

The Influence of Competency, Work Discipline and Compensation on Employee Performance at PT. XXX

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ABSTRACT

The importance of human resources in an organization or company is to determine the success of the organization or company in achieving its goals, because whether or not a company is successful in achieving its goals really depends on the ability of its human resources or employees in carrying out the tasks given. This research aims to analyze and identify the influence of competence, work discipline and compensation on employee performance 1 on employee performance. Questionnaires were distributed to 74 respondents who were taken by determining the sample using a non-probability sampling method with the sampling technique used was saturated sampling. The questionnaire was tested using validity tests, reliability tests, and also classical assumption tests. The results of this test are valid, reliable, and can be used for regression data. The analytical method used in this research is a descriptive method and path analysis with a quantitative approach. The results of the research show that 1. Competency does not have a direct and positive effect on employee performance. 2. Work discipline has a direct and positive effect on employee performance. 3. Compensation has a direct and positive effect on employee performance 4. Competence, work discipline, compensation has a direct positive effect on employee performance 5. Competency has a relationship but is not positive with work discipline 6. Work discipline has a positive relationship with compensation 7. Competency has a relationship but is not positive not positive with compensation.

INTRODUCTION

Human resources are a very important aspect for organizational interests because human resources are the capital that determines competitive advantage and success in achieving company goals. Human resources are one of the input elements which together with other elements such as materials, capital, machines and technology are converted into output and contribute labor, thoughts and involvement in achieving organizational goals. The importance of human resources in an organization or company is to determine the success of the organization or company in achieving its goals, because whether or not a company is successful in achieving its goals really depends on the ability of its human resources or employees in carrying out the tasks given. The ability of employees to carry out their duties can be seen through their performance, so that employee performance is very important for the success of the company.

Employee performance is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him (Kasmir, 2016: 182). Good performance is optimal performance, namely performance that meets organizational standards and supports the achievement of organizational goals. Performance is the result of work and work behavior that has been achieved in completing the tasks and responsibilities given in a certain period.

Competence is a fundamental characteristic possessed by a person that directly influences, or can predict, excellent performance. Competence is really needed in solving new ideas, creating good work standards, and the ability to create optimal performance for a workforce that can compete in the current era of progress. Competency can be defined as the ability to carry out or carry out a job or task that is based on skills and knowledge and supported by the work attitude required by the job (Wibowo, 2017: 272).

Work discipline is a tool that managers use to communicate with employees so that they are willing to change behavior as an effort to increase a person's awareness and willingness to comply with all company regulations and applicable social norms. Work discipline is a person's work ability to work regularly, continuously diligently and work in accordance with applicable regulations without violating established rules (Sinambela, 2016: 335).

Compensation programs are also important for companies, because they reflect the organization's efforts to retain human resources. Compensation is what employees receive in return for their contribution to the organization (Simamora, 2017:442). Production achievement at PT. Uniplastindo Interbuana Ciawi Plant in 2023. If this target is not achieved, it is suspected that employee performance is low, so performance improvement is very necessary, related to human resources in terms of competency, compensation and work discipline at PT. Uniplastindo Interbuana Ciawi Plant. This is thought to be due to lack of human resource competency, lack of work discipline and unsatisfactory compensation.

The aim of this research is to determine and analyze the direct influence of compensation, competency and work discipline on employee performance at PT. Uniplastindo Interbuana Ciawi Plant.

LITERATURE REVIEW

Literature Review and Hypothesis Development

Planning, managing and controlling Human Resources (HR) requires managerial tools, namely Human Resource Management (HRM) or can be understood as an organizational process and can also be interpreted as a policy. HRM is a strategic approach to skills, motivation, development and management of resource organization (Hamali, 2018:2).

HRM can be interpreted as the process of utilizing humans as a human workforce so that all physical and psychological potential they possess functions optimally to achieve goals (Sedarmayanti, 2017:3) HRM is an activity of planning, multiplying, developing, maintaining, 19 and using human resources to achieve good goals individually and organizationally.

Human resources are the main driver of a company's organization, and must be managed optimally, and the fulfillment of their rights must be given more attention. Human resource management is the process of managing people through planning, recruitment, selection, training, development, compensation, career, health and safety, as well as maintaining industrial relations until termination of employment in order to achieve company goals and increase stakeholder welfare (Kasmir, 2016).

