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#### HUMAN RESOURCE MANAGEMENT | RESEARCH ARTICLE

# The Influence of Motivation, Work Discipline, and Compensation on Employee Performance

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Abstract: The study aims to know and analyze the effect of motivation, work discipline, and compensation on team member performance both partially and simultaneously use quantitative method with regression. This research was carried out at PT. Sinar Jernih Suksesindo. The procedure starts from the trial of research instruments, data collection through questionnaires, conducting data analysis, and preparing research report results. The number of samples studied amounted to 130 employees. The data used in this study is the primary data that researchers obtain directly from the source. This study states that motivation, leadership, and compensation significantly affect team member performance with a sig value < 0.001. Factors that affect performance include work discipline, compensation, and motivation. Work discipline is needed to produce a good performance; with discipline, employees will try to do the work as much as possible, and the resulting performance will be better. Discipline must be enforced in an organization or company because without good team member discipline, and it is difficult for companies to realize their goals. The company's success in achieving its goals is discipline. A discipline is a form of awareness or willingness of a person to obey all organizational or company regulations and applicable social norms.

Keywords: Motivation, Work discipline, Compensation, Job Performance JEL Classification Code: 015, L20, L30

#### 1. INTRODUCTION

Every company wants good and the quality employee works to generate significant profit and profit. Excellent and quality human resources will affect the company's output. Human resources are the most critical factor in the entire flow of corporate activities. In the recent decade, the management of organizations has found that human resources have the most significant importance in gaining sustainable competitive advantage and efficiency. In a world where knowledge and communication with customers have earned the increasing reputation, human capital, which shows the volume of knowledge, technical skills, creativity, and organization experience, gain significant importance. Thus labor force is considered as productive assets, not costly assets (Tamsir, 2018; Hendricks, 2002). Human resources include a workforce that processes companies. The success rate of the crew following the company's standards is assessed from employee performance results. Employee performance can be either good or bad results. Employee motivation relates to the employee's reason for work, the employee's happiness, and the spirit of the employee at work. Employee motivation will affect the discipline of work in absenteeism and delay employees. According to Syamuddinnor (2014), human resources is one of the main capitals in an organization, where contributing is invaluable. Human resources are one of the factors needed in carrying out all activities of the company. The motivation given to employees encourages employees to carry out their work optionally following the desired objectives of a leader or company in creating a conducive work atmosphere in the company, where the motivation is motivation. Work discipline is one form of control carried out by the company in keeping employees carrying out their duties and responsibilities. Supervision conducted by the company to employees is one form of control. Supervision is carried out so that the company can easily monitor the performance of employees during the work process so that nothings happen - things that can harm the company.



Outsourcing companies are one of the types of companies that can support the creation of work that can help improve the Indonesian economy. PT Sinar Jernih Suksesindo which is located at Jalan Abdul Hakim No.26 Kel. Tanjung Sari, Kec. Medan Selayang is engaged in outsourcing. The number of competitors does not discourage the company's spirit in improving employee performance or high profit. Employee performance can be measured or assessed from the target achieved—Employee Performance Assessment Recapitulation of PT. Sinar Jernih Sukses Indo year 2019 to get the company's objectives and organization; it is necessary to meet the performance needs. In the form of compensation. Following the level of employee performance. Because one of the fulfilments of employee needs is providing adequate compensation and following the level of performance, human resource management problems, one of which is giving compensation, to keep employees comfortable. According to Nawawi (2016) and Leung & Kwong (2003), compensation is an award and reward to workers who have contributed to realizing their goals through work activities. According to Sutrisno (2016) and Cornille et al. (2019), Adequate Compensation can affect employees' material condition and calm the employee's mind to work more diligently and have an initiative. From this opinion, it can be concluded that compensation is an award or a reward. On compensation, employees will be satisfied. Satisfaction will trigger employees to continue to improve their performance. Salary Compensation is still reasonably incompatible with the workload received, affecting the employee's work (Secondary data obtained and processed from the personnel department). The compensation system provided by PT Sinar Jernih Suksesindo is by remuneration system. Remuneration is a direct reward consisting of salary/wages, job benefits, special allowances, bonuses associated or not associated with work performance and organizational performance, intensive as an achievement award, and various types of assistance provided regularly. Indirect benefits consist of health facilities, pension funds, salaries during leave, disaster compensation (Nurhayati & Supardi, 2020). Nevertheless, in the implementation, the compensation is still a problem that the amount of compensation given to employees is not enough for the employee's needs. Complaints about this Compensation have not been raised in the official forum; from the interview obtained information about other problems, namely job satisfaction that results in the lack of optimal employees in doing their work. The problem can be seen from the high workload, but not balanced with the reward that suits the needs of employees. Then, job satisfaction will affect the quality and quantity of employees in achieving the target goals set by the company.

The phenomenon in this study is supported by the theory of influence conducted by various previous researchers, namely research conducted by Sejahtera et al. (2016), which shows that compensation and work discipline significantly influence employee performance both simultaneously and partially. Then study conducted by Kempa & Chaterine (2016) showed that compensation and work discipline substantially influence employee performance simultaneously and partially. The research conducted by (Prihantini et al., 2017) shows that compensation, motivation, and work discipline simultaneously significantly affect employee performance. Partial compensation has a positive and significant effect on employee performance. Next, motivation partially negatively and insignificantly affects employee performance. Partial work discipline has a positive and significant impact on employee performance. Research conducted by Andico & Hadi (2013) shows that compensation affects employee performance and influences all substantial variables and desired valid data. Based on the background described above and looking at work motivation, work discipline, and compensation in determining employee performance success.

