Effect of Work Discipline and Compensation on Employee Performance Majalengka Company People's Credit Bank, West Jawa

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ABSTRACT
This study aims to determine the effect of Work Discipline and Compensation on Employee Performance at PT. Majalengka Rural Bank, West Java. The research method used is a quantitative research method. The population in this study were employees of PT. Majalengka Rural Bank, West Java. The technique used in sampling is saturated sample, where the total population is used as a sample of 57 respondents. The method of collecting data is using a questionnaire, while the method in this study uses multiple linear regression analysis. The results of this study indicate that Work Discipline has a significant effect on Employee Performance as seen from tcount > ttable that is 3.863 > 2.00404, Compensation has a significant effect on Employee Performance seen from tcount > ttable that is 4.866 > 2.00404 and simultaneously Work Discipline and Compensation have a positive and significant effect on Performance Employees are shown from Fcount > Ftable which is 14,804 > 3,17. From the partial results of Work Discipline has a sig value of 0.000 and Compensation has a sig value of 0.000, and the simultaneous results have a sig <0.05 or 0.000 <0.05.

INTRODUCTION

A company in an effort to achieve a goal really needs the role of human resources. Human resource management is an effort to utilize and manage resources in order to achieve organizational goals. Human resource management which is part of company management that focuses on human resources. Proper management of human resources in order to obtain quality labor productivity at work is the task of human resource management. In the company, human resources are one of the most important elements in a company. Because without the role of the human element, the company will not run even though various other factors are available.

This study took the object of research at PT. The Majalengka-West Java Rural Bank which is a banking institution in Majalengka Regency that providessavings and loan services, by providing a variety of service programs for its customers ranging from credit service programs and savings service programs. This is in the form of a bank soundness level or ratio obtained by each banking company every year to show information whether the company is said to be healthy or unhealthy in the implementation of the Bank's Business Plan (RBB). The following is the level of bank soundness obtained by PT. Majalengka-West Java Rural Banks in the last three years, as follows:

Table 1
Bank Soundness Level or Ratio

Year	Bank Health Level
2020	85.93%
2019	92.76%
2018	95.00%

Based on the results of the table above, the predicate of bank soundness level obtained PT. The Majalengka-West Java Rural Bank from the last three years 2020, 2019, 2018 is categorized as healthy. However, seen from 2018 the achievement of the bank's health ratio obtained is 95% and in 2020 the achievement of the bank's health ratio obtained is 85.93%. From the soundness level of the bank, it is still in a healthy predicate, but there has been a slight decline in the bank's soundness ratio from year to year in the last three years.
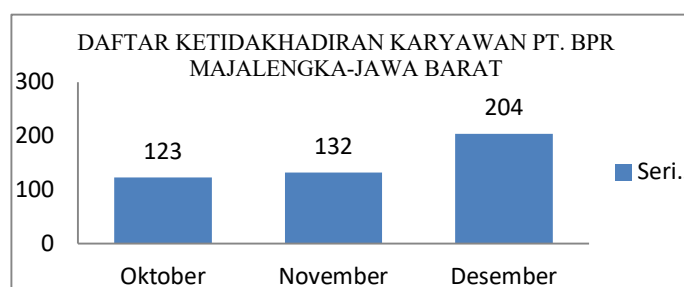
Fig 1. Employee Absenteeism List

The conclusion from the table above is that employee discipline in the company is still lacking, it is explained that from October 2020 to December 2020 there was an increase in employee absenteeism at work at the company, this can show that there are still employees who are not aware of the importance of discipline at work. This situation needs to be considered by the company in an effort to improve employee performance by providing human resource management in the form of discipline in work and providing compensation properly.

Based on the statement above, then as for the objectives to be achieved in the research conducted at PT. The Majalengka-West Java Rural Banks are as follows: 1. To examine the effect of work discipline on the performance of employees of PT. Majalengka Rural Bank, West Java. 2. To examine the effect of compensation on the performance of employees of PT. PT. Majalengka Rural Bank, West Java. 3.To examine the effect of work discipline and compensation simultaneously on the performance of employees of PT. Majalengka Rural Bank, West Java.

