

He Effect Of Compensation On Employee Performance With Work Satisfaction As Intervening Variables In Laboratory Uptd Health Care Of Health West Sumatera Province

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Abstract: This study tries to test the effect of compensation and work satisfaction on employee performance in UPTD Health Laboratory West Sumatera Province. This study uses descriptive quantitative methods. The study population consisted of 55 people from employees. To obtain a valid and realistic instrument, the validity and reliability test, normality test, heterocedasticity test were tested. The data analysis technique used is path analysis. The result showed that compensation had a significant influence on performance of employees of UPTD Health Laboratory West Sumatera Province. Work Satisfaction had a significant influence on performance of employees of UPTD Health Laboratory West Sumatera Province. Work satisfaction has much influence between compensation and performance. The empirical finding indicate that in order to improve employees performance in UPTD Health Laboratory West Sumatera Province need to pay attention to compensation of employee of UPTD Health Laboratory West Sumatera Province.

Keywords: Compensation, Performance, Work Satisfaction

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I. Introduction

Human resources are elements that are needed by humans, because humans are creatures who have thoughts, needs, feelings and certain expectations. In that case, self-attention is really needed, because these factors will affect employee performance, dedication, and employee loyalty to the company. So that the company is able to create conditions that can encourage employees to develop or improve their abilities optimally. Employee performance is how much the employees contribute to the company including the quantity of output, the quality of output, the period of time, workplace attendance and cooperative attitude (Murti & Srimulyani, 2013).

The based of the observations of the authors as Employees at the UPTD Health Laboratory of West Sumatra Province there is a problem that there is still a lack of customer visits to clinical laboratories which results in not achieving the revenue target given at the UPTD of the Health Laboratory of West Sumatra Province. When associated with individual performance, these conditions have an impact on the workload of laboratory personnel resulting in low achievement of revenue targets. The author observes the absence of cooperation in the form of an MoU with BPJS and BUMN. Target Data and Achievement of Revenue in the UPTD of the West Sumatra Province Health Laboratory obtained data as follows:

Table 1: Revenue of UPTD Health Laboratory based on 2016-2017 Financial Realization Targets and Achievements (in rupiah)

Acceptance type	2016			2017		
	Target	Achievement	%	Target	Achievement	%
Serologi	610.710.100	387.850.000	63,5	641.615.000	492.392.000	76,7
Mikrobiologi	257.985.142	293.510.000	113,8	271.039.000	359.395.000	132,6
Kimia Klinik / Urin	509.676.668	371.024.954	72,8	535.466.000	360.263.000	67,3
Hematologi	74.092.590	47.119.000	63,6	77.841.000	46.477.000	54,7
Active Ingredients /Doping	54.511.600	13.180.000	24,2	57.269.000	12.820.000	22,4
Chemical environment	1.399.781.240	2.172.084.520	155,2	1.470.610.000	2.268.466.744	154,3
Etc	203.567.660	176.921.553	86,9	196.160.000	135.251.000	68,9

Source: UPTD Padang Health Laboratory

Research purposes

The purpose of this study is to:

1. To analyze the effect of Compensation on Job Satisfaction at the UPTD Office of the Health Laboratory of West Sumatra Province
2. To analyze the effect of job satisfaction on employee performance at the UPTD Office of the Health Laboratory of West Sumatra Province
3. To analyze the effect of Compensation on Performance with Job Satisfaction as an intervening variable UPTD Office of the Health Laboratory of West Sumatra Province

II. Literature Review

The performance

Mahsun (2006) defines performance is a picture of the level of achievement of the implementation of an activity or program or policy in realizing the goals, objectives, mission and vision of the organization as outlined in an organization's strategic plan. This opinion shows that employee performance in achieving the implementation of an activity or program or policy in realizing the goals, objectives, vision and mission of the organization.

(Mekel, 2015) states that there are three variables that can affect employee performance, namely: (1) People are people variables including attributes owned by a person before carrying out tasks such as content knowledge, organizational knowledge, abilities, self confidence. (2) Tasks include factors that vary both inside and outside the task, such as complexity, achievement format, processing and response mode standby. (3) The environment includes all conditions, circumstances and influences around people carrying out certain tasks, such as time pressure, accountability, goals set and feedback.

Competence

Dessler (2005), compensation is all forms of payment or gifts given to members of the organization and arises from their work where this compensation has two main components, namely: direct payments (in the form of wages, salaries, incentives, commissions and bonuses) and indirect payments (in the form of financial benefits such as: insurance and holidays paid by the company).

