

EFFECT OF COMPENSATION AND WORK MOTIVATION ON EMPLOYEE PERFORMANCE AT PT SANBE FARMA CIKARANG MARKETING DIVISION

Saur Panjaitan¹, Suryanti²

¹Management, Universitas Pelita
Bangsa. Indonesia. Email:
sautpanjaitan93@yahoo.co.id

²Management, Universitas Pelita
Bangsa. Indonesia. Email:
suriyanti308@gmail.com

*Author's Correspondence:
sautpanjaitan93@yahoo.co.id

Abstract

In the business world, HR is essential, considering that humans are entertainers in supporting organizational tasks. This study aims to determine and examine the effect of remuneration factors and work inspiration on implementing representation at PT. Marketing Division of Sanbe Farma Cikarang. This study is intended to determine how much influence compensation and work motivation temporarily have on the implementation of representatives at PT. Marketing Division of Sanbe Farma Cikarang. Sample 36 respondents. The analysis results show that there is a considerable influence between remuneration on the implementation of workers with tcount smaller than the exploration test level (Sig t < or 0.04 < 0.05). There is no effect between work inspiration on executive representatives with t count more important than test level (Sig t > or 0.214 > 0.05), and there is a significant synchronous effect between salary and work inspiration on execution workers (Sig. F = 0.03 < 0.05).

Keywords: Compensation, Motivation, Employee Performance

1. INTRODUCTION

Organizations ready to compete must have successful administration to develop worker performance further. Proper administration requires the assistance of representatives, including those focused on organizational resources. For this situation, strong inspiration and job fulfillment significantly affect worker execution. Pioneers can encourage their subordinates to further develop their presentations by valuing their exhibits, expanding their compensation, offering awards/grants and openings. According to Hasibuan (2006:141), inspiration is essential because it is an inspiration that causes, propagates, and enforces human behavior. Hence, it is necessary to strive earnestly and passionately to achieve ideal results. Of course, the inspiration that is the main reason for someone to join various associations is related to the individual's efforts to meet

various needs, both political, financial, social, and various needs that are increasingly complicated. Every representative in an organization cannot be separated from the issue of worker execution. In order to persuade workers, the principal must know the intentions and inspiration that representatives need. Inspiration is essential because inspiration is what causes, adapts, and enforces human behavior so that they will strive sincerely and passionately to achieve ideal results.

To get the ideal profit, costs must be used productively. According to the view of workers, wages are seen as rights and are the primary type of income; therefore, this amount must have the option to deal with problems for themselves and their families, only as a guarantee of certainty of recognition (Sutrisno, 2009: 198). Mistakes in applying the remuneration framework will

lead to demotivation and the absence of job fulfillment among workers (Wibowo, 2011:347).

According to (Prawirosentono, 2008, p.64), execution is carried out by a person or association in an association according to their respective expertise and obligations to achieve organizational goals legally and not ignoring the law, ethics, and morals. The significance of implementing workers is shown by the organization and special regional units to run and foster the organization. Therefore, research results are needed regarding the point of view that helps the representative exhibition that has been at PT. Sanbe Farma.

This examination took the object of exploration at PT Sanbe Farma, an organization engaged in the drug sector. Exercises completed by PT. Sanbe Farma creates medicines and showcases the results of these medicines. The examination concerns all the organization's needs, which leads to the further development of the workforce execution, as the Marketing division promotes and offers manufactured medicines to clinics, offices, facilities, and drug stores. In this way, PT. Sanbe Farma requires high execution of workers to improve organizational efficiency by having high responsibility, reasonable goals, mature work plans, and daring to face challenges. Then, at that time, the organization's presentation will increase; in this way, one of them is by looking at the effect of salary and work inspiration on the implementation of workers at PT. Sanbe Farma.

Therefore, the facilities produced to see the results of remuneration and inspiration for the works in their exhibitions are essential by looking at the foundation of the representatives of PT. Sanbe Farma, a side effect of the perception made that the nature of work is not good because the inspiration for pay for work is a problem that may occur in representative exhibitions in an organization.

Based on the background described above, the formulation of this study's problem is as follows: is there any effect of compensation on employee performance at PT Sanbe Farma? Is there an effect of work motivation on employee performance at PT Sanbe Farma? Is there any effect of compensation and work motivation on employee performance at PT Sanbe Farma?.

2. LITERATURE REVIEW AND HYPOTHESES

According to Hasibuan (2013), compensation is all payments as cash, direct and deviant products received by workers as a trade-off for the administration given to the organization. Remuneration is a motivating factor for representatives to perform better to improve employee performance.

The elements that affect remuneration, as stated by Hasibuan (2009: 127 – 129), are as follows:

1. Productivity The work of large and many representatives, the pay will be immensely more attention.
2. Assuming the organization's capacity and willingness to pay increases, the level of remuneration will be more critical.
3. Position Employees with higher positions will receive more significant wages/remunerations.

