



## The Effect of Compensation on the Performance of Operational Employees at Gema Suara Adhitama Company, Central Jakarta

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### ABSTRACT

The purpose of this study was conducted to determine whether there is an effect of compensation on employee performance in the Operations Section at PT. The echo of Adhitama Central Jakarta. The method used in this study is a descriptive method with a quantitative approach, sampling 65 respondents using a saturated sample, with analytical methods namely validity test, reliability test, simple linear regression analysis, correlation coefficient, coefficient of determination, and t test calculated using SPSS software version 24. The resulting simple linear regression equation is  $Y = 24,489 + 0.386X$ , which means that if the value of X increases by one unit, the value of Y will increase by 0.386 with a constant of 24,484. The results of the partial significance test for the compensation variable (X) obtained  $t_{count} > t_{table}$  ( $4.751 > 1.998$ ) with a significance value ( $0.000 < 0.05$ ), then there is a positive and significant effect between the compensation variable (X) on employee performance (Y). 6% is influenced by other factors not examined in this study. The resulting simple linear regression equation is  $Y = 24,489 + 0.386X$ , which means that if the value of X increases by one unit, the value of Y will increase by 0.386 with a constant of 24,484. The results of the partial significance test for the compensation variable (X) obtained  $t_{count} > t_{table}$  ( $4.751 > 1.998$ ) with a significance value ( $0.000 < 0.05$ ), then there is a positive and significant effect between the compensation variable (X) on employee performance (Y). 6% is influenced by other factors not examined in this study. The resulting simple linear regression equation is  $Y = 24,489 + 0.386X$ , which means that if the value of X increases by one unit, the value of Y will increase by 0.386 with a constant of 24,484. The results of the partial significance test for the compensation variable (X) obtained  $t_{count} > t_{table}$  ( $4.751 > 1.998$ ) with a significance value ( $0.000 < 0.05$ ), then there is a positive and significant effect between the compensation variable (X) on employee performance (Y).

## INTRODUCTION

Human resources (HR) is a very important factor that cannot even be separated from an organization, both institutions and companies. HR is also the key that determines the development of the company. In essence, HR is in the form of humans who are employed in an organization as movers, thinkers and

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thinkers planners to achieve the organization's goals. Understanding HR can be divided into two, namely the understanding of micro and macro. The definition of human resources in micro is individuals who work and become members of a company or institution and are commonly referred to as employees, laborers, employees, workers, labor and so on. Meanwhile, the macro definition of HR is the population of a country who has entered the age of the labor force, both those who have not worked and those who have worked. Broadly speaking, the definition of Human Resources is an individual who works as a driver of an organization, both an institution and a company and functions as an asset that must be trained and developed.

The business world is now required to create high employee performance for company development. Companies must be able to build and improve performance in their environment. The success of the company is influenced by several factors, one of the important factors is human resources, because human resources are actors from all levels of planning to evaluation who are able to utilize other resources owned by the organization or company. PT. Gemasura Adhitama is the only largest distributor of Pioneer brand Audio in Indonesia, having problems related to compensation. The provision of compensation in the form of salaries or wages received by employees in return for services provided by the company PT. The echo of Adhitama resulted in a decrease in morale. By providing appropriate compensation, employees will feel more enthusiastic to work because they feel their needs have been met.

Compensation is given to employees to work well for the company, in the hope of meeting the needs of their lives and their families, to make this happen they sacrifice their energy, thoughts and time for the continuity of the company where they work. Inappropriate provision of incentives or awards for PT. Gema Suara Adhitama Operational Section can reduce employee performance. The provision of compensation in the form of incentives sometimes does not pay attention to the work ability of its employees. Not only that, but for overtime pay which is often late or not on time from the date set by the company. Performance is the embodiment of work carried out by employees which is usually used as a basis for assessing employees or organizations so that efforts need to be made to improve performance. In human organizations, they are placed in a very special element, because new humans will be encouraged to work and increase their productivity if various their needs are met, in essence humans in their lives always want to meet their needs, both material needs and non-material needs.

For organizations that have the impetus, they will certainly think about how to fulfill the needs of each employee, one of the right ways is by providing proper and fair compensation as an award given by the company to its employees. employees to work with good performance. Discipline is very important as a growth factor for an organization or company, especially to motivate employees to be self-disciplined in carrying out work both individually and in groups. Besides that, discipline is useful in educating employees to comply with existing regulations, procedures and policies, so as to produce good performance. Based on the observations of PT. which cause a decrease in employee performance for the company.

