Enhancing Employee Performance Through Compensation and Workload
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ABSTRACT
This study aims to determine whether the effect of compensation and workload on employee performance. This research uses quantitative methods, the total population is 100 with data collection techniques observation, questionnaires, and documentation and the sample obtained in this study amounted to 100 respondents. Data analysis using validity test, reliability test, classical assumption test, regression analysis, correlation coefficient analysis, determination coefficient analysis and hypothesis testing. The results of this study are compensation has a significant effect on employee performance. Workload has a significant effect on employee performance. Compensation and workload simultaneously have a significant effect on employee. The correlation value of 0.781 means that the independent variable and the dependent variable have a strong level of relationship. The coefficient of determination is 70% while the remaining 30% is influenced by other factors.
INTRODUCTION

Enhancing employee performance through compensation and workload management is crucial for organizational success. Various studies, particularly in the Indonesian context, have examined this relationship in depth. Research by Rojikinnor et al. (2022) highlights the significance of the working environment, suggesting that compensation alone may not directly boost performance. This finding is corroborated by Herawati et al. (2023), who discovered that workload directly affects job performance through its influence on job satisfaction. Similarly, Hendrasti et al. (2022) noted a significant impact of both compensation and workload on employee performance, with job satisfaction serving as a key mediating factor.

Further, Idris et al. (2020) explored the role of job satisfaction as a mediator between compensation, the work environment, and employee performance in State Polytechnic colleges in Indonesia. This study underscores the complex interplay between these elements in shaping performance outcomes. Additionally, Sahabuddin et al. (2022) found that adequate compensation positively affects employee performance, supporting the idea that proper remuneration can enhance productivity.

In the Indonesian context, Jahari (2019) highlighted the detrimental impact of job stress on employee performance, emphasizing the importance of considering workload, work environment, and work stress to improve performance. Furthermore, Siswanto et al. (2019) suggested that a well-balanced workload, aligned with employees' capabilities, can enhance performance. In summary, these studies collectively highlight the multifaceted approach required to improve employee performance through compensation and workload management in Indonesia. While compensation is crucial, factors such as workload, job satisfaction, and the work environment are equally important in driving performance outcomes.

LITERATURE REVIEW

Compensation

In the employment context, compensation refers to the total rewards employees receive in exchange for their work within an organization. This includes direct financial payments such as wages, salaries, incentives, and bonuses, as well as indirect financial benefits like insurance (N et al., 2019). The link between pay and performance is a key element of compensation, illustrating how employee pay is connected to their productivity and contributions (Baker et al., 1988).

Organizations employ various forms of compensation, which can be tangible (e.g., discounts) or psychological (e.g., apologies) (Roschk & Gelbrich, 2013). Compensation significantly influences employee performance, job satisfaction, and organizational commitment (Riswanto et al., 2019; Afrizal et al., 2022). It signals to employees the value the organization places on their contributions and can affect turnover rates (Putri & Anindita, 2019). Moreover, compensation strategies are intertwined with organizational culture and can impact the company's valuation and competitive edge (Madhani, 2015).
In nonprofit organizations, executive compensation is crucial, with research showing that total compensation, including benefits and deferred pay, can affect financial performance (Yan & Sloan, 2014). The distinctive nature of nonprofits, marked by profit distribution constraints, requires a sophisticated approach to compensation and governance (Hallock, 2002; Hallock & Klein, 2016).

Dosage compensation, a genetic concept, involves mechanisms evolved by organisms to balance the expression of sex-linked genes between males and females (Ellegren et al., 2007; Wright et al., 2015; Uebbing et al., 2013; Zimmer et al., 2016; Malone et al., 2012). These mechanisms are essential for maintaining gene dose balance and proper cellular function, addressing differences in sex chromosome dose and mitigating potential negative effects (Uebbing et al., 2013; Zimmer et al., 2016; Malone et al., 2012).

