

Efficiency Comparison between the Employee Stock Option Plan (ESOP) and Non ESOP Companies

Dini Verdania Latif^{1,*}, Nurlan Ahmedov² and Anton Abdulbasah Kamil¹

¹*Istanbul Gelisim University, Istanbul, Turkey.*

²*Istanbul Aydin University, Istanbul, Turkey.*

Abstract: In Indonesia, the Employee Stock Option Plan (ESOP) program has existed since 1998. At that time, the ESOP program was a warrants. Until now the ESOP program is only conducted by 24% of listed companies in the LQ 45 index. The ESOP program is not yet a popular program because the rules on ESOP were issued by the Capital Market Supervisory Agency in 2004. This ESOP program can motivate employees to achieve high performance because with this program employees can become owners of the company. Employees are expected to work as quickly as possible. This study aims to determine differences in the level of efficiency between companies that implement ESOP and those that do not. The sample of this study is companies included in the LQ 45 index, which consists of 11 companies that apply ESOP and 34 companies that do not apply ESOP. The level of efficiency was calculated using the Data Envelopment Analysis (DEA) model and to analyse the level of efficiency differences, the independent t test was used. The results showed that there were no differences in the level of efficiency between companies that implemented ESOP and those that did not apply it. ESOP cannot increase employee motivation because Indonesian employees are more short-term oriented, while ESOP is an additional income to be received in the future. In addition, the ESOP program provides the same additional income opportunities between employees who are performing well and those who are performing poorly.

Keywords: Employee Stock Option Plan (ESOP), motivation, efficiency, Data Envelopment Analysis (DEA), LQ 45.

1. BACKGROUND

In business development, the company has various strategies. One such strategy is to develop a employee stock ownership plan (ESOP). This program provides an opportunity for employees to own shares of the company where they work. This program aims to increase employee loyalty. Employees will feel valued because they can own the company, and will be motivated to improve their performance. Employees believe that the success of the company will also improve its welfare. This ESOP is an instrument that can create social justice, so that employees can get more value from the profits of the company.

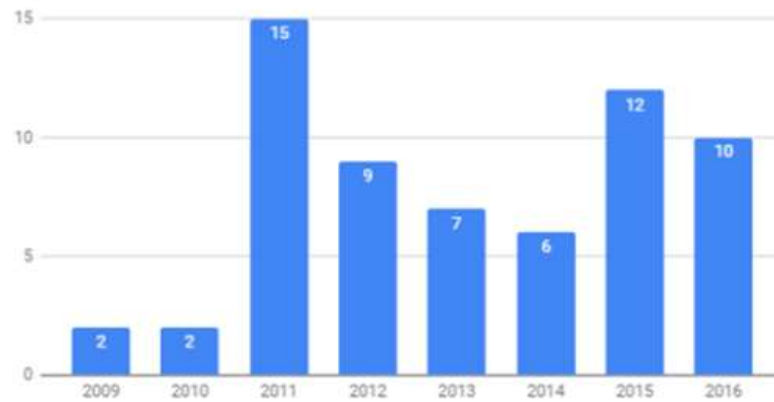
The employee stock ownership plan has been implemented in several countries such as USA, United Kingdom, and Singapore. The National Centre for Employee Ownership [1], based in Oakland, California, estimates there are around 6,600 employee share ownership plans (ESOPs) covering more than 14 million participants in 2019. Despite the decline, there has been an increase in the number of participants. Until 2019, there are an estimated 32 million employees participating in the employee ownership plan. If seen as a whole, there are 8% of employees who control the company's equity. Some companies that implement ESOP such as

Publix Super Markets (200,000 employees), Amsted Industries (18,000 employees), W.L. Gore and Associates (creator of Gore-Tex, 10,720 employees), and Davey Tree Expert (10,500 employees), are companies included in the list of "100 Best Companies to Work in America" according to Fortune Magazine

In Indonesia, ESOP has not become a strategic issue of the labour movement. Company workers have never made demands related to the program [2]. It is possible that workers in Indonesia do not understand that they have the right to obtain company shares. In fact, the President of Indonesia, Jokowi in 2015, has emphasized the employee stock ownership plan to companies going public. The Financial Services Authority (OJK) has also issued regulations on ESOP. Provisions regarding the ESOP have been issued by OJK since 2014 in regulation no IX.D.4 regarding the issuance of shares without pre-emptive rights. The regulation states that companies that will conduct the ESOP program are required to explain it at the General Meeting of Shareholders, because the ESOP has a risk that is influenced by the value of the shares [3].

