

THE EFFECT OF HUMAN RESOURCE COMPETENCY AND COMPENSATION ON EMPLOYEE PERFORMANCE AT PERUM JASA TIRTA II

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ABSTRACT

The purpose of this research is to obtain empirical evidence and find clarity of phenomena and conclusions about the effect of competence and compensation of human resources on employee performance at Perum Jasa Tirta II. This research was conducted with descriptive quantitative methods and verification. The data analysis technique used is path analysis technique. From the results of research data analysis, the following conclusions are obtained: Competence at Perum Jasa Tirta II is very good, Compensation at Perum Jasa Tirta II. already good, the performance of employees at Perum Jasa Tirta II is very good. There is a strong correlation between competence and compensation, there is a partial effect between competence and compensation on employee performance, and there is a simultaneous effect between competence and compensation on the performance of Perum Jasa Tirta II employees.

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1. INTRODUCTION

In the current era of globalization, companies are required to build a competitive human resources division and can compete optimally in the global market because human resources are an important indicator in realizing the goals of an organization. Competition between companies in the era of globalization is getting sharper, so that Human Resources (HR) are required to continuously be able to develop themselves proactively. HR must become learning humans, namely individuals who are willing to learn and work hard with passion, so that the potential of their people develops optimally. Therefore, human resources must have high competence and performance for the sake of the company's progress.

The things that are important and need to be considered to develop human resources are the education and skills factors of employees. The ability of employees can be developed through specific work competencies. With the advantages of the work competencies that these employees have, it will also help employees to complete their work according to the targets that have been given. Work competence itself really needs to be given because it can help increase the capacity and foundation within the company. Competent employees, with strong employee knowledge and skills, they will be able to complete their work and be able to face new challenges according to the demands of their work.

A company often faces problems regarding the performance of its employees. With a target to achieve the level of effectiveness and efficiency desired by the leadership, the company must have a good and adequate work system and employees who have good performance. With these problems, a leader in the company always strives for every activity to be carried out to achieve maximum results. In building the functions and goals of a company, a leader is needed. Leaders have an important influence on improving employee performance. Leadership is a relationship between one individual and another, company leaders can influence other employees to be willing to work wholeheartedly together to achieve the goals the company wants.

There are several factors that affect employee performance, one of which is competence. Competence is a fundamental characteristic possessed by a person that has a direct effect on, or can predict, excellent performance. Competence is very much needed in solving new ideas, making good work

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standards, and the ability to create optimal performance for a workforce that can compete in the progress of the current era. The appropriate competencies will make employees able to meet company goals. In addition to the competence factor, there is one more factor that is thought to affect performance, namely the provision of compensation. Compensation is very important in the employee work system because with good compensation, employees will work well and employee performance will be maximized. (F. Yudo Satrio Bagus, Agung Wahyudi Sirait, Tri Fena Siburian, Oktavia Sabrina Br. Karo,) based on research (2019).

Perum Jasa Tirta II is an institution under the auspices of the Ministry of State-Owned Enterprises, Ministry of Finance and Public Works which has the task of managing, maintaining irrigation infrastructure, exploitation of water, water sources and electricity. The activity of Perum Jasa Tirta II itself is to provide services to the wider community. Jasa Tirta II company started from the national project of the government of the Republic of Indonesia for the construction of the Ir. H. Djuanda in 1957 and completed in 1967. Construction of Ir. H. Djuanda is part of the Water Resources Development stage in the Citarum River area, and functions as a supporter of national food security through the provision of agricultural irrigation water in the West Java region, raw water supply for PDAMs and the power generation industry. In addition, the hydropower dam/reservoir Ir.H. Djuanda also functions as a flood controller in some areas of Karawang and the surrounding fertile areas, as well as one of the tourist destinations and water sports in the West Java region.

To produce goods and services based on the principles of sound corporate management, then based on PP no. 94 dated October 13, 1999, the Government changed and adjusted the name of Perum Otorota Jatiluhur to Perum Jasa Tirta II which was then readjusted to the scope of its duties and business activities with PP. 7 of 2010. In accordance with the purpose of the establishment of Perum Jasa Tirta II, the management remains committed to the mission carried out by Perum Jasa Tirta II which is to manage Water Resources with good and innovative corporate governance through the provision of raw water.

