

The Influence Of Compensation And Job Training On The Performance Of Pdam Tirta Mangkaluku Employees, Palopo City

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Abstract

This research aims to determine the effect of compensation and job training on the performance of PDAM Tirta Mangkaluku Palopo City employees. The population in this study were employees of PDAM Tirta Mangkaluku, Palopo City. A total of 316 employees. The sampling technique used in determining the sample size was probability using simple random sampling using the Slovin formula so that the number of samples used in this research was 177 employees. The type of data used in this research is primary data obtained directly from respondents via questionnaires. The analytical method used is multiple linear regression analysis, where the data is processed using the SPSS version 26 program. The results of the research show that partially compensation and job training have a positive and significant effect on the performance of PDAM Tirta Mangkaluku Palopo City employees. This can be proven by looking at the results of data processing, namely the significance value of compensation is $0.004 < 0.05$ and the significance value of job training is $0.000 < 0.05$. The research data produces an important conclusion that compensation and job training are $0.000 < 0.05$. This research data draws an important conclusion that compensation and job training are very important for employees to improve their performance in the work environment.

Keywords: Compensation, Training, Employee Performance.

1. Introduction

To achieve the desired goals, each company has a different vision and mission so it requires reliable human resources. Human resources are one of the resources that determine the success of a company. Regional Drinking Water Companies (PDAM) have played an important role in providing safe drinking water for the community. Internal factors that greatly influence PDAM's success revolve around the performance of its employees. One of the strategies carried out by companies to improve employee competence and performance is job training. In an ever-evolving era characterized by technological advances and increasingly complex job demands, effective training can equip employees with the skills, knowledge and attitudes necessary to excel in their roles. However, employee performance can be hampered by obstacles such as inadequate compensation and substandard training.

PDAM Tirta Mangkaluku, a regional company based in Palopo City, focuses on providing clean water. Companies are required to continue to improve the performance of their employees because with good performance it will be easier for each employee to complete their tasks (Syam et al., 2023). Government organizations and the business world must improve their quality for various reasons (Darmadi, 2022). According to (Azas et al., 2019), compensation is a way for management to improve employee performance or work performance.

Employees consider compensation to be an important element that reflects the value of their work. Thus, appropriate rewards or compensation can serve as a powerful motivator that encourages individuals to work well and achieve positive results. Improved performance is an

important step towards achieving organizational goals, and providing good compensation can play an important role in driving exceptional performance in an organization. To ensure employees are motivated to work to the best of their abilities, it is important for organizations or companies to provide compensation that suits the needs and desires of their employees. In this way, employees will be motivated to improve their performance so that they can contribute to the growth and success of the organization (Kasran, 2018).

Based on observations, salary problems related to employee performance often arise, including salary gaps between positions at various levels, lack of salary increases, etc., which can be a source of employee dissatisfaction, resulting in decreased employee performance (Maizul Rahmizal & Rahmat Arifin, 2023). The impact of compensation on employee performance is very large and cannot be ignored. Providing compensation is very important for employees because the size of the compensation depends on the work situation (Engkus, 2023).

A competitive company must have good management. Good management not only must provide large compensation to its employees, but also requires support from employees who are experts and experienced in their fields. Job training is a systematic process of changing employee behavior to achieve organizational goals. The goal of workplace training is to help employees update their knowledge and help them adapt to these changes. Problems that often arise in on-the-job training include lack of management support, lack of resources, inadequate assessment, limited time, lack of motivation, and so on. The aim of job training is to update employees' abilities and help them adapt to changes which are expected to improve performance (Hermawan et al., 2014).

Pre-survey data shows that customer complaints due to poor service quality will increase in 2023. This is due to the large number of complaints and criticisms conveyed directly and indirectly by customers, such as slow handling of problems and lack of response to public complaints. Employee performance reflects how employees feel about their work, as evidenced by an employee's positive attitude towards their work and everything they encounter in their work (Darmadi, 2022).

