


Compensation and Employee Competency Development in Improving Employee Performance at PT. Bahtera Sarana Cargo

Christian Devid Parluhutan Siahaan¹, Cici Handayani², Dewi Wulandari³

^{1,2,3}Politeknik Unggul LP3M

Article Info	ABSTRACT
Keywords: Compensation, Competency development, Employee performance, HR management.	This study aims to analyze the effect of compensation and competency development on improving employee performance at PT. Bahtera Sarana Cargo. The results of the study indicate that compensation based on job level, attendance level, and employee permanence status contributes positively to employee motivation and loyalty. In addition, incentives and bonuses have been shown to encourage employees to demonstrate optimal work performance. On the other hand, employee competency development through training and skill development has also been shown to improve employee work ability and readiness in facing the company's operational challenges. Both factors synergistically support the creation of better and sustainable employee performance. This study emphasizes the importance of strategic human resource management in improving company competitiveness through superior employee performance.
This is an open access article under the CC BY-NC license 	Corresponding Author: Christian Devid Parluhutan Siahaan Politeknik Unggul LP3M Jl. Iskandar Muda No. 3 EF chrystiansiahaan03@gmail.com

INTRODUCTION

The development of the business world today is very rapid, especially in the digital era that simplifies the process of managing permits and access to capital (Purba, 2021a; Challa *et al.*, 2024). This has led to the emergence of more and more business entities and companies, which in turn has led to increasingly tight competition between business actors. In facing this competition, companies are required to always innovate, both in terms of products and work processes (Chen *et al.*, 2021; Purwanti *et al.*, 2023). Creativity and innovation are the main keys to maintaining the continuity and competitiveness of companies in an increasingly competitive global market.

Human resource (HR) performance is a factor that greatly influences the success of a company. Employees who have good performance will contribute positively to the achievement of company goals (Susanto, Fachruzzaman and Abdullah, 2020; Purba *et al.*, 2022). Conversely, if employees do not have adequate motivation and competence, the company's performance will be disrupted. Therefore, companies must be able to manage and develop their HR performance well in order to survive and thrive amidst tight competition.

One way that companies can improve employee performance is through providing appropriate compensation. Compensation is not only related to financial aspects, but also to

appreciation and recognition of employee contributions (Nazah *et al.*, 2021; br Ginting *et al.*, 2022). Adequate compensation will motivate employees to work better and feel appreciated for the efforts they have made. With a clear and fair compensation system, it is expected that employees can work with more focus and have high spirits in carrying out their duties (Faridh, 2022).

In addition to compensation, employee competency development is also an important factor in improving performance. This competency development can be done through training programs, education, and skill improvement that are relevant to the duties and responsibilities of employees in the company (Kusumawardani, Wahyu and Suwarsono, 2021; Purba, Sembiring, *et al.*, 2024; Purba, Simarmata, *et al.*, 2024). With good competency development, employees will be better prepared to face work challenges, improve work quality, and be able to provide maximum contribution to achieving company goals.

However, despite various efforts, some companies still face challenges in improving employee performance. One of them is PT. Bahtera Sarana Cargo, which operates in the transportation services sector (Purba and Sembiring, 2016; Yuliana, Arwin and Pratiwi, 2020). Based on the results of interviews with the company's personnel, it was found that there was a decline in employee performance due to the high level of turnover. The main causal factors are the uncertainty regarding the compensation provided by the company, as well as higher salary offers in other companies.

This problem indicates that the company needs to improve the compensation system and optimize employee competency development to improve performance and reduce turnover rates. Therefore, this study will focus on the analysis of compensation and competency development in improving employee performance at PT. Bahtera Sarana Cargo, in order to provide solutions to existing problems.

The purpose of this study is to determine how the compensation system and competency development implemented in PT. Bahtera Sarana Cargo in relation to improving employee performance. This study also aims to identify factors that influence employee motivation and productivity, as well as provide strategic input to company management in designing more effective human resource policies that are oriented towards improving performance. Thus, the results of this study are expected to provide a comprehensive picture of the role of compensation and competency development in shaping optimal employee performance.

The urgency of this research lies in the importance of creating a conducive work climate and an adaptive HR management system amidst increasingly tight business competition. In the context of PT. Bahtera Sarana Cargo which is experiencing a decline in performance and a high level of employee turnover, this study is important as a basis for internal company evaluation. This research is expected to not only provide theoretical contributions to the study of human resource management, but also become a practical reference for companies in developing compensation and training strategies that are more structured, sustainable, and have a direct impact on improving employee work performance.

