

Influence Of Compensation And Job Achievement On Employee Performance At The Luwu District Environmental Service

Yuldi Yuldi^{1*}, Adil Basir², Sari Ratna Dewi

¹Departement of Management, University of Muhammadiyah Palopo, 91922, Indonesia

¹Departement of Management, University of Muhammadiyah Palopo, 91922, Indonesia

³Departement of Management, University of Muhammadiyah Palopo, 91922, Indonesia

Corresponding Author Email: yuldi@student.umpalopo.ac.id

Abstract

This research aims to examine the variables of work compensation and work performance on the performance of Luwu Regency Environmental Service employees. The total research population was 43 people, using saturated sampling techniques. The analytical methods used in this research consist of validity and reliability tests, multiple linear regression analysis, T test, F test and R2 test. The results of the multiple linear regression equation show that work compensation and work performance have a positive and significant effect on the performance of Luwu Regency Environmental Service employees. The results of the F test analysis show that together work compensation and work performance have a significant effect on the performance of Luwu Regency Environmental Service employees. The R2 test results show that the work compensation and work performance variables are able to explain 54.9% of the performance of Luwu Regency Environmental Service employees, while the remaining 45.1% is explained by other variables not included in this research.

Keywords :Work compensation, work performance, employee performance.

1. Introduction

Human resources are a big asset for the company's survival now and in the future. Human resources are the main driver for every company to carry out the company's activities or work processes. Human resources have a very important function in a company, especially with the rapid development of business which increases the level of competition(Adil et al., 2023). In order for the company's goals to be achieved, employees are needed who work efficiently and effectively so as to provide good performance. So that employees can provide good performance, the company can provide support both through individual characteristics and the work environment(Jacobis et al., 2017).

Employees are very dependent on their needs by working in an agency/organization, and by behavior that is carried out voluntarily and full of awareness and conditions to follow the rules that have been set in the office, both written and unwritten, namely with a work discipline attitude aimed at by employees. will automatically meet their needs directly so that the compensation they receive is in accordance with the work and sacrifices that the employee has given and will have an impact on the level of effective and efficient employee work productivity in an office to support and complete tasks in the office(Tilaar et al., 2017). Therefore, organizations need human resource management that can manage all organizational resources so that they can function in accordance with what is expected by the organization(Adil et al., 2024).

Small compensation in bureaucratic or institutional environments often raises problems in terms of improving employee performance by providing compensation with

better motivation(Fadillah, 2017).Compensation is all income in the form of money, direct or indirect goods received by employees as compensation for services provided to the company(Fatimah & Ratnasari, 2018).

It is human nature in general to be better, more advanced than the current position. excellence in achievements such as employee abilities, abilities and skills are meaningless for the company without hard work and good work performance(Aldaman et al., 2018). Apart from technology, the role of human resources is very much needed as the spearhead for agencies, because humans are the most important factor that has an important role in a company.(Anwar et al., 2023). Therefore, achievement is important for an organization because employee work performance will lead to organizational success and become a source of satisfaction for the individual or organization itself.(Adnyani & Dewi, 2019). Another aspect in realizing work performance is the work environment for employees. The work environment is the elements of the organization as a social system that have a strong influence on the behavior of people in the organization and influence the organization's performance.(Sam et al., 2023)

Performance has an impacta big one depends on how professionally someone does their job(Lisdayanti et al., 2023). Employee performance is greatly influenced by several aspects, including communication, work environment, and providing employee work motivation(Sam et al., 2023). Organizations can complete tasks effectively and efficiently in a work activity with the help of optimal capabilities(Helpi et al., 2023).

