Model Employee Performance: Compensation Analysis and Discipline (A Case Study at UPI Convention Center Padang)

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DOI:10.36348/sjbms.2019.v04i09.008 | Received: 13.09.2019 | Accepted: 20.09.2019 | Published: 30.09.2019

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Abstract

This study aims to determine the effect of compensation and discipline on employee performance UPI convention center of Padang. This research was conducted in the environment UPI Padang convention center. The population in this study were all employees of the environment UPI Padang convention center. Samples were 30 people with porposional techniques. The type and source of research data consist of primary data is data obtained from the opinions of the respondents through the questionnaire research and secondary data is data obtained from UPI convention center Padang Data analysis techniques used in the research of hypothesis testing is a multiple linear regression analysis using SPSS version 25.0.

Keywords: Compensation, Discipline of work and employee performance.

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INTRODUCTION

Currently, Indonesia has evolved into a destination country for business and leisure. This was evidenced by the acquisition of data from the Statistical Report on Visitor arrivals to Indonesia 2004-2006, stating that tourist arrivals for meetings, incentives, conventions and exhibitions or meetings, incentive, convention, exhibition (MICE) reached 41.23% while 56.49% for leisure travelers and others 2.28%. MICE (meeting, incentive, convention, and exhibition) as part of the tourism industry increasingly play a role in the tourism industry and the Asia Pacific region, including Indonesia that region's rapid growth and the MICE industry has great potential.

In Padang, West Sumatra, there is a university that has the facilities and infrastructure of convention, exhibition and sports venues are complete: Universitas Putra Indonesia YPTK Padang, UPI Convention Center. Until now UPI Convention Center has managed to become one of the best convention center, because it can be seen from the interest of the customer to use the UPI Convention Center.

As the most important capital, functions, and roles of the employees always aim to maximize productivity and efficiency through an effective way of working. Many factors affect the performance of employees in both internal factors are the factors that comes from within the employee such as motivation, competence, commitment, attitude, and external factors, factors that come from outside employees are encouraged, such as compensation, leadership, work environment, organizational culture, labor discipline, training, work environment, supervision, and so on. One of the efforts taken by the organization to create the situation by providing a satisfactory compensation of employees. According to Handoko [1], how to improve achievement, motivation, and job satisfaction is to provide compensation.

On the other hand labor discipline is very important for the growth of the company, used mainly to motivate employees to be able to discipline himself in carrying out the work either individually or in groups. Besides helpful discipline to educate employees...
in this case the employee to comply with and please the rules, procedures, and policies exist, so it can produce a good performance. Factors discipline holds a very important role in the implementation of the employment. If the employee works with high discipline, the employee will be working with a high commitment to use all my abilities (competencies) that they have to produce a high performance to achieve organizational objectives which they work.

Although recognized by many parties compensation and discipline is an important factor in the performance of employees, but in practice not all employees and companies can do the things. One example is an employee who is in UPI Convention Center. From the results of preliminary observations obtained phenomena as follows:

- There are complaints from several employees in the work
- There are employees who are not disciplined in carrying out the task
- There are employees often return quickly
- There are employees are late for work
- There are employees who go out without an official permit

From the description above it can be stated that the employee's performance of UPI Convention Center is still not optimal due to several reasons some of which are, compensation and discipline in the organization.

Based on the above background, the purpose of this study, namely:
- Analyzing the Effect of compensation on employee performance at UPI Convention Center Padang partially.
- Analyzing the Effect of discipline on employee performance at UPI Convention Center Padang partially.
- Analyzing the Effect of compensation and discipline on employee performance at UPI Convention Center Padang simultaneously.

**LITERATURE REVIEW**

**Performance**

Performance is the system used to assess and determine whether an employee carrying out the work as a whole, or a blend of the work that is what should be achieved by someone and competence, including how to achieve it, Sedarmayanti [2].

Performance which is the ratio between the real work with labor standards that have been established in performing their duties, Soedijono [3]. The success of an institution is strongly influenced by the performance of employees, due to the good performance would bring good results.