So far, the compensation given by PT. Gema Suara Adhitama's Operational Section is not considered comparable to the performance that has been given by its employees, many employees of PT. Gemasur Adhitma. The Operational Section who works outside working hours but is not given good compensation, there is a salary deduction according to the amount that has been determined when there is a delay in coming to work for employees and there is no overtime pay for employees who still have to complete their duties outside of working hours. This is one of the reasons many employees of PT. Gema Suara Adhitama who is currently looking for additional and has a side job because they feel that the compensation given is insufficient, so that the employees are not focused on the main work in the office.

Management is a science and art that regulates the process of utilizing human resources to be able to work together in order to achieve organizational goals by planning, organizing, directing. Human

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resource management is the process of managing the workforce or employees in a company by planning, developing, maintaining and using human resources to achieve goals both individually and organizationally so that the goals set by a company can be achieved in accordance with the objectives. Compensation is everything that is given by the company to employees, as a reward or reward for the performance produced by employees, for the benefit of the company. This compensation aims to obtain quality human resources and maintain current human resources. It is often found in daily practice that quality human resources cannot be obtained because the compensation system is not attractive. Performance is the work of a person who has a relationship with the goals of the organization or company that has been carried out in accordance with the responsibilities according to the authority and responsibility given to him at a certain time period.

### **METHOD**

This research was conducted at PT. Gema Suara Adhitama Operational Section on Jalan Cideng Barat No.31AA Central Jakarta 10150. The time of the research was carried out from December 2018 until the completion of this research. In order for this research to be more focused and in accordance with the desired goals, the authors use descriptive research methods with a quantitative approach.

#### **Method of Determination of Population and Sample**

Based on the research location that has been determined, the population that is used as the object of this research is all employees who work at PT. Gema Suara Adhitama Operations Section with a total of 65 employees. According to Sugiono (2015:81) the sample is part or representative of the population being studied. If the population is large, and the researcher is not able to study everything in the population, the researcher can use samples taken from the population.

The sample in this study amounted to 65 people. In this case, the researcher uses a saturated sample according to Sugiyono (2015: 68) saturated sample is a sampling technique when all members of the population are used as samples.

#### **Method of collecting data**

Primary data is data collected by the research itself or itself. This is data that has never been collected before, either in a certain way or over a period of time. Secondary data is data collected by other people, not the researchers themselves. This data usually comes from other research that is usually carried out by institutions or organizations.

### **RESULTS AND DISCUSSION**

PT. Gema Suara Adhitama is one of the companies in Car Audio and Home Appliance products. The history of the development of PT. Gema Suara Adhitama started from the company PT. Adab Alam Elektronik (a distributor of Pioneer goods) which was established on August 20, 1975 by Mr. Hengki Darmawan as the founder of the company. Then as time went on in 1991 the leadership was continued by Mr. Rocky Darmawan and Mrs. Ong Siok Tin. PT. Gema Suara Adhitama will provide quality products to meet customer requirements and satisfaction. Therefore, PT. Gema Suara Adhitama is committed to:

1. Continuously improve the quality management system and human resources.
2. Placing the interests of customers in terms of product service, on time delivery and providing quality products at competitive prices.
3. Continuously collaborate with suppliers and customers to develop innovative products.

Based on repondents male can be seen that the male respondents were 46 people or 71% larger than the female respondents, namely 19 people or 29%. This shows that the dominant respondents are male compared to female respondents. Based on respondents aged that the respondents aged between <20 years were 10 (15%), aged 21-30 years were 30 people (46%), aged 31-40 years were 22 people (34%), and the age of more than 50 years as many as 3 people (5%). Based on respondents education can be

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seen that the respondents PT. Gema Suara Adhitama in the Operations Section, 25 people (38%), with D3 education as many as 10 people (15%), and 30 people (46%) with high school/vocational education. Based on can be seen that the number of respondents who worked less than 1 year were 5 people (8%), respondents who worked 1-3 years were 15 people (23%), who worked 3-5 years were 25 people (38%), respondents who worked more than 5 years were 20 people (31%). Based on the above criteria, it is possible to assess the respondent's condition according to the following indicators and variables:

Based on the responses of respondents to variable X who answered "Strongly Agree" as much as 20.62%, respondents who answered "Agree" as many as 45.08%, respondents answered "Doubtful" as many as 28.46%, respondents who answered "Disagree" as many as 4.46%, and respondents who answered "Strongly Disagree" were 1.38%

Based on the questionnaire distributed to 65 respondents, the answers about the compensation variable in general get a "good" response, this can be seen from the average value obtained for the compensation variable of 3.79 which is contained in the scale range between 3.40 - 4.19 with good criteria.