The Luwu Regency Environmental Service Office is one of the government agencies that carries out government and development in the Luwu Regency area. So, to ensure that tasks are carried out in accordance with what has been planned by the agency, high employee performance is required by providing compensation and work performance to employees. Performance is essentially a result of the work requirements that must be fulfilled by employees. Several previous research results discuss the influence of compensation and work performance, according to research conducted by(Apriani et al., 2020)which states that "Compensation has a significant influence on the performance of employees at the Tabalong Regency Environmental Service". And other research conducted by(Astuti & Prayogi, 2018)states that "Job performance has a positive and significant effect on employee performance".

Based on the background above, the researcher is interested in conducting research entitled ""The Influence of Compensation and Work Performance on Employee Performance at the Luwu Regency Environmental Service".The purpose of this research is to determine the influence of compensation and work performance at the Luwu Regency Environmental Service. The benefit of this research is that it provides additional knowledge for the development of science in various scientific fields as well as useful information for organizational administrators and the general public

2. Methodology

Types of research

This type of research is a type of quantitative research, namely research where the data is in the form of numeric/numbers using data collection techniques in the field.In this

research, the general sampling technique This is done by distributing questionnaires to respondents according to predetermined characteristics. The variables in this research consist of independent variables and dependent variables, namely the independent variables are work compensation (X1), work performance (X2), and the dependent variable (Y) is performance. This technique is used to find the relationship between one variable and other variables.

Research Location and Time

The research was conducted at the Environmental Servicebro Long live the district. Luwu which is located at Jl. Raya Gen. Sudirman No.1, Senga, Kec. Belopa, Luwu Regency, South Sulawesi. The research period was carried out from January to February 2024.

Population and sample

The population in this study were all employees of the Luwu Regency Environmental Service, totaling 43 people. Sampling in this research used a non-probability sampling technique, using a saturated sampling method. The saturated sampling method is a sampling technique when all members of the population are used as samples. The questionnaire contains a list of questions about the indicators used in this research(Shah, 2013)

Data analysis technique

The data analysis technique used in this research is a multiple linear analysis technique which is processed using the SPSS (Statisticscal Program For Social Science). Instrument testing is carried out using validity tests, reliability tests, partial tests (T tests), simultaneous tests (F tests), and coefficient of determination tests (R square).

3. Result and Discussion

3.1 Result

a. Validity test

Table.1 Validity Test Results

Variable	Items	R count	T table	Information
Compensation (X1)	X1.1	0.681	0.202	Valid
	X1.2	0.651	0.202	Valid
	X1.3	0.640	0.202	Valid
	X1.4	0.329	0.202	Valid
	X1.5	0.507	0.202	Valid
	X1.6	0.469	0.202	Valid
	X1.7	0.628	0.202	Valid
	X1.8	0.400	0.202	Valid
Work Performance (X2)	X2.1	0.540	0.202	Valid
	X2.2	0.460	0.202	Valid
	X2.3	0.500	0.202	Valid
	X2.4	0.651	0.202	Valid
	X2.5	0.800	0.202	Valid
	X2.6	0.640	0.202	Valid
	X2.7	0.693	0.202	Valid
	X2.8	0.503	0.202	Valid
Employee Performance (Y)	Y1	0.691	0.202	Valid
	Y2	0.530	0.202	Valid
	Y3	0.695	0.202	Valid
	Y4	0.774	0.202	Valid
	Y5	0.572	0.202	Valid
	Y6	0.643	0.202	Valid
	Y7	0.376	0.202	Valid
	Y8	0.647	0.202	Valid

Source: Processed using SPSS 20 (2023)

This research consisted of 43 respondents who had an R table value of 0.202. The validity test results in the table above can be seen that all variables and items- The statement item is declared valid because the Pearson correlation R count > R table or the Pearson correlation is above 0.202.

b. Reliability Test

The reliability test is a measuring tool used to determine the consistency of the questionnaire which is an indicator of the variable. A questionnaire can be said to be reliable if the respondent's answers to statements are balanced and appropriate from time to time. A variable is said to be reliable if the a value is >0.60.