Employee performance is very important because the progress of an organization or company depends on its human resources. If employee productivity increases, the chances of achieving company goals are higher, but if employee performance decreases, it will lead to failure and the company will not be able to survive in its business (Capestrano Dionisius et al., 2023).

However, in reality the problem faced by PDAM Tirta Mangkaluku Palobo City employees is that based on an interview with one of the employees, employee benefits in the form of compensation still need to be considered. With employee salary arrears, there is a lack of ongoing training because not all employees receive training every year, resulting in attitudes, behavior, skills and intellectual development of personnel not being in line with the company's wishes. Based on the problems above, This research aims to determine the effect compensation and job training on the performance of PDAM Tirta Mangkaluku Palopo City employees.

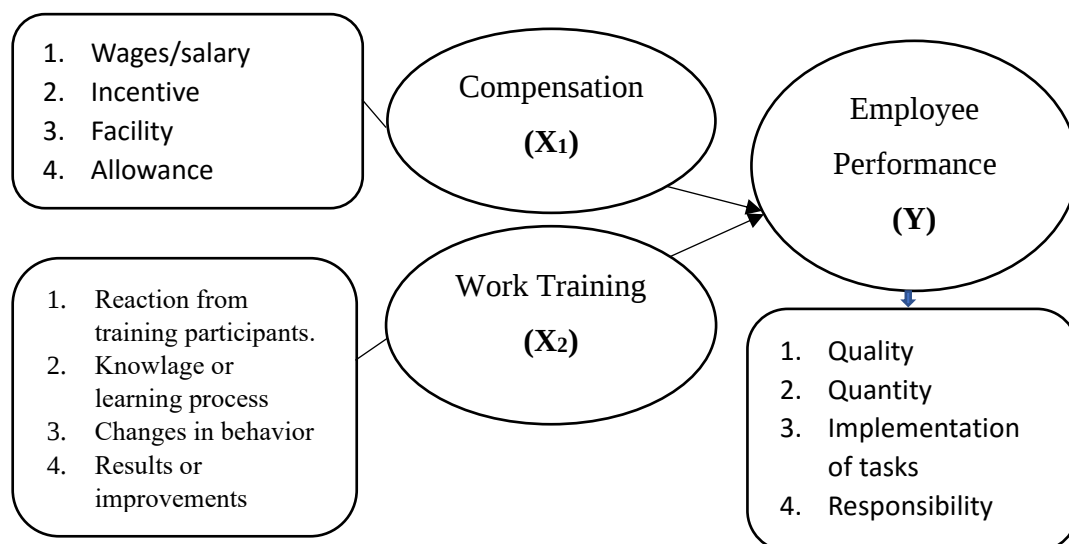
The research entitled Compensation and Motivation to Improve the Performance of PDAM Tirta Bumi Wibawa Employees in Sukabumi City was researched by (Maizul Rahmizal & Rahmat Arifin, 2023). This research concludes that partial compensation has a significant influence on employee performance. Research entitled "The Influence of Motivation, Job Training and Work Discipline on the Performance of Lumajang Regency PDAM Employees"

was conducted by (Hermawan et al., 2014). The results of this research conclude that training has a positive and significant effect on employee performance.

Study conducted by (Willson, 2020) examined how training and work discipline influenced employee performance on the performance of PT Kinco Pratama employees. Research conducted by (Supatmi et al., 2012) examined how training, compensation, and job satisfaction influence employee performance and satisfaction. This research produces conclusions 1). That training has a positive and significant influence on employee performance, 2). Compensation has a significant effect on employee performance.

This is different from research (Katidjan et al., 2022) on the influence of compensation, career development and communication on employee performance. His research found that partial compensation did not have a significant effect on employee performance. The novelty of this research lies in the variable X_2 , which is related to job training, is a new variable that has not been examined before in similar studies. This variable is a new discovery in this research. Previous research used five indicators to assess employee performance (Maizul Rahmizal & Rahmat Arifin, 2023), consisting of quality, quantity, timeliness, effectiveness, independence. However, this research uses four indicators, namely quality, quantity, task implementation, and responsibility. This research was conducted at PDAM Palopo City, which of course has different characteristics from previous research. The purpose of this research is to determine the effect of compensation and job training on the performance of PDAM Tirta Mangkaluku Palopo City employees.