METHODS

This study uses a descriptive qualitative approach with the aim of gaining an in-depth understanding of employee compensation and competency development in improving employee performance at PT. Bahtera Sarana Cargo (Sugiyono, 2010; Purba, 2022). The qualitative research method was chosen because it can comprehensively describe the processes, meanings, and social dynamics that occur in the company environment based on the perspective of the research subjects. The researcher collected data directly through observation, in-depth interviews, and distributing questionnaires to company employees. This research was conducted at PT. Bahtera Sarana Cargo located at Jl. Sikambing No.3A, Sekip, Medan, in September 2024.

The data sources in this study consist of primary data and secondary data. Primary data were obtained through direct interviews with management and staff and distributing questionnaires to 26 employees of PT. Bahtera Sarana Cargo, which aims to obtain information about the compensation system and competency development programs that have been implemented in the company. While secondary data were obtained through company documents such as history, vision and mission, organizational structure, and relevant library sources in the form of scientific journals, textbooks, and information from the internet that support the theoretical study in this study (Makbul, 2021). Data collection techniques were carried out through interviews, namely direct dialogue with respondents to obtain qualitative information, and closed questionnaires, where respondents were asked to choose the answers that had been provided to facilitate the data analysis process (Ramen A Purba *et al.*, 2020; Fathoni, Astuti and Sondang, 2023). The data obtained were then analyzed descriptively to obtain a comprehensive picture of the relationship between compensation, competency development, and employee performance in the company.

RESULTS AND DISCUSSION

Results

Respondent Characteristics

Based on the results of data obtained from respondents in this study, it is known that most employees at PT. Bahtera Sarana Cargo who are the objects of the study are dominated by female gender. The percentage reaches 67%, while male employees only amount to 33% of the total respondents. This composition shows that women have a fairly large role in the company's operations, both in the fields of administration, service, and other parts relevant to the transportation service activities carried out by the company. The dominance of female employees also reflects the dynamics of the current workforce, where the involvement of women in the world of work is increasing, including in sectors that were previously filled by more male workers. This is certainly an important concern in human resource management, because gender differences can also affect the approach to providing compensation and competency development programs that are tailored to the needs and characteristics of each group.

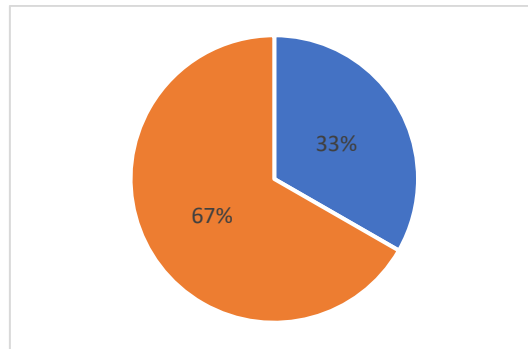


Figure 1. Respondent Characteristics

By Age

Based on the research data, it is known that most of the employees of PT. Bahtera Sarana Cargo who were respondents were in the age range of 21 to 28 years, with a percentage reaching 90% of the total employees studied, while the remaining 10% were employees outside that range. This shows that the majority of the company's workforce comes from the young age group or early productive generation which is identical to high work enthusiasm, good adaptability to change, and openness to innovation and new technology. This age group also tends to still be in the early stages of their career, so they have great potential to be developed through training and work competency improvement programs. The dominance of young age in the PT. Bahtera Sarana Cargo work environment is certainly a challenge as well as an opportunity for management, especially in formulating compensation strategies and competency development that are in accordance with the characteristics and needs of the younger generation who are more flexible, open, and want a clear and fast career path.

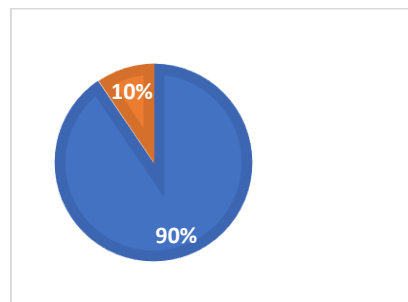


Figure 2. By Age

Based on Education

Based on the data obtained, the majority of employees at PT. Bahtera Sarana Cargo have a final education of Bachelor's Degree (S1), with a percentage of 55%. This shows that the company recruits quite a lot of workers with higher education backgrounds, who generally have more mature analytical, communication, and theoretical knowledge skills. Furthermore, as many as 30% of employees are known to have a final education of high school or vocational school, which shows the diversity of educational backgrounds in the work environment, where workers who are high school graduates are still an important part in supporting the company's operations. Meanwhile, as many as 15% of employees have completed their Master's degree (S2), indicating the existence of workers with higher

academic qualifications, although the number is still relatively small. Interestingly, there are no employees with a Bachelor's degree (S3) education background, which shows that at the operational to managerial levels in this company, the need for workers with doctoral degrees has not been a priority. This composition provides a general picture that PT. Bahtera Sarana Cargo tends to prioritize undergraduate education as the main qualification in recruitment, but still opens up space for middle and postgraduate graduates.

