

The Effect of the Main Workload for Leisure Time Lecturer through the Take Home Pay in Makassar

Sri Astuty¹, Muhammad Yunus Zain², Muhammad Amri³, Abd Hamid Paddu⁴

¹ Economics Department, Economics Faculty, Universitas Negeri Makassar, Indonesia

^{2,3,4} Economics Department, Economics and Business Faculty, Hasanuddin University, Indonesia

Abstract: *This research is intended to know how much the influence of the main workload the items on leisure time, either directly or indirectly through a take home pay of lecturers in Makassar Indonesia. The data used are primary data obtained by the respondent lecturers. The unit of analysis is a cross section of 100 lecturers in Makassar Indonesia. The method of analysis employed is a method of estimation of simultaneous equations. The research findings indicate that the principal the main workload has negative and significant effect of on leisure time being if the main workload of goods through the take home pays towards leisure time and significant positive effect.*

Keywords: Main workload, take home pay, leisure time

1. Introduction

The decision to work is the arrangement of work time and leisure time allocation (Aguilar & Hurst, 2007). The decision was strongly influenced by productivity, non-labor income, wage rates, and other characteristics (Becker, 1993). Each individual must decide how many hours to work and how many hours to consume various items and how much time for other household activities, such as doing household chores (Gronau & Reuben, 1977).

Individual decisions to increase or decrease leisure time are influenced by wage and non-work income levels. Wages or salaries have a positive and / or negative effect on individual labor supply. In other words, when the wage rate rises the hours of work offered increase so that leisure time is reduced, otherwise when the wage rate falls, the working hours offered in the labor market decreases. (Becker, 1976; Smith, 1980; Bellante, 1983; McConnell, 1986; Ehrenberg, 1988).

Lecturers are one of the essential components in an education system in universities. The role, duties, and responsibilities of lecturers are very important in realizing the goals of national education, that is the intellectual life of the nation, improving the quality of Indonesian people, which include the quality of faith / piety, noble character, and mastery of science, technology, and art, advanced, fair, prosperous, and civilized. To carry out such a strategic function, role, and position, professional lecturers are required (Madris, 2011).

There are several reasons that encourage someone to work as a lecturer, such as earning a salary, earning status & prestige, and employment options with a certain level of education, flexible working time compared to other jobs. The major commission of the lecturer is to implement the college Tridharma with a workload of at least equivalent to 12 (twelve) credits and at most 16 (sixteen) credits in each semester in accordance with academic qualifications. The number of semester credit units (SKS) assigned to the lecturer as the main task (mandatory) in the current semester

is proxy to the main working hours per week. Conversion of lecturers as the main task (mandatory) in the current semester which is proxy to the main working hours per week. Conversion 1 credits equivalent to 3 x 45 minutes of normal working hours, ie the first 45 minutes of preparing the material, the next 45 minutes face-to-face in class and last 45 minutes check/evaluate student learning outcomes, so 1 credits equivalent to 135 minutes or 2.25 hours of work. With time spent teaching only 3-6 credits equivalent to 270 minutes or 4.5 hours in 1 day or only 2 times a week but if a lecturer gets 12 credits the Primary Working Load in full work (60 minutes) is $(12 \text{ SKS} \times 3 \times 45) / 60 \text{ minutes}$, equals 27 working hours per week or 5.4 working hours per day (five working days) plus. So the automatic teaching hours of lecturers have more free time and flexibility than civil servants want other private employees who use their time at least 8 hours per day (Madris, 2011).

Overall, this study aims to determine how much influence the Primary Working Load on leisure time either directly or indirectly through take home pay in Makassar City Indonesia. It is expected to be useful as input for university in encouraging lecturer take home pay and fulfilled the Primary Working Load is slightly equivalent to 12 (twelve) credits and at most 16 (sixteen) credits in each semester in accordance with academic qualification.

In the study found (Layard & Walters, 1978) that the working time as the amount of goods that can be purchased with money obtained from work. Thus, the available time will consist of working time (amount of goods) and leisure time. The amount of working time in the day is 8 hours minus the leisure time. Individual decisions to increase or decrease leisure time are influenced by several factors: wage rates, income not earned from work, and other factors such as tastes or characteristics (Ehrenberg & Smith, 2000).

While the theory of labor supply is based on the idea that Leisure has a utility for humans. Income (Y) is derived from a certain work result, and then the optimum amount of work time for a consumer can be derived from utility maximization analysis. Of course this is based on the

assumption that leisure and income can replace each other (Ehrenberg & Smith, 2000).

