



## The Influence of Work Discipline and Compensation on Employee Performance at Perumda Tirta Pakuan Bogor City

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### ABSTRACT

Employee performance is an important part of employees to achieve and support company goals. Work discipline and compensation have an impact on employee performance, so companies should pay attention to these things. Questionnaires were distributed to 40 respondents using a quantitative approach, descriptive and verification research types and using surveys. The questionnaire uses validity tests, reliability tests and classical assumption tests. Research data analysis includes multiple linear regression analysis. The results of the research show that simultaneously and partially the all variables have a positive and significant effect on the performance of PDAM Tirta Pakuan Bogor City employees

## **INTRODUCTION**

As a result of very rapid changes in the business environment, this can directly require companies to create high performance employees to develop the company. Increasing employee performance can be realized by providing compensation from the results of maximum work attitudes, as well as other aspects that can influence performance. The sales achievement level during 2021 was 68% or did not reach the target set by the company. Perumda Tirta Pakuan sets monthly sales at 20 units. The target was achieved only in October, while the rest did not reach the set monthly target. This condition shows that employee performance is not good.

The performance of Perumda Tirta Pakuan employees has not been good which is considered by some employees (61.6%) to be still not good. The average employee absenteeism rate for April 2021 – March 2022 is 1.23. The standard set by Perumda Tirta Pakuan Bogor City as a tolerance limit regarding employee absenteeism is 1%. Therefore, it can be interpreted that the employee absenteeism rate exceeds the standard set by the company of 0.23%. The decrease occurred due to the level of employee absenteeism which exceeded the maximum tolerance standards provided by Perumda Tirta Pakuan, Bogor City. The work discipline of Perumda Tirta Pakuan employees is not good, as measured by some employees (61.6%) still means not good.

The compensation received by employees is not in line with their expectations (62.5%). Based on the background above, it can be concluded that the performance employees is still low as indicated by the failure to achieve sales targets. This condition is thought to be caused by low employee discipline and the compensation provided by the company is not as expected.

## **LITERATURE REVIEW**

Performance is the achievement of an employee in carrying out his duties in accordance with the responsibilities given to him, indicators include; Quality, Quantity, Time Determination, Effectiveness, Independence and, Work. Commitment Sangadji (2018: 80).

Work discipline is the implementation of a management system to strengthen organizational guidelines. Indicators include; Punctuality in arriving at work, Compliance with regulations, Use of uniforms and, Responsibility in carrying out tasks Mangkunegara (2016:51) Compensation is something that workers receive as remuneration for their work. Indicators include; Salary, Incentive. Allowances and Hasibuan Facilities (2016:111).

Hypothesis

H1 : X1. X2 have a positive and significant effect on Y

H2 : X1 has a positive and significant effect on Y

H3 : X2 has a positive and significant effect on Y

## METHODOLOGY

This research is included in descriptive and verification survey research. The survey research method is a quantitative research method. The research used uses a quantitative descriptive. Operationalization of variables so the related variables in this research are:

1. The independent variable (X) is an independent variable whose existence is not influenced by other variables. The independent variables in this research are compensation and work discipline.
2. The dependent variable (Y) is an independent or dependent variable. This means that its existence is greatly influenced and depends on independent variables. The dependent variable in this research is employee performance

The questionnaire uses validity tests, reliability tests and classical assumption tests. Research data analysis includes multiple linear regression analysis.

## RESULT

Characteristics of company employees female and male gender the same big, employee age 20 - 27 years. The majority of employees' last education is a Bachelor's Degree with a percentage of 80%, the majority of employees' work period in the company is less than 2 years. Testing the validity and reliability of all variables was declared valid and reliable because they had values more than 0.3 and 0.6.

Classical assumption testing that in the Kolmogorov-Smirnov column the significance value of Asymp can be known. Sig. (2-tailed) is greater than 0.04, namely 0.96. So it can be concluded that the research data is normally distributed. In multicollinearity testing It can be concluded that there are no symptoms of multicollinearity. heteroscedasticity can be tested using a scatter plot. If there is a random distribution, it shows that the regression model is good or heteroscedasticity does not occur.