In the United States, since the start of the ESOP program in 2000, most companies have reported increased profits. For 3 years in a row, 19% of companies reported that profits had increased by more than 40 percent. This happens because companies that implement the ESOP program are superior in managing costs, because employees are trying to find better

*Address correspondence to this author at the Istanbul Gelisim University, Istanbul, Turkey; Email: dverdenia@gelisim.edu.tr



Graph 1. Number of companies that adopted ESOP, period 2009-2016.

Source: Melinda et al, 2019.

and more efficient ways to operate. Employees think they will benefit from improved performance. In 2018, research shows that 94.9% of companies implementing ESOP report that this program provides financial benefits. Another report explains that more than 67.4% of companies can increase employee productivity [4]. Research conducted by [5] shows that there are fluctuations in publicly traded companies that have adopted the ESOP for the first time in the period 2009-2016. Graph 1 shows that only 63 companies out of 539 companies adopted ESOP.

The Director of the Indonesia Stock Exchange (IDX), Hasan Fawzi, believes that the ESOP program can increase the number of securities account holders. Although IDX does not regulate the company's obligations to implement the ESOP, there are additional massive account opening openings simultaneously. The number of investors registered on the IDX through a single investor identification (SID) is Rp 1.7 million. The ESOP program through the partnership of PT Bank Rakyat Indonesia Tbk (BBRI) with PT Trimegah Sekuritas amounted to 35,000 securities accounts from employees. The ESOP program can grow the number and activity of investors and can regulate the distribution of shares in listed companies [6].

Research conducted by [7] shows that ESOP has a positive effect on company performance. The study used a sample of 62 companies listed on the Indonesia Stock Exchange in the period 2009-2016, based on the purposive sampling method. The ESOP program causes employees to not only act as managers of the company but also employees will become owners of the company. Employees will feel they have a company so that it will increase commitment to the company which will have an impact on increasing performance as measured by using Return on Assets (ROA).

Although, the results of research that the ESOP program can improve company performance, but this program has not been done by many companies in Indonesia, because the ESOP Program is not an obligation. The nature of the ESOP is flexible and cannot be forced if the employee does not want to make a purchase. Employees may take the opportunity or not. Employees should take the opportunity, because at least they can guarantee the retirement later [3].

Based on the description above, this study aims to determine the ESOP program on company efficiency. The results of this study are expected to provide input to company managers in making decisions related to ESOP.

2. LITERATURE REVIEW

2.1. Employee Stock Option Plan (ESOP)

ESOP is a program intended for employees to participate in the ownership of shares of the company where they work. These shares can be owned in various ways such as giving away shares for free (stock grant), selling shares to employees, or by giving an option to employees to buy company shares for a certain period. [8] Company employees get offers to buy shares with certain prices in a certain period. Stock prices are option determined based on the market price of the shares at the time of issue. The stock market price will depend on the company's performance. The stock price will increase if the company has a good performance. Conversely, if the company's performance is poor, the stock market price will decline. Giving stock options to these employees can also be a bonus for employees, so employees can buy shares at a price lower than the stock price in the market.

The ESOP program provides the opportunity for employees to participate in owning company shares at special prices. As a result, the legal relationship between employees and companies is no longer just a work relationship but extends to the relationship between employees and company owners [9]. This program is designed by the company for the benefit of employees. Employees can participate in corporate finance so that employees obtain the right to share company profits [10]. So, ESOP is a mechanism to spread company wealth to employees [11]

The purpose given by the ESOP is to give the impression that employees have invested in the company, so the employee is expected to have a sense of belonging to the company. This ownership culture can be created by providing more voice opportunities for employees, information and training, so that they feel truly as owners to get the best benefits from the company [11]. This sense of ownership will create an alignment of interests between employees and

company management [9], so that it will affect employee attitudes and behaviour. Employees will be more motivated and committed to improve company performance through increased productivity and efficiency in their work.

