# The Effect Of Compensation, Competence, And Work Discipline On Employee Performance At PT Transformasi Security

# Jesica Salim<sup>1)\*</sup>, Pujiarti<sup>2)</sup>

- 1)2)Universitas Buddhi Dharma
- Jl. Imam Bonjol No. 41 Karawaci Ilir, Tangerang, Indonesia
- <sup>1)</sup>jesicasalimm23@gmail.com
- <sup>2)</sup>pujiarti.pujiarti@ubd.ac.id

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#### Abstract

This study aims to examine and determine whether there is an influence of Compensation, Competence, and Work Discipline on Employee Performance at PT Transformasi Security, both partially and simultaneously. The research was conducted using a quantitative descriptive method. The population of this study consisted of employees at PT Transformasi Security. The sample in this study was 42 respondents with data collection techniques using a questionnaire.

The results of data processing using SPSS version 25 obtained the linear equation Y = 6.725 + 0.109 X1 + 0.388 X2 + 0.322 X3 + e, which means that when variables X1 (Compensation), X2 (Competence), and X3 (Work Discipline) increase by 1 point, variable Y (Employee Performance) will increase by 0.109, 0.388, and 0.322, respectively.

Based on the results of hypothesis testing, the calculated t-value for Compensation is 6.139 > 2.022, for Competence is 8.537 > 2.022, and for Work Discipline is 8.855 > 2.022. Thus, the independent variables have a partial influence on the dependent variable. Based on the F-test, the result is 39.731 > 2.852 with a significance level of 0.000 < 0.05, thus it can be concluded that there is a simultaneous or collective influence of compensation, competence, and work discipline on employee performance.

#### I. Introduction

In facing the current business world, high employee performance is needed by every company to support company development. Human Resources (HR) are the most important and valuable assets or assets for an organization or agency. The success of an organization can be influenced by several important factors, one of which is human resources because human resources are actors from all levels of planning to evaluate who can utilize other resources owned by the company or organization.

Human resources are the only resources that have the intellect, feelings, desires, abilities, skills, knowledge, encouragement, power and work. A potential resource is very influential on the efforts of the organization in achieving its goals (Parameswari et al., 2020)

So that employees feel part of a company, employee welfare must be considered through providing compensation, including salary, financial and non-financial incentives, employee health insurance, pension guarantees, and other facilities that are expected to motivate employees and build loyalty to the company. Compensation is given by the company to employees based on

the work results that have been achieved to achieve company/organization goals. Compensation is determined based on existing criteria, such as employee skills, status, education level, class, time standards, or work performance level.

In this era of globalization, all organizations face rapid environmental changes that take place without pause. Facing this situation, employees must have sufficient competence to anticipate and adopt these changes for the organization's survival. Competence is a basic characteristic that must be possessed by every individual, which is related to the criteria required for performance, which include ability, quantity and quality of work, presence, and ability to work together. The work carried out will achieve optimal results if accompanied by the availability of superior, reliable and skilled human resources. To achieve optimal results, the organization makes various efforts to improve the quality of its human resources.

Another factor that also influences employee performance is discipline. If discipline in a company is not enforced, then the company goals that have been set cannot be achieved effectively and efficiently. Discipline development is needed for the continuity of government organizations/agencies following the rules set out in a policy.

Employee performance is an employee's ability to be maximal in carrying out their duties, starting from attendance, discipline, teamwork, and continuous coordination to resolve a problem related to duties and responsibilities promptly. Includes contributing through good attitudes and behavior by predetermined work standards for the agency's benefit and in the environment where employees work.

#### II. LITERATURE REVIEW

# Compensation

According to (Pujiarti & Pujianti, 2021, p. 223) says that:

"Compensation is the result received by HR for the abilities and expertise provided to an organization."

According to (Alfrida et al., 2020) said that:

"Compensation is "the return of the service rendered," which is part of a work relationship. And this has a huge influence on recruitment, motivation, productivity and employee turnover."

According to Hasibuan (Sugandha et al., 2022) says that:

"Compensation is income in the form of money and services received directly by employees in the form of salaries, wages, incentives in return for services provided."

#### Competence

According to (Sitio et al., 2022) said that:

"Job competency is a specification of the knowledge, skills and attitudes possessed by a person and their application in work in accordance with the performance standards required by the company."

According to (Triwibowo & Sutisna, 2023) says that:

"Competency is a combination of skills, knowledge, creativity, and a positive attitude towards the task at hand, which in practice is seen based on performance. Competence is the character of an employee who is able to achieve the best performance compared to other employees."

According to (Aprilyani & Sutrisna, 2021, p. 198) says that:

"Competency can be interpreted as a combination or combination of a person's knowledge of a particular field which includes knowledge, attitudes, skills and personal characteristics that a person has in achieving a target goal in accordance with the standards set by the company through training and development activities. Competence".

# **Work Discipline**

According to Malayu S.P Hasibuan (Silaswara et al., 2021) said that:

"Discipline is a form of individual understanding and willingness to follow all company regulations and existing social norms."