Table 2. Reliability Test Results

variable	Cronbach Alpha	Standard	Note.
Work Compensation (X1)	0,653	0.60	Reliable
Work Performance (X2)	0.758	0.60	Reliable
Employee Performance (Y)	0.768	0.60	Reliable

Source: Processed using SPSS 20 (2023)

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

c. Multiple Linear Regression Test

Multiple linear regression test is a testing model that involves more than one independent variable to find out how much influence the independent variable has on the dependent variable.

The formulation of the multiple regression model in this research is as follows:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Information: Y = Employee Performance

a = Constant

b₁b₂ = Regression Direction Coefficient

X₁ = Work Compensation

X₂ = Work Performance

Table 3. Multiple Linear Regression Test Results

Model	Coefficients ^a			t	Sig.
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta		
1	(Constant)	6,236	3,709	1,681	,100
	Work Compensation	,260	,108	,277	,021
	Work performance	,561	,110	,589	,000

Source: Processed using SPSS 20 (2023)

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

$$Y = 6.236 + 0.260X_1 + 0.561X_2$$

The multiple linear regression equation can be interpreted as follows:

- a) The constant value (a) is 6.236. It can be explained that the constant value is 6.236 which states that if the work compensation variable (X1) and work performance variable (X2) have a value of 0, then the employee performance variable (Y) is 6.236.
- b) The regression coefficient (X1) value of 0.260 has a positive value meaning that every time there is an increase in work compensation of 0.260, employee performance will also increase by 0.260.
- c) The regression coefficient (X2) value of 0.561 has a positive value meaning that every time there is an increase in work performance of 0.561, employee performance will also increase by 0.561.

d. Hypothesis testing

Partial Test (T Test)

The T test is one of the tests carried out to determine the influence of each independent variable partially on the dependent variable. Decision making is done by looking at the significant values in the coefficients table. The basis for testing regression results is usually carried out with a confidence level of 5% ($\alpha = 0.05$). Partial test criteria: if the significant value of the T test is > 0.05 , then H_0 is accepted and H_a is rejected, meaning there is no influence of the independent variable on the dependent variable, and vice versa, if the significant value of the T test is < 0.05 , then H_0 is rejected and H_a is accepted, meaning there is an influence of the variable. independent of the dependent variable.

Table 4. Partial Test Results (T Test)

		Coefficients ^a			t	Sig.
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	6,236	3,709		1,681	,100
	Work Compensation	,260	,108	,277	2,411	,021
	Work performance	,561	,110	,589	5,126	,000

Source: Processed using SPSS statistics. (2023)

Based on Table 5 above, the following results are obtained:

- a) The test results show that work compensation has a positive and significant effect on employee performance. This is proven by $T_{count} > T_{table}$ or $2.411 > 2.021$ and the significant value is $0.021 < 0.05$, then H_1 is accepted, meaning that there is a positive and significant influence between the work compensation variable (X_1) on employee performance (Y) at the Luwu Regency Environmental Service.
- b) The test results show that work performance has a positive and significant effect on employee performance. This is proven by $T_{count} > T_{table}$ or $5.126 > 2.021$ and a significant value of $0.000 < 0.05$, so H_2 is accepted, meaning that there is a positive and significant influence between the work performance variable (X_2) on employee performance (Y) at the District Environmental Service Luwu.

Simultaneous Test (F Test)

Simultaneous test (F test) is the result of a test carried out to see whether or not there is an influence of all independent variables together or simultaneously on the dependent variable. If $F_{\text{count}} > F_{\text{table}}$ then the independent variable simultaneously influences the dependent variable.

Table 5. Simultaneous Test (F Test)

ANOVAa					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	168,538	2	84,269	24,389	,000b
Residual	138,206	40	3,455		
Total	306,744	42			

Source: Processed using SPSS statistics (2023)

From the test results it is known that $F_{\text{count}} > F_{\text{table}}$ or $24.389 > 3.32$ with a significant value of $0.000 < 0.05$. Thus, it can be concluded that all the independent variables in this research work together or simultaneously on these variables.