2.2. Implementation of the ESOP Program in Indonesia

In Indonesia, before 1998 the ESOP took the form of a share allocation when the company went public where the offer was subsidized or guaranteed by the company. From 1998 until now, ESOP is an option program in which employees are given warrants so they can buy shares at certain periods and prices in the future [12]. Since the 2000s ESOP has actually been carried out by several companies. Research from the Investment Supervisory Agency (2002) shows that there are only 23 publicly listed companies and 4 closed companies that have ESOPs. There are 101 Companies that do not have ESOP. From this data it can be seen that the number of companies that do not have ESOP is much higher compared to companies that have ESOP. This can happen because at that time there were no clear regulations regarding the implementation of the ESOP [13].

ESOP rules begin to be contained in Attachment I of the Decree of the Directors of the Jakarta Stock Exchange Number: Kep-305 / BEJ / 07-2004 Date: July 19, 2004. The regulation explains that ESOP is a share ownership program by Employees, Directors and Commissioners conducted through an Offer Shares or Stock Option Offers in the context of compensation to Employees, Directors and Commissioners. In the implementation of the ESOP, employees are given the right to order in advance. For this reason, it is necessary to pre-register, that is, approval of the listing plan provided by the Indonesia Stock Exchange before shares in the implementation of securities are issued. These shares are effectively listed and traded on the Exchange after the issuance of new shares. Recording can be done if it meets the following requirements; the period of ESOP implementation is two clauses in a year, the planned implementation of ESOP must be reported to the Exchange no later than 5 days before the date of implementation, the ESOP share price is at least 90% of the average closing price of listed company shares over a period of 25 days, and the ESOP has been approved by the General Meeting of Shareholders.

Programs that are commonly provided in ESOP are:

a. Employee Stock Allocation (ESA), consisting of:

a.1. Stock Grant

Stock Grant is an assignment of shares to employees which is a diversion from giving bonuses in cash to noncash. These bonus shares are given to employees who have good performance and are able to generate profits

a.2. Purchase Stock at Discount

Stock Purchase at Stock Discount is an opportunity for certain employees, who are highly dedicated in the management level and above. The stock market price is the price determined at the time the Initial Public Offering (IPO) is discounted with a certain percentage according to the conditions set by the company. The amount of the discount must not exceed 15% of the share price at the time of the IPO or the

stock market price at the time of the implementation of this program.

a.3 Additional Ration Shares

Additional Allotment Shares is a program to offer the purchase of company shares or shares of the parent company or shares of other companies in one group or subsidiary. The purpose of this share giving is to anticipate the remaining shares after the implementation of the stock bonus program and discounted stock program

b. Stock Option Management Plan (MSOP)

MSOP is the granting of option rights to employees of top management level companies at a certain price. This right can only be exercised after going through a vesting period until a certain time limit

Explanation of the Financial Services Authority Regulation number 8 /poj.04/2017 regarding the Form and Content of the Prospectus and the Brief Prospectus in the Framework of Equity Securities Public Offering, mentioning in the framework of information disclosure, the Brief Prospectus in the Framework of Public Offering in equity securities must mention information regarding the determination of ESOP and when employees are allowed to exercise their option rights. Complementing this explanation, the Financial Services Authority (OJK) issued POJK Regulation No.14 / POJK.04 / 2019 concerning amendments to POJK No. 32 / POJK.04 / 2019 concerning Addition of Open Company Capital by Granting Pre-emptive Rights (HMETD), states that the additional capital for the ESOP is in accordance with the GMS decision with a maximum value of 10%.

ESOP is a facility provided by the company to employees. The nature of this ESOP is flexible, so ESOP is the employee's right to join the program or not. Employees cannot be forced to join this program [14]. The existence of the rules regarding this ESOP, supervision carried out by the OJK will be easier, because there is a detailed introduction of the issuer's shareholders.

2.3. Motivation

Motivation is defined as an impulse that causes someone to want to do an activity. Motivation can be used to describe behaviour. Motivation is divided into two different concepts namely intrinsic motivation (internal) and extrinsic (external) motivation. Intrinsic motivation is motivation arising from a desire to find new things and new challenges, get new knowledge. Intrinsic motivation is influenced by interests and enjoyment in carrying out an activity. If someone has intrinsic motivation, then the individual will carry out an activity for pleasure and usually the individual will be motivated to achieve high results. Extrinsic motivation comes from influences outside the individual. This motivation depends on external pressure or a desire to get a gift. If the individual is extrinsically motivated, then the individual will carry out an activity to obtain the benefits they expect, such as hoping to get money, reputation or something of other value [15].