According to Hamali (Sugandha et al., 2021, p. 109) says that:

"Discipline is an attitude that respects company rules and regulations, allowing employees to voluntarily adapt to company rules and regulations."

According to Malayu S. P. Hasibuan (Sihombing & Kusnawan, 2022, p. 4) says that:

"Discipline is the sixth operative function of human resource management. Discipline is the most important operational function of HRM because the better the employee's discipline, the higher the work performance they can achieve. Without good employee discipline, it is difficult for corporate organizations to achieve optimal results."

#### **Employee Performance**

According to (Michael & Pujiarti, 2023, p. 5) says that:

"Performance is the result of work that can be done by a person or group of people in an organization based on their rights and responsibilities in order to achieve their goals in a way that has a correlation with the company. The word performance stands for work energy kinetics which in English is called performance. In this case, the word performance generally refers to "job performance" or "actual performance" which means a work achievement or actual achievement achieved by an individual in carrying out all his work".

According to Mangkunegara (F. P. Wibowo & Widiyanto, 2019, p. 146) says that:

"Performance (work achievement) 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."

According to Pujiarti (Martin & Janamarta, 2023) says that:

"Employee performance is a resource or individual who contributes to a company who can provide the best work results and work together to achieve success based on predetermined quality standards."

#### III. METHODS

# **Object of research**

A private company operating in the security services sector is PT Transformasi Security, located on Jalan Bintaro Raya No. 23 RT. 011, RW. 010 Kebayoran Lama Selatan, Kebayoran Lama District, South Jakarta City, Special Capital Region of Jakarta, 12240.

# **Data Types and Sources**

#### 1. Primary Data

According to (Ginny, 2019, p. 114) says that:

"Primary data is a source of data obtained directly from original sources (not through intermediary media). Primary data can be in the form of opinions of subjects (people) individually or in groups, the results of observations of an object (physical), events or activities, and test results." In this research, the primary data source was obtained by providing a questionnaire that would be completed by respondents, namely employees of PT Transformasi Security.

# 2. Secondary Data

Secondary data is a source of research data obtained indirectly through intermediary media (obtained and recorded by other parties). In this research, secondary data sources were obtained from journals, books, Google Books, and other sources related to the variables studied.

# **Population**

According to (S. Wibowo & J, 2018, p. 112) says that:

"The population is a generalization area that consists of objects or subjects that have certain qualities and characteristics that are applied by researchers to be studied and then drawn conclusions". From the population definition, the author determines that this study's population is all PT Transformasi Security employees, totaling 42 people.

# Sample

According to (Kenny & Satrianto, 2019, p. 44) says that:

"The sample is part of the number and characteristics possessed by the population." The sample in this study, namely the total population taken as a sample, was 42 people.

# **Data Analysis Technique**

- 1. **Coefficient of Determination**. This analysis determines the contribution of the independent variable (X) to the related variable (Y), usually expressed as a percentage.
- 2. **T-test**. This test is also known as a partial test, namely to test the significance of the influence between the independent variable and the dependent variable partially. In this test, compare the t count with the t table by looking at the significance column for each t count.

$$t = \frac{r\sqrt{n-2}}{\sqrt{1-r^2}}$$

# Information:

t: t count, which is then compared with the t table.

r : partial correlation value

r2 : coefficient of determination value

n : number of samples

3. **F-test**. This test itself essentially describes whether all the independent variables together influence the dependent variable using the following formula:

$$F_{h} = \frac{R^{2}/k}{(1 - R^{2})/(n - k - 1)}$$

#### Information:

Fh: F Count, which is then compared with F Table

R : Multiple correlation coefficientk : Number of independent variablesn : Number of sample members

#### IV. RESULTS

# 1. Coefficient of Determination Test (R<sup>2</sup>)

# a. Compensation On Employee Performance

Model Summary						
R Adjusted R Std. Error of						
Model	Model R Square Square the Estimate					
1 ,696 <sup>a</sup> ,485 ,472 2,82033						
a Predictors: (Constant) Compensation						

Based on the table above, it shows that the value of R square (R2) is 0.485 or 48.5%. These results show that the percentage influence of the Compensation variable (X1) on the Employee Performance variable (Y) is 48.5%, while the remaining 51.5% (100% - 48.5%) is explained or influenced by other variables.

# b. Competence On Employee Performance

Model Summary							
R Adjusted R Std. Error of							
Model	del R Square Square the Estimate						
1 ,804 <sup>a</sup> ,646 ,637 2,33968							
a. Predictors: (Constant). Competence							

Based on the table above, it shows that the value of R square (R2) is 0.646 or 64.6%. These results show that the percentage influence of the Competency variable (X2) on the Employee Performance variable (Y) is 64.6%, while the remaining 35.4% (100% - 64.6%) is explained or influenced by other variables.