2. METHOD

The research method used is descriptive quantitative and verification. Data collection using closed questionnaire. The research location is at Perum Jasa Tirta II which is located at JL. Lurah Kawi No. 1 Jatiluhur – Purwakarta, West Java. Research time from January-May 2022, with a research sample of 124 respondents. The sampling technique used is a random sample technique. Data collection is based on interviews and questionnaires. Data analysis using path test and data validity test using validity and reliability test. Hypothesis using t test statistic (t test) and F test. Transformation of data using MSI (Methode of Successive Interval).

3. RESULTS AND DISCUSSION

3.1 Research result

Perum Jasa Tirta II is an institution under the auspices of the Ministry of State-Owned Enterprises, Ministry of Finance and Public Works which has the task of managing, maintaining irrigation infrastructure, exploitation of water, water sources and electricity. The activity of Perum Jasa Tirta II itself is to provide services to the wider community. Jasa Tirta II company started from the national project of the government of the Republic of Indonesia for the construction of the Ir. H. Djuanda in 1957 and completed in 1967. Construction of Ir. H. Djuanda is part of the Water Resources Development stage in the Citarum River area, and functions as a supporter of national food security through the provision of agricultural irrigation water in the West Java region, raw water supply for PDAMs and the power generation industry. In addition, the hydropower dam/reservoir Ir.H. Djuanda also functions as a flood controller in some areas of Karawang and the surrounding fertile areas, as well as one of the tourist destinations and water sports in the West Java region.

Based on the results of the study, the results of the validity of the data with the number of respondents 30, $df = n - 2 = 28$ (r table 0.361) stated that all of the question item variables were valid. It can be seen in the table below.

Table 1. Competency Validity Test Results

No	Indicator	r Count	R Table	Information
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1.	Knowledge	0,606	0,361	Valid
2.	Knowledge	0,496	0,361	Valid
3.	Initiative skills	0,738	0,361	Valid
4.	Initiative skills	0,691	0,361	Valid
5.	Mutual understanding	0,654	0,361	Valid
6.	Concern for customer satisfaction	0,712	0,361	Valid
7.	Mutual understanding	0,623	0,361	Valid
8.	Self-control	0,441	0,361	Valid
9.	Self-control	0,677	0,361	Valid
10.	Self-control	0,511	0,361	Valid
11.	Organizational awareness	0,682	0,361	Valid
12.	Building working relationships	0,581	0,361	Valid
13.	Developing others	0,598	0,361	Valid
14.	Organizational awareness	0,661	0,361	Valid
15.	Developing others	0,655	0,361	Valid

Table 2. Compensation Validity Test Results

No	Indicator	R Count	R Table	Information
1.	Pay	0,730	0,361	Valid
2.	Pay	0,637	0,361	Valid
3.	Pay	0,641	0,361	Valid
4.	Pay	0,676	0,361	Valid
5.	Pay	0,577	0,361	Valid
6.	Incentive	0,641	0,361	Valid
7.	Commission	0,478	0,361	Valid
8.	Bonus	0,704	0,361	Valid
9.	allowance	0,738	0,361	Valid
10.	Promotion	0,692	0,361	Valid
11.	More challenging work	0,679	0,361	Valid

12.	More prestigious office	0,669	0,361	Valid
13.	allowance	0,622	0,361	Valid
14.	allowance	0,457	0,361	Valid
15.	allowance	0,684	0,361	Valid

Table 3. Employee Performance Validity Test Results

No	Indicator	r Count	R Table	Information
1.	Individual ability	0.577	0,361	Valid
2.	Shame	0,630	0,361	Valid
3.	Work completed by target	0,528	0,361	Valid
4.	Work completed by predicate	0,711	0,361	Valid
5.	Individual experience and knowledge	0,517	0,361	Valid
6.	Individual skills and expertise	0,814	0,361	Valid
7.	Mental leader	0,704	0,361	Valid
8.	Leader characteristics	0,773	0,361	Valid
9.	Individual ability	0,742	0,361	Valid
10.	Individual ability	0,760	0,361	Valid
11.	Mental leader	0,779	0,361	Valid
12.	Individual skills and expertise	0,774	0,361	Valid
13.	Individual skills and expertise	0,707	0,361	Valid
14.	Individual experience and abilities	0,641	0,361	Valid
15.	Shame	0,717	0,361	Valid