Various factors that affect intrinsic motivation are the acceptance of positive treatment inherent in the activity itself. This recognition will result in job satisfaction and will moti-

vate individuals to work harder. Extrinsic factors such as salary, benefits and work safety must be present in a positive degree. The more positive the prize received, the greater the employee will be motivated [16]. Extrinsic motivation can interact with intrinsic motivation. Increasing extrinsic rewards can weaken intrinsic motivation. Individuals tend to consider external interventions as a reduction in self-determination [17]. Other studies show that extrinsic motivation can complement or increase intrinsic motivation. Extrinsic motivation has the same role as intrinsic motivation. Someone will be motivated to do something to get a reward and cause pleasant feelings in themselves [18].

This concept of motivation can be applied to the workplace to compare employee performance. The concept of motivation can explain why there are differences in the performance of employees who have the same talents, abilities and opportunities under the same working conditions. Motivated employees will keep on trying to get more promotions, so they have to find a better way. They will work more to play more roles. The main factor that influences a person's motivation is the fulfillment of their basic needs. If this has not been met, then self-esteem and self-actualization cannot develop. Employee benefits are a very basic thing that will affect motivation. Satisfactory rewards will affect employee performance. Nearly many companies provide salaries, promotions, bonuses or other types of gifts to motivate their employees. Good employee performance will indicate the success of an organization [19]. To motivate employees to work well, the company needs a reliable manager. A good manager is one who is able to understand how to influence someone to perform certain behaviours. Managers must be able to diagnose the cause of unmotivated employees [20].

2.4. Efficiency

Productivity is a reflection of the level of efficiency in a company [9]. Efficiency is a comparison of two components, namely input and output. The high level of efficiency shows the ability to get maximum output by using a certain number of inputs. For industrial companies it is easy to determine the size of the input and output. Inputs and outputs can be measured in physical measurements [21]. However, often the measurement of efficiency in facing constraints such as input data and output data in physical units is not easy to obtain. Another obstacle is the existence of various types of inputs used to produce various types of output.

An efficiency measurement model that can combine various inputs and outputs into efficiency index is Data Envelopment Analysis (DEA). The DEA model is a non-parametric mathematical method developed by Charnes and Cooper Rhodes (1978), and Banker et al (1984). Measurement efficiency with the DEA model uses the relative calculation of various homogeneous decision making unit (DMU) samples based on the same type of input and output for each DMU [17].

In a company, the DEA model is used to determine whether the costs used to transform a company's resources into a result are already efficient or not. The resources used as inputs in the company are represented by the cost of goods sold and the amount of assets used. The base price consists of the cost of raw materials, labour costs and overhead costs. While the

company's results which are output are net sales. Net sales are the result of the sale of goods or services produced by the company. The efficiency index value measured by the DEA model shows the results of a comparison between one company and another company in the sample group. Efficiency index values range between 0 and 1. Efficiency index values that indicate a value of 1 indicate full technical efficiency. The company is able to manage the expenditure of costs and assets to produce the same or more revenue from less efficient companies [22]. That is, companies that are more efficient are able to use their inputs to a minimum to obtain certain outputs.

2.5. ESOP, Motivation and Efficiency

For company, employees are assets and must be a priority. Many business owners believe that a company's success depends on the success of its employees. Therefore many company leaders recognize the importance of employee motivation as a top priority for the achievement of organizational goals and objectives. If employees have high motivation, then they will try to work well to increase productivity. These employees have the belief that by increasing productivity, the company will produce more output so that they can generate the required income [23]. Therefore, employees who are highly motivated tend to have loyalty to the company.