Human resource management (HRM) is the utilization, development, assessment, provision of services, and management of individual members of an organization or group of workers. Without quality human resources, the company cannot run the company well, so the company needs to involve employees to face the demands of current tasks and to answer challenges in the future (Sutrisno, 2017).

Hypothesis Development

A hypothesis is a temporary answer to a research problem, where the research formulation has been stated in the form of a question sentence with a weak level of truth that still needs to be tested using certain techniques. Hypotheses are formulated in terms of theories, conjectures, experiences, general impressions, the conclusions are still very preliminary. A hypothesis is a statement of the state of a population that will be verified using information collected through a sample (Sugiyono, 2017:95). Based on this description, the hypothesis proposed is as follows:

- H1: There is a direct and positive influence of compensation, competence and work discipline on employee performance.
- H2: There is a direct influence of competence on employee performance
- H3: There is a direct and positive influence of work discipline on employee performance.
- H4: There is a direct and positive influence of compensation on employee performance

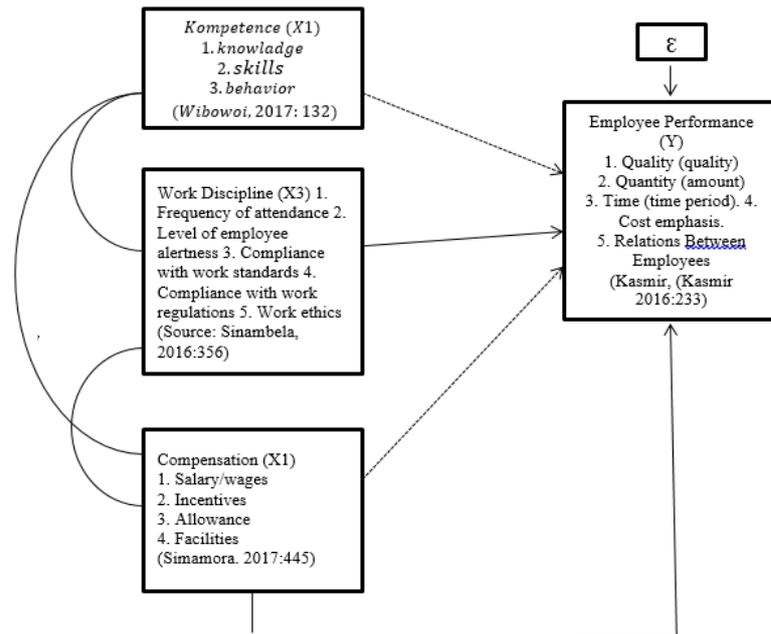


Figure 1. Hypothesis Development

METHODOLOGY

The population in this study was all 74 employees. According to experts, the appropriate size in research is 30 to 500, if the population is less than 100 then the total number of samples is taken, but if the population is more than 100 people, then 10-15% or 20-25% of the population can be taken (Arikunto , 2016). In this research, the researcher used a nonprobability sampling method, while the sampling technique used was saturated sampling, namely a sample collection technique when members of the population are used as sample members.

The method used in this research is a descriptive verification method with a quantitative approach. And using primary data obtained through distributing questionnaires. The measurement scale in this research is an ordinal scale, with data testing using validity, reliability, classical assumption tests, namely the normality test, multicollinearity test, and heteroscedasticity test. After testing the instrument, multiple linear regression analysis, multiple correlation and coefficient of determination were carried out. Then testing is carried out and the last is partial testing (t test).

The operationalization of variables in research is an element that is related to the variable in the research title or is also related to the formulation of the problem in the research. This research variable consists of exogenous variables and endogenous variables.

RESULT AND DISCUSSION

Based on the data obtained, most of the Factory employees are male with a total working period of 69 years or 93 years and females as many as 5 years or 7 years with an age range of 25-34 years as many as 52 years or 70 years with the last level of education of SMA/SMK as many as 65 years or 88 years, 3 years

or 4 years namely D3 and 6 years or 8 years namely S1. And the working period > 1-3 years as many as 52 years or 70 years.