In summary, compensation is a complex concept that includes more than just monetary rewards, encompassing various forms of remuneration and benefits. It plays a critical role in shaping employee behavior, organizational performance, and overall success. Understanding the nuances of compensation, including its impact on motivation, job satisfaction, and organizational culture, is crucial for creating effective reward systems and fostering employee engagement.

**Workload**

Workload, a foundational concept across diverse fields such as healthcare, nursing, and organizational environments, refers to the volume and complexity of tasks individuals are expected to complete within a specified timeframe (Morris et al., 2007; Ivziku et al., 2022; Cordova et al., 2010). Factors such as patient numbers, task demands, and available support influence workload (Morgantini et al., 2020; Wibowo et al., 2021; Bahadori et al., 2014).

In healthcare, workload significantly impacts professionals' stress levels and job satisfaction (Morgantini et al., 2020; Wibowo et al., 2021). High workloads can lead to burnout among healthcare workers, especially during challenging periods like the COVID-19 pandemic (Morgantini et al., 2020; Du & Hu, 2021). Studies show that workload influences turnover intentions, job satisfaction, and overall well-being (Wibowo et al., 2021; Hussain & Saif, 2019).

Nursing workload specifically refers to the time and attention nurses can allocate to patient care, professional development, and other job-related tasks (Ivziku et al., 2022; Cordova et al., 2010). It encompasses direct patient care duties and indirect responsibilities contributing to the overall workload (Myny et al., 2011; Cordova et al., 2010). Staffing levels, patient complexity, and organizational support are factors affecting nursing workload (Kościelska-Kasprzak et al., 2012; Cordova et al., 2010).

Assessment tools like the Surgical Task Load Index (SURG-TLX) questionnaire have been developed to gauge subjective workload and aid in understanding its impact on performance and cognitive functions (Singh et al., 2018). Studies also explore the relationship between workload and job performance, highlighting the importance of managing workload effectively to enhance productivity and minimize errors (Guo et al., 2022; Singh et al., 2018).
In summary, workload serves as a critical determinant of job satisfaction, stress levels, and performance across various professional domains. Effective understanding and management of workload are essential for promoting employee well-being, ensuring quality care, and optimizing organizational outcomes.

**Employee Performance**

Employee performance pertains to how effectively and efficiently employees fulfill their job duties and contribute to the attainment of organizational objectives (alldiabat et al., 2018). This includes multiple facets such as productivity, work quality, alignment with organizational goals, and overall influence on the success of the enterprise.

Employee performance encompasses a range of elements such as productivity, work quality, alignment with organizational objectives, and overall contribution to business success (Srividy* (2019); Frear & Paustian-Underdahl, 2011; Rana & Malik, 2017).

There are numerous factors that impact employee performance, including the work environment, leadership, teamwork, opportunities for training and development, career planning, recognition and rewards, compliance with rules and regulations, and employee well-being (Rana & Malik, 2017; Saks, 2006). Moreover, the level of employee engagement plays a pivotal role in determining performance levels, as engaged employees tend to demonstrate higher levels of dedication, motivation, and productivity (Gupta & Sharma, 2016; Rana & Malik, 2017; Özçelik & Uyargil, 2018).

Performance management systems are crucial for monitoring and assessing employee performance, providing feedback, and identifying areas for enhancement (Badjie et al., 2020). These systems aid in aligning individual performance with organizational objectives and can lead to increased job satisfaction and overall effectiveness (Frear & Paustian-Underdahl, 2011).

In summary, employee performance is a complex concept influenced by various organizational strategies, individual attributes, and environmental conditions. Through the implementation of effective performance management systems, the promotion of employee engagement and empowerment, and the cultivation of a positive psychological climate, organizations can optimize employee performance, enhance productivity, and achieve their strategic goals.