The ESOP program aims to provide motivation to employees by giving employees the role of owner of the company. Employees as company owners will reduce the principal-agent problem in the company. The ESOP can align the interests of principals and agents. ESOP will provide incentives for employees and managers to work towards shared goals [23]. To achieve common goals, employees can participate in voting for decision making. This will create feelings of respect in employees and have autonomy in the workplace [10], so employees will have a sense of concern for the company and emerge emotional ties with the company [24]. Employees will understand that their performance will affect the company's performance. The income earned by the company will be income for employees, while the expenses incurred if the company will become the burden of employees. If the company make a profit, employees will also benefit in the form of dividends and an increase in share prices Therefore employees will always be motivated to increase professionalism by always ensuring that the company will last in the long run [9] by increasing productivity. Productivity is a reflection of the level of efficiency in a company.

Based on the description above, the research hypothesis is:

Companies that implement ESOP are more efficient than non-ESOP companies

3. RESEARCH METHODS

This study is a comparative study, which compares the efficiency indexes between two groups, namely companies that implement and those that do not implement ESOP. The purpose of this study is to determine whether there are differences in the level of efficiency between the two groups. The research sample is 45 companies that fall into the LQ 45 index category for the period 2015-2019. The LQ 45 index is

an index consisting of issuers that have liquid shares. This index is evaluated every six months (February and August).

In this study, to measure the level of efficiency, the output-orientation measures are used for the models to maximize output from a given set of inputs, and assumed for constant returns to scale (CRS). The output-oriented CRS DEA (Data Envelopment Analysis) model is defined as the linear programming (LP) formulation below for the *i*-th company:

$$\begin{aligned} &\max_{\theta, \lambda} \theta, \\ &\text{subject to} \\ &\theta y_i + Y\lambda \geq 0, \\ &x_i - X\lambda \geq 0, \\ &\lambda \geq 0. \end{aligned}$$

where

θ is a scalar with value greater than or equal to one,

λ is a (N x 1) vector of constants,

y_i is the output quantities for the *i*-th company,

x_i is a (K x 1) vector of input quantities for the *i*-th company,

Y is a (1 x N) vector of output quantities,

X is a (K x N) matrix of input quantities for all N decision making unit's (DMU's).

Solving this LP will provide the values of θ and vector λ that gives a maximum value for θ , which defines the Technical Efficiency (TE) score for the *i*-th company as shown below:

$$TE_i = 1/\theta$$

The value of TE ranges between zero and one. If the value of TE is less than one, then the corresponding company is considered to be technically inefficient. Meanwhile, a TE score of one would indicate a company that is fully efficient. These efficient points define the best-practice frontier curve and the fully efficient DMU's become peers to the other (inefficient) DMU's [25]. The vector λ gives the weights of the peers corresponding to the *i*-th company.

To calculate the efficiency index, 2 inputs and 1 output are used. Input consists of costs incurred by the company to generate revenue and assets used in the company's operations, while output is income derived from the sale of products or services. To compare the efficiency indexes between companies that implement ESOP and those that do not use the Independent t Test.

4. RESEARCH RESULTS AND DISCUSSION

The sample used for this study is that issuers are included in the LQ 45 index, which is 45 companies. Of the 45 companies, 11 companies have implemented ESOP and 34 companies have not implemented ESOP. The LQ 45 index is an index consisting of issuers that have the highest transaction value on the regular market in the last 12 months. The requirement for issuers to be included in the index list is that the issuer has been listed on the Indonesia Stock Exchange for at least 3 months and has high financial conditions and growth prospects. Issuers listed in the index have high-value stocks and are often said to be superior stocks.

Based on the output and input data from the listed companies, an efficiency index can be calculated for each issuer by using the DEA model. Input consists of costs to generate income and assets used in the company's operations. While output is the company's revenue. The efficiency index of each issuer is then grouped according to the ESOP implementation. In this case there are two groups: group 1 is the issuer that has implemented the ESOP program and group 2 is the company that does not implement the ESOP. The efficiency index for each group was then compared using the independent t test. The results of independent t test testing are presented in table 1.

Table 1. Independent t test results

YEAR	Mean of Efficiency Index		Standard Deviation		P value
	ESOP	NON ESOP	ESOP	NON ESOP	
2015	.8098	.7918	.17240	.19264	.784
2016	.7975	.8082	.17968	.19287	.873
2017	.8151	.8158	.17547	.19542	.992
2018	.8547	.7537	.14976	.21220	.151
2019	.8310	.7301	.19627	.21395	.173

The results showed that in the 2015-2019 period there were no differences in the level of efficiency between companies that implemented ESOPs with companies that did not implement ESOP (p value > 0.05). That is, the implementation of the ESOP does not affect the level of company efficiency. The efficiency index between the two groups of companies shows the same results, and both have a high average efficiency value, which is between 0.7301 and 0.8547.