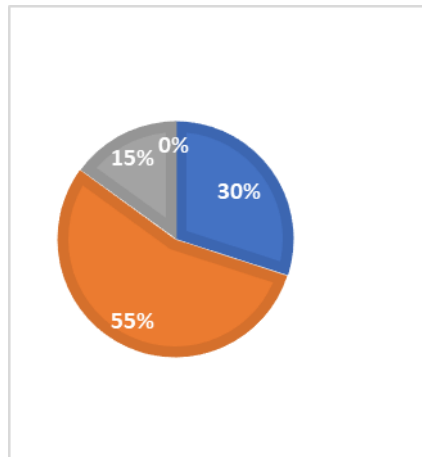


Figure 3. Based on Education

Research Questionnaire Results

In this study, the researcher processed the questionnaire data in the form of graphic data consisting of 5 questions. The distributed questionnaire was given to 21 employees at PT. Bahtera Sarana Cargo. Based on the results of the study, the majority of respondents, namely 58%, stated that the Standard Operating Procedure (SOP) at PT. Bahtera Sarana Cargo is in the good category. This shows that most employees feel that the SOP implemented is clear enough, understandable, and can be an effective work guideline in carrying out daily tasks. Meanwhile, as many as 25% of respondents even rated the company's SOP in the very good category, which reflects that some employees feel that the SOP is not only functional but also supports work efficiency and productivity. However, there are also 17% of respondents who rated the SOP as still in the fairly good category, which means that there is still room for improvement, both in terms of socialization, implementation, and supervision of its implementation. Overall, these data indicate that the SOP-based work system in the company has been well received by the majority of employees, but management still needs to conduct periodic evaluations so that the quality of the SOP continues to improve and can answer the needs and dynamics of the company's operations.

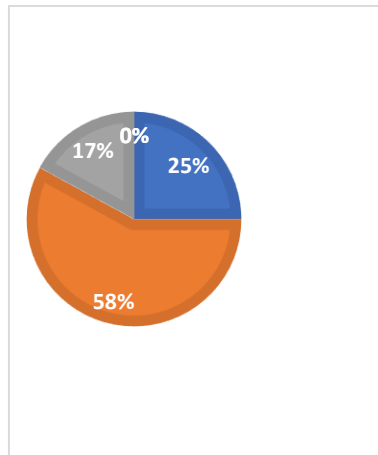


Figure 4. Research result

Work Quantity

The amount of work assigned to employees is closely related to the quantity of tasks to be completed within a certain period of time. This quantity of work can be measured through participatory goal achievement evaluations or formal work measurements, which are determined through communication between superiors and subordinates. In this case, discussions about job objectives, roles in the organizational structure, employee needs, and institutional requirements are important in determining the ideal workload.

Based on the results of interviews with the management of PT. Bahtera Sarana Cargo, it is known that employee performance indicators are measured based on the amount of work assigned, and all employees are required to comply with these provisions in order to support objective performance evaluation. In fact, it was stated that around 90% of employees have contributed optimally to achieve the company's targets. In addition, the results of interviews with one of the employees showed that providing decent incentives every month is also the main motivation in improving work performance. This finding is in line with the opinion of (R. A. Purba *et al.*, 2020; Purba, 2021b; Widodo and Yandi, 2022; Gunawan *et al.*, 2023) Afandi (2121:89), who stated that all forms of work can be measured both quantitatively and qualitatively. Therefore, determining the quantity of work is an important aspect in effective human resource management, so that each employee can carry out their duties in a focused and optimal manner in achieving organizational goals.

Quality of Work Results

The quality of employee work at PT. Bahtera Sarana Cargo is greatly influenced by various factors, one of which is the salary and incentives received. The basic salary paid to permanent employees is in accordance with the level and type of work stated in the contract, the value of which remains the same every month. In addition, there is a difference in the amount of salary between new and old employees. However, salary is not the only factor that affects performance. One important aspect that is considered by the company is the quality of service provided to customers. If the quality of service is poor, even though the products offered are in accordance with consumer needs, customer satisfaction will decrease, which will lead to loss of customer trust and market shift to competitors.

Conversely, if the quality of service and products is supported by an adequate service strategy, customers will feel satisfied. As expressed by one employee, although incentives play an important role in motivating employees, they remain committed to providing the best service without depending on these incentives. This is also supported by the company's leadership who emphasizes the importance of work quality and discipline, which are considered the main basis for building good work quality within the company.

