

## The Influence Of Compensation And Work Discipline On Employee Performance At The Health Office Of Palopo City

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### Abstrack

Government agencies such as the Health Office play a crucial role in delivering quality public services. The performance of employees within these government institutions is a key factor directly impacting the effectiveness and efficiency of public services. Therefore, it is essential to understand factors influencing employee performance, including compensation and work discipline. The aim of this research is to investigate and explain the influence of compensation and work discipline on employee performance at the Health Office of Palopo City. This study employs a quantitative approach, utilizing purposive sampling to select 54 civil servant employees as respondents. Data is collected through questionnaires and analyzed using multiple linear regression analysis with SPSS25 Statistic. The findings reveal that both compensation and work discipline individually have a positive and significant impact on employee performance. Furthermore, when considered together, compensation and work discipline collectively demonstrate a positive and significant influence on employee performance at the Health Office of Palopo City.

Keywords : Employee Performance; Compensation; Work Discipline

### 1. Introduction

Human resources (employees) are the most important factor in driving the efforts of government agencies to achieve predetermined goals. Human resources are the main driver throughout activity institution country for the continuity of the institution country. Government agency management must be able to pay attention to the condition of each employee, both individually and collectively. The problem of low employee performance is a problem that must be addressed government agencies are wary of it, because employee performance can influence the quality and quantity of government agencies. One of the factors causing low employee performance is a lack of motivation from government agencies. One form of motivation given by government agencies to his employees is by assigning appropriate tasks and ensuring clear work discipline [1].

Government agencies such as the Health Service, in carrying out their duties and responsibilities, have an important role in providing quality community services. Employee performance in government agencies is a key factor that has a direct impact on the effectiveness and efficiency of public services, so it is important to understand the factors that can influence employee performance in the Palopo City Health Service.

According to Sutrisno in [2] employee performance is an individual's ability to carry out tasks effectively, work results that can be created by individuals or groups in an organization in accordance with their authority and responsibilities, or how employees are expected to function and act in accordance with the tasks allocated to them as well as the quantity, quality and time spent in carrying out the tasks. Performance is part of the results achieved in an activity in the form of services or goods within a certain time and according to a person's abilities, and

is achieved through quality work and work accuracy . According to [2] Performance is the result of work in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. An employee's performance is not only measured by his abilities in work, but also his abilities in control and regulate himself and establishing relationships with other people [3].

A government agency, in carrying out its activities, will always try to achieve results in accordance with the stated objectives. This goal cannot be achieved without the active role of employees as part of the organizational system. Government agencies need something that can motivate employees, one of which is by paying attention and giving awards according to the employee's performance. Compensation is a motivator for employees to do their work optimally [4].

Compensation is all income in the form of money, direct or indirect goods received by employees as compensation for services provided to the company [2]. This means that compensation is everything that employees receive as compensation for the work they do. According to Suprihatin (2019) compensation is remuneration provided by an organization or work unit to employees, which can be financial or non-financial in a fixed period. A good compensation system will be able to guarantee satisfaction for employees and enable organizational work units to acquire, employ and retain employees [1].

Apart from compensation which affects employee performance, work discipline can also affect employee performance. Work discipline is a person's ability to work regularly, honestly, continuously continuously and according to regulations This is very important to pay attention to because it can have both positive and negative impacts on employee performance. The better the work discipline of each employee, the better their work performance, and vice versa .

The Health Service is an institution that operates in the field of public health services for the Palopo City area, South Sulawesi. The success of carrying out work responsibility duties in an agency depends on the performance of the employees in the agency. The importance of the performance of employees in the Health Service greatly influences the implementation of the agency's objectives, namely to improve services to the community, especially in the process of monitoring and coaching information needs. and health services. The Health Service as the main driver of health development is obliged to create a community in Palopo City that is physically, spiritually and socially healthy.

Several previous research results discussing the influence of compensation and work discipline on employee performance by these researchers, according to research conducted by [5] The results of his research stated that "Compensation has a significant effect on employee performance". Other relevant [6] The results of his research stated that "Work discipline has a significant effect on employee performance". Thus, work discipline can influence the performance of each employee.