# 2. Literature Review

Theorists such as Maslow (1954), Herzberg et al. (1959), and Alderfer (1972) have sought to explain employee motivation by holding on to the assumption that all individuals possess the same set of needs and therefore prescribe the characteristics that ought to be present in the jobs. These theorists have afforded opportunities to managers to design motivational schemes to influence performance. What needs to be answered are the factors of motivation that drive the performance of employees in the mining sectors in Indonesia. Various theorists explain motivation as a process governing choices (Bhattacharyya, 2009; Chen et al., 2012; Deegan, 2002; Rodrigo & Palacios, 2021). The motivation process may be internal or external to the individual that arouses enthusiasm and persistence to pursue



a particular course of action. The motivation process starts with a physiological or psychological deficiency or needs that activates a behavior or a drive aimed at a goal (Bhattacharyya, 2009). According to Arnold et al. (1991), a needs-related model of motivation is initiated by the conscious or unconscious recognition of unsatisfied needs. The needs create wants, which are desires to achieve or obtain something. Goals are established, which is believed will satisfy the needs and wants, and a behavior pathway is selected which is expected to achieve the goal (Amstrong, 2007; Rodrigo & Palacios, 2021; Santos-Vijande et al., 2021). According to Harlie (2012), motivation is one of the efforts made by a person to produce good performance and quality. Motivation is part of the function of human resource management, namely integration, the most basic stimulant in the embodiment, complex and continuous effort to increase the potential inherent in him.

Work motivation is the process that directs and sustains performance. Motivation encourages employees internally to help them achieve specific goals or tasks assigned to them (Sohail et al., 2014). Employees' work effectiveness can inspire them to work and bring more work motivation and commitment to their work. This result can be interpreted as motivation to do an activity for it, to experience pleasure and satisfaction in the action (Malik et al., 2011; Creasy & Carnes, 2017; Şendoğdu et al., 2013; Stone & Dulebohn, 2013). Work motivation can be created by incentivizing employees in the form of money that can be felt as supported people and have their place in organizing. (Moynihan & Pandey, 2014) explained that emotional attachment and employee loyalty are the most critical factors in work motivation. It can bind people to stay organized. According to Latief et al. (2018), if a person has the high motivation, he will do the job to the maximum and vice versa. If a person does not have motivation in working, then there will be no new things that he can do to achieve the company's target. This motivation is essential because, with motivation, it is expected that every individual employee will work hard and enthusiastically to achieve high work productivity. Based on the explanation of the above theories, work motivation is an effort to encourage oneself to do the work and channel all the expertise that is owned so that the company's objectives can be achieved. According to Latief et al. (2018), if a person has the high motivation, he will do the job to the maximum and vice versa. If a person does not have motivation in working, then there will be no new things that he can do to achieve the company's target. This motivation is essential because, with motivation, it is expected that every individual employee will work hard and enthusiastically to achieve high work productivity. Based on the explanation of the above theories, it can be drawn conclusions that work motivation is an effort to encourage oneself to do the work and channel all the expertise owned so that the company's objectives can be achieved.

According to Hasibuan (2016), Work discipline is the awareness and willingness of a person to obey all company regulations and applicable social norms. Consciousness is the attitude of a person who voluntarily attends all rules and is aware of his duties and responsibilities. According to Hamali (2016), work discipline is a force that develops in the employee body and can cause employees to adjust voluntarily to regulatory decisions and the high value of work and behavior. Discipline is essentially the ability to control oneself in the form of not doing inappropriate actions and supporting something that has been created. Some experts argue that the definition of work discipline is a management action to uphold organizational standards (Mangkunegara & Octorend, 2015; Lemon & Palenchar, 2018; Lengnick-Hall et al., 2009). Hasibuan (2016), compensation is all income in the form of money, direct or indirect goods received by employees in return for services provided to the company. According to Wayne (2013), compensation is a form of cost that the company must incur, hoping that the company will get a reward for employee work performance. While according to Sofyandi (2012), compensation is everything that employees receive in return for their work or devotion. Motivation comes from within someone who intends to produce outputs that can affect employee performance.

According to (Nurcahyani & Adnyani, 2016), the explanation is very influential to the implementation of work employees concerning the needs of employees personally. Motivation with employee performance is very closely related because it will produce quality output with good motivation. An organization or company is built to achieve a good goal. Therefore, discipline is required to support or support the organization to achieve its goals. According to Mangkunegara & Octorend (2015), discipline moves employees to comply with and follow the rules and responsibilities imposed by the company to the individual itself. According to Kempa & Chaterine (2016), discipline



employee work can affect the performance of employees because of having high work discipline. An employee will carry out tasks and work effectively and efficiently so that the performance of employees can be further improved and will impact the achievement of organizational objectives. Compensation relates to something the company provides to its employees. With compensation, the company is aware of maintaining employees in the company by delivering tangible measurements. According to Rumere et al. (2016), a large amount of compensation is given to its employees. The higher the efforts of employees to improve their performance. Observation to the large complement of employees becomes a heavy task of the company's leaders because if it experiences a problem, it will quickly affect the company's running (Pratama, 2015).

#### 3. Research Method and Materials

## 3.1. Data Samples

This research was carried out at PT Sinar Jernih Suksesindo, which is located at the Learning Hub Building, Jