

THE IMPACT OF COMPENSATION AND WORK MOTIVATION ON EMPLOYEE PERFORMANCE IN THE ADMINISTRATION OF THE GENERAL BUREAU OF THE REGIONAL SECRETARIAT OF WEST JAVA PROVINCE

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ABSTRACT

Human resources are an important factor because they have a very large role in determining the success of achieving organizational goals. An agency has a goal to be achieved, while to achieve its goals the company definitely needs employees who are responsible and have good performance. The General Bureau of the Regional Secretariat of West Java Province, where employee performance is an important matter to find out to what extent the agency's goals have been successful in realizing within a certain time and period. This study aimed to determine the effect of compensation and work motivation on employee performance in the Administrative Bureau of the General Secretariat of the Province of West Java. The method used is a quantitative method with a descriptive verification approach. The sample collection technique used was saturated sampling by observing and distributing questionnaires to 30 respondents. Data analysis techniques used validity test, reliability test, classic assumption test (normality test, multicollinearity test, and heteroscedasticity test), multiple linear regression test, and hypothesis testing (f test and t test). The results of this study indicate that compensation has a positive and significant effect on employee performance, while work motivation has a positive and significant effect on employee performance.

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1. INTRODUCTION

Human resources are an important factor because they have a very large role in determining the success of achieving organizational goals. An agency has goals to be achieved, while to achieve its goals the company definitely needs employees who are responsible and have good performance. General Bureau of the Regional Secretariat of West Java Province, where employee performance is an important thing to know how far the agency's goals have been successfully realized in a certain period of time and period.

Employee performance is the result of work both quality and quantity produced by the employee or real behavior displayed in accordance with the responsibilities assigned to him (Murty and Hudiwinarsih, 2012). An overview of performance achievements for human resources who are positioned as office holders given the position of the West Java Regional Secretariat for Administration from 2020 to 2022 has the following performance results in table 1 below:

Table 1. Employee Performance Data

Category	Target Success	Achievements Success	Information
2020	100%	77,55%	unattainable
2021	100%	88,61%	unattainable
2022	100%	88,26%	unattainable

Source : Administrative Employee Performance Data, 2021 to 2022

From the table above, it shows that the Employee Performance data of the Administrative Section of the General Bureau of the Regional Secretariat of West Java Province in 2020 to 2021 meets performance achievements that are still below the set target, in 2020 it was 22.44% in 2021 of 21.39% while in 2022 it reached 21.73% thus the performance for the Administrative Section of the General Bureau for the last 3

years has not been optimal. Many factors determine performance but nevertheless the tendency of compensation and work motivation factors to have a considerable amount of needs that determine the achievement of that performance.

Compensation is a way for companies to further develop representative work execution and inspiration. Everything that employees receive as payment for their work is considered compensation (Pioh, 2016) the size of compensation will affect the implementation of employee performance if the compensation system provided by the company to employees is fair enough, will encourage employees to be better at their jobs and more responsible in each of the tasks assigned by the agency.

Table 2. Compensation Presurvey Results

No	Statement	Yes	Hesitate	Not
1	Receive a fixed basic salary every month in accordance with the UMR	90%	0%	10%
2	Intansi provides bonuses to employees who have worked beyond the target, which is set by the agency	20%	20%	60%
3	Agencies provide incentives so that employees are willing to work well	60%	25%	15%
4	Agencies provide Holiday Allowance (THR) every year	40%	20%	40%
5	Agencies provide benefits for health insurance (BPJS)	30%	20%	50%

Source : Google Form Pre Survey 2022

Based on the results of a pre-survey of 15 employees of the Administrative Section of the General Bureau of the Regional Secretariat of West Java Province regarding compensation, it was found that employees were not satisfied with the policy compensation that has been determined both as compensation that is fixed or non-fixed, because the leadership's policy is compared with the workload that must be done by the Staff.

Table 3. Work Motivation Presurvey Results

No	Statement	Yes	Hesitate	Not
1	Work in accordance with the established SOP	50%	40%	10%
2	Always trying to improve skills at work	40%	20%	40%
3	The leader always gives directions to subordinates	40%	40%	20%
4	Always strive in working in a team (team work)	30%	20%	50%
5	Trying to establish a working relationship with colleagues	70%	25%	15%

Based on the results of a pre-survey of 15 employees of the Administrative Section of the General Bureau of the Regional Secretariat of West Java Province regarding Work Motivation, it was found that employees lacked motivation marked by employees not trying to work properly so that which resulted in bright power and fighting power to work not worth the workload. In addition, employees also do not try to improve their skills at work.

To strengthen the performance data in the previous table, a pre-survey questionnaire was distributed, the results of which were as shown in the table below:

Table 4. Results of Employee Performance Pre-survey

No.	Statement	Agree	Hesitate	Disagree
1	The work standards that have been set by this agency have been achieved well	47.7%	40%	13.3%
2	The agency sets the workload according to the number of employees	53,3%	26.7%	20,0%
3	Highly maintain the punctuality and perfection of the work results	30%	40%	20%

5	Employees can solve problems that arise while working	50%	40%	10%
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Based on the results of a pre-survey of 15 administrative employees of the General Bureau of the Regional Secretariat of West Java Province regarding employee performance, it was found that the performance produced by the employees was quite good, but there were still some problems such as the number of employees who did not match the work charged by the agency. This causes delays in completing a job, so that employee performance is considered less than optimal.

2. LITERATURE REVIEW

A. Compensation

According to Rivai and Sagala (2013:741), "Compensation is something that an employee receives in lieu of his service contribution to the company". The compensation indicators according to Simamora in Nawa & Kempa (2017) are as follows: 1) Salaries and Wages, 2) Incentives, 3) Benefits, 4) Facilities.

B. Work Motivation

According to Sedarmayanti (2017, p.154) Motivation is a force that encourages a person to do an action or not which in essence exists internally and externally positive or negatively, work motivation is something that causes encouragement / morale / encouragement of morale. Indicators of work motivation according to Anwar Prabu Mangkunegara (2009: 93) in Bayu Fadillah, et al. (2013:5) as follows: 1) Responsibility, 2) Work Performance, 3) Opportunities to advance, 4) Recognition of Performance, 5) Challenging Work.

C. Employee Performance

According to Firda (2015: 618) Employee Performance is the result of work achieved by a person based on job requirements. A job has certain requirements to achieve goals which are also called job standards. Employee performance indicators according to (Anwar Prabu, 2017), employee performance can be assessed from: 1) Work quality; 2) Quantity of work; 3) Responsibility; 4) Cooperation; and 5) Initiative.

D. Hypothesis

Based on the theory above, the hypotheses proposed in this study are as follows:

H1: Compensation has a positive influence on the performance of administrative employees of the General Bureau of the Regional Secretariat of West Java Province.

H2: Work motivation has a positive influence on the performance of administrative employees of the General Bureau of the Regional Secretariat of West Java Province.

H3: Compensation and Work motivation have a simultaneous influence on the performance of administrative employees of the General Bureau of the Regional Secretariat of West Java Province.

E. Frame of Mind

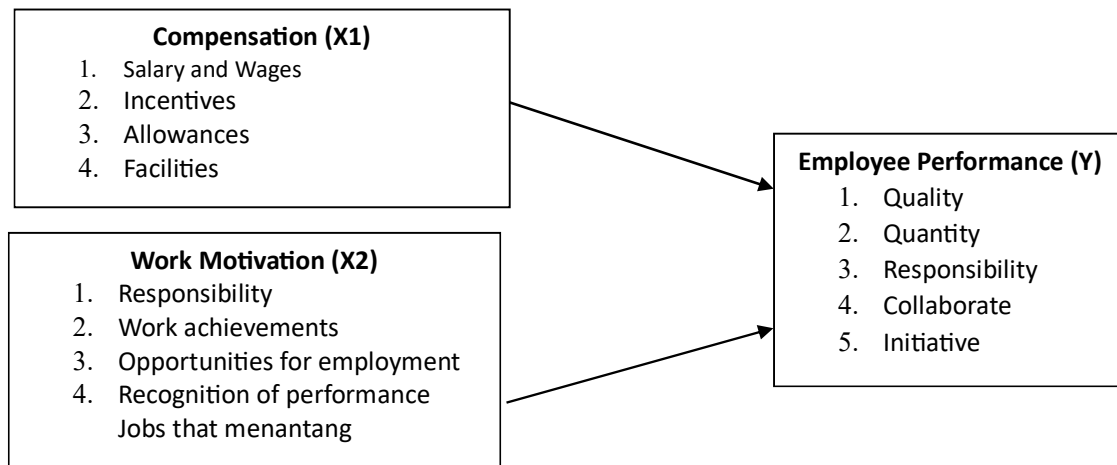


Figure 1. Frame of Mind

3. METHODS

In this study, the method used was a descriptive verifiable method. According to Sugiyono (2012:29) the descriptive method is a method used to describe or analyze a research result but is not used to make broader conclusions. Meanwhile, the verifiable method according to Mayhuri (2011: 45) is a method used to give whether or not it is true when explained to test a method with or without improvements that have been implemented elsewhere by overcoming problems similar to life. The type of data used in this study is primary data that is processed directly from the source through interviews, observations, questionnaires and secondary data obtained indirectly from other parties in the form of agency profiles and literature. The sample used in this study was 30 respondents. The sampling technique used in this study is a saturated sampling technique, where the technique determines the sample if all members of the population will be sampled in the study or can also be called a census in a small scope (Sugiyono, 2017). The data analysis techniques used in this study are validity test, reliability test, classical assumption test (normality test, multicholnearity test, heteroskedastirity test), multiple linear regression test, and hypothesis test (t test and f test). This data analysis was performed using the help of SPSS software version 23.

According to Sugiyono (2015: 119), population is a generalized area consisting of objects/subjects that have certain qualities and characteristics that are applied by researchers to be studied and then drawn conclusions. In accordance with this opinion, the population in this study were administrative employees of the General Bureau of the Regional Secretariat of West Java Province, totaling 30 employees when conducting research in October 2022.

According to Sugiyono (2014:116), it states that the sample is part of the number of characteristics possessed by the population. When the population is large, and it is impossible for researchers to study everything in the population. In this study, the object to be studied is a number of administrative staff of the General Bureau of the Regional Secretariat of West Java Province.

4. RESULTS AND DISCUSSION

A. Validity Test Results

Table 5. Summary of Validity Test Results

Variable	r _{count}	r _{table}	Ket.
Compensation (X1)	0.497 - 0.851	0,361	Valid
Work Motivation (X2)	0.505 - 0.726	0,361	Valid
Employee Performance (Y)	0.481 - 0.767	0,361	Valid

From the results of validity testing in the table above, the employee performance questionnaire (Y) with 8 statements that have been filled out by 30 respondents in this study. It can be seen that the calculated r is greater than the table r, so it can be said that all the statement items for the employee's performance variable are valid.

B. Reliability Test Results

Table 6. Summary of Reliability Test Results

Variable	Cronbach's Alpha	Information
Compensation (X1)	0.872	Reliable
Work Motivation (X2)	0.804	Reliable
Employee Performance (Y)	0,847	Reliable

In testing reliability for all statement items in this study using Cronbach's Alpha value where the questionnaire item is declared reliable if *the value of Cronbach's Alpha* > 0.60. From table 5 above, it can be seen that each variable has a value of *Cronbach's Alpha* of more than 0.60, therefore all statement items can be said to be reliable.

C. Classical Assumption Test Results

1. Normality Test

This normality test aims to find out whether the dependent variables are normally distributed or not. To see whether the data of the dependent variable, which in this case is a normal distributed employee performance variable or not, then this study the normality test was calculated using the *kolmogrov-smirnov one sample* test with a Sig. level of 0.05. The following are the results of the normality test:

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Table 7. Normality Test Results
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		30
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	3,51831276
Most Extreme Differences	Absolute	,083
	Positive	,083
	Negative	-,054
Test Statistics		,083
Asymp. Sig. (2-tailed)		,200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Based on the normality test above, it is known that the Asymp value. Sig. (2-tailed) by 0.200 greater than 0.05. So it can be concluded that the data tested in this study are normally distributed.

2. Multicholinerity Test

This multicholinerity test aims to test whether there are two or more free variables that correlate linearly. To test the presence of symptoms of multicholinerity in the research model, it can be seen from the *tolerance* value or *Variance Inflation Factor (VIF)* value. If the *tolerance* value < 1 and the VIF value of a free variable < 10 then it can be concluded that the free variable does not occur multicholinerity.

Table 8. Multicholinerity Test Results

		Coefficients ^a					Collinearity Statistics		
Type		Unstandardized Coefficients		Standardized Coefficients		t	Sig.	Tolerance	VIFs
		B	Std. Error	Beta					
1	(Constant)	-3,999	5,599			-,714	,481		
	Total_X1	,443	,102	,548		4,321	,000	,782	1,279
	Total_X2	,489	,156	,397		3,136	,004	,782	1,279

a. Dependent Variable: Employee Performance

Based on the results of multicholinerity testing in the table above, the tolerance value of each free variable was obtained, namely compensation 0.782 and work motivation 0.782, where the two variables were less than 1, and the VIF value of the discipline variable was 1.018 and work stress was 1.279, where The value is less than 10. Thus it can be concluded that this regression model does not exist multicholinerity.

3. Heteroskedasticity Test

This heteroskedasticity test aims to test whether in the regression model there is a dissimilarity of variants from one observation to another, a regression model contains the problem of heteroskedasticity meaning that the variable variance in the model is not consistent.

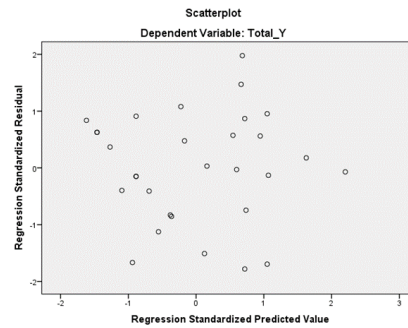


Figure 2. Heteroskedasticity Test

Based on the results of the figure above, the points on the *scatterplot* chart do not have a clear spreading pattern or do not form certain patterns. And the points spread out above and below the number 0 on the Y axis, thus that there is no heteroskedasticity disturbance in the regression model so this regression model is feasible to use.

D. Multiple Linear Regression Test Results

1. Correlation

Table 9. Correlation Test Results

Correlations				
		Total_Y	Total_X1	Total_X2
Pearson Correlation	Total_Y	1,000	,733	,902
	Total_X1	,733	1,000	,797
	Total_X2	,902	,797	1,000
Sig. (1-tailed)	Total_Y	.	,000	,000
	Total_X1	,000	.	,000
	Total_X2	,000	,000	.
N	Total_Y	30	30	30
	Total_X1	30	30	30
	Total_X2	30	30	30

The following is the result of testing the correlation coefficient, between Compensation and Work Motivation to Employee Performance, which is as follows:

- 1) The correlation coefficient between the variables of Employee Performance and Compensation is 0.733. This shows a very strong relationship, with a positive relationship direction. The greater the compensation, the more the Employee Performance increases. Significance level or Sig. (1-tailed) by $0.000 < 0.05$; meaning the relationship of Employee Performance and Compensation is significant.
- 2) The correlation coefficient between the variables of Employee Performance and Work Motivation is 0.902. This shows a very strong relationship, with a positive relationship direction. The greater the Work Motivation, the more the Employee Performance will increase. Significance level or Sig. (1-tailed) by $0.000 < 0.05$; this means that the relationship between Employee Performance and Work Motivation is significant.

2. Coefficient of Determination

This coefficient of determination test is used to determine the percentage of strength of the relationship between independent variables to dependent variables both partially and simultaneously.

Table 10. Coefficient of Determination Test Results

Model Summary b					
Type	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,813 ^a	,661	,636	1,887	2,101

- a. Predictors: (Constant), Work Motivation, Compensation
b. Dependent Variable: Employee Performance

Based on the table above, it can be seen that the value of R Square = 0.661 means that the contribution of the variables Compensation and Work Motivation affects Employee Performance by 66.1% while the remaining 33.9% is influenced by other factors that were not studied in the study. In other words, 66.1% of Employee Performance variables can be explained by Work Compensation and Motivation.

E. Hypothesis Test Results

1. Simultaneous Test (F Test)

Table 11. Simultaneous Test Results
ANOVA^a

Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	187,338	2	93,669	26,309	,000 ^b
	Residual	96,129	27	3,560		
	Total	283,467	29			

- a. Dependent Variable: Employee Performance
b. Predictors: (Constant), Work Motivation, Compensation

Based on the table above, it shows that the significance value is $0.000 < 0.05$ with $f_{\text{calculate}} > f_{\text{table}}$ ($26.309 > 3.35$). So H_a is accepted and H_0 is rejected, the variables of compensation and work motivation simultaneously affect employee performance.