Based on pre-research results, the Palopo City Health Service faces serious challenges in compensation and work discipline. Unbalanced compensation and lack of incentives create low motivation, while late assignments and lack of discipline regarding service attributes affect efficiency. Employee perceptions of compensation inequality and low work discipline are the main factors in decreasing performance. Therefore, it is necessary to review compensation

policies that are more transparent, implement incentives, and enforce strict sanctions to create a productive and orderly work environment .

Based on the background of the problem explained above, the author is interested in conducting research on "The Influence of Compensation and Work Discipline on Employee Performance at the Palapo City Health Service ". The aim of this research is to fill in this knowledge by finding out whether compensation and work discipline have a significant effect on employee performance in the Health Service. It is hoped that the results of this research will provide insight and recommendations for the leadership of the Palapo City Health Service to improve the performance of their employees, which will ultimately contribute to improving health services for all the people of Palapo City .

## **2. Methodology**

### **Research Location and Time**

This research was carried out at the Palapo City Health Service Office located at Jl. KH Moh Hasyim, Tompotika, District. Wara, Palapo City, South Sulawesi. The research period was carried out from November to December 2023.

### **Types of research**

This type of research is quantitative research. Quantitative research is research related to a research method that prioritizes numerical measurements and numbers . This technique is used to find the relationship between one variable and another variable , where the independent variable in this research is compensation (X1), work discipline (X2), and the dependent variable is employee performance (Y).

### **Population and Sample**

Population according to [7] Sugiyono (2018:130) is all the elements that will be used as a generalization area. The population element is the entire subject to be measured, which is the unit under study. The population in this study was 115 employees of the Palapo City Health Service, consisting of 54 civil servants, 61 honorary employees.

Meanwhile, [7] concluded that the sample is part of the characteristics and numbers of the population. The sample in this study was 54 civil servants. The sampling technique used in this research was purposive sampling with various specific considerations Those deemed to match the specified sample characteristics will be used as samples . [4]

The data collection method used in this research is a questionnaire. A questionnaire is a data collection technique that is carried out by distributing a list of questions or written statements to research respondents. Each question is equipped with a Likert scale and several alternative answers are provided.

### **Data analysis technique**

In this research, the analytical method used is the multiple linear analysis method. The multiple linear regression analysis model in the calculations will be processed using the *SPSS* (Statistical Program For Social Science) program , while hypothesis testing is carried out using

statistical tests including: Validity Test, Reliability Test, Partial Test (T Test), Simultaneous Test (F), and Coefficient of Determination (R Square).

### 3. Result and Discussion

#### 3.1. Result

##### Validity test

Table 1. Validity Test Results

Variable	Items	R Count	R Table	Information
Compensation (X1)	X1.1	0,437	0,268	Valid
	X1.2	0,821	0,268	Valid
	X1.3	0,712	0,268	Valid
	X1.4	0,745	0,268	Valid
	X1.5	0,571	0,268	Valid
Work Discipline (X2)	X2.1	0,790	0,268	Valid
	X2.2	0,670	0,268	Valid
	X2.3	0,747	0,268	Valid
	X2.4	0,805	0,268	Valid
	X2.5	0,868	0,268	Valid
	X2.6	0,740	0,268	Valid
Performance (Y)	Y1	0,698	0,268	Valid
	Y2	0,721	0,268	Valid
	Y3	0,797	0,268	Valid
	Y4	0,623	0,268	Valid

Source: Processed using SPSS25 (2024)

In the table above it can be seen that all instruments in this study have a validity value of  $> 0.268$ . So the instrument in this research is said to be valid and suitable for use in research.

##### Reliability Test

Table 2. Reliability Test Results

Variable	Cronbach Alpha	Standard	Note.
Compensation (X1)	0.674	0.60	Reliable
Work Discipline (X2)	0.863	0.60	Reliable
Employee Performance (Y)	0.669	0.60	Reliable

Source: Processed using SPSS25 (2024)

Based on table 2, it can be concluded that the compensation, work discipline and employee performance variables show Cronbach's Alpha  $> 0.60$ , so all variables can be declared reliable.