ESOP implementation is not mandatory for employees. Employees at companies offering ESOP can choose whether they will buy company stock or not. Some employees think that ESOP is nothing special. Many of the employees do not understand what benefits will be gained if they join the ESOP program. Some employees may be able to understand and might assume that ESOP is an investment expense that must be self-funded and requires a considerable amount of time to obtain the right to return on investment. Therefore they assume that the rights they get are something artificial. Employees will also feel attached to the company for the long term. They must consider the risk of loss from the ownership of these shares, because stock prices may fluctuate. Employees must believe that the company will grow and develop so that share prices will increase. If the employee is unsure of the company where he works, maybe the employee will choose other investments that are considered more profitable. The ESOP program can also limit employees to diversify investments.

Another factor that allows the ESOP program to not be attractive to employees is related to the compensation they will receive. Moreover, shares are distributed equally regardless of the performance of each employee. Employees who have high performance will get the same results with lower-performing employees, because the value of the company's

shares is the combined performance of all workers in the company [26]. Low-performing employees may not receive penalties because the employee is also the owner of the company.

This research sample is only limited to measuring the level of efficiency for companies that are included in the LQ 45 category. The results of the research conducted by Meilita and Riyadi [27] in the period 2012 - 2017, showed that salaries and employee benefits provided by LQ 45 companies were able to motivate its employees in increasing the company's revenue and profit. ESOP is not something that can motivate employee performance. Employees in Indonesia focus more on short-term goals than long-term. This is consistent with the opinion of George B. Whitfield, [28] which states that Indonesian employees have stronger feelings about the past and the present. Therefore the performance effects for bonuses given in the future are often vague. If the employee has enough money and is able to cover his expenses at this time, the bonus that will be received in the future will not provide motivation for them and will not affect their performance.

5. CONCLUSION

The ESOP program is a legal ownership program by the company where they work. With this program, employees are expected to have a sense of belonging to the company so that employees will be motivated to improve efficiency in their work. In Indonesia, the implementation of the ESOP is based on the rules of Attachment I of the Decree of the Directors of the Jakarta Stock Exchange Number: Kep-305 / BEJ / 07-2004 Date: July 19, 2004, Explanation of the Financial Services Authority Regulation number 8 / poj.k.04/2017 and the rules issued by the Financial Services Authority (OJK) numbered POJK No.14 / POJK.04 / 2019 concerning changes to POJK No. 32 / POJK.04 / 2019. Until now, the number of companies that do not have ESOP is far more when compared to companies that have ESOP program.

This study is a comparative study, which compares the efficiency indexes between two groups; companies that implement and those that do not implement ESOP. The purpose of this study is to determine whether there are differences in the level of efficiency between the two groups. The research sample is 45 companies that are included in the LQ 45 index category for the period 2015-2019.

The results showed there were no differences in the level of efficiency between companies that stepped up the ESOP and those that do not. For companies that implement ESOP, there is no obligation for employees to own company shares. For employee, ESOP is an investment, the return of which will be obtained in the future. This will reduce the opportunity for employees to invest in shares outside the company stock and will also bind employees for a long period of time. Employees in Indonesia tend to be short-term oriented. If the salary and benefits it receives can cover current expenses, then additional future income does not motivate him to work better. In addition, other aspects that cause the ESOP are not liked by employees because of the equal distribution of stock distribution, which results in low-performing workers having

the same opportunities as high-performing workers to obtain stock options.

The weakness of this study is that the sample is only on companies that are included in the LQ 45 index list. Companies that are incorporated in LQ 45 are companies that already have high performance, so that their employees on average have met their basic needs. The ESOP program cannot increase employee motivation to work better. So the company will implement the ESOP program or not is not important for employees.