THEORETICAL BASIS

Employee performance. Performance is the willingness of a person with the abilities possessed by employees to carry out work in accordance with the responsibilities given. Experts seek to define employee performance as follows: Lijan Poltak Simbela (2016:480) defines that: "Employee performance is the ability of employees to perform a certain skill".

Edison, et al (2020: 188) define: "Performance is the result of a process that refers and is measured over a certain period based on pre-determined provisions or agreements". Busro (2018: 89) defines as follows: "Performance is the result of work achieved by workers, both individuals and groups in an organization, in accordance with the authority and responsibility given by the organization in an effort to achieve the vision, mission and goals of the organization". Mangkunegara (2017: 67) defines that: "Performance (work achievement) is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him".

Work Discipline. Good discipline reflects the magnitude of an employee's sense of responsibility for the tasks assigned to him. If an employee has a good level of discipline, it will affect the employee's

performance at work, it will make it easier for the company to achieve the company's goals that have been set. Therefore, every manager always tries to make his subordinates have good discipline. A manager is said to be effective in his leadership if his subordinates are well disciplined. To maintain and improve good discipline is indeed quite a difficult thing because of many factors that influence it.

Several experts put forward the definition of work discipline as follows: Sinambela (2016:335) defines: "Work discipline is the awareness and willingness of employees to obey all organizational regulations and applicable social norms". Malayu SP Hasibuan (2017: 193) argues that: "Discipline is the awareness and willingness of a person to obey all company regulations and applicable social norms". Sutrisno (2019: 86) defines that: "Discipline shows a condition or attitude of respect that exists in employees towards company rules and regulations". Based on the expert opinion above, it can be concluded that work discipline is an attitude and behavior of employees towards the regulations set within a company.

Compensation.One of the ways to improve employee performance is the provision of compensation to employees. Because the provision of compensation to employees will create a sense of satisfaction for employees and encourage employees to work indirectly because employees get rewarded for the work they do and employees will feel appreciated for their work.

Some experts put forward the definition of work discipline as follows: Kasmir (2018:233) defines that: "Compensation is the remuneration provided by the company to its employees, both financial and non-financial". Farida Elmi (2018:83) defines that: "Compensation is the remuneration provided by an organization or company to employees who are financial or non-financial in a fixed period".Mawawi (2011) in Muhammad Arif (2019) defines that: "Compensation is an award/reward to workers who have been instrumental in realizing their goals, through activities called work". Based on the opinions of the experts above, it can be concluded that compensation is everything that employees receive from companies or organizations, both financial and non-financial as an attitude of remuneration for their work.

Based on the description of the theoretical study and the results of the relevant research, a schema is made research that describes the relationship between variables as follows.
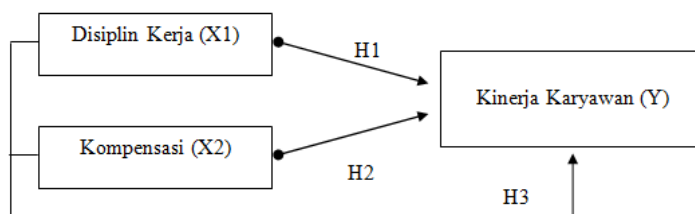
Fig 2. Thinking Framework

In this study, the hypothesis is put forward with the aim of directing and providing guidelines for the research to be carried out. If it turns out that the hypothesis is not proven and means it is wrong, then the problem can be solved with the truth determined from the decisions that have been successfully carried out so far. The hypothesis of this research is:

H1 : Compensation has a significant effect on the performance of employees of PT. Majalengka Rural Bank, West Java.

H2 : Work discipline has a significant effect on the performance of employees of PT. Majalengka Rural Bank, West Java.

H3 : Compensation and work discipline simultaneously have a significant effect on the performance of employees of PT. Majalengka Rural Bank, West Java.