### Multiple Linear Regression Test

Multiple linear regression analysis is an analytical tool that can be used to determine the effect of variable X (compensation and work discipline) on variable Y (employee performance). According to [6], the general model of the equation form of the parametric statistical analysis tool Multiple Linear Regression ( *Multiple Linear Regression* ) can be described as follows:

$$Y = a + b_1 X_1 + b_2 X_2 + e$$

Where:

- Y = Performance
- X1 = Compensation
- X2 = Work Discipline
- a = Constant
- b1, b2, = Regression coefficients
- e = Confounding factors outside the model

Table 3. Multiple Linear Regression Test Results

		Coefficients <sup>a</sup>				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5,897	2,108		2,797	,007
	Compensation	,273	,076	,391	3,603	,001
	Work Discipline	,258	,056	,502	4,623	,000

a. Dependent Variable: Performance

Source: Processed using SPSS25 ( 2024)

The multiple linear regression equation in this research based on the table above is as follows:

$$Y = 5.897 + 0.273X_1 + 0.258X_2$$

Based on this equation, it can be stated that the independent variables (X1 and X2) have a positive influence on the dependent variable (Y).

- a. The constant value (a) is 5.897, meaning that if the compensation variable (X1) and work discipline (X2) have a value of 0, then the performance of Health Service employees remains positive at 5.897.
- b. The regression coefficient value of the compensation variable (X1) is positive, namely 0.273. This states that increasing the compensation value will improve the performance of the Palopo City Health Service Office employees.
- c. The regression coefficient value of the work discipline variable (X2) is positive, namely 0.258. This states that increasing the value of work discipline will improve the performance of Palopo City Health Service Office employees.

### Partial Test (T Test)

The t test is known as a partial test, which is to test the influence of each independent variable individually on the dependent variable. The basis for decision making in the t test can be done in two ways, namely 1) Comparing significance values (Sig.). If the Sig value.  $< 0.05$  then the hypothesis is accepted, and vice versa if the Sig value.  $> 0.05$  then the hypothesis is rejected. 2) Compare the calculated t value with the t table. If t count  $>$  t table then the hypothesis is accepted, and vice versa if t is calculated  $<$  t table then the hypothesis is rejected.

Table 4. Partial Test Results

Model		Coefficients <sup>a</sup>			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	5,897	2,108		2,797	,007
	Compensation	,273	,076	,391	3,603	,001
	Work Discipline	,258	,056	,502	4,623	,000

a. Dependent Variable: Performance

Source: Processed using SPSS25 (2024)

Based on Table 4 above, the following results are obtained:

- The test results show that compensation has a positive and significant effect on employee performance. This is proven by the compensation variable having a significant value of  $0.001 < 0.05$ , and T count  $>$  T table or  $3.603 > 2.007$ , so H1 is accepted, meaning there is a positive and significant influence between the compensation variables (X1) on employee performance (Y) at the Palopo City Health Service.
- The test results show that the work discipline variable has a significant value of  $0.000 < 0.05$ , and T count  $>$  T table or  $4.623 > 2.007$ , then a H2 accepted \_\_\_\_ It means \_\_ \_\_ there is influence positive \_\_ \_\_ And significant relationship between variables of work discipline ( X2 ) on employee performance ( Y ) at the Palopo City Health Service.

### Simultaneous Test (F Test)

The F test is carried out to determine whether the independent variables *together* have a significant effect on the dependent variable or *not* . If the sig value  $< 0.05$  or F count  $>$  F table, then the independent variable simultaneously influences the dependent variable. Simultaneous test results can be seen from the table below:

Table 5. Simultaneous Test Results

Model		ANOVA <sup>a</sup>				
		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	55,267	2	27,633	16,924	,000 <sup>b</sup>

Residual	83,270	51	1,663
Total	138,537	53	

a. Dependent Variable: Y

b. Predictors: (Constant), Compensation, Work Discipline

Source: Processed using SPSS25 (2024)

Based on the table above, the test results show that the significant value is  $0.000 < 0.05$  and calculated  $F > F$  table or  $16,924 > 3.18$ . Thus, it can be concluded that all the independent variables in this study simultaneously have an influence and significance on these variables.