REFERENCES

- N. C. for E. Ownership, "How an Employee Stock Ownership Plan (ESOP) Works," *NCEO*, 2018.
https://www.google.com/search?safe=strict&ei=FHqeXoWGOPHWz7sP6_yxsA4&q=How+an+Employee+Stock+Ownership+Plan+%28ESOP%29+Works&aq=How+an+Employee+Stock+Ownership+Plan+%28ESOP%29+Works&gs_lcp=CgZwc3ktYWIQAzIGCAAQFhAeMgUIABDNajIFCAAQzQIyBQgAEM0CMgUIABDNAlCaI
- Wiwoho, "Keadilan, Demokrasi, dan Saham untuk Karyawan," *Kompas*, 2018.
- S. Aderianti, "Memiliki Saham Perusahaan Lewat ESOP Yuk," *cekaja.com*, 2018. <https://www.cekaja.com/investasi/news/132693-memiliki-saham-perusahaan-lewat-esop-yuk.html>.
- R. Moore, "ESOPs Can Boost Company Performance and Participant Savings," *planadviser.com*, 2018. <https://www.planadviser.com/esops-can-boost-company-performance-participant-savings/>.
- V. E. M. Melinda, M. Lestari, S. Kristamuljan, and R. A. Rachman, "Pengaruh Program Kepemilikan Saham Karyawan Terhadap Kinerja Keuangan Perusahaan Publik di Indonesia," *Stud. Akunt. dan Keuang. Indones.*, vol. 2, no. 1, pp. 78–97, 2019, doi: 10.21632/saki.2.1.78-97.
- Yoliawan H, "BEI dukung program ESOP dan MSOP yang dilakukan emiten," *Kontan*, 2018. <https://investasi.kontan.co.id/news/bei-dukung-program-esop-dan-msop-yang-dilakukan-emiten>.
- N. W. D. Dharmala and N. G. P. Wirawati, "Pengaruh Pemberian Employee Stock Option Plan (ESOP) pada Kinerja Perusahaan dan Implikasinya Terhadap Nilai Perusahaan," *E-Jurnal Akunt.*, vol. 26, p. 1796, 2019, doi: 10.24843/eja.2019.v26.i03.p05.
- G. N. Maftuhah and Y. Astutik, "Bapepam Atur Pensiunan untuk Miliki Saham ESOP," *Oke Finance*, 2011. <https://economy.okezone.com/read/2011/09/23/278/506040/bapepam-atu-pensiunan-untuk-miliki-saham-esop>.
- [9] F. Ismiyanti and P. A. Mahadwartha, "Does employee stock ownership plan matter? An empirical note," *Invest. Manag. Financ. Innov.*, vol. 14, no. 2, pp. 381–388, 2017, doi: 10.21511/imfi.14(3-2).2017.08.
- D. McConville, J. Arnold, and A. Smith, "What do people think employee share ownership schemes do for them? A qualitative study of participants' experiences in three UK share schemes," *Int. J. Hum. Resour. Manag.*, pp. 1–32, 2018, doi: 10.1080/09585192.2018.1445655.
- S. Cromlish, "Why Are ESOP Acquisitions So Successful? A Qualitative Study From Consultants' Perspectives.," *Acad. Manag. Proc.*, vol. 2018, no. 1, p. 12927, 2018, doi: 10.5465/ambpp.2018.12927abstract.
- I. P. S. Sanjaya, "the Employee Stock Ownership Program Phenomena: Evidence From Indonesia," *Rev. Bus. Financ. Stud.*, vol. 3, no. 2, pp. 9–20, 2012, [Online]. Available: <http://0-search.proquest.com.wam.leeds.ac.uk/docview/1436857285?accountid=14664%5Cnhttp://openurl.ac.uk/?genre=article&issn=&title=Review+of+Business+%2526+Finance+Studies&volume=3&issue=2&date=2012-07-01&title=THE+EMPLOYEE+STOCK+OWNERSHIP+PROGRAM+PHENOM>.
- H. Firdaus Putra, "Keadilan, Demokrasi, dan Saham untuk Karyawan," 2018.