Individual satisfaction can be obtained through consumption or leisure time (leisure). The constraints faced by individuals are the level of income and time. In short, income effects show reduced labor supply (working hours) as leisure is a normal good, while substitution effects show an increase in the number of working hours because leisure becomes more expensive.

In determining the choice between consumption and leisure that maximizes satisfaction with budget constraints. If the individual does not work at all, he can enjoy 24 hours of leisure time. On the other hand, if working 24 hours per day, he will be able to buy consumer goods of 24 w. This reflects the cost of opportunity is that any additional leisure hours must be purchased at the expense of consumption of goods worth (Becker, 1976).

Using the utility function indicates that the level of satisfaction the family obtains in relation to the consumption of goods and the leisure. A person's utility rate will increase if consumption goods increase in leisure time, or leisure time increases, the amount of goods consumed does not change, or the amount of consumed goods and leisure time increases equally (Becker, 1965).

The increase in the price of leisure is due to the wage rate per unit time increases. At a relatively high level of income the individual will feel that his or her life's need for goods and services is sufficient, so that they reduce work time and increase leisure time to enhance their well-being. In contrast, in developing countries and people's incomes are still low, substitution effects will be more dominant than income effects. Thus increases in wage rates will have a positive effect on working time and negative on leisure time (Ehrenberg & Smith, 1988).

Increase in income increases the level of satisfaction (utility) either through increased consumption or through the addition of leisure time. Increasing leisure means less work hours. Wage increases mean an increase in income. With a higher economic status then one tends to increase consumption and enjoy more leisure time, which means reducing the working hours (income effect). On the other hand, the increase in wage rates also means that time prices become more expensive. Higher time values encourage families to substitute their spare time for more work to increase consumption of goods. The added time is called the substitution effect of the wage rate increase (Payaman, 1985).

If income increases with a fixed wage, the working hours will decrease and use more leisurely time. Conversely, if income decreases with a fixed wage, the working hours will increase, and will reduce the time leisurely. It can also be called Income Effect (IE) which has negative effect on working hours. (Becker, 1965; Bellante, 1983). In the concept of alternative cost (opportunity cost) labor supply theory, there are 2 choices for the individual ie work or not work. The choice of work or not is largely determined by the prevailing wage rates in the labor market, non-labor income

and education and work experience shared by individual labor (Becker, 1976 Smith, 1980; Bellante, 1983; McConnell, 1986; Ehrenberg, 1988). Simultaneous model and hypothesis of this research. The main workload is positioned as an exogenous variable. Take home pay in this research proceed as an dominant endogenous variable. Another endogenous variable which also the target of study is leisure time.

2. Methodology

The method used in this research is Structural Equation Modeling (SEM). SEM is a multivariate analysis technique developed to cover the limitations of previous analytical models that have been used extensively in statistical research. (Hox & Bechger, 1998). With Maximum Likelihood estimates if the data meets the multivariate normality assumption and will correct the abnormality by using Robust Maximum Likelihood, the researcher will also determine the sample size based on the estimation method According to (Hair et al., 2006 & 2010), the recommended sample size for use With Maximum Likelihood estimation is 100-200 (Ghozali & Fuad, 2008). Data used in this research is primary data obtained from lecturer respondents. The analysis and research estimation is done by using cross section data with 100 samples of civil servant lecturer in Makassar city of Indonesia. In this study can be seen in the following functional equations: The structural equation model (SEM) in this research can be presented as following equation:

$$y_1 = \alpha_0 + \alpha_1 x + \mu_1$$

$$y_2 = \beta_0 + \beta_1 y_1 + \beta_2 x + \mu_2$$

Where y_2 is leisure time measured in hour, y_1 is take home pay measured in rupiah, x is the main workload. Measured in hour; α_0 and β_0 are constants; α_1 , β_1 and β_2 are each as parameters to be estimated; μ_1 and μ_2 are random error terms (Wijanto, 2008).

The reduced form based on Equation 1 and 2 can be described as follows:

$$y_1 = \alpha_0 + \alpha_1 x + \mu_1$$

$$y_2 = \gamma_0 + \gamma_1 x + \mu_2$$

Where, α_0 and γ_0 ($\beta_0 + \alpha_0\beta_1$) are constants; α_1 and γ_1 ($\beta_2 + \alpha_1\beta_1$) are the total effects of variable x to variable y_1 and y_2 ; μ_2 ($\mu_2 + \mu_1\beta_1$) are composites random error (Wijanto, 2008).