Figure 1. Conceptual Framework



Research Hypothesis

H₁: It is suspected that compensation has a significant effect on employee performance PDAM Tirta Mangkaluku Palopo City

H₂: It is suspected that job training has a significant effect on employee performance at PDAM Tirta Mangkaluku, Palopo City

2. Methodology

This research is associative research which will show the cause and effect relationship between the independent variable and the dependent variable. This research was conducted at PDAM Tirta Mangkaluku, Palopo City, located at Jl. Pongsimpin No.14 Murante Village, Mungkajang District, Palopo City, South Sulawesi Province. The research period was carried out from November to December 2023. The population included in this research was 316 employees of PDAM Tirta Mangkaluku, Palopo City. This research sample consisted of 177 respondents who used this formula *Slovin* in his calculations. *Random sampling* used as a sampling method.

$$n = \frac{N}{1 + N Y_{es}^2}$$

$$n = \frac{316}{1 + 316(0,05)^2} \quad n = \frac{316}{1 + 316(0,0025)^2}$$

$$n = \frac{316}{1 + 0,79} \quad n = \frac{316}{1,79}$$

$$n = 177$$

The type of data used is primary data. Collected directly through a questionnaire prepared using interview techniques. Data collection techniques were carried out in three ways, namely observation, interviews, and distributing questionnaires to respondents to find out respondents' answers about the influence of compensation and job training on employee performance. The research questionnaire consists of 24 statement items. After all respondents' answers have been collected, the items to be collected for each variable are measured using *scale likert* stated by (Sugiono, 2017.). With guidelines for giving points 1 to 5. The method used in this research is multiple linear regression analysis. Formula used: **you = a + b₁X₁ + b₂X₂ + e**. The data analysis techniques used are instrument tests (validity tests and reliability tests), multiple linear regression tests, coefficient of determination tests, and t hypothesis tests.

3. Results and Discussion

3.1 Results

Validity test checks whether the questionnaire is valid or not. This test is carried out using Pearson correlation, and calculating the correlation between the values obtained and the statements prepared. It is said to be valid if the calculated r is greater than the table r and the r value has a positive sign. In this study, SPSS Version 26 was used to calculate the correlation coefficient.

Table 1. Compensation Variable Validity Test Results (X₁)

No	Statement	r count	r table	Information
1	X1.1	0,933	0,147	Valid
2	X1.2	0,463	0,147	Valid
3	X1.3	0,931	0,147	Valid
4	X1.4	0,940	0,147	Valid
5	X1.5	0,415	0,147	Valid
6	X1.6	0,924	0,147	Valid
7	X1.7	0,926	0,147	Valid
8	X1.8	0,343	0,147	Valid

Source: SPSS 26 Data Processing Results for 2023

Table 2. Validity Test Results for Training Variables (X₂)

No	Statement	r count	r table	Information
1	X2.1	0,350	0,147	Valid
2	X2.2	0,628	0,147	Valid
3	X2.3	0,834	0,147	Valid
4	X2.4	0,798	0,147	Valid
5	X2.5	0,389	0,147	Valid
6	X2.6	0,647	0,147	Valid
7	X2.7	0,822	0,147	Valid
8	X2.8	0,397	0,147	Valid

Source: SPSS 26 Data Processing Results for 2023

Table 3. Employee Performance Validity Test Results (Y)

No	Statement	r count	r table	Information
1	Y.1	0,450	0,147	Valid
2	Y.2	0,666	0,147	Valid
3	Y.3	0,452	0,147	Valid
4	Y.4	0,668	0,147	Valid
5	Y.5	0,479	0,147	Valid
6	Y.6	0,491	0,147	Valid
7	Y.7	0,551	0,147	Valid
8	Y.8	0,413	0,147	Valid

Source: SPSS 26 Data Processing Results for 2023

Based on the results of the analysis, it can be seen that all statements from the independent and dependent variables are declared valid because they have a calculated r value (*Corrected Item Total Correlation*) is greater than the r-table value (0.147) so this value is obtained by looking at the r-table using the value $df = N-2$ and the level of significance used, so it can be concluded that the questionnaire indicators in this study are acceptable. declared valid and used as a variable measuring tool.