According to Mangkunagara [4] suggests that the performance is the result of the quality and quantity of work accomplished by an employee in performing their duties in accordance with the responsibilities given by the leadership to him. Performance indicators: quality of work, work kantitas, the implementation of tasks, and responsibilities.

**Compensation**

Mondy [5] compensation can be divided into two types, namely financial compensation and non-financial compensation. Financial compensation consists of direct financial compensation and indirect financial compensation. Direct financial compensation consists of salaries, wages, bonuses, and commissions. While no direct financial compensation is also called the allowance, which covers all the financial rewards are not covered in direct compensation. While non-financial compensation consists of satisfaction received from either of the work itself, such as responsibility, opportunity for recognition, the chance of their campaign, or from psychological environment, and physical or where the person is located, such as co-workers were pleasant, policies healthy, their cafeterias, job sharing, compressed work week, and their leisure time. Thus the compensation is not only related to monetary rewards (extrinsic) alone, but also on the purpose and intrinsic rewards such as recognition of the organization, as well as promotional opportunities.

Compensation includes the return-return financial and services were realized and the benefits received by the employee as a relationship of employment, Henry Simamora [6]. Compensation is what is received by the employees in exchange for their contributions to the organization. Indicators of compensation among other things: base salary, incentives, benefits, and facilities.

**Discipline**

Labor discipline is respect for the rules and regulations of the company, which is inside of the employees, which caused it to adjust to volunteer on company rules and regulations, Sutrisno [7].

Nitisemito [8] suggests the discipline as an attitude, behavior, and act in accordance with the regulations of the company, both written and unwritten. Dimensions are used in assessing the discipline of an employee of each company is different.

Labor discipline is a tool used by managers or executives to communicate with employees so that they are willing to change something behaviors as well as an effort to raise awareness and willingness to comply with all regulatory agencies and the prevailing social norms, Rival [9]. Indicators to measure employee discipline are: adhere to the rules and norms, the presence or absence, and complete the task on time.
Conceptual Framework

Effect of compensation to employee performance management Federic according to experts, one factor that affects the performance of employees is wages or compensation. In trials against several employees at a company that provides compensation to employees who work well, then employees teteap terbsebut be motivated to work well. It affects other employees. They raced the race to maximize its work in order to get higher compensation. Fedric the test results prove that the compensation does affect the performance of employees.

According Ivancevich [10], the purpose of the compensation function is to create a system of fair remuneration to employers and employees alike. The desired result is employees who are interested in working and motivated to work and be motivated to do a good job for the employer.

Nawawi [11] argued about discipline is a conscious willingness to comply with any regulations that apply to the organization of work. Willingness consciously abide no element of coercion among people to obey all the rules of the organization. Discipline is regarded as a prerequisite for the course of all activities in order to realize the objectives of the organization.

Based on previous research and from the various theories of experts then framework of thinking in this study are as follows:

Research Hypothesis

Based on the theoretical basis and framework hypothesis can be formulated as follows:

H1) Compensation has positive and significant effect on employee performance at UPI Convention Center Padang partially.

H2) Discipline has positive and significant effect on employee performance at UPI Convention Center Padang partially.

H3) Compensation and Discipline have positive and significant effect on employee performance at UPI Convention Center Padang simultaneously.

METHODS

The method used in this study is a survey method. The method according Sugiyono Survey [12] is a study conducted on large populations and small, but the data studied are data from a sample taken from the population, so that the events can be found relative, distributive and relationships between variables, sociological and psychological while the form of research is a descriptive study. Descriptive research is studying the issue of descriptive problems in society, as well as the procedure applicable in the community and specific situations, including on relations activities, attitudes, views, as well as ongoing prosesyang processes and effects of the phenomenon.

Descriptive study was conducted using correlation techniques. This technique is performed to analyze the relationship between two independent variables namely compensation (X1) and discipline (X2) and one dependent variable is employee performance (Y1). The population in this study is all employees working at UPI Convention Center Padang with the total 30 employees. In this study establishes a sample of 30 permanent employees. This study uses Multiple Linear Regression equation: Y = α + β1X1 + β2X2 + ε. Data analysis tools using SPSS version 25.0 for Windows. Then proceed with the analysis of the analysis test of determination (R Square), partial hypothesis testing (t test) and simultaneous (F test) with an error tolerance level of 5 percent.