3. Results and Discussions

The estimate results of the study can be seen in Table 1. The R square value of the leisure time which is very low, indicates that there are still some variables other the main workload affecting take home pay. To that end, the following researchers could try to analyze other factors such as age and education in analyzing leisure time in makassar city Indonesia.

Table 1: The Estimate Results

Directions of Effect	Regression Coefficients	t-Statistic	Probability
Take_Home_Pay ← The Main Workload	0.036	4.140	0.000
Leisure_Time ← Take_Home_Pay	-0.125	-1.476	0.140
Leisure_Time ← The Main Workload	-0.074	-9.213	0.000
*) Significant at $\alpha = 5\%$ R ² _{y1} = 0.148; R ² _{y2} = 0.536; N = 100			

Meanwhile, the direct effect, indirect, and total effect of the exogenous variable (x) in this research, can be seen in Table 2. The direct effect of the main workload on leisure time shows a significant and negative relationship. The indirect effect of the main workload on leisure time through take home pay shows an insignificant relationship. The insignificant relationship is derived commencing a positive relationship between the main workload and take home pay which is then forwarded to the insignificant relationship between take home pay and leisure time. Overall, total effect of the main workload on leisure time shows an insignificant relationship.

Table 2: Direct, Indirect and Total Effect

Directions of Effect	Regression Coefficients		
	Direct Effect	Indirect Effect	Total Effect
The main workload (X) ← Leisure Time (y ₂) (y ₁)	-0.074		-0.078
Through Take_Home_Pay (y ₁)		-0.005	
The main workload (X) ← Take_Home_Pay (y ₁)	0.036*		0.036*
*) Significant at $\alpha = 5\%$			

Based on the direct effect, an increase in the key workload would decrease the lecturer leisure time. With the increase in the main workload will reduce leisure time where the time should be used for a lecturer who decides to work means sacrificing the time that can actually be used for leisure. This is in accordance with Becker (1976) suggested that someone who decides to work means sacrificing the time that can actually be used for leisure. Leisure time is not making money. Leisure activities include activities such as household work, work, learn, worship and so forth. The more time spent on leisure activities, the less time available to work (Becker, 1965).

Meanwhile, based on the indirect effect, an increased in the main workload will increase take home pay. However, take home pay is the income generated by lecturers from the use of leisure time that is diverted to increase working hours so that income has increased. This indicates that there is the addition of the main workload will increase the increase of lecturer take home pay. (Madris, 2011). Overall, total effect of the main workload on leisure time shows an insignificant relationship. These results are not consistent with the view (hypothesis) which the main workload such as an increase will decrease the leisure time for lecturer. This result is also consistent with the view (hypothesis) take home pay can reduce the leisure time

This result further supports the assumption that leisure time of an increasing lecturer is influenced by decreasing the main workload. Moreover, these results also confirmed the view so as to Leisure time of a lecturer is also influenced by the level of wages and non-work income. Lastly, these results are consistent with the view (hypothesis) stating that the main workload will increase take home pay and decrease leisure time (Madris, 2011)

The implications of the results of this study, if the main workload increased while balanced with the appreciation through the increase in the wage / functional allowance of lecturers proportionate will have a positive impact on lecturer's responsibility on the main task (Primary Working Load), can be in the form of teaching, mentoring, testing and others then it tends to reduce the supply of educative labor in the labor market (extra hours). But if the lecturer retains additional hours, then there are two possibilities. First, lecturers will reduce leisure time, this can affect the lack of free time allocation for human resource development activities in order to improve the quality of human capital or lecturer increasingly there is no time left for the development of social social quality (social capital)

4. Conclusion

The main workload contributes to increasing lecturer take home pay. This is because the allocation of leisure time is used to increase the main workload so that the take home pay will increase. There are still some variables other than the main workload and take home pay that affecting lecturer of the leisure time. Nevertheless this research is still very useful to examine the function of the main workload of lecturers to improve the welfare of lecturers through increased take home pay and increased leisure time through increased income from wages and non-labor income. The government needs to improve the welfare of lecturers through improving the functional wages / allowances of lecturers and encouraging lecturers to improve productivity through research, dedication and teaching.