Coefficient of Determination Test (R²)

The coefficient of determination test is the result of a test to measure how large the proportion of variation in the independent variables, namely work compensation and work performance, has an influence on the dependent variable, namely employee performance.

Table 6. Determination coefficient test (R²)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	,741a	,549	,527	1.85880

Source: Processed using SPSS 20 (2023)

The coefficient of determination result in table 7 above is 0.549 or 54.9%, this shows that work compensation and work performance are able to influence changes in employee work. Meanwhile, the remaining 45.1% was influenced by other variables not examined in this research.

3.2 Discussion

The Effect of Work Compensation on Employee Performance

Based on the T test, it was found that the effect of work compensation (X1) on employee performance (Y) for Luwu Regency Environmental Service employees was calculated using $T_{2,411} > 2,021$ and the significant value is $0.021 < 0.05$. This shows that work compensation directly has a positive and significant effect on employee performance at the Luwu Regency Environmental Service.

The results of this research are in line with research from (Latif, Yantu, and Bahsoan 2023) and ((Poluakan et al., 2019)) where the research concluded that there was a positive and significant influence between work compensation and performance for employees of the Luwu Regency Environmental Service. This means that the amount of compensation will

increase employee performance and conversely, if the compensation given is less, employee performance will decrease (Latif, Yantu, and Bahsoan 2023). The existence of work compensation makes employees more enthusiastic about working for progress (Poluakan et al., 2019)

The Effect of Job Performance on Employee Performance

Based on the T test, it was found that the influence of work performance (X2) on employee performance (Y) for employees of the Luwu Regency Environmental Service with a calculated T of $5.126 > T \text{ table } 2.021$ with a significant value of $0.000 < 0.05$. This shows that work performance directly has a positive and significant effect on employee performance at Luwu Regency Environmental Service employees.

The results of this research are supported by research (Elisy and Pranoto 2020), (Mulyamerta et al., 2022), and (Sari and Singgih 2022) who found that employee work performance had a positive and significant effect on employee performance. Work performance is a factor that will determine the survival of an agency. A high level of work performance will certainly increase the progress and success of the agency (Mulyamerta et al., 2022). Based on the results obtained, if high employee performance is desired, the Luwu Regency Environmental Service must improve and optimize the work performance of its employees.

The Influence of Work Compensation and Work Performance on Employee Performance

Based on simultaneous results conducted by previous researchers, it shows that work motivation and organizational culture variables have a significant effect on employee performance both partially and simultaneously. The research results from the F test show that the calculated F value is 24.389 and the F table is 3.32 with a significant value of $0.000 < 0.05$. This shows that the variables of work motivation and organizational culture together have a positive and significant effect on the performance of Luwu Regency Environmental Service employees.

4. Conclusion

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

- 1) Work compensation has a positive and significant effect on employee performance at the Luwu Regency Environmental Service. The results of this research explain that if the amount of compensation given is in accordance with the employee's hard work, it will increase employee performance.
- 2) Work performance has a positive and significant effect on employee performance at the Luwu Regency Environmental Service. The results of this research explain that if work performance increases, this will be followed by an increase in employee performance.
- 3) Work compensation and work performance together have a positive and significant effect on employee performance at the Luwu Regency Environmental Service.

The suggestions for this research are:

- 1) Agencies should be able to increase work compensation so that employees are more enthusiastic about working and can improve their work performance so that the progress and goals of the Luwu Regency Environmental Service can be achieved.
- 2) The variables in this research are only representative and do not evaluate as a whole. So it is recommended that agencies evaluate other variables that are considered capable of improving employee performance.

This research only focuses on one area, namely Luwu Regency, so it is hoped that future researchers will expand the research area to include provinces in Indonesia for a more comprehensive picture of understanding

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