RESULT AND DISCUSSION

Respondents Answer

Based on respondents' answers can be given a description associated with the variables in the study, namely:

- Based on the scores and the percentage of variable compensation are in very high category. The results of the respondents indicated that the compensation which was held in UPI convention center Padang is good.
- Based on the scores and the percentage of are in very high category. The results of the respondents indicated that discipline at UPI convention center Padang is very good.
- Based on the scores and the percentage for the variable performance of employees are in very high category. The results of the respondents indicated that employee performance is already good UPI convention center.

Based on testing of some of the assumptions that have been made to prove the model equations proposed in this study meets the requirements of the classical assumption that the model equations in this study are considered good.
Multiple Linear Regression Analysis

Multiple linear regression analysis was used to test the hypothesis of partial and simultaneous independent variable on the dependent variable. Based on the multiple linear regression coefficients with SPSS 25.0 obtain the results as Table-1 below:

Table-1: Results of Multiple Linear Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Coefficients</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>6.013</td>
</tr>
<tr>
<td></td>
<td>COMPENSATION</td>
<td>0.056</td>
</tr>
<tr>
<td></td>
<td>DISCIENCE</td>
<td>0.642</td>
</tr>
</tbody>
</table>

a. Dependent Variable: PERFORMANCE

From Table-1 above we get the results of multiple linear regression equation: \[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e = 6.013 + 0.056 X_1 + 0.642 X_2 + e \]. With the caption description: \( Y \) = Employee Performance; \( X_1 \) = Compensation, \( X_2 \) = discipline. From this equation can be defined: 1) variable direction Compensation and Discipline have a positive coefficient for Employee Performance; 2) The value of the constant shows the influence of the variables \( X_1 \) and \( X_2 \), when \( X_1 \) raise one unit will affect the unit in a variable \( Y \).

Analysis of Determination (R Square)

For contributions to the compensation \( X_1 \) and discipline \( X_2 \) variable employee performance can be seen from the coefficient of determination R2 as shown in Table-2 below:

Table-2: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.729a</td>
<td>.531</td>
<td>.496</td>
<td>3,122</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), DISCIENCE, COMPENSATION
b. Dependent Variable: PERFORMANCE

R value of 0.729 indicates a multiple correlation (compensation and disciplinary) with employee performance. Considering the variation of the value of R Square of 0.531 which indicates the role or contribution of variable compensation and discipline that can affect employee performance variable 53.1 percent and the remaining 46.9 percent is influenced by other variables. Employee performance is influenced by the competence and promotion, Ansori [13]. Employee performance is influenced by the transformational leadership style, training on work motivation Pajian [14].

Partial Test Results (t test) and Simultaneous (Test F)

Testing the hypothesis aims to explain certain characteristics of the relationship or differences between groups or independence of two or more factors in a situation. Partial assay results aimed to test whether each independent variable significantly affect the dependent variable in part with \( \alpha = 0.05 \) and also the acceptance or rejection of the hypothesis. Partial test (t test) to answer a hypothetical one and two variables.

Table-3: T Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3.988</td>
<td>.032</td>
</tr>
<tr>
<td></td>
<td>2.239</td>
<td>.013</td>
</tr>
<tr>
<td></td>
<td>2.409</td>
<td>.023</td>
</tr>
</tbody>
</table>

a. Dependent Variable: PERFORMANCE

To determine whether the independent variable in the regression model partially significant effect on the dependent variable, can be seen in the following explanation:

H1: Compensation has positive and significant effect on employee performance at UPI Convention Center Padang partially

- \( Ho \) = Compensation has no positive and significant effect on employee performance at UPI Convention Center Padang partially.
- \( Ha \) = Compensation has positive and significant effect on employee performance at UPI Convention Center Padang partially.

Based on Table-3 above it can be seen from the variable compensation \( 2.239 > t_{table} 1.706 \) and 0.013 significance level \( <0.05 \) or \( Ho \) refused and \( Ha \) is received, it can be stated that compensation has positive and significant effect on employee performance at UPI Convention Center Padang partially. This means that the first hypothesis is accepted.