Validity test is used to measure whether the questionnaire is valid or not. To determine the validity of an item, the item score is correlated with the total items. Validity test was conducted on 30 respondents and continued because the test results approached the normal curve. If the test results are declared valid, the distribution can be continued up to 74 respondents. The questionnaire is declared valid if the Product Moment correlation value is more than 0.3 which can be used as a guideline in making decisions on the validity test, then it can be continued with a reliability test. Reliability testing is a questionnaire measuring tool for all variable indicators, the questionnaire is definitively reliable, peer-to-peer answers to a question or several questions can be consistent over time, Sugiyono (2017: 130). Based on the research instrument of testing 74 employees who showed competitiveness, work discipline and improvements in employee performance, the results are said to be obtained if all items are reliable because they have Cronbach Alpha > 0.6. The classical assumption test for the regression model that has been carried out using the SPSS version 25.0 program includes: normality test, multicollinearity test, and heteroscedasticity test. The results of the normality test using Kolmogorov-Smirnov produced an Asymp.Sig value (2 tails) of 0.200 and an increase greater than the significance value of 0.05 (the residual variable is normally distributed or passes the test). Therefore, based on the first criterion, the data is normally distributed. The results of the multicollinearity test show that the VIF value < 0.05 and Tolerance > 5 means that no strange multicollinearity problems were found in this study. The results of the heteroscedasticity test show that the scatter diagram does not form a particular pattern, so that its migration does not show the integrity of heteroscedasticity.

Path Analysis The hypotheses hypothesized in this study relate to the influence of competition (X1), work discipline (X2), and rewards (X3) on employee performance (Y). To test the hypotheses, path analysis is used. Based on the results of data processing using SPSS software version 25.0, a path analysis equation model can be formulated.

Table 1. Results of Path Analysis of Competency, Work Discipline and Compensation Variables on Employee Performance

Variable	R2	Path Coefficient	Tcount	Sig
Competency (X1)	0.400	-0.493	-2,072	0.042
Work Discipline (X2)		0.282	2,282	0.019
Compensation (X3)		0.353	3,493	0.001

Based on Table 1, it can be seen that the value of the competition path coefficient (X1) on employee performance (Y) is -0.493, the work discipline path coefficient (X2) on employee performance (Y) is 0.282 and the compensation path coefficient (X3) on employee performance (Y) is 0.353. 114 The results of

testing the determination coefficient of competition, work discipline and compensation on employee performance (R^2 Y (X1X2X3) are 0.400. The path coefficient for other variables outside of competition, work discipline and compensation is obtained at the value of $P_{yei} = \sqrt{1 - 0.400} = 0.774$.

The structural equation for the model of the influence of competition, work discipline, compensation and employee performance is as follows:

$$Y = -0.493 X_1 + 0.282 X_2 + 0.847 X_3 + 0.774$$

The equation model above is a structural model that does not describe the predicted value of changes in exogenous variables against the original variables.

Table 2. The Fcount test results obtained were 14,408 with a significance of 0.000

Hypothesis	R2	Fcount	Ftable	Sig	Decision	Conclusion
$P_{yx} = 0$	0.400	15,573	2,730	0,000	H0 is rejected	significant
Hypothesis	Path coefficient	Thitung	Table	Sig	Decision	Conclusion
$P_{yx1}=0$	-0.493	-2,072	1,667	0.042	H0 is rejected	Significant
$P_{yx2}=0$	0.282	2,392	1,667	0.019	H0 is rejected	Significant
$P_{yx3}=0$	0.353	3,493	1,667	0.001	H0 is rejected	Significant

The results of the F-count test obtained a t-count value of 14.408 with a significance of 0.000. To test the hypothesis of this condition, a comparison was made between the F-count value and the F-table value. From the F-table, the F-table value was obtained. With $db_1 = 3$ and $db_2 = 74 - 3 = 71$, the F-table value was obtained as 2.730. Based on the results of the test, the F-count value was obtained as 15.573 so that the F-table value was 2.730. From the significance value of 0.000 which is smaller than 0.05, it can be concluded that simultaneously the factors of competition, work discipline and compensation have a direct and positive influence on employee performance.

Based on the results of their research, they showed that:

1. Competition does not have a direct and positive influence on employee performance. The competition owned by PT. Uniplastindo Inteirbuana Pabrik Ciawi is said to be capable, but this does not rule out the possibility that there are still employees who are unable to carry out their work properly, such as employee training that has not been attended by all employees because the enthusiasm of the training participants is not evenly distributed. This is in accordance with research conducted by Hokei & Tumaraw (2018) which concluded that competition does not have a significant influence on employee performance.