**MET**

**ODOLOGY**

This study adopts a quantitative research design, which is instrumental in achieving the research objectives and addressing the research questions (Adeniji et al., 2020). To gather data, both primary and secondary sources are utilized, employing methods such as observation, questionnaires, and the examination of written documents. The questionnaire used in the study is meticulously structured into categories and utilizes a Likert scale, where respondents indicate their level of agreement on a spectrum ranging from strongly disagree to strongly agree.
The research population comprises all employees in the food industry sector of Jakarta City, totalling 100 individuals. The sample for the study is determined using a census technique, ensuring that the entire population is considered for the research. This comprehensive inclusion of participants aims to provide a complete and accurate representation of the population under study.

For the analysis of the quantitative data collected, path analysis is employed. This statistical method allows for the examination of complex relationships between variables, helping to understand the direct and indirect effects of various factors on the outcomes of interest. By utilizing path analysis, the study can provide deeper insights into the dynamics at play within the research context, offering robust conclusions based on the data collected.

RESULTS
Research Findings

The research results encompass several crucial aspects that were identified and evaluated during the statistical testing process. These include the findings from Analysis Multiple linear regression analysis is used to determine the relationship between independent variables and whether they have a positive or negative correlation in predicting the value of the dependent variable when the values of the independent variables increase or decrease. The following are the results of the multiple linear regression analysis conducted using SPSS version 26.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1,783</td>
<td>1,607</td>
<td>1.051</td>
</tr>
<tr>
<td></td>
<td>Kompensasi</td>
<td>.407</td>
<td>.079</td>
<td>.399</td>
</tr>
<tr>
<td></td>
<td>Beban kerja</td>
<td>.559</td>
<td>.081</td>
<td>.534</td>
</tr>
</tbody>
</table>

Output SPSS: 2023

Based on the analysis presented in table, a multiple linear equation was obtained, namely $Y = 1.783 + 0.407X1 + 0.559X2$, where $Y$ represents employee performance, $X1$ is the compensation variable, and $X2$ is the workload variable. From the calculations, it can be concluded that the constant value of 1.783 indicates that if both the compensation ($X1$) and workload ($X2$) variables are 0, then the employee performance will be 1.783, assuming other variables affecting employee performance are considered constant. Additionally, the regression coefficient value of 0.407 for compensation ($X1$) suggests that if the workload variable ($X2$) remains constant and compensation ($X1$) increases by one unit, there will be a corresponding increase in employee performance ($Y1$) of 0.407.
Correlation Analysis

Correlation analysis is used to determine the strength of the relationship between two variables, while controlling or keeping constant other variables considered to have an influence (as control variables). The correlation coefficient analysis used in this study is the bivariate Pearson correlation with SPSS version 26.

Table 2. The Result of the Correlation Coefficient Analysis

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Kompensasi</th>
<th>Beban kerja</th>
<th>Kinerja karyawan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kompensasi</td>
<td>Pearson</td>
<td>,790''</td>
<td>,821''</td>
</tr>
<tr>
<td>Correlation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Beban kerja</td>
<td>Pearson</td>
<td></td>
<td>,849''</td>
</tr>
<tr>
<td>Correlation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Kinerja karyawan</td>
<td>Pearson</td>
<td>,821''</td>
<td></td>
</tr>
<tr>
<td>Correlation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Output SPSS: 2023

The decision-making process in bivariate Pearson correlation coefficient analysis relies on two key factors: the significance value (Sig.) and the correlation coefficient (r). A significance value below 0.05 indicates a significant correlation between variables, while an r value exceeding the critical threshold signifies a correlation as well. In Table 4.15, the significance values between compensation (X1) and employee performance (Y) as well as between workload (X2) and employee performance (Y) are both below 0.05, with corresponding r values surpassing the critical threshold. Thus, it can be concluded that there is a significant correlation between compensation and workload with employee performance.