H2: Discipline has positive and significant effect on employee performance at UPI Convention Center Padang partially

- \( Ho \) = Discipline has no positive and significant effect on employee performance at UPI Convention Center Padang partially.
- \( Ha \) = Discipline has positive and significant effect on employee performance at UPI Convention Center Padang partially.

Based on Table-3 above it can be seen from the discipline variable \( 2.409 > t_{table} 1.706 \) and 0.023 significance level \( <0.05 \) or \( Ho \) refused and \( Ha \) is received, it can be stated that discipline has positive and significant effect on employee performance at UPI Convention Center Padang partially. This means that the second hypothesis is accepted.
Simultaneous Test (Test F)

To determine whether the independent variable in the regression model (compensation and discipline) together have an effect on the dependent variable (employee performance), then used a statistical test F.

### Table-4: F Test Results (Simultaneous)

<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 Regression</td>
<td>298.237</td>
<td>2</td>
<td>149.119</td>
<td>15.295</td>
<td>0.000b</td>
</tr>
<tr>
<td>residual</td>
<td>263.229</td>
<td>27</td>
<td>9.749</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>561.467</td>
<td>29</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: PERFORMANCE  

b. Predictors: (Constant), DISCIPLINE, COMPENSATION

**H3: Compensation and Discipline have positive and significant effect on employee performance at UPI Convention Center Padang simultaneously**

- **Ho**: Compensation and Discipline have no positive and significant effect on employee performance at UPI Convention Center Padang simultaneously.  
- **Ha**: Compensation and Discipline have positive and significant effect on employee performance at UPI Convention Center Padang simultaneously.

Based on Table-4 above in column F we get F count 15,295, in the column Sig is a probability or a significant value or significance 0.000 0% with F table is 3.34. F-Test: if F arithmetic > F table then Ho is rejected means significant, the results of the above analysis is 15,295 > 3,34 hence Ho refused mean significant.

Based on the probability: if <0.05 then Ho is rejected, the results of its analysis 0.000 <0.05 means that Ho refused and Ha accepted. It can be concluded that Compensation and Discipline have positive and significant effect on employee performance at UPI Convention Center Padang simultaneously. This means third hypothesis is accepted.

This study discussed about performance supported by previous research, among others: Aima [15], Riyanto [16], Agussalim [17], Ansori [13], Paijan [14], and Prayetno [18]. This study also discussed about compensation supported by previous research, namely Purba [19]. And it discussed about discipline supported by previous research, among others Suharyono [20] and Agussalim [17].

**DISCUSSION**

This section contains a discussion of the influence of each independent variable that compensation and discipline of work to employee performance UPI convention center of Padang.

**Compensation affects on employee performance**

Compensation in UPI convention center in Padang has a positive and significant effect on employee performance. The better compensation received by employees, the better the performance of employees. To improve employee performance through compensation, what must be done by management are to pay attention to the basic salaries of each employee in accordance with their competencies and work volume, provide additional incentives for employees for performance achievements, provide benefits in accordance with competencies and positions, and provide facilities according to job needs the employee.

Based on the results of testing the first hypothesis, it is known that compensation positive and significantly influence employee performance at UPI convention center of Padang. The regression coefficient is positive indicating the occurrence of a direct relationship of compensation on employee performance. This is significant if compensation can be further enhanced in the future it will be able to improve the employee performance at UPI convention center Padang.

This research supports previous researches, among others: 1) Yayla [21]; 2) Osibanjo [22]; and 3) Christ [23], where compensation has a positive and significant effect on employee performance.

**Work discipline affects on employee performance**

Work discipline in the UPI convention center in Padang has a positive and significant effect on employee performance. The better employee discipline, the better the employee's performance. To improve employee performance through Discipline, what must be done by management are: employees can comply with regulations, must be active and present on time, always meet work hours, and always complete tasks on time.