2. Work discipline has a direct and positive influence on employee performance. Work discipline has an important role in bringing a company to life because performance with a high level of discipline will increase the production results that have been set by the company. This is in accordance with the opinion of Irwan Gunawan and Razak Munir (2017) who concluded that work discipline has an influence.
3. Compensation has a direct positive impact on employee performance. Employee performance can be a determining factor in maximizing production results in the employee's workplace and if employee work results increase or reach targets, the company will provide awards or compensation from the company to employees. This is in accordance with research conducted by Ginanti and Pono, (2018) which concluded that improvements have a direct and positive impact on employee performance.
4. Competition, work discipline, and compensation have a direct positive influence on employee performance. Overall, competition, work discipline, and compensation are interrelated and influence employee performance. Competition, high work discipline, and appropriate compensation will improve employee performance. The results of this study are supported by Vaniei Gio, (2022) which shows that competition, work discipline, and compensation have a positive influence on employee performance.

Based on the results of the research that has been conducted, it can be concluded that employee responses related to the research variables, namely competition, work discipline, compensation and performance are as follows:

1. The instrument that has the highest assessment of the competition variable is behavior. The behavior in question is that as an employee must always obey the rules and do things that should be (Wibowo 2017:132). If employee behavior cannot comply with company regulations, it will have an impact on employee performance and company goals. This is because if the company has employees who behave according to organizational expectations, then the performance assessment given will be better than employees who behave less according to organizational expectations. The purpose of competition in an organization in general is to clarify work standards, use selection tools, maximize productivity, as a basis for developing awards, align work behavior (Sutrisno, 2016:2016:208)
2. The instrument that has the highest assessment of the work discipline variable is work ethics. Work ethics are very necessary for every employee in carrying out their work to create harmony and equal respect among other employees. The dimensions of work ethics are measured by an atmosphere of harmony and equal respect (Sinambeila, 2016:356). The impact of ethical deviation in a job will remind each individual of the meaning of their

responsibility. Because, this guideline will be a guideline for every worker to carry out their duties and obligations as well as possible for the good of themselves, others, and also the company. The purpose of developing work ethics/discipline is to ensure that the company's survival is in line with the organization's planned goals, such as obeying regulations, carrying out work well, maintaining facilities and infrastructure, behaving in accordance with company norms, and producing high productivity according to company expectations. (Supomo, 2018:134)

3. The instrument that has the highest assessment of the compensation variable is salary/wages. Salary/wages are compensation for services received by employees in the form of money received by employees as a consequence of their position as employees (Simamora, 2017:445). The salary received by employees can meet the needs of employees, basically they have a series of needs that must be met. The purpose of providing compensation includes establishing a bond of cooperation with employees, effective procurement, high motivation for employees, more guaranteeing employee work stability, increasing discipline (Hasibuan, 2017:121).
4. The instrument that has the highest assessment of employee performance variables is the relationship between employees. An employee is able to create a comfortable atmosphere, mutual respect, cooperation, and mutual appreciation among other employees (Kasmir, 2016: 208-210). Not all collaborative skills can be done by one employee. Certain jobs may require participation from other employees. High employee performance will make a positive contribution to the company. Employees have high performance characteristics like adults. The purpose of performance is basically to determine the achievement of employee goals, provide employee accountability, increase work motivation and work ethics, as a differentiator between one employee and another, strengthen employee relationships, as information for human resources and career planning, help employee placement, and as a tool to improve performance (Rivai 2016: 311).

Direct Influence of Competency on Employee Performance

Competition has a direct and negative influence on employee performance. The competition owned by PT. Uniplastindo Inteirbuana Pabrik Ciawi is said to be adequate, but this does not rule out the possibility that there are still employees who are unable to carry out their work properly, such as formal and informal education that is not on target. This is in accordance with research conducted by Heirlambang et al. (2012) which concluded that competition has a significant negative influence on employee performance.

1. Direct Influence of Work Discipline on Employee Performance

Work discipline has a direct and positive influence on employee performance. Work discipline plays an important role in the running of a company because performance with a high level of discipline will increase the production results that have been set by the company. This is in accordance with Irwan Gunawan and Razak Munir (2017) who concluded that work discipline has a direct and positive influence on employee performance.

2. Direct Effect of Compensation on Employee Performance

Compensation has a direct positive impact on employee performance. Employee performance can be a determining factor in maximizing the production results of the place where employees work and if employee work results increase or reach the target, the company will provide awards or compensation from the company to employees. This is in accordance with research conducted by Ginanti and Pono, (2018) which concluded that compensation has a direct and positive impact on employee performance.

