

Influence of Leadership, Work Motivation and Compensation on Employee Performance

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ABSTRACT

Performance is very important for a company, because employee performance is a benchmark for companies to assess capabilities, productivity and provide useful information for matters related to employees. This research is based on the not maximum employee performance at PT Pos Indonesia (Persero) Medan. The type of research in this study is associative. The population in this study is an employee of PT. Pos Indonesia I (Persero) Medan and for samples taken as many as 78 people. The data collection techniques in this study list questions. The results showed that simultaneously leadership, Work Motivation and compensation were positively and significantly impacted the employee performance. Partially, leadership, Work Motivation and compensation were also positively and significantly impacted the employee performance of POS Indonesia Company Medan.

Keywords : *Leadership, Work Motivation, Compensation and Employee Performance.*

INTRODUCTION

The implications of the globalization era that is becoming a global trend have had a cynical impact on all sectors of the economy. Increasingly intense business competition, therefore companies are required to carry out all their operational activities effectively and efficiently in order to maintain their existence. The main factor that plays a role in the competition is employee performance. Performance is very important for a company, because employee performance is the benchmark for the company to assess ability, productivity and provide useful information for matters related to employees, According to Mangkunegara (2011) says the term performance comes from the word job performance or actual performance performance or actual performance of a person's achievements.

The understanding of performance (performance) is the result of the work in quality and quantity achieved by an employee in carrying out their duties. As well as factors that affect the performance according to Hasibuan (2007) " the ability and interest of a worker's ability and acceptance of the explanation of the delegate of the task, as well as the role and Work Motivation level of a worker. The findings of the survey results, the lack of quality of workers in completing the work, and the difficulty of delaying the work that has been given, this makes the quality of the workers less maximal, because the work that accumulates so that the tasks given are not completed in time. This is what the company should be aware of, and look for what problems happen to employees so as to do so.

LITERATURE REVIEW

Performance

Employee performance is the result of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given by good employee performance, it is expected to also contribute to the company's progress. Therefore, employee performance improvement should be a concern in the company as an effort to improve the company's performance.

According to Mangkunegara (2011) says the term performance comes from the word job performance or actual performance (actual performance or actual achievement achieved by a person). Other opinions are also raised by Wibowo (2010) performance can be seen as a process as well as the result of work on how the work takes place to achieve the work. According to various opinions above can be concluded that, performance is the result of employee work that is seen from the quality ed, as well as being able to increase the productivity of the company.

Leadership

Leadership is one of the easiest phenomena to observe, but it becomes one of the hardest things to understand. Richard (1998) gave an understanding of leadership as "a mutually affecting relationship between leaders and followers (subordinates) who want real change that reflects a common purpose".

Dubrin (2005) states that leadership is an effort to influence many people through communication to achieve goals, how to influence people with instructions or commands, actions that cause others to act or respond and cause positive change, important dynamic forces that motivate and coordinate organizations in order to achieve goals, the ability to create confidence and support among subordinates in order for organizational goals to be achieved. Nimran (2004) leadership or Leadership is a process of influencing the behavior of others in order to behave as desired. Leadership is a process by which a person can become a leader through continuous activities that can influence what he or she leads in order to achieve the goals of the organization or company.

Work Motivation

Work Motivation is "the giving of an individual's encouragement to act that causes the person to behave in a certain way that leads to purpose" (Ghozali, 2006:). Work Motivational giving is one of the goals so that motivated employees can work according to the work reference and the responsibility given so that the company's goals can be achieved properly. In addition, there are also elements of effort, namely quality and directed efforts and consistent with the goals of the organization that want to be achieved.

According to Gomes (1997) Work Motivation involves individual factors that include needs, goals, attitudes and abilities while those that are classified as organizational factors include pay, job security, co-workers' relationships, supervisory, praise, and job itself.

Compensation

According to Rivai (2005) compensation is something employees receive in lieu of their service contributions to the company. Compensation is one of the implementation of MSDM

functions related to all types of individual awarding in exchange for performing organizational tasks. Compensation is the main cost of expertise or employment and loyalty in the company's business.

In the absence of compensation, further labour needs cannot function in accordance with Maslow's rules which state that higher needs can only function if lower needs have been met. The compensation system not only satisfies physical needs but is also a recognition and sense of achieving something. Various types of human needs will be reflected from various employees' desire for work, including the desire to earn a living wage (Ranupandjoyo and Husnan, 1983).

METHODS

Based on the purpose of the research, the design of this study uses associative and quantitative research methods. Associative research is a study conducted to combine between two or more variables. Quantitative research to look at the relationship of the influence of free variables on bound variables. Based on data collection techniques, this research is classified as a type of survey research. In this study it was used as a research instrument.

The decision-making technique for taking samples used in this study is Simple Random Sampling. Due to random sampling and homogeneous population members. In this study, the sample used a total of 78 permanent employees who worked in pt company. POS Indonesia (Persero) Medan.

RESULT AND DISCUSSION

Result

Partial test (t test)

Statistical tests are performed to test whether a free variable (X) individually has a significant relationship or not to a bound variable (Y).

Table 1 Partial Hypothesis Test results (t)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	17.053	3.161		5.394	.000
	Kepemimpinan	.157	.053	.281	2.976	.004
	Motivasi	.236	.073	.306	3.240	.002
	Kompensasi	.121	.155	.369	2.016	.000

a. Dependent Variable : Kinerja

Based on the results of the data analysis it appears that:

- Constant Value of 15.314 means that if the Variable Leadership, Work Motivation and Compensation is worth 0 then Performance is worth 17.053.
- The Beta Coefficient value for the Leadership variable of 0,281 means that each increase in the Leadership variable then performance will increase by 0.281 assuming other variables are considered constant.
- Beta Coefficient value for Work Motivation variable of 0.306 means that any increase in Work Motivation variables will increase by 0.306 assuming other variables are considered constant.