Table 4. Reliability Test Results

Variable	Cronbach's Alpha Value	Status
Compensation (X ₁)	0,883	Reliable
Training (X ₂)	0,769	Reliable
Performance (Y)	0,611	Reliable

Source: SPSS version 26 output data (2023)

Table 4 shows these values *cronbach, alfa* the compensation variable is 0.883, training is 0.769, and performance is 0.611. Thus, it can be concluded that the statements in the questionnaire are reliable because they have value *alfa cronbach* greater than 0.60.

Research result

Based on multiple regression calculations between compensation (X_1), job training (X_2), and employee performance (Y) with the help of the SPSS program in its calculations, the following results can be obtained:

Table 5. Multiple Linear Regression Test Results

Model	Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1 (Constant)	13,755	1,365		10,077	,000
Compensation	,181	,063	,273	2,879	,004
Work training	,399	,077	,493	5,199	,000

Dependent Variable: Employee Performance (Y)

Source: SPSS version 26 output data (2023)

$$Y = a + b_1X_1 + b_2X_2 + \text{and}$$

$$Y = 13.755 + 0.181 (X_1) + 0.399 (X_2) + \text{and}$$

1. The constant value of 13.755 is the performance of PDAM Tirta Mangkaluku employees when the variable (X_1) and (X_2) has a constant (fixed) value
2. Coefficient value (β_1) of 0.181 units, meaning that for every increase in the variable (X_1) by one unit, employee performance increases by 0.181 units assuming variable X_2 considered fixed or constant.
3. Coefficient value (β_2) of 0.399 units, meaning each increase in variable (X_2) by one unit, employee performance increases by 0.399 units assuming variable X_1 considered fixed or constant.

Determination Coefficient Analysis Test Results (R^2)

Coefficient of determination test (R^2) shows the influence of independent variables consisting of compensation, job training on the performance of PDAM Tirta Mangkaluku Palopo City employees.

Table 6. Coefficient of determination test results

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,737 ^a	,543	,538	1,465

Source: SPSS 26 data (Data processed in 2023)

Based on table 6, the coefficient of determination (R^2) in column customized R box amounting to 0.538 or 53.8%. So the magnitude of the influence of compensation and work training variables on employee performance is 53.8% and the remaining 46.2% is influenced by other variables not examined in this research.

Hypothesis Testing Results

Partial Hypothesis Testing Results

Table 7. T Test Results (Partial)

Model	Coefficients ^a		t	Sig.
	Unstandardized Coefficients B	Std. Error		
(Constant)	13,755	1,365	10,077	,000
1 Compensation	,181	,063	2,879	,004
Work training	,399	,077	5,199	,000

a. Dependent Variable: Employee Performance (Y)

Source: SPSS 26 data (Data processed in 2023)

1. The calculated t test results for compensation = 2.879 > t table 1.653, with a sign number of 0.004 < 0.05. So this hypothesis is accepted, meaning that there is a significant influence between compensation and employee performance.
2. The results of the t test calculated for job training = 5.199 > t table 1.653 with a sign number of 0.000 < 0.05. So this hypothesis is accepted where there is a significant influence between training and employee performance.

3.2 Discussion

The effect of compensation on employee performance at PDAM Tirta Mangkaluku, Palopo City.

In accordance with the results of the research that has been carried out, it can be concluded that compensation has a significant effect on the performance of PDAM Tirta Mangkaluku Palopo City employees. So the first hypothesis in this study, H1, is accepted and H0 is rejected. This is reinforced by the results of the t test between the compensation variable and employee performance with a significance value of 0.004, which is smaller than 0.05. Apart from that, the relationship between the two variables can also be seen from the calculated T value of 2.879, meaning it is greater than the T table of 1.653 and it is known that the B value is 0.181. The conclusion is variable X₁ has a significant influence on employee performance. Compensation is one of the factors that will motivate employees to work better in improving performance.