# c. Work Discipline On Employee Performance

Model Summary							
R Adjusted R Std. Error of							
Model	del R Square Square the Estimate						
1	1 ,814 <sup>a</sup> ,662 ,654 2,28434						
a. Predictors: (Constant), Work_Discipline							

Based on the table above, it shows that the value of R square (R2) is 0.662 or 66.2%. These results show that the percentage influence of the Work Discipline variable (X3) on the Employee Performance variable (Y) is 66.2%, while the remaining 33.8% (100% - 66.2%) is explained or influenced by other variables.

### d. Compensation, Competence, and Work Discipline On Employee Performance

Model Summary							
R Adjusted R Std. Error of the							
Model	R	Square	Square	Estimate			
1 ,871 <sup>a</sup> ,758 ,739 1,98263							
a. Predictors: (Constant), Work_Discipline, Compensation, Competence							

Based on the table above, it shows that the value of adjusted R square (R<sup>2</sup>) is 0.739 or 73.9%. Therefore, the conclusion that can be drawn is that the Independent variables (X1, X2, X3) have an influence of 73.9% on the Dependent variable (Employee Performance), while the remaining 26.1% (100% - 73.9%) is clarified or influenced by other variables outside of this study.

#### 2. T-test

### a. The Effect of Compensation on Employee Performance

Coefficients <sup>a</sup>					
	Unstandardized Standardized				
	Coefficients Coefficie				
Model	B Std. Error Beta			t	Sig.

1	(Constant)	20,133	3,043		6,617	,000
	Kompensasi	,495	,081	,696	6,139	,000
a. Dependent Variable: KINERJA_KARYAWAN						

Based on the results in the Coefficient table, the variable X1 (Compensation) has a t-value of 6.139, which is greater than 2.022, with a significance value of 0.00, which is less than 0.05. It means that Ho is rejected, and Ha is accepted. Therefore, there is a partial and significant influence between the variable X1 (Compensation) and the variable Y (Employee Performance).

#### b. The Effect of Competence on Employee Performance

	Coefficients <sup>a</sup>						
	Unstandardized Standardized						
		Coefficients		Coefficients			
Model		В	Std. Error	Beta	t	Sig.	
1	(Constant)	5,464	3,901		1,401	,169	
	Kompetensi ,838 ,098 ,804 8,537 ,000						
a.	a. Dependent Variable: KINERJA_KARYAWAN						

Based on the results in the Coefficients table, the variable X2 (Competence) has a t-value of 8.537, which is greater than 2.022, with a significance value of 0.000, which is less than 0.05. It means that Ho is rejected, and Ha is accepted. Therefore, it can be concluded that there is a partial and significant influence between the variable X2 (Competence) and the variable Y (Employee Performance).

# c. The Effect of Work Discipline on Employee Performance

	Coefficients <sup>a</sup>						
	Standardized						
		Unstandardize	ed Coefficients	Coefficients			
M	1odel	В	Std. Error	Beta	t	Sig.	
1	(Constant)	15,202	2,668		5,698	,000	
	Disiplin Kerja ,605 ,068 ,814 8,855 ,000						
а	. Dependent Vari	able: KINER	JA_KARYAW	AN			

Based on the results in the Coefficients table, the variable X3 (Work Discipline) has a t-value of 8.855, which is greater than 2.022, with a significance value of 0.000, which is less than 0.05. It means that Ho is rejected, and Ha is accepted. Therefore, it can be concluded that there is a partial and significant influence between the variable X3 (Work Discipline) and the variable Y (Employee Performance).

#### 3. F-test

	ANOVA <sup>a</sup>						
Sum of Mean							
Model		Squares	df	Square	F	Sig.	
1	Regression	468,533	3	156,178	39,731	,000b	
	Residual	149,372	38	3,931			
	Total	617,905	41				

- a. Dependent Variable: Kinerja\_Karyawan
- b. Predictors: (Constant), Disiplin\_Kerja, Kompensasi, Kompetensi

Based on the results in the table above, it is shown that the calculated F-value is 39.731, which is greater than the tabulated F-value of 2.852, with a probability of 0.000, which is less than 0.05. Therefore, it can be concluded that Ho is rejected, and Ha is accepted. It means that there is a simultaneous or joint influence of compensation, competence, and work discipline on employee performance.

#### V. CONCLUSION

- 1. Compensation (X1) has a positive and significant effect on Employee Performance (Y) by 48.5%. In determining this conclusion, it can be seen from the results of the t-count with a value of 6.139 < t-table 2.022 with a significance of 0.000 < 0.05.
- 2. Competency (X2) has a positive and significant effect on Employee Performance (Y) by 64.6%. In determining this conclusion, it can be seen from the results of t-count with a value of 8.537 > t-table 2.022 with a significance of 0.007 < 0.05.
- 3. Work Discipline (X3) has a positive and significant effect on Employee Performance (Y) by 66.2%. In determining this conclusion, it can be seen from the results of t-count 8.855 > t-table 2.022 with a significance of 0.000 < 0.05.
- 4. Compensation (X1), Competency (X2), and Work Discipline (Y) have a joint effect on Employee Performance (Y) with a calculated F-value of 39.731 > F-table 2.852 with a probability of 0.000 < 0.05

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