Table 4. Reliability Test Results

Variable	r Count	r Critical	Criteria
Competence	0,883	0,60	Reliabel
Compensation	0,896	0,60	Reliabel
Employee Performance	0,920	0,60	Reliabel

3.2 Path Analysis

Based on the results of the study, the path coefficients of the competency variables, and compensation for employee performance can be seen in the table below:

Table 5. Coefficients^a

Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.677	3.394		.789	.432
	Competence	.212	.071	.197	2.983	.003
	Compensation	.757	.071	.709	10.721	.000

a. Dependent Variable: Employee Performance

of Perum Jasa Tirta II employees is very good because they are in the range of scores of 520.9-620

3.4 Discussion

From the results of the above analysis, the correlation coefficient between the exogenous variables, namely Competence X1 and Compensation X2 can be assessed at 0.640, which can be seen in the table below.

Table 6. Guidelines for Providing Interpretation of Correlation Coefficients

Coefficient Interval	Relationship Level
0,00 - 0,199	Very low
0,20 - 0,399	Low
0,40 - 0,599	Currently
0,60 - 0,799	Strong
0,80 - 1,000	Very strong

Source : Sugiyono (2013 : 184).

Based on table 4.103 above, Competence (X1) and Compensation (X2) have a coefficient interval of 0.714. If 0.60-0.799 then the level of the relationship between Competence (X1) and Compensation (X2) is strong and unidirectional because the value is positive.

a. The path coefficient of the competency variable (X1) on the employee performance variable (Y)

Based on table 4.104, the path coefficient for competence (X1) on employee performance (Y) is 0.197. This shows that the contribution of competence (X1) to employee performance (Y) is 0.197. So that the equation $Y = 0.197X_1$ is obtained.

The path coefficient of the competency variable (X1) on the employee performance variable (Y) can be described as follows

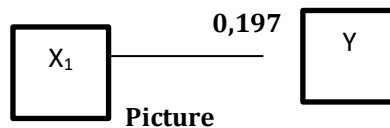


Figure 1. Path coefficient of Competency Variable (X1) on employee performance (Y)

Source: data processed results, SPSS 2021

b. Compensation variable path coefficient (X2) on employee performance (Y)

Based on table 4.104 the path coefficient for the compensation variable (X2) on employee performance (Y) is 0.709. This shows that the contribution of compensation (X2) to employee performance (Y) is 0.709. So that the equation $Y = 0.709X_2$ is obtained The path coefficient of the compensation variable (X2) on the employee performance variable (Y) can be described as follows:

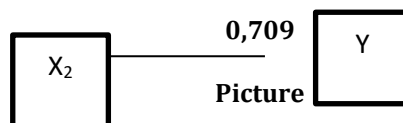


Figure 2. Path coefficient of compensation variable (X2) on employee performance (Y)
Source: results of data processing, SPSS 2021

a. The coefficient of competency (X1) and compensation (X2) on employee performance