2. Partial Test (Test t)

Table 12. Partial Test Results
Coefficients^a

Type		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
		B	Std. Error	Beta	t	Sig.	Tolerance	VIFs
1	(Constant)	-3,999	5,599		-,714	,481		
	Total_X1	,443	,102	,548	4,321	,000	,782	1,279
	Total_X2	,489	,156	,397	3,136	,004	,782	1,279

- a. Dependent Variable: Employee Performance

Based on the table it can be concluded that:

- a) In the variable k the compensation has the value Sig. of $0.000 < 0.05$ with a calculated t value of $> t_{\text{table}}$ ($4.321 > 1.703$). It can be concluded that H_a was accepted and H_0 was rejected. That way the compensation variable partially affects employee performance.
b) In the work motivation variable has a value of Sig. Of $0.04 < 0.05$ with a calculated t value $> t_{\text{table}}$ ($3.136 > 1.703$). It can be concluded that H_a was accepted and H_0 was rejected. That way the work motivation variable partially affects employee performance.

2. Discussion

a) The Effect of Compensation on the Performance of Administrative Employees of the General Bureau of the Regional Secretariat of West Java Province

The results showed that there was an effect of compensation on employee performance, this proved by the results of the t test with a calculated t value of 4.321 with a significance value of 0.000 smaller than 0.05 ($0.000 < 0.05$). This shows that it has a partial significance between compensation and employee performance. Thus, it can be interpreted that the better the compensation given, the more the performance of administrative employees of the General Bureau of the Regional Secretariat of West Java Province will also increase. This is supported by research by Agung Surya Dwianto (2019) that the study shows that compensation affects employee performance at PT. Surya Dwianto. JAEIL INDONESIA.

b) The Effect of Work Motivation on the Performance of Administrative Employees of the General Bureau of the Regional Secretariat of West Java Province

The results showed that there was an influence between work motivation and employee performance in the Administration of the General Bureau of the Regional Secretariat of West Java Province. This proves with the results of the t test with a calculated t value of 3.136 with a significance value of 0.004 smaller than 0.05 ($0.004 < 0.05$). This shows that it partially has a significant influence between work motivation and employee performance. Thus, it can be interpreted that the higher the level of work motivation, the employee's performance will increase, and vice versa, if the lower the work motivation, the more the employee's performance will decrease. This is supported by the research of P.Ayu Asri Wulandari et al. (2020) that in the study showed that work motivation affects the performance of puskesmas Seririt III employees.

c) The Effect of Compensation and Work Motivation on the Performance of Administrative Employees of the General Bureau of the Regional Secretariat of West Java Province

The results of this study show that there is a simultaneous influence between compensation and work motivation on the performance of administrative employees of the General Bureau of the Regional Secretariat of West Java Province. This indicates that the significance value is $0.000 < 0.05$ with $f_{count} > f_{table}$ ($26,309 > 3.35$). Because the significance is less than 0.05, this study proves that H_a is accepted and H_o is rejected, that the variables of compensation and work motivation simultaneously affect the performance variables of administrative employees of the General Bureau of the Regional Secretariat of West Java Province.

And the results of the R square coefficient of determination in this study obtained an R square value of 0.661, meaning that the contribution of the Compensation and Work Motivation variables had an impact on Employee Performance of 66.1% while the remaining 33.9% was influenced by other factors that were not studied in the study. In other words, 66.1% of Employee Performance variables can be explained by Work Compensation and Motivation. This is supported by the research of Deffy Lestari et al. (2020) that the study shows that compensation and work motivation affect employee performance at PT. Eagle Sugar Factory II Tersana Baru.

5. CONCLUSION

Compensation positively and significantly influences Employee Performance in the Administration of the General Bureau of the Regional Secretariat of West Java Province. Work Motivation positively and significantly influences Employee Performance in the Administration of the General Bureau of the Regional Secretariat of West Java Province. Compensation and Work Motivation simultaneously positively and significantly influence Employee Performance in the Administration of the General Bureau of the Regional Secretariat of West Java Province.

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