Based on interviews with leaders, discipline is the main key to achieving high work quality, and this discipline must come from within each employee. The results of this study are in line with the view of (Yuliana, Arwin and Pratiwi, 2020; Purba and Verawardina, 2021), who stated that work quality is closely related to the ability to show measurable results, both in quantitative and qualitative forms. Thus, the quality of work at PT. Bahtera Sarana Cargo is quite satisfactory because many employees are enthusiastic about working, driven by incentives and commitment to high service quality.

Accuracy in Carrying Out Duties

The level of validity of job measurement is very important to ensure whether the job objectives have been achieved properly. One of the main indicators of job success is accuracy, which plays a major role in making work results more complete, clean, and accurate (Yuliana, Arwin and Pratiwi, 2020; Purba, 2021b; Mairani and Putri, 2023). This accuracy is very much needed in the world of work, because individuals who have high precision are able to work stably, even under pressure (Windyastuti, 2020). Accuracy is closely related to concentration, alertness, and the ability to measure effective work speed. In the context of PT. Bahtera Sarana Cargo, evaluation of employee work accuracy is carried out by observing their accuracy in carrying out daily tasks, such as in the process of customer service and stock management.

One of the employees said that they try to meet consumer needs quickly and accurately, from picking up needed items to managing dwindling stock, as well as managing payment transactions and packaging items properly. The company also has several provisions in assessing the accuracy of employee work, such as setting working hours which are divided into two shifts, namely morning and night shifts. The morning shift starts at 07.00-15.00, while the night shift lasts from 15.00 to 22.00. Job rotation at PT. Bahtera Sarana Cargo includes 4 morning shifts and 3 night shifts, with scheduled breaks for prayer and eating. The company does not provide food for employees, but the excess working hours required are considered an additional bonus. If working hours exceed the existing provisions, it is considered overtime, which is one of the factors that assesses the accuracy and precision of employee work.

Discussion

Compensation is one of the important elements in improving employee performance at PT. Bahtera Sarana Cargo. As a source of income for employees, compensation is a fundamental factor in motivating them to work optimally. According to the interview results, the compensation provided at PT. Bahtera Sarana Cargo consists of several forms, such as salary, allowances, incentives, and other facilities. The salary received by employees is adjusted to their position and length of service, starting from IDR 1,500,000 to IDR

4,200,000, while for managers it reaches IDR 4,200,000. In addition, Eid allowances (THR) in the form of cash of IDR 200,000 and BPJS Health allowances are also provided in accordance with government regulations. An incentive of IDR 50,000 per day is given to employees who excel, as well as facilities such as housing, uniforms, and motorbikes for employees who have worked for more than three years.

The compensation system implemented at PT. Bahtera Sarana Cargo, which includes time, achievement, and wholesale systems, plays a major role in improving employee performance. Job satisfaction achieved through fair compensation will increase employee morale and productivity. When employees feel appreciated and treated fairly, the relationship between employees and the company becomes more open and good cooperation is established, both formally and informally. This automatically improves their discipline and performance. Compensation that is timely and in accordance with good work results will encourage employees to work more effectively and efficiently.

In addition to compensation, employee competency development also plays an important role in improving their performance. Based on the interview results, employees at PT. Bahtera Sarana Cargo showed good performance, with high ability to fulfill the amount of work set without ignoring quality. Competency development carried out by the company allows employees to have good knowledge of the work, as well as high creativity and initiative in completing tasks. Several employee performance indicators, such as quantity of work, quality of work, efficiency, accuracy, and ability to work together, showed good results. However, there are several areas that still need to be improved, such as the ability to work together in a team and initiative in taking on greater responsibility. Overall, PT. Bahtera Sarana Cargo has succeeded in creating a work environment that supports employee competency development and improves their performance.

CONCLUSION

Based on the results of the data analysis that has been done, it can be concluded that compensation at PT. Bahtera Sarana Cargo plays a very important role in improving employee performance. Compensation is calculated based on several factors, such as job level, absence, and employee permanence. These factors greatly affect the company's management, which is reflected in the organizational structure of PT. Bahtera Sarana Cargo. By providing incentives and bonuses, the company has succeeded in encouraging employee loyalty and improving their ability to carry out their duties. Employees who feel appreciated and rewarded for their performance tend to show higher dedication and are committed to giving their best for the company. In addition, employee competency development is also an important factor in improving performance at PT. Bahtera Sarana Cargo. Through the competency development program carried out by the company, employees can develop their skills and knowledge that are relevant to the work they do. This allows them to be more effective in completing tasks, solving problems, and innovating in their work. Thus, this competency development gives employees the ability to show their potential to the fullest, which in turn contributes to better company performance.

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