Markers are used as benchmarks to calculate payments, according to Mathis et al. (2016.0.142)

1. Principal compensation is how much cash is paid to a representative by a worker as compensation for the work he does. Basic compensation does not exclude benefits, rewards, or possible remuneration.
2. Pay variable where salary is directly identified with execution achievement. The most well-known wages for these workers have forced pay and reward programs.

3. The benefit is a type of compensation or basic needs that are of value to facilitate the work cycle.

As Stated by Hasibuan (2012:143), inspiration is the arrangement of a main driving force that makes one's workforce so that it needs to work together, work successfully, and be coordinated in every effort to achieve fulfillment. According to Ranupandojo and Hasan in Abrivianto et al. (2014), Inspiration is a program of trying to influence someone to achieve something we need. Several factors influence work inspiration, more specifically:

- 1) Individual maturity, the tendencies that he brought since adolescence, the qualities possessed, the intrinsic character of the individual dramatically influences his inspiration.
- 2) Instructive Level A representative who has a higher level of education will generally be more aroused because that person now has a broader view than a worker with a lower level of education.
- 3) Longing and individual assumptions about someone who will sincerely try if there is an individual desire that will be recognized in the real world.
- 4) Needs are generally following inspiration; the more critical a person is to be met, the more prominent the inspiration that the worker needs to muster.
- 5) Fatigue and fatigue factors affect energy and work spirit, thus affecting work inspiration.
- 6) Job fulfillment has a very extraordinary relationship with a person's level of work inspiration. Representatives who are happy with their work will be highly inspired and focused on their work.

Estimates used to survey representative disciplines as shown by Hasibuan (2012):

1. Actual Needs Shown by providing legal compensation to workers, providing awards, food allowances, transportation fees, lodging offices, etc.

2. Safety and Security Need There is a government-supported pension for workers, annuity reserves, health benefits, accident protection, and other welfare equipment.

3. Reward Needs Recognition of the need for rewards depends on capacity.

What is meant by the implementation is the quality and amount of work carried out by a representative in completing his obligations following the obligations assigned to him, Mangkunegara (2013). According to Fahmi (2014), implementation is the result obtained by an association, regardless of whether the association is profitable or unprofitable, which is created for some time. Factors affecting remuneration as stated by Keith Davis in Anwar Prabu Mangkunegara (2009:67):

- a. Capacity Factor, Psychologically, the capacity of workers consists of the expected capacity (IQ) and the capacity of reality (information + ability). This means that representatives who have ordinary (IQ 110 – 120) with good instructions for their position and are talented in completing their daily work will more effectively complete the implementation of everyday work. Accordingly, representatives should be placed in positions that match their skills (perfect man in ideal location, ideal man in right job).
- b. The persuasive component is formed from the disposition of a worker in managing work conditions. *Inspiration* is the condition that moves coordinated representatives to achieve hierarchical goals (work goals).
- c. Part of the execution norm is still in the air. The principle of the exhibition, according to Ade (2013):
- d. The number of jobs is the length of time a representative works in one day. This amount of work must be seen from the work speed of each worker.
- e. The nature of the work is the suitability of the development of the exercise

regarding the appropriate arrangements as the norm for the methods involved with the execution of the exercise and the hierarchical plan.

- f. Idealness is satisfaction with the time required or expected in implementing the exercise.

3. RESEARCH METHODS

This kind of exploration is a quantitative examination, namely a specific exploration that plans to test hypotheses, look for speculations that have a reasonable value, and show the relationship between factors (Sugiono, 2010, p. 23). This exploratory information uses essential information, especially from respondents' reactions to the surveyor proclamation meeting notes about the strength of motivation, work discipline, and representative implementation. Additional information that is a source of the organization's library, for example, concerning the organization's historical background.

4. RESULTS AND DISCUSSION

4.1. Results

The estimation of the check factors was completed using a survey made of the markers on each exploratory variable. From the results of the legitimacy test on each exploration variable, it can be seen that all assertions in each factor are substantial. Through the unshakable quality test, it was observed that every substantial question on each test variable could be proven solid. Because polls are legit and solid, exploratory surveys are a reliable tool for measuring each examination variable.

A riveting examination of the exploratory factors yielded somewhat similar findings for all exploratory factors where respondents' impressions of salary (X1) and job inspiration (X2) on representative execution (Y) would generally be favorable.

Various straight relapse examinations have met the investigation requirements where the examinations carried out have met reasonableness, and there is no multicollinearity and no heteroscedasticity. The need for various direct relapse checks to be fulfilled shows that the model from various framed straight relapse conditions has met the BLUE (Best Linear Unbiased Estimated). This suggests that many subsequent, direct relapse state models can be used to clarify research problems and test research theory.

Remuneration affects representatives' performance positively, implying that the higher the salary made by workers, the higher the execution rate of representatives. The effect of remuneration on execution is indicated by the consequences of Compensation on Employee Performance (X1) of $b_1 = 0.257$, in the straight condition relapse model $Y = 18.634 + 0.257X_1 + 0.109X_2$. The coefficient of recurrence of payments (X1) of $b_1 = 0.257$ has a tcount probability value of 0.04. Since the probability t count is smaller than the test level ($\text{Sig } t < \text{or } 0.04 < 0.05$), then, at that time, H_0 is rejected, and H_1 is recognized, implying that the impact of payment (X1) on representative execution (Y) considerable. The meaning of the experimental results shows that the main theory of the review is recognized, which implies that there is a halfway impact of payouts on representative execution.