Hypothesis Testing

The t-test with partial testing, which is used to examine the influence of each independent variable individually on the dependent variable, is employed to test the truth or falsity of the hypothesis stating that between two sample means taken randomly from the same population. The t-test is conducted by comparing the computed t-value with the tabulated t-value, to determine the degree of freedom (df) = (n-2-1), hence obtained (100-2-1) = 97, so the tabulated t-value = 1.985.
Hypothesis testing 1: there is a positive and significant effect of Compensation on employee performance. Based on the table, the computed $t$-value is $14.215 >$ the tabulated $t$-value of $1.985$, or significance of $0.000 < 0.05$. Thus, $H_a$ is accepted and $H_0$ is rejected, indicating that there is a positive and significant partial effect of Compensation on employee performance.

### Table 3. Hypothesis Testing 1

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>$T$</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td></td>
<td>3.023</td>
<td>.003</td>
</tr>
<tr>
<td>Kompensasi</td>
<td>5,842</td>
<td>1,932</td>
<td>14.215</td>
<td>.000</td>
</tr>
</tbody>
</table>

### Table 4. Hypothesis Testing 2

Hypothesis testing 2: there is a positive and significant effect of Workload on employee performance. Based on the table, the computed $t$-value is $15.903 >$ the tabulated $t$-value of $1.985$, and significance of $0.000 < 0.05$. Thus, $H_a$ is accepted and $H_0$ is rejected, indicating that there is a positive and significant partial effect on employee performance.

The $F$-test is conducted by comparing the computed $F$-value with the tabulated $F$-value. To determine the tabulated $F$-value, the degrees of freedom are calculated as follows: $df_1 = (n - k)$ and $df_2 = (k - 1)$, where $n$ is the total number of observations and $k$ is the number of variables. Thus, for this test with $df_1 = (100 - 3) = 97$ and $df_2 = (3 - 1) = 2$, the tabulated $F$-value is $3.090$. The results of the $F$-test can be seen below:

### Table 5. Testing the Influence of Independent Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>$F$</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>2</td>
<td>1159,230</td>
<td>172,679</td>
<td>.000a</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>97</td>
<td>6,713</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>95</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance
b. Predictors: (Constant), Workload, Compensation
Testing the influence of independent variables collectively on their respective dependent variable is conducted using the F-test. The statistical calculations show that the computed F-value is 172.679, which is greater than the tabulated F-value of 3.090 with a significance level of 0.05. Therefore, the obtained significance value of 0.000 < 0.05 indicates that the hypothesis stating that simultaneously, the Compensation (X1) and Workload (X2) variables have an influence on Employee Performance (Y) is accepted.

**DISCUSSION**

The research findings highlight the intricate dynamics between compensation, workload, and employee performance within organizational settings. Firstly, the study unveils that compensation, represented by variable X1, significantly influences employee performance (Y). This is underscored by the computed t-value of compensation exceeding the tabulated t-value, coupled with a significance level below 0.05. In practical terms, this suggests that higher levels of compensation lead to enhanced employee performance, indicating the importance of fair and competitive remuneration packages in motivating employees to perform at their best.

Similarly, the study reveals that workload, denoted by variable X2, also holds considerable sway over employee performance. The computed t-value for workload surpasses the tabulated t-value, with a significance level below 0.05, indicating a significant positive effect on performance. This implies that managing workload levels effectively, such as by distributing tasks efficiently or providing adequate resources, can contribute to improved employee performance.

Furthermore, when considering both compensation and workload together, the results indicate a combined positive impact on employee performance. The computed F-value exceeds the tabulated F-value, with a significance level below 0.05, suggesting that addressing both compensation and workload concurrently can yield significant enhancements in employee performance. This underscores the interdependence of these factors and the need for organizations to adopt holistic approaches to managing employee performance.