The results of this research are in line with research by (Syardiansyah, 2022), (Supatmi et al., 2012), and (Maizul Rahmizal & Rahmat Arifin, 2023) which concluded that compensation is a successful way for management to improve employee performance. . Compensation is very important for PDAM Tirta Mangkaluku employees because with compensation they will be more enthusiastic and active in improving their performance. Compensation is usually given every month, both in financial and non-financial forms. Compensation provided is in the form of holiday allowances, the amount of the bonus outside the salary received, and so on. This can be proven by respondents' answers to the statement indicators where the dominant employees answered agree - strongly agree with the provision of compensation.

Meanwhile, this is contrary to the results of research (Katidjan et al., 2022) which states that compensation does not have a significant effect on employee performance because the employee compensation system is a source of employee motivation, but does not necessarily influence the high and low levels of employee performance. different levels of employee performance. In theory, the purpose of providing compensation is to ensure that employees are motivated to work to the best of their abilities, so it is important for companies to provide compensation that suits the needs and desires of their employees and can motivate employees to work. do more than what the company wants (Engkus, 2023).

The influence of job training on employee performance at PDAM Tirta Mangkaluku, Palopo City

Job training is a teaching and learning process designed to improve employee knowledge, skills and competence in their work environment. Referring to the results of the research that has been conducted, it is concluded that job training has a significant effect on the performance of PDAM Tirta Mangkaluku Palopo City employees. So the second hypothesis in this research **H₂ accepted and H₀ rejected**. This is proven by the results of the T test between the training variable and employee performance with a significant value of 0.000, which is smaller than 0.05. Apart from that, the relationship between the two variables can also be seen from the calculated T value of 5.199, meaning it is greater than the T table of 1.653 and the known B value is 0.399. These results are in accordance with research conducted by (Sari, 2018), (Willson, 2020), (Supatmi et al., 2012), whose research states that job training has a significant influence on employee performance. Training for employees will increase their knowledge so that their performance will also be better. These results support the theory (Michel R. Carrel et al., 2019) in (Supatmi et al., 2012). His research shows that there is a significant relationship between training and employee performance.

A training program participated in by employees is said to be successful if the training participants complete the training well and can apply their new skills in their duties so that it has an impact on improving performance, both individual and organizational performance. Other benefits of performance-related training include: through training and development it will lead to changes in motivation and recognition of achievement, growth and responsibility. If the training participants come from leadership elements, it is possible that changes will occur in terms of providing information to improve knowledge, communication skills and behavior.

Several studies show that effective training improves performance by updating knowledge and helping them adapt to change, in addition to increasing the ability and willingness to do their job. The need for training is a systematic effort to collect information regarding performance problems in the organization and correct performance deficiencies. The results of observations from questionnaire data collection show that the abilities of PDAM Tirta Mangkaluku Palopo City employees have increased through training.

4. Conclusion

Based on the findings regarding the influence of compensation and job training on the performance of PDAM Tirta Mangkaluku Palopo City employees, it can be concluded that:

1. Compensation has a significant effect on the performance of PDAM Tirta Mangkaluku Palopo City employees.

2. Job training has a significant effect on the performance of PDAM Tirta Mangkaluku Palopo City employees.

Suggestion

1. To improve the performance of the Regional Drinking Water Company (PDAM) of Palopo City, there needs to be further additions and updates to compensation, both financial and non-financial compensation, because the implementation of a compensation system is needed to build and motivate employees to improve their performance.
2. The Palopo City Regional Drinking Water Company needs to develop an agenda for its training program and needs to increase the amount of coaching provided by the Internal Trends Training Program (PDAM) to train participants on indicators in the form of reactions, knowledge or learning processes, and behavior. So that these changes can be in line with the company's desired goals.
3. Future researchers should use or add other variables that are not the same as this research. Therefore, it is hoped that future research can draw different conclusions to complement the results of this research.

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