Based on the responses of respondents variable Y who answered "Strongly Agree" as much as 21.54%, respondents who answered "Agree" as many as 51.08%, respondents answered "Hesitating" as much as 24.62%, respondents who answered "Disagree" as much as 2.46%, and respondents who answered "Strongly Disagree" as much as 0.31%.

Based on the questionnaire distributed to 65 respondents, the answers about the performance variables in general get a "good" response, this can be seen from the average value obtained for the performance variable of 3.91 which is contained in the scale range between 3.40 - 4.19 with good criteria.

### **Data Analysis Techniques**

Based on the calculation results, it can be seen that of the 10 statement items for the compensation variable (X) and employee performance (Y) all statement items are declared valid, where all statement items have an r-count value greater than 0.244 or  $r_{count} > r_{table}$ . From the results of the simple linear regression equation with the equation  $Y = 24,489 + 0.386X$ , it can be concluded as follows:

1. The constant value of 24,489 states that if the value of the compensation variable (X) does not exist or = 0, then the performance value is 24,489.
2. The regression coefficient for the compensation variable is 0.386, meaning that for every additional 1 (one) point of the compensation variable, it will increase performance by 0.386 times.

The interpretation of the above equation is that the regression coefficient of the compensation variable (X) is 0.386, which implies that compensation is in line with the performance variable, so it can be concluded that compensation has a positive effect on employee performance at PT. Echoes of Adhitama Operations Section.

Based on the result, the correlation coefficient value is 0.514, to determine the strength of the relationship between variables, the results obtained are  $r = 0.514$ . The following is a guide table for the interpretation of the Product Moment correlation coefficient. After interpreting the results of the correlation calculation, it can be seen that the correlation (r) i.e. 0.514 belongs to the interval level of the relationship is quite strong, which means that there is a strong enough relationship between compensation and performance. Based on the results, the value of the coefficient of determination is 0.264, it can be concluded that the compensation variable (X) has an influence contribution to the performance variable (Y) of 26.4%. Based on the results of the analysis in the table above, the value of  $t_{arithmetic} > t_{table}$  or  $(4.751 > 1.998)$  is strengthened by a significance value of  $0.000 < 0.05$ , for that the first hypothesis which states that there is a positive and significant effect between compensation on performance at PT. Echoes of Adhitama Operations Section, then  $H_0$  is rejected and  $H_a$  can be accepted.

## **CONCLUSION**

Compensation at PT. Gema Suara Adhitama Operations Section, from 65 respondents with 10 statements with an average score of 3.79 categorized as GOOD, can be seen from table 4.5 scale range. This can be seen from the respondents' answers to the allowance indicator with the statement "The company always provides holiday allowances (THR) every year to employees" with a score of 4.05 or "good".

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Employee performance received various responses but overall GOOD, from 65 respondents with 10 statements an average of 3.91 was categorized as GOOD, it can be seen from table 4.5 scale range. This can be seen from the respondent's answer to the statement item "The workload given to me is in accordance with the level of ability based on educational qualifications" with a score of 4.11 or "good".

Based on the tests that have been carried out, the resulting simple linear regression equation is  $Y = 24.489 + 0.386X$ , which means that if the X value increases by one unit, the Y value will increase by 0.386 with a constant 24,484. The correlation coefficient obtained is 0.514, there is a fairly strong level of relationship between compensation and employee performance, then with the coefficient of determination obtained a value (Kd) of 0.264, which means that compensation has an influence contribution to employee performance of 26.4%, while the remaining 73, 6% is influenced by other factors not examined in this study. The results of the partial significance test for the compensation variable (X) obtained  $t_{count} > t_{table}$  ( $4.751 > 1.998$ ) with a significance value ( $0.000 < 0.05$ ),

Salary and incentive wages based on respondents' answers get a good response, but the company should consider adjusting salaries according to the skills and education of employees and reconsider increasing incentives for employees who excel. This can motivate employees to be more enthusiastic at work and trigger a high level of performance in the company.

The work skills of employees at the company are good, but the company should hold training for employees so that employees are always more skilled and add to their skills so that they get maximum results and can create new ways of working that make it easier for employees to achieve the targets set by the company.

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