Overall, the findings emphasize the critical role of strategic compensation and workload management practices in fostering a conducive work environment that promotes employee productivity and contributes to overall organizational success. By addressing these factors comprehensively, organizations can create conditions that empower employees to perform at their best, ultimately driving performance and achieving strategic objectives.
CONCLUSIONS AND RECOMMENDATIONS

Based on the research findings and discussions regarding the impact of compensation and workload on employee performance, several conclusions can be drawn. Firstly, compensation (X1) has a significant positive influence on employee performance (Y), as evidenced by its computed t-value exceeding the tabulated t-value and a significance value below 0.05. Similarly, workload (X2) also exhibits a significant positive effect on employee performance (Y), with its computed t-value surpassing the tabulated t-value and a significance value below 0.05. Additionally, when considered simultaneously, both compensation (X1) and workload (X2) collectively exert a significant positive impact on employee performance (Y), as indicated by the computed F-value exceeding the tabulated F-value and a significance value below 0.05. These findings underscore the importance of both compensation and workload management in enhancing employee performance within the organization.

The research findings align with previous studies that have highlighted the significance of compensation and workload in influencing employee performance. Studies by Darma & Supriyanto (2017) and Saman (2020) have shown a positive correlation between compensation and employee performance. Furthermore, research by Hendrasti et al. (2022) and Saputra et al. (2023) has emphasized the positive impact of workload on employee performance, especially when managed optimally. Moreover, the literature supports the idea that both compensation and workload are crucial factors that contribute to employee satisfaction, motivation, and ultimately performance. Studies by Munandar et al. (2019) and Yusanti & Suprapti (2022) have highlighted the relationship between workload, job satisfaction, and employee performance. Additionally, research by Saputra et al. (2018) and Febrianti (2019) has emphasized the role of compensation in enhancing job satisfaction and performance. In conclusion, the research findings and discussions regarding the impact of compensation and workload on employee performance provide valuable insights into the factors that influence organizational outcomes. By recognizing the significance of compensation and workload management, organizations can create a conducive environment that promotes employee satisfaction, motivation, and ultimately enhances performance levels.

Based on the research findings and discussions from the provided references, several recommendations emerge to enhance employee performance within an organization. Firstly, organizations should consider implementing high-performance human resource practices, as they promote employee engagement in extra-role behaviors and regular attendance, ultimately impacting performance positively (Kehoe & Wright, 2010). Secondly, promoting work-life balance and job satisfaction can lead to improved employee performance by managing work-family conflicts and creating a supportive work environment (Soomro et al., 2018). Thirdly, leveraging diversity-friendly HR policies fosters better performance outcomes by embracing age diversity and creating inclusive environments (Kunze et al., 2013). Additionally, fostering empowering leadership practices and investing in HRM practices and training can equip employees with necessary job skills and enhance performance outcomes (Lee et
al., 2017; Mira et al., 2019). Moreover, enhancing compensation and career satisfaction through fair compensation systems and performance appraisals contributes to increased productivity and employee loyalty (Aburumman et al., 2020). Prioritizing internal service quality and employee well-being, promoting workplace health initiatives, driving employee engagement and motivation, and implementing talent management strategies further contribute to creating a conducive work environment that enhances overall performance and organizational success (Sharma et al., 2016; Gorgenyi-Hegyes et al., 2021; Mishra et al., 2014; Maimon, 2022). By incorporating these recommendations, organizations can foster employee satisfaction, engagement, and ultimately, improve overall performance and organizational success.

FURTHER STUDY

Further study could explore the moderating or mediating effects of other variables on the relationship between compensation, workload, and employee performance. Additionally, longitudinal studies could be conducted to examine how these relationships evolve over time and under different organizational contexts. Qualitative research methods could also be employed to gain deeper insights into the subjective experiences and perceptions of employees regarding compensation, workload, and their impact on performance. Furthermore, comparative studies across different industries or geographical locations could provide valuable insights into the generalizability and applicability of findings across diverse contexts. Finally, experimental research designs could be utilized to test the effectiveness of interventions aimed at improving compensation practices or reducing workload burdens on employee performance.

ACKNOWLEDGMENT

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REFERENCES


