work schedules. Several respondents stated that salary reductions due to missed targets left them feeling mentally burdened. Socially and personally, work pressure also impacts family life and work-life balance. Employees feel that rest time and interaction with family are reduced. However, many adapt by finding ways to manage stress, such as taking more breaks or engaging in positive activities outside of work hours. Overall, the findings of this study indicate that a target-based work system can improve performance and discipline, but it also creates psychological stress and economic uncertainty. Therefore, companies need to review management policies to balance productivity and employee well-being.

Conclusion

Conclusion This study concludes that the work reality of employees at PT Matahari Department Store Tbk (MDS) Tangcity 394 is shaped by a target-based work system that influences the number of work days, salary levels, and employee psychological well-being. While this system encourages increased productivity, it also creates

mental stress, income uncertainty, and a sense of injustice. Employees perceive achieving targets as part of their job responsibilities, but when they don't meet them, they feel disadvantaged due to reduced incentives and reduced working hours. Despite this, they remain employed due to economic necessity and a sense of personal responsibility. Therefore, fairer and more humane managerial policies are needed, particularly in the target-setting system, incentives, and work hour arrangements. Management needs to strike a balance between increased productivity and job stability and employee well-being to create a healthy and sustainable work environment.

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