Job satisfaction

According to (Mekel, 2015), job satisfaction is employee satisfaction with their work, between what is expected and what is received from their work or office. Job satisfaction refers to an individual's general attitude towards the work he does. Someone with a high level of job satisfaction shows a positive attitude towards the job, someone who is dissatisfied with the job shows a negative attitude towards the job. Therefore in general when talking about employee attitudes the benchmark used is job satisfaction.

III. Research Methodology

Population and Sample Determination

The population in this study were 55 employees of UPTD West Sumatra Provincial Health Laboratory Office and the census determination method used was. The reason for using the census as a method of determining the sample is because according to Sugiyono (2009) that the total population is less than 100 so that all populations are used as research samples.

Data Types and Sources

The questionnaire was used as primary data collection which was distributed directly by visiting respondents. The measure used in this study uses the interval scale with the Likert scale technique. Erlina (2008) defines a Likert scale as a design in assessing the extent to which subjects agree and disagree with the statement submitted. To measure the opinion of respondents used a Likert scale containing 5 (five) answer preferences and made in the form of a check mark (√) or a cross (X) with the following details: Score 1 (STS = Very Disagree), Score 2 (TS = Disagree), Score 3 (N = Neutral), Score 4 (S = Agree) and Score 5 (SS = Strongly Agree).

Data Analysis Techniques

Path Analysis

Path analysis itself does not determine the causal relationship and also cannot be used as a substitute for researchers to see the causal relationship between variables Causality between variables. Relationships have been formed with models based on theoretical foundations. What the path analysis does is to determine the pattern of relationships between three or more variables and cannot be used to confirm or reject the imaginary causality hypothesis.

Direct and indirect influence

In addition, this study also uses intervening variables. Intervention variable is mediation variable. its function mediates the relationship between the independent variable and the dependent variable. To test the effect of intervening variables is path analysis.

IV. Results And Discussion

Path Analysis

Model I Path coefficient

Simple linear regression analysis is used in this study with the aim to determine whether there is an influence of the independent variable on the dependent variable. Calculation statistics in simple linear regression analysis are used in this study. A summary of the results of data processing using the SPSS program is as follows:

Table 2: Results of Significance Levels

Model	Dependent Variabel	Independent Variabel	Beta (Standardized Coefficients)	t- statistics	Sig	Conclusion
I	Job satisfaction (I)	Compensation (X)	0,863	12,424	0,000	Significant
		R Square	0,744			

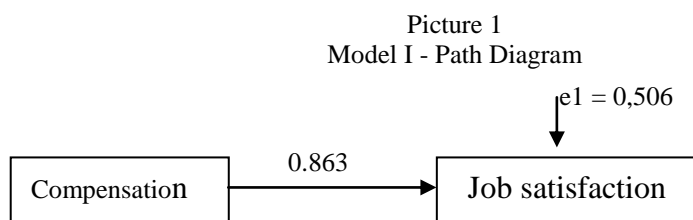
The Based of the table above, it explains that:

1. Significant value of compensation variable (X) = 0,000 < 0.05, this means that there is a direct significant effect between compensation on job satisfaction (I).
2. Meanwhile, the value of R² (R Square) is 0.744, which means that the contribution of the compensation variable (X) to job satisfaction (I) is 74.4% and the remaining 25.6% is the contribution of other variables that are not included in the study. And from the value of R² (R Square), we get e1, which means that e1√(1-0.744) = 0.506

From the results above, the equation structure is obtained:

$$I = 0,863 X + 0,506$$

The data process above, we can make a path diagram of the structure model I, as follows:



Line Model Coefficients II

Multiple linear regression analysis is used in subsequent studies to obtain path coefficient for model 2. With the aim of knowing whether there is an influence of the independent variables (compensation) and intervening variables (job satisfaction) on the dependent variable (performance). Can be seen in the following table:

Table 3: Regression Analysis Results

Model	Dependent Variable	Independent Variable	Beta (Standardized Coefficients)	t- statistics	Sig	Conclusion
II	Performance (Y)	Compensation (X)	0,292	1,597	0,016	Significant
		Job Satisfaction (I)	0,480	2,626	0,011	
		R Square	0,557			

The Based of the table above, it explains that:

1. Significant value of the compensation variable (X) = 0.016 < 0.05, this means that there is a significant direct effect between compensation on performance (Y).
2. Significant value of the variable job satisfaction (I) = 0.011 < 0.05, this means that there is a direct significant effect between job satisfaction on performance (Y).