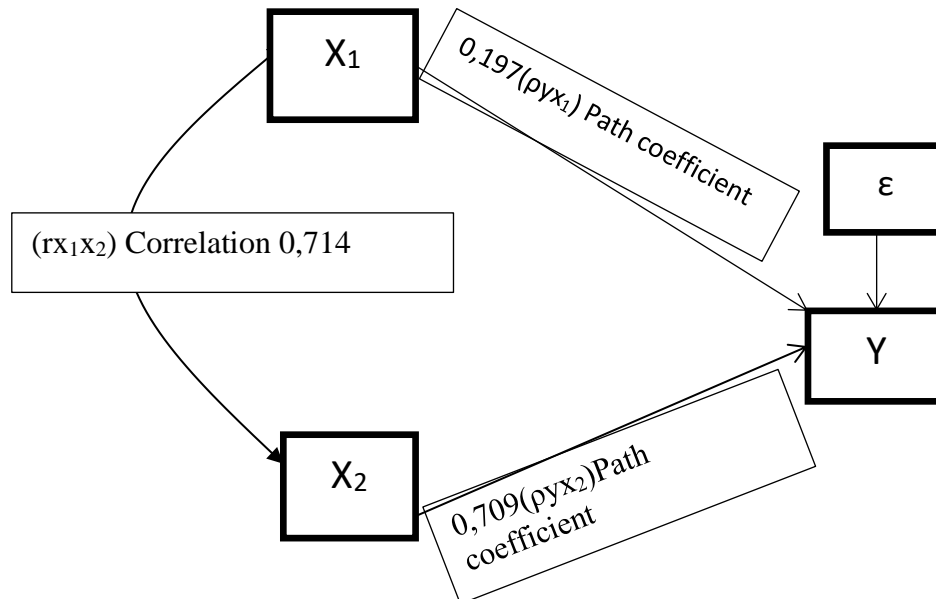


Figure 4. The coefficient of competency (X1) and compensation (X2) on employee performance

The competencies applied at Perum Jasa Tirta II have an average value of 524 which is on a scale range of 520.9 - 620 with criteria strongly agree, meaning that competence at Perum Jasa Tirta II is in the criteria of strongly agree or Competence is very good, there are 7 indicators on the criteria of strongly agree while there are 8 indicators that are on the criteria of agreeing. According to Harun Samsuddin (2018:42) there are 3 dimensions of competence, namely intellectual competence, emotional competence and social competence. Based on the results of research on competence, the aspects proposed by Harun Samsuddin (2018:42) are indirectly applied at Perum Jasa Tirta II.

The compensation applied at Perum Jasa Tirta II has an average value of 519.6 which is on a scale range of 421.7 - 520.9 with agreed criteria, meaning that compensation at Perum Jasa Tirta II is on the criteria of agreeing or having high compensation, there are 7 indicators on the criteria strongly agree while there are 8 indicators that are on the criteria for agreeing. According to Anwar Parabu (2017: 94) there are 3 dimensions of compensation, namely direct cash payments, indirect payments, and non-financial rewards. Based on the results of research on compensation, the aspects proposed by Anwar Parabu (2017: 94) are indirectly applied at Perum Jasa Tirta II.

The employee performance applied at Perum Jasa Tirta II has an average value of 526.1 which is on a scale range of 520.9 - 620 with criteria strongly agree, meaning that the performance of employees at Perum Jasa Tirta II is in the criteria of strongly agree or is considered very good, there are 10 indicators on the criteria strongly agree while there are 5 indicators that are on the agree criteria.

According to Anwar Parabu (2017: 67) there are 4 dimensions of employee performance, namely work quality, work quantity, job knowledge and self-quality. Based on the results of research on employee performance, the aspects proposed by Anwar Parabu (2017: 67) are indirectly applied at Perum Jasa Tirta II.

c. The correlation between the independent variables Competence (X1) and Compensation (X2)

The correlation (relationship) between Competence and Compensation has an independent correlation value of 0.714 if 0.60-0.799 has a strong and unidirectional relationship because the value is positive.

d. Partial Effect of Competence (X1) and Compensation (X2) on Employee Performance (Y)

1) Partial Effect of Competence (X1) on Employee Performance

The partial effect of competence on employee performance is 0.197. This shows a positive influence between competence on employee performance. According to Setiawati in the journal Markx Pattiasina, Mieke Roring, Wehelmina Rumawas (2019) The results show that competence, which consists of: knowledge, skills and work experience has a significant influence on improving performance.

According to the research results of Martinus Bulolo (2021) entitled "The influence of competence, compensation and leadership on employee performance". Based on the results of hypothesis testing in this study, it shows that the value is $2,983 > 1,697$, and the significance level value is $0.003 < 0.05$, it can be concluded that competence has a positive and significant effect on employee performance.