Based on the results of testing the second hypothesis is known that the work discipline positive and significantly influence on employee performance at UPI convention center Padang. This is significant if the employees work discipline at UPI convention center Padang will be able to improve the employee performance of UPI convention center Padang will be better in the future. This is significant if further improved work discipline, it can improve employee performance at UPI convention center Padang. In other
words, the increasing of employee discipline will affect the employee performance at UPI convention center Padang will be better in the future.

This research supports previous research including: 1) Alhudori [24]; 2) Thaief [25]; and 3) Nugroho [26], where discipline has a positive and significant effect on employee performance.

Compensation and discipline affect on employee performance

Compensation and Discipline in the UPI convention center environment in Padang have a positive and significant effect on employee performance. The better Compensation and Discipline, the better the performance of employees. To improve employee performance through compensation, what must be done by management are to pay attention to the basic salaries of each employee in accordance with their competencies and work volume, provide additional incentives for employees for performance achievements, provide benefits in accordance with competencies and positions, and provide facilities according to job needs the employee. To improve employee performance through Discipline, what must be done by management are: employees can comply with regulations, must be active and present on time, always meet work hours, and always complete tasks on time.

Based on the results of testing the second hypothesis is known that the work discipline positive and significantly influence on employee performance at UPI convention center Padang. This is significant if the employees work discipline at UPI convention center Padang will be able to improve the employee performance of UPI convention center Padang will be better in the future. This is significant if further improved work discipline, it can improve employee performance at UPI convention center Padang. In other words, the increasing of employee discipline will affect the employee performance at UPI convention center Padang will be better in the future.

This research supports previous researches, among others: 1) Yayla [21]; 2) Osibanjo [22]; and 3) Christ [23], where compensation has a positive and significant effect on employee performance. And also: 1) Alhudori [24]; 2) Thaief [25]; and 3) Nugroho [26], where discipline has a positive and significant effect on employee performance.

CONCLUSION AND SUGGESTION

CONCLUSION

The conclusion of the study are as follows:

- Compensation in UPI convention center in Padang has a positive and significant effect on employee performance. The better compensation received by employees, the better the performance of employees. To improve employee performance through compensation, what must be done by management are to pay attention to the basic salaries of each employee in accordance with their competencies and work volume, provide additional incentives for employees for performance achievements, provide benefits in accordance with competencies and positions, and provide facilities according to job needs the employee.

- Work discipline in the UPI convention center in Padang has a positive and significant effect on employee performance. The better employee discipline, the better the employee's performance. To improve employee performance through Discipline, what must be done by management are: employees can comply with regulations, must be active and present on time, always meet work hours, and always complete tasks on time.

- Compensation and Discipline in the UPI convention center environment in Padang have a positive and significant effect on employee performance. The better Compensation and Discipline, the better the performance of employees. To improve employee performance through compensation, what must be done by management are to pay attention to the basic salaries of each employee in accordance with their competencies and work volume, provide additional incentives for employees for performance achievements, provide benefits in accordance with competencies and positions, and provide facilities according to job needs the employee. To improve employee performance through Discipline, what must be done by management are: employees can comply with regulations, must be active and present on time, always meet work hours, and always complete tasks on time.

SUGGESTION

The results of this study are expected to provide benefits in the convention center UPI Padang. The suggestions can be submitted from the results of this study are as follows:

For management UPI Convention Center

- For compensation variable is expected that the management to increase compensation in accordance with the financial capability UPI Convention Center Padang.

- In an effort to achieve higher employee performance at UPI Convention Center Padang in the future, it is expected to pay attention and improve work discipline.

For Further Research

Here are suggestions for further research:
• To compare and reinforces the theory among the variables studied, or reviewing research needs to be done at another location in the same industry is tourism with bases in accordance with the MICE (meeting, incentive, convention, and exhibition).
• To learn more about the other variables that significantly affect the performance of employees in UPI Convention Center. It can be arranged so that the other models in solving problems related with employee performance improvement.
• Further review is required to use or add other indicators and may also use different concepts. Other factors that affect the performance of employees other than the variables proposed in this study, such as: competence, promotion, transformational leadership style, training on work motivation, etc. Therefore, it is expected other factors can be studied so that the performance of employees at UPI Convention Center can be further improved and the development of science will continue.

REFERENCES