- d. Beta Coefficient value for Compensation variable of 0.369 means that any increase in Compensation variables will increase by 0.369 assuming other variables are considered constant.

Effect of Leadership on Performance.

Based on table 1 test results on the effect of Leadership on Performance obtained value of significance 0.004 (Sig.>0.05) then H0 rejected and Ha accepted. This means that leadership has a positive and significant effect on employee performance at PT POS Indonesia (Persero) Medan.

The Effect of Work Motivation on Performance

Based on table 1 test results of the effect of Work Motivation on Performance obtained a value of significance 0.002 (Sig.<0.05) then H0 was rejected and Ha accepted. This means that Work Motivation has a positive and significant effect on employee performance at PT POS Indonesia (Persero) Medan.

Effect of Compensation on Performance.

Based on table 1 test results on the effect of Compensation on Performance obtained value of significance 0.004 (Sig.>0.05) then H0 rejected and Ha accepted. This means that compensation has a positive and significant effect on employee performance at PT POS Indonesia (Persero) Medan.

Simultaneous Test (Test F)

Statistic F tests are performed to test whether a free variable (X) simultaneously has a significant relationship or not to a bound variable (Y).

Table 2 Simultaneous Hypothesis Test results (F)
ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1053.763	3	285.422	31.852	.000 ^a
	Residual	1726.996	103	81.014		
	Total	2780.760	106			

a. Predictors: (Constant), Kepemimpinan, Motivasi, Kompensasi

b. Dependent Variable: Kinerja

Based on a table of 2 simultaneous test results of work stress, Leadership, Work Motivation and Compensation on Performance obtained a significance value of 0.000 (Sig.<0.05) then Ha was accepted and H0 was rejected. This means leadership, Work Motivation and compensation simultaneously affect positive and significant on employee performance at PT POS Indonesia (Persero) Medan.

Determination Coefficient

Statistical Test coefficient determination in this study the goal is to find out how far the model is in explaining variations in dependent variables. Statistical tests of the determination

coefficient can be seen in the following table:

**Table 3 Determination Coefficient
Model Summary^b**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.516 ^a	.321	.318	4.81350

a. Predictors: (Constant), Kepemimpinan, Motivasi, Kompensasi

b. Dependent Variable: Kinerja

Table 3 shows that the R Square value of 0.321 means that the percentage of the influence of independent variables (Leadership, Work Motivation and Compensation) on dependent variables (Performance) is the value of the determination coefficient or 32.1%. While the remaining 67.9% were affected or described by other variables not included in this study model.

DISCUSSION

Based on the results of the analysis in the study conducted using the suitability of previous theories, opinions and research that have been put forward before, here is a discussion about some of the findings of the problems in the study:

The Effect of Leadership on Performance.

The test results provide empirical evidence that leadership has a positive and significant effect on performance where it proves an accepted hypothesis. This means that the better leadership will improve employee performance. From the results of the analysis, it is clear that leadership in the environment of PT POS Indonesia Medan has a positive and significant influence on the performance of its employees. So, if the management wants to improve performance then the leadership has a considerable role in moving or motivating employees so that it can work properly. Siagian (2006) explained that leadership plays a very dominant role in the success of the organization in organizing its various activities especially seen in the performance of its employees

The Effect of Work Work Motivation on Performance

The results of the study empirically suggest that Work Work Motivation as a free variable has a significant effect on performance. That is, the work Work Motivation of employees of PT POS Indonesia Medan has an impact on their performance. Theoretically it is in line with the theory that work Work Motivation has a significant effect on performance. That is, the higher the Work Motivation of the work owned by the employee, the better the employee performance will be. Motivated employees will work hard to do the job in accordance with the expected targets,

otherwise unmotivated employees are more likely to do their job incompatible with the expected target even doing their job at a rate. Therefore, it is expected that this is of particular concern to PT POS Indonesia Medan in improving employee performance in achieving optimal

results.

The Effect of Compensation on Performance

The test results provide empirical evidence that Compensation has a positive and significant effect on Employee Performance where it proves the hypothesis is acceptable. This means that the higher the level of Compensation given to employees will improve employee performance at PT POS Indonesia Medan. On the other hand, the lower the level of Job Training given to employees, the lower the performance of employees at PT POS Indonesia Medan will be lower. The higher the compensation the higher the employee's job satisfaction rate; *ceteris paribus*. Higher levels of satisfaction will further increase employee Work Motivation in achieving high performance. If managed properly, compensation helps the company to achieve its goals of acquiring, maintaining, and maintaining employees optimally.

CONCLUSION

Based on the results of research and discussion stipulated earlier, conclusions can be drawn from research on the effect of Leadership, Work Motivation and Compensation on Employee Performance at PT POS Indonesia Medan are as follows:

1. Partial Leadership has a positive and significant effect on employee performance at PT POS Indonesia Medan.
2. Partial Work Motivation has a positive and significant effect on employee performance at PT POS Indonesia Medan.
3. Partial Compensation has a positive and significant effect on employee performance at PT POS Indonesia Medan.
4. Simultaneously that Leadership, Work Motivation and Compensation have a positive and significant effect on employee performance at PT POS Indonesia Medan.

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