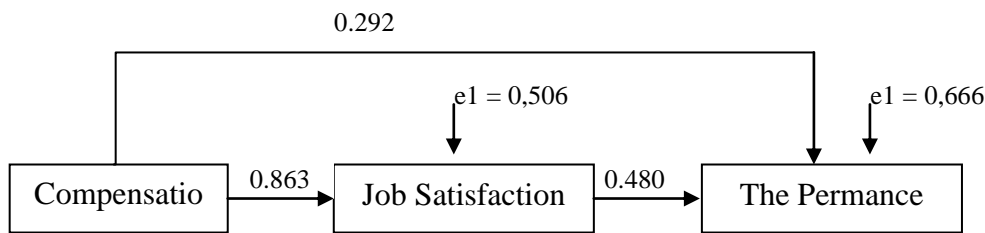
3. Meanwhile, the value of R^2 (R Square) is 0.557, which means that the contribution of compensation variable (X) and job satisfaction (I) to performance (Y) is equal to 55.7% and the remaining 44.3% is contributed by other variables not included in the study. And from the value of R^2 (R Square), e^2 is obtained, which means that $e^2 = \sqrt{1 - 0.557} = 0.666$

From the above results, the equation structure is obtained:

$$Y = 0,292 X + 0,480 I + 0,666$$

The data process above, can be made a path diagram of the structure model II, as follows:

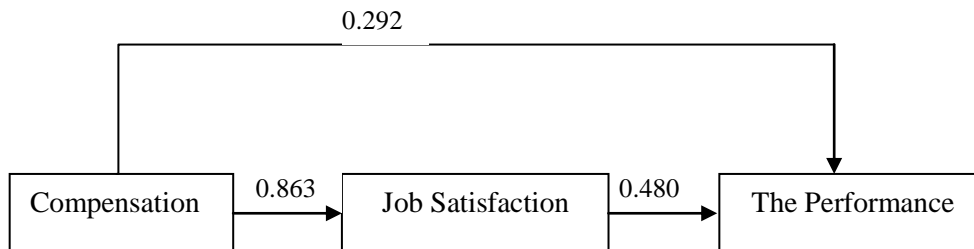
Figure 2
Model II - Path Diagram



Direct and Indirect Effects

In addition to using the independent variable (X) of one variable, this study also uses intervening variables. Intervening variables are intermediate variables, the function of mediating the relationship between the independent variable and the dependent variable. To examine the effect of the intervention a path analysis is used. Path analysis is an extension of the regression analysis to estimate the causality relationship between the previous variables defined based on theory (Ghazali 2013). The following is a path analysis to examine the relationship between compensation for performance and whether the relationship between compensation for performance is mediated by job satisfaction with the following picture:

Figure 3
Path Analysis Model



The Based of the picture above, it can be calculated the amount of indirect effect between independent variables and variable jumps through intervening variables, it can be concluded that hypothesis 3 can be accepted.

Analysis of the effect of compensation (X) through job satisfaction (I) on performance (Y), it is known that the direct effect exerted by compensation on performance is 0.292. Meanwhile the indirect effect of compensation through job satisfaction on performance is the multiplication between the beta value of compensation to job satisfaction (I) with the beta value of job satisfaction to performance that is $0.863 \times 0.480 = 0.414$. Then the total effect compensated for performance is a direct effect plus an indirect effect, namely: $0.292 + 0.414 = 0.706$. Based on the above calculation results it is known that the value of the direct influence of 0.292 and the indirect effect of 0.414 which means that the value of the indirect effect is greater than the value of the direct influence, these results indicate that indirectly compensation through job satisfaction has a significant effect on performance

V. Conclusion

Based on the test results and discussion of the hypotheses described in the previous chapter, some conclusions can be drawn as follows:

1. Compensation has a positive effect on job satisfaction. This means that compensation has a positive effect on increasing job satisfaction of UPTD Health Laboratory Office Staff in West Sumatra Province.

2. Job satisfaction affects performance. This means that job satisfaction has a positive effect on improving the performance of UPTD Health Laboratory Office staff in West Sumatra Province.
3. Compensation through job satisfaction has a significant effect on performance. This means that indirectly the job satisfaction variable significantly increases the effect of the compensation variable on performance.

Suggestion

1. Based on the findings and conclusions of the study. For this reason, the authors propose the following suggestions:
2. 1. In an effort to improve employee performance, it is expected to increase compensation and job satisfaction. This is because these two variables have positive values and have a significant influence on the performance of the UPTD Office of the Health Laboratory of West Sumatra Province
3. 2. It is necessary to look for other intervention variables to strengthen the job satisfaction variable in providing its effect on performance.

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