3. Direct Influence of Competency, Discipline and Compensation on Employee Performance

Competition, work discipline, and compensation have a direct influence on employee performance. Overall, competition, work discipline, and compensation are interrelated and influence employee performance. Competition, high work discipline, and appropriate compensation will improve employee performance. The results of this study are supported by Vaniei Gio, (2022) which shows that competition, work discipline, and compensation have a positive influence on employee performance.

4. The Relationship between Competency and Work Discipline

Based on data analysis, it shows that the relationship between competition and work discipline is -0.139 (13.9%) which means that competition has a negative relationship with work discipline. This is because the format and informal education are not yet on target, as well as the high level of employee absenteeism resulting in a lack of positive relationships. The results of this study are supported by a theory that explains that competence shows the characteristics of knowledge and skills that are possessed or not possessed by each individual so that it allows employees to carry out employee duties and responsibilities effectively and increase professional quality standards in employee work (Agustian, 2018:71).

5. The Relationship between Work Discipline and Compensation

Based on data analysis, it shows that the relationship between work discipline and compensation is 0.239 or 23.9%, which means that there is a positive relationship between work discipline and compensation. This is because high work discipline is influenced by compensation that is in accordance with its rights. For this reason, compensation programs must be established based on fair and reasonable principles. These results are supported by theories or awards, both direct and indirect, financial and non-financial, which are fair and appropriate for employees as a reward for their contributions/services in achieving organizational goals (Marwansyah, 2014: 269).

6. Relationship between Competency and Compensation

Based on data analysis, it can be seen that the relationship between competition and compensation is -0.417 (41.7%) which means that competition has a negative relationship with compensation. This is due to the low level of employee competition in achieving production targets which has an impact on employee compensation. If employee competition in a company decreases, then the compensation given by the company also decreases. Compensation can be given as something in the form of payments given to employees and things related to employees (Deissleir 2017:221).

CONCLUSIONS AND RECOMENDATION

Based on the results of research conducted at PT. Uniplastindo Integralbuana Ciawi Plant regarding competition, work discipline, compensation and employee performance, the following conclusions can be drawn:

1. Employee response to competitiveness, work discipline, compensation and employee performance at PT. Uniplastindo Inteirbuana Ciawi Factory.
 - a. For the average response to the competition variable, it is in the high category. The highest competition response value is found in the behavioral indicator in the high category.
 - b. For the assessment of the average response of the work discipline variable in the high category. The highest value for the response to the discipline variable was found in the work ethic indicator in the very high category.
 - c. For the average compensation variable, the response is in the appropriate category. The highest response value for the compensation variable is found in the salary and wages indicator in the very appropriate category.
 - d. For the average response assessment, the employee performance variable is in the high category. The highest response value for the employee performance variable is found in the relationship indicator among employees which is in the very high category.
2. Competition does not have a direct and positive influence on employee performance.
3. Work discipline has a direct and positive influence on employee performance.
4. Compensation has a direct and positive influence on employee performance.
5. Competition, work discipline, and compensation have a direct positive influence on employee performance.
6. Competence is related, but not positive, to disciplined work.
7. Work discipline has a positive relationship with compensation.
8. Competence is related but not positive to recovery.

Based on the research results and conclusions obtained, the following suggestions can be made:

1. The lowest value on the competitiveness variable is found in the skill indicator. In the training provided by the company, employees are required to attend in order to improve the quality of training by requiring all employees to attend training so that employee skills improve.
2. The lowest value for the work discipline variable is in the frequency of attendance indicator. Therefore, due to these problems, the level of discipline in work attendance must be increased, such as giving sanctions to employees who are absent from work without explanation and increasing the minimum number of absences at work.
3. The lowest value for the fiscal variable is in the incentive indicator. Based on several employees, the incentives given are quite good because several months of production have reached the target set by the company. However, there are several months of production that do not reach the target. The expectation for incentive indicators must pay attention to regulatory standards and minimum living costs to prevent injustice. So that the rewards given to employees are in accordance with their performance.
4. The lowest value for employee performance variables is in the time indicator. Therefore, the company must provide working hours according to employee work. Thus, it is expected that employees will be more effective and efficient in using their time.

For future research, you can use this research as a benchmark and reference. Future research does need to add additional variables that can affect employee performance such as ability, knowledge, work plan, personality, leadership and supervision, organizational culture, leadership style, job satisfaction, work environment, loyalty, and commitment.

FUTHER RESEARCH

This research still has limitations so further research on this topic is still needed "The Influence of Competency, Work Discipline and Compensation on Employee Performance at PT. XXX".

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