### Coefficient of Determination Test ( $R^2$ )

This determination test is to see how much compensation and work discipline explain variations in the dependent variable, namely performance. To find out the magnitude of the determination of compensation and work discipline in explaining variations in the dependent variable, namely Performance, can be seen in the following table:

Table 6. Coefficient of Determination Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.632 <sup>a</sup>	.399	.375	1.27779

a. Predictors: (Constant), Compensation, Work Discipline

Source: Processed using SPSS25 (2024)

Based on table 6 above, it shows that the coefficient of determination or R Square ( $R^2$ ) is 0.399 or 39.9%. This shows that compensation and work discipline together can influence employee performance by 39.9%, while the remaining 60.1% is influenced by other variables that were not studied.

## 3.2. Discussion

### The Effect of Compensation on Employee Performance

Based on the results of research testing, it shows that there is an influence of compensation on employee performance with a significance value of  $0.001 < 0.05$ , and T count  $> T$  table or  $3,603 > 2,007$ . This means that  $H_0$  is rejected and  $H_a$  is accepted, which means that compensation has a positive and significant effect on employee performance at the Palopo City Health Service. The results of this research are in line with research conducted by [5] The results of his research stated that "Compensation has a significant effect on employee performance". Similar research is also in line with the results of this research, namely research conducted by [8] The results of his research stated that "compensation has a significant influence on employee performance".

### **The Influence of Work Discipline on Employee Performance**

Based on the results of research testing, it shows that there is an influence of work discipline on employee performance with a significance value of  $0.000 < 0.05$ , and  $T \text{ count} > T \text{ table}$  or  $4,623 > 2,007$ . This means that  $H_0$  is rejected and  $H_a$  is accepted, which means that work discipline directly has a positive and significant effect on employee performance at the Palopo City Health Service. The results of this research are in line with research conducted by [8] which also stated that "Work discipline has a positive and significant effect on employee performance". Other research that supports the results of this research is research conducted by [6] research results stated that "Work discipline has a positive and significant influence on employee performance".

### **The Influence of Compensation and Work Discipline on Employee Performance**

Based on the simultaneous results, it shows that compensation and work discipline variables have a significant effect on employee performance simultaneously. The research results from the F test show that the calculated F value  $> F \text{ table}$  or  $16,924 > 3.18$  and the significant value is  $0.000 < 0.05$ . This shows that the compensation and work discipline variables simultaneously have a positive and significant effect on employee performance at the Palopo City Health Service. The results of this research are in line with or similar to previous research conducted by [5] which stated that "Compensation and work discipline have a simultaneous and significant effect on employee performance".

## **4. Conclusion**

Based on the results of the research and analysis that has been carried out, the following conclusions can be drawn:

- 1) Compensation has a significant influence on employee performance at the Palopo City Health Service. This can be explained by the assumption that the higher the level of compensation received by employees, the greater the productivity of employee performance at the Palopo City Health Service.
- 2) Work discipline has a significant influence on employee performance at the Palopo City Health Service. Increased work discipline can be linked to increased responsibility, orderliness, and dedication of employees to their work. As a result, this can increase efficiency and effectiveness in carrying out tasks, supporting the achievement of better performance by employees at the Palopo City Health Service.
- 3) Compensation and work discipline simultaneously and significantly influence employee performance at the Palopo City Health Service. These results indicate that adequate compensation policies and fostering work discipline can create synergy that supports improving overall employee performance at the Palopo City Health Service.

The suggestions in this research are: 1) The Palopo City Health Service must pay more attention to the compensation given to its employees because compensation is very influential on the future progress of the agency. It is believed that providing good compensation for employees can encourage employees to improve their performance and work more

productively. 2) To improve and maintain work discipline of Palopo City Health Service employees, employees themselves must increase their awareness of the importance of discipline at work, which means complying with all procedures set by the agency, and the agency must also be firm in providing sanctions, so that employees remain more productive at work. 3) Future researchers are expected to better prepare themselves in the data collection and collection process and can add other data collection techniques such as observation and interviews in order to obtain more complete and accurate information and results.

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