2) Partial Effect of Compensation (X2) on Employee Performance (Y)

The partial effect of compensation on employee performance is 0.709. This shows a positive influence between compensation on employee performance. According to the research results of F. Yudo Satrio Bagus, Agung Wahyudi Sirait, Tri Fena Siburian, Oktavia Sabrina Br. Karo (2019) entitled "The Influence of Competence and Compensation on Employee Performance at PT. BPR NUSANTARA BONA PASOGIT 17 (BPR BANK)". From the statistical test results Motivation (X2) has a positive and significant effect on performance (Y) at PT. Tunas Jaya Utama. Due to the results of t arithmetic $3.334 > t$ table 2.042 with a significant value of $0.002 < 0.05$, H_0 is rejected and H_a is accepted. it means that there is a partial effect of work motivation variable (X2) on employee performance (Y). Because leadership style (X1) has an influence of 0.240 which is smaller than work motivation (X2) of 0.636, it can be stated that the work motivation variable (X2) contributes more to employee performance (Y). employees feel more interested in aspects of work motivation than leadership style. This work motivation can provide encouragement for employees of the Office of Population Control and Family Planning in Karawang Regency to achieve the expected employee performance.

3) Simultaneous Effect of Competence (X1) and Compensation (X2) on Employee Performance (Y)

Competence and Compensation for Employee Performance with sig test criteria. $(0.000) > \alpha (0.05)$ and $f_{count} (134.046) > f_{table} (3.06)$ then H_0 is rejected. it means that there is a simultaneous influence of the Competency variable (X1) and the Compensation variable (X2) on employee performance. Total Competence and Compensation on Employee Performance is 0.740 or 74% Employee Performance is influenced by Competence and Compensation, while the remaining $1 - 0,740 = 0.260$ or 26% is explained by other factors not examined in this study (ϵ) which were not examined in the study this. According to the research results of Samsul Arifin, Arif Rachman Putra, Cahya Fajar Budi Hartanto (2019), entitled "The Influence of Competence, Compensation and Leadership on Employee Performance". Competence and compensation have a positive and significant effect on employee performance with the calculation results of the value of $F_{count} (36.565) > F_{table} (2.760)$ with a value of $Sig. 0.000 < 0.05$ with a contribution of 55.3%. From this statement, it can be seen that Competence (X1) and Compensation (X2) can affect employee performance (Y).

4. CONCLUSIONS

Based on the research that has been done, the conclusions that can be drawn regarding the influence of Competence and Compensation on Employee Performance at Perum Jasa Tirta II Competence at Perum Jasa Tirta II by using 15 statement items on variables based on the results of the questionnaire obtained an average value of 524. This shows the average competence at Perum Jasa Tirta II feels very agree because Competence at Perum Jasa Tirta II is considered very good and acceptable to the employees of Perum Jasa Tirta II. However, there are 8 indicators whose values are still not maximized and still within the agreed criteria, namely indicators of knowledge, mutual understanding, self-control, organizational awareness, building working relationships, developing other people, organizational awareness and developing others., Compensation at Perum Jasa Tirta II by using 15 statement items on variables based on the results of the

questionnaire obtained an average value of 519.6. This shows that the average compensation at Perum Jasa Tirta II agrees because the compensation at Perum Jasa Tirta II is considered good but not optimal. However, there are 8 indicators whose values are still not maximized and still within the agreed criteria, namely indicators of rewarded wages, salaries, incentives, bonuses, more challenging jobs, more prestigious offices, and allowances. Employee performance at Perum Jasa Tirta II by using 15 statement items on the variables based on the results of the questionnaire obtained an average value of 526.1. This shows that the average performance of employees at Perum Jasa Tirta II is very agreeable because the performance of employees at Perum Jasa Tirta II is considered very good. However, there are 4 indicators whose values are still not maximized and still within the agreed criteria, namely indicators of completed work based on predicates, leader mentality, leader characteristics, individual abilities, and leader mentality, Competence and Compensation have a correlation value of 0.714 if 0.60-0.799 has a strong and unidirectional relationship because the value is positive, The partial effect of competence on employee performance is 0.197. This shows a positive influence between competence on employee performance. The partial effect of compensation on employee performance is 0.709. This shows a positive influence between compensation on employee performance. Competence and compensation have a simultaneous effect on employee performance by 0.704 or 74% while the remaining $1 - 0.740 = 0.260$ or 26% is the contribution of other variables (ϵ) which were not examined in this study.

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