5. Acknowledgements

Thanks addressed to Prof. Dr. Muhammad Yunus Zain, M.A. Prof. Muhammad Amri, MA, Ph.D and Dr. Abd Hamid Paddu M.A., a senior lecturer in the Economics Department, Economics and Business Faculty, Hasanuddin University, Indonesia who have guided the authors in carrying out this research.

References

- [1] Aguiar M, Hurst E. 2007c. Measuring trends in leisure: the allocation of time over five decades. *Q. J. Econ.* 122:969–1006
- [2] Becker, Gary S. (1965): "A theory of Allocation of Time", *The Economic Journal*, Vol. 75, No. 299. (Sep., 1965), pp. 493-517.
- [3] ----- 1976. *The Allocation of Time and Goods Over Time, in The Economic Approach to Human Behavior*. Chicago: The University Chicago Press.

- [4] ----- 1993. *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*, 3rd Ed, Universitas of Chicago, Chicago.
- [5] Becker, G., and H.G. Lewis. 1973. "On the Interaction between the Quantity and Quality of Children." *Journal of Political Economy* 84 (2, pt. 2): S279–S288.
- [6] Bellante, Don dan Jackson, Mark. 1990. "Ekonomi Ketenagakerjaan", Fakultas Ekonomi Universitas Indonesia, Jakarta.
- [7] Bellante, Don and Jackson, Mark, 1983, " *Labor Economics – Chence in Labor Markets*" Second Edition, Mc. Graw-Hill, USA.
- [8] Biddle, Jeff, and Hammermesh, Daniel. 1990. "Sleep and the Allocation of Time." *The Journal of Political Economy*, 98(5): pp. 922-943.
- [9] Bonin, Holger, *et. al.*, 2002. Household Labour Supply Effect of Low-Wage Subsidies in Germany. *Journal Institute for The Study of Labour*.
- [10] Ehrenberg, Ronald G. and Rober S. Smith. 1988. *Modern Labor Economics Theory and Public Policy*, 3rd Edition, USA.
- [11] Ghozali, I. & Fuad. 2008. *Structural Equation Modeling*. Semarang: Universitas Diponegoro.
- [12] Gronau, Reuben (1977): "Leisure, home production and work – The theory of allocation of time revisited", *The Journal of Political Economy*, Vol. 85, No. 6. (Dec., 1977), pp. 1099-1123.
- [13] Hair, J.F. JR., Anderson, R.E, Tatham, R.L. & Black, W.C. (2006). *Multivariate Data Analysis*. Six Edition. New Jersey : Pearson Educational, Inc
- [14] Hair, J.F. JR., Anderson, R.E, Tatham, R.L. & Black, W.C. (2010). *Multivariate Data Analysis*. Seven Edition. New Jersey : Pearson Educational, Inc
- [15] Henderson, K. A. 1996. "One size doesn't fit all: The meaning of women's leisure." *Journal of Leisure Research* 15(2): 16-31.
- [16] Henderson, K. A., & Rannels, J. S. 1988. "Farm women and the meaning of work and leisure: An oral history perspective." *Leisure Sciences* 10: 41-50.
- [17] Henderson, K. A. S. Hodges and B. D. Kivel, 2002. "Contest and Dialogue in Research on Women and Leisure." *Journal of Leisure Research* 34(3): 253-271.
- [18] Hox, J.J dan Bechger, T.M. 1998. An Introduction to Structural Equation Modeling, *Family Science Review*, 11, 354-373.
- [19] Layard, P.R.G. and A.A. Walters, 1978 " *Micro Economic Theory*". Mc. Graw-Hill Book Company.
- [20] Madris (2011) Analisis Penawaran Tenaga Kerja Dosen PTN di Luar Tugas Pokok PNS *Trikonomika* Volume 10, No. 2, Desember 2011, Hal. 95–104
- [21] McConnell, Campbell R. and Stanley L. Brue. 1999. *Contemporary Labor Economics*, First Edition, Mc Graw-Hill International Editions, Singapore.
- [22] Simanjuntak, Payaman J, 1985. Kebijakan Upah Minimum, *Berita Pasar Kerja*, Vol. 10, dalam Pengantar Ekonomi Sumberdaya Manusia: Payaman Simanjuntak, FE-UI.
- [23] Smith J.P., 1980. *Famela Labor Supply : Theory and Estimation*. Editor James P. Smith. Prenceton, New Jersey.
- [24] Wijayanto, Setyo Hari. (2008). *Structural Equation Modeling dengan LISREL 8.8*. Yogyakarta: Graha Ilmu