Based on the SPSS output above, the following regression equation is obtained:

$$Y = a + b_1X_1 + b_2X_2$$

$$Y = 18,634 + 0.257X_1 + 0.109X_2$$

The results showed that work motivation on employee performance at PT. Sanbe Farma has no significant effect. The effect is shown by the regression coefficient (X2) of $b_2 = 0.109$, in the multiple linear regression equation model $Y = 18.634 + 0.257X_1 + 0.109X_2$. The regression coefficient of work motivation (X2) of $b_2 = 0.109$ has a probability value of t count of

0.214. Because $b_2 \neq 0$ and the probability t count is smaller than the research test level ($\text{Sig } t > \text{ or } 0.214 > 0.05$), then H_{2o} is rejected, and H_{2a} is accepted, which means the effect of work motivation (X_2) on employee performance (Y) is not significant. The test results show that The second hypothesis of this study is not accepted, which means that there is no partial effect of work motivation on employee performance.

Table 1. Coefficient of Determination Test Results (R^2)

	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.393 ^a	.297	.103	.80404

a. Predictors: (Constant), motivasi, kompensai
b. Dependent Variable: KINERJA

Table 2. Simultaneous Significant Test Results (Test F)

		Sum of Squares	df	Mean Square	F	Sig.
R	Regression	3.889	2	1.944	3.008	.003 ^b
	Residual	21.334	33	.646		
		25.222	35			

a. Dependent Variable: PERFORMANCE
b. Predictors: (Constant), motivation, compensation

4.2. Discussion

This study shows the effect of compensation and works motivation on the performance of employees of PT. Sanbe Farma. The effect is shown by the value of the coefficient of multiple determination adjusted by Adjusted R Square. Adjusted R Square 0.297 has a calculated F probability value of 0.03. Because $b_3 \neq 0$ and the calculated probability F is smaller than the research test level ($\text{Sig } F < \text{ or } 0.03 < 0.05$), then H_{3o} is rejected, and H_{3a} is accepted, which means the effect of Compensation (X_1) and Work Motivation (X_2) on Employee Performance (Y) is significant. The significance of the test results shows that the third hypothesis of this study is accepted, which means that there is a simultaneous

influence between compensation and work motivation on employee performance.

5. CONCLUSION

Judging from the results of the exploration of the conversation, the following decisions tend to be made:

Compensation (X_1) affects the execution of workers positively, implying that the higher the remuneration given to representatives, the higher the degree of execution of workers. Since $b_1 \neq 0$ and the probability t count is smaller than the level of the examination test ($\text{Sig } t < \text{ or } 0.04 < 0.05$), then, at that time, H_{1o} is rejected, and H_{1a} is recognized, which implies that there is a critical impact between remuneration (X_1) for the implementation of the representative (Y). The meaning of the experimental results shows that the main speculation of this review is acknowledged, which implies that there is a halfway impact of remuneration on the execution of representatives. This means that wages have a positive effect on the performance of workers.

Work Motivation (X_2) does not have a significant adverse effect on the implementation of workers, meaning that it does not affect the degree of representative implementation. Because the probability of t count is more prominent than the level of the test ($\text{Sig } t > \text{ or } 0.214 > 0.05$), then at that time, H_{2o} was omitted, and H_{2a} was recognized, which means that the effect of work inspiration (X_2) on representative implementation (Y) was not significant. The experimental results are not extensive, indicating that the second speculation of this review is not recognized, which implies that there is no halfway impact of work inspiration on representative execution. This means that the work inspiration given by the organization to representatives does not guarantee that it will affect workers' performance.

Compensation (X1) and Work Motivation (X2) has a significant effect on the implementation of the representative, meaning that there is a concurrent influence between remuneration and work inspiration on the implementation of workers. Since $b_3 \neq 0$ and the specified probability F is less than the level of the testing test ($\text{Sig F} < 0.03 < 0.05$), then, at that time, H_0 is rejected, and H_a is recognized, which implies the impact of Compensation (X1) and Work Motivation (X2) Against Employee Performance (Y) is essential. The meaning of the experimental results shows that the third speculation of this review is acknowledged, which implies a synchronous impact between salary and job inspiration on worker execution. The higher the

remuneration given and the more work inspiration given, the higher the degree of implementation.

Considering the results of the exploration and conversations that have been completed, the ideas that the experts can give are as follows:

To further develop workers' performance, it tends to be solved by expanding the variables that affect work inspiration. In inspiring to focus on what estimates are created and responsibilities are assumed. The salary and inspiration for the work of representatives who have been well-organized and structured will continue to be worked out through periodic observations and assessments or evaluations to complete a better implementation score.

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