- <https://ekonomi.kompas.com/read/2018/05/02/074214926/keadilan-demokrasi-dan-saham-untuk-karyawan?page=all>.
- A. A. Wibawa, "OJK akan mengatur MSOP dan ESOP," *Kontan*, 2014. <https://investasi.kontan.co.id/news/ojk-akan-mengatur-msop-dan-esop>.
- A. Makki and M. Abid, "Influence of Intrinsic and Extrinsic Motivation on Employee's Task Performance," *Stud. Asian Soc. Sci.*, vol. 4, no. 1, p. 38, 2017, doi: 10.5430/sass.v4n1p38.
- M. A. Bawa, "Employee Motivation and Productivity: a Review of Literature and Implications for Management Practice," *Int. J. Econ. Commer. Manag. United Kingdom*, vol. 12, no. 12, pp. 662–673, 2017, [Online]. Available: <http://ijecm.co.uk/>.
- Y. J. Cho and J. L. Perry, "Intrinsic Motivation and Employee Attitudes: Role of Managerial Trustworthiness, Goal Directedness, and Extrinsic Reward Expectancy," *Rev. Public Pers. Adm.*, vol. 32, no. 4, pp. 382–406, 2012, doi: 10.1177/0734371X11421495.
- S. J. Yoo, S. H. Han, and W. Huang, "The roles of intrinsic motivators and extrinsic motivators in promoting e-learning in the workplace: A case from South Korea," *Comput. Human Behav.*, vol. 28, no. 3, pp. 942–950, 2012, doi: 10.1016/j.chb.2011.12.015.
- M. A. Sandhu, J. Iqbal, W. Ali, and M. S. Tufail, "Effect of Employee Motivation on Employee Performance," *J. Bus. Soc. Rev. Emerg. Econ.*, vol. 3, no. 1, pp. 85–100, 2017, doi: 10.26710/jbsee.v3i1.182.
- D. M. Crant, M. Jo, and R. M. Kovacevich, "How to Motivate Employees," *University of Notre Dame*, 2019. <https://www.notredameonline.com/resources/leadership-and-management/motivating-employees-key-to-effective-management/>.
- A. Jayamaha and J. M. Mula, "Productivity and Efficiency Measurement Techniques: Identifying the Efficacy of Techniques for Financial Institutions in Developing Countries Comparative Study on Technical Efficiency of Humanities and Social Sciences Faculties in Sri Lankan Universities View project," 2011. [Online]. Available: <https://www.researchgate.net/publication/233727036>.
- K. Soleimani-Chamkhorami, F. Hosseinzadeh Lotfi, G. Reza Jahanshahloo, and M. Rostamy-Malkhalifeh, "Preserving cost and revenue efficiency through inverse data envelopment analysis models," *INFOR Inf. Syst. Oper. Res.*, vol. 0, no. 0, pp. 1–18, 2019, doi: 10.1080/03155986.2019.1627780.
- R. M. Badubi, "Theories of Motivation and Their Application in Organizations: A Risk Analysis," *Int. J. Innov. Econ. Dev.*, vol. 3, no. 3, pp. 44–51, 2017, doi: 10.18775/ijied.1849-7551-7020.2015.33.2004.
- R. A. Culpepper, J. E. Gamble, and M. G. Blubaugh, "Employee stock ownership plans and three-component commitment," *J. Occup. Organ. Psychol.*, vol. 77, no. 2, pp. 155–170, 2004, doi: 10.1348/096317904774202126.
- T. J. Coelli and D. S. P. Rao, "Total factor productivity growth in agriculture: A Malmquist index analysis of 93 countries, 1980–2000," *Agric. Econ.*, vol. 32, no. SUPPL. 1, pp. 115–134, 2005, doi: 10.1111/j.0169-5150.2004.00018.x.
- A. Watson, "EMPLOYEE SHAREHOLDER PLANS," *Together Abroad*. <https://www.togetherabroad.nl/page/blog/command/detail/uid/8wsq1m/3/bb/1/employee-shareholder-plans/CurrentLanguage/3>.
- R. Meilita and B. Riyadi, "PENGARUH INTELEKTUAL CAPITAL (MODAL INTELEKTUAL) TERHADAP KINERJA KEUANGAN (Pada Perusahaan LQ-45 di Bursa Efek Indonesia (BEI) Periode Februari 2012 – Januari 2017)," 2018. [Online]. Available: feb.untagsmg.ac.id/slims.
- George B. Whitfield, "Business Across Cultures: Employee Motivation," *epat.or.id*. <https://www.epat.or.id/business/employeemotivation.html>.

Received: June 15, 2023

Revised: June 18, 2023

Accepted: June 20, 2023

Copyright © 2023– All Rights Reserved
This is an open-access article.