Table 1 SPSS Testing Results

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	9,866	7,803	1,264	,214	
Work Discipline	,504	,248	,303	2,031	,049
Compensation	,710	,229	,462	3,097	,004
T table	-	-	-	1,303	
F count	16,742				
Sig	,000				
F Table	3.20				
R	,689				
R2	,475				
Adjusted R2	,447				
Std Error Of The Estimate	5,761				
Alpha (a)	5%				

**a. Dependent Variable: Y**

Based on table 1, a regression equation is obtained with the following estimation model:

$$Y = 9.866 + 0.504X_1 + 0.710X_2 + e$$

The relationship between Work Discipline and Compensation on PDAM Employee Performance shows a correlation coefficient R value of 0.689, which means strong (0.60 - 0.799). This means that based on the level of closeness of the variables, the degree of relationship between the variables Work Discipline and Compensation on PDAM Employee Performance Business Attitudes is in the unidirectional and strong correlation category

The coefficient of determination R Square is 0.475. This means that the ability of the independent variables consisting of Work Discipline and Compensation together influence the Employee Performance variable by 47.5%. Meanwhile, the remaining 44.5% is influenced by other variables not included in this research model, namely knowledge, work enthusiasm, motivation and ability (Winardi, 2020:20).

The hypothesis which states "The Influence of Work Discipline and Compensation simultaneously influences Employee Performance" is accepted. Thus  $H_a$  is accepted and  $H_o$  is rejected, meaning that there is a simultaneous positive and significant influence between Work Discipline and Compensation on Employee Performance.

Variable Compensation ( $X_1$ ) has a calculated t value greater than the t table value, namely  $2.031 > 1.303$  and obtains a significance value of  $0.005 < 0.05$ . So  $H_a$  is accepted and  $H_o$  is rejected, meaning that it is in accordance with research

conducted by Noor (2017:66) which found that the compensation variable has a positive and significant effect on employee performance.

Variable Work Discipline (X2) has a calculated t value greater than the t table value, namely  $3,097 > 1,303$  and obtains a significance value of  $0.012 < 0.05$ . So  $H_a$  is accepted and  $H_o$  is rejected, meaning that it is in accordance with research conducted by Alnopri and Harini (2016): 48) who found that the work discipline variable has a positive and significant effect on employee performance..

## DISCUSSION

The average employee assessment of work discipline is 3.63 with high criteria. The highest value occurred in the absenteeism indicator (3.68) and the lowest in the task responsibility indicator (3.54). This condition shows that the work discipline of Perumda Tirta Pakan is good but needs to be improved, especially regarding employee responsibilities. Meanwhile, the average response of respondents for the Work Discipline variable was 3.63. So it can be concluded that some employees say it is very good that the Work Discipline variable has an influence on employee performance

The average employee response to the compensation variable was 3.13, which is in the sufficient criteria. The highest is in the facilities indicator (3.31) and the lowest is in the allowances indicator (3.03). Meanwhile, the average respondent response for the Compensation variable was 3.13. So it can be concluded that some employees say it is good that the compensation variable has an influence on employee performance

The average employee assessment of employee performance is 3.31 with sufficient criteria. The highest value is found in the Work Commitment indicator (3.46) and the lowest is in the Independence indicator (3.17). This needs to be improved further, especially regarding employee responsibilities. So it can be concluded that some employees said they were very good.

## CONCLUSION AND RECOMMENDATIONS

X1 and X2 simultaneously and partially influence the performance of PDAM Tirta Pakuan Bogor City employees.

For the Work Discipline variable, the indicator that has the lowest value is task responsibility. It is hoped that employees will have responsibility towards the company, so that this will affect the employee's performance with the company.

For the Compensation variable, the indicator that has the lowest value is Allowances. It is hoped that employees will not always view small allowances as having an impact on their work performance, employees are expected to work professionally and wisely to support work performance in the company.

For the employee performance variable, the indicator that has the lowest value is independence. It is hoped that employees will have the courage to work independently. Such as having the courage to work independently, because companies are interested in employees who are ready to work independently or in groups.

## **ADVANCED RESEARCH**

For further research, other variables can be added that can influence employee performance, including employee motivation, employee mentality, performance success and other factors that can influence employee performance

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