METHOD

The type of research used in this research is associative research. The use of associative research to determine the relationship between work discipline variables and compensation as an independent variable to the employee performance variable as the dependent variable. The research was conducted at PT. Majalengka Rural Bank West Java, namelybanking institutions in Majalengka Regency that provide savings and loan services, by providing various service programs for its customers, ranging from credit service programs and savings service programs. The population of this study were all employees at PT. Rural Bank Majalengka-West Java with a total of 57 employees. The sampling technique used in this study is the saturated sampling technique. The sample of this study were all permanent employees at PT. Rural Bank Majalengka-West Java with a total of 57 employees. The data collection technique in this study used a questionnaire with a measurement scale of the research instrument using a Likert scale. The data analysis technique used is multiple regression analysis.

RESULTS AND DISCUSSION

The validity test is carried out to measure the validity or invalidity of the results of the distribution of questionnaire statements, a statement is said to be valid if the results of the distribution of questionnaire statements are able to reveal something that will be measured by the questionnaire. Respondents in this study amounted to 57 respondents, to obtain rtable using the formula df = n-2 then obtained 57-2 = 55 and = 0.05. Based on the correlation coefficient table r Product Moment then obtained rtable = 0.2609, then the statement is said to be valid if rcount < rtable (0.2609).

Table 2
Validation Test

No. Item	rcount	rtable	Information
Work Discipline			
1	0.543	0.2609	**Valid**
2	0.533	0.2609	**Valid**
3	0.621	0.2609	**Valid**
4	0.656	0.2609	**Valid**
5	0.640	0.2609	**Valid**
6	0.502	0.2609	**Valid**
7	0.440	0.2609	**Valid**
8	0.527	0.2609	**Valid**
9	0.440	0.2609	**Valid**
10	0.657	0.2609	**Valid**
Compensation			
1	0.514	0.2609	**Valid**
2	0.521	0.2609	**Valid**
3	0.685	0.2609	**Valid**
4	0.507	0.2609	**Valid**
5	0.406	0.2609	**Valid**
6	0.750	0.2609	**Valid**
7	0.654	0.2609	**Valid**
8	0.615	0.2609	**Valid**
9	0.509	0.2609	**Valid**

Employee performance			
1	0.263	0.2609	**Valid**
2	0.637	0.2609	**Valid**
3	0.639	0.2609	**Valid**
4	0.361	0.2609	**Valid**
5	0.570	0.2609	**Valid**
6	0.477	0.2609	**Valid**
7	0.502	0.2609	**Valid**
8	0.582	0.2609	**Valid**
9	0.613	0.2609	**Valid**
10	0.647	0.2609	**Valid**
11	0.674	0.2609	**Valid**

Reliability Test. A reliable instrument is an instrument which, when used several times to measure the same object, will produce the same data. An instrument is said to be reliable if it has Cronbach's Alpha > 0.70.

Table 3
Reliability Test

Variable	Cronbach's Alpha	N of Items	Minimum Value	Information
Work Discipline (X1)	.812	10	0.70	Reliable
Compensation (X2)	.807	9	0.70	Reliable
Employee Performance (Y)	.818	11	0.70	Reliable

Source: Data processed by researchers

Classic assumption test. Normality test is used to test whether in the regression model, the dependent variable or both has a normal or abnormal distribution. A regression model that can be said to be good is if the data distribution is normal or close to normal. The normality test in this study uses the Kolmogorov-Smirnov test and is said to be normal if the normally distributed residual value has a significance probability greater than 0.05. The results of the normality test showed that the Kolmogorov-Smirnov (KS) seen in Asymp.Sig (2-tailed) was $0.085 > 0.05$, which means the data is normally distributed.

Multicollinearity test was conducted to determine whether the regression model found a correlation between independent variables. If there is a correlation, there is a multicollinearity problem that must be overcome. The provisions that apply in this test are, if the Variance Inflation Factor (VIF) > 10 and the Tolerance value < 0.1 then there is multicollinearity, whereas if the VIF < 10 and the Tolerance value > 0.1 then there is no multicollinearity. Based on the results of the multicollinearity test, it is known that the VIF value of the Work Discipline (X1) and Compensation (X1) variables is $1.286 < 10$ and the Tolerance value is $0.778 > 0.1$, so the data does not occur multicollinearity.

Multiple Regression Analysis. Multiple regression analysis was used by the author to determine the magnitude of the influence of several independent variables (X1 and X2) on the dependent variable (Y).

Table 4
Multiple Regression Test

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	20,608	4,844		4.254	.000
	WORK DISCIPLINE	.258	.122	.262	2.109	.040
	COMPENSATION	.392	.114	.425	3,430	.001

a. Dependent Variable: EMPLOYEE PERFORMANCE

Source: SPSS Output Results 25.0

The results of the Coefficient table above, can be arranged multiple linear equations as follows:

Y = 20.608+0.258 (X1) +0.392 (X2)

a. The constant value is 20.608, which indicates that if there is no Work Discipline and Compensation, the amount of Employee Performance is 20.608.
b. The regression coefficient on the Work Discipline variable is 0.258, meaning that if Work Discipline is improved properly, there will be an increase in Employee Performance of 0.258.
c. The regression coefficient on the Compensation variable is 0.392, meaning that if the compensation is improved properly, there will be an increase in Employee Performance of 0.392.

Coefficient of Determination Test. The coefficient of determination is used to measure how much influence work discipline and compensation simultaneously on employee performance at PT. Majalengka Rural Bank, West Java.

Table 5
Coefficient of Determination Test

Model Summaryb

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.595a	.354	.330	2.94788

a. Predictors: (Constant), COMPENSATION, WORK DISCIPLINE

b. Dependent Variable: EMPLOYEE PERFORMANCE

Source: SPSS Output Results 25.0

The coefficient of determination can be seen in the value of the adjusted R Square coefficient of 0.330 or 33.0%. So it can be concluded that the magnitude of the influence of the Work Discipline (X1) and Compensation (X2) variables on the Employee Performance variable (Y) is 0, 330 (33.0%) while the remaining 0.670 (67.0%) is influenced by other variables.

T Test (Partial)
The Effect of Work Discipline (X1) on Employee Performance (Y)

Table 6. T Test (Partial) Work Discipline (X1) Against Employee Performance (Y)

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	26,873	4.906		5.478	.000
	WORK DISCIPLINE	.455	.118	.462	3,863	.000

a. Dependent Variable: PERFORMANCE

Source: SPSS Output Results 25.0

The results of the T-test of the Work Discipline variable obtained that the number tcount > ttable is 3.863 > 2.00404. This means that H0 is rejected and Ha is accepted, where there is a positive and significant influence between Work Discipline on employee performance.

Effect of Compensation (X2) on Employee Performance (Y)

Table 7. T Test (Partial) Compensation (X2) Against Employee Performance (Y)

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	27.105	3.854		7.033	.000
	COMPENSATION	.505	.104	.549	4,866	.000

a. Dependent Variable: PERFORMANCE

Source: SPSS Output Results 25.0

The results of the T-test of the Compensation variable obtained that the number tcount> ttable is 4,866> 2,00404. This means that H0 is rejected and Ha is accepted, where there is a positive and significant influence between compensation on employee performance.

F Test (Simultaneous)

Table 8. F Test (Simultaneous) Work Discipline (X1) and Compensation (X2) Against Employee Performance (Y)

ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	257,302	2	128,651	14,804	.000b
	Residual	469,260	54	8,690		
	Total	726,561	56			

a. Dependent Variable: PERFORMANCE

b. Predictors: (Constant), COMPENSATION, WORK DISCIPLINE

Source: SPSS Output Results 25.0

Based on the results of the F test above, Fcount is 14.804 > Ftable is 3.17. Thus H0 is rejected and Ha is accepted. This means that there is a significant and positive influence between Work Discipline and Compensation together on Employee Performance.

CONCLUSIONS

Work Discipline has a positive and significant effect on the performance of employees of PT. Majalengka Rural Bank West Java, meaning that the better the work discipline, the better the employee's performance. Compensation has a positive and significant effect on the performance of employees of PT. Majalengka Rural Bank West Java, meaning that the better the compensation is applied, the better the employee's performance. Work Discipline and Compensation simultaneously have a positive and significant effect on the performance of PT. Majalengka Rural Bank West Java, meaning that the better the work discipline and the simultaneous provision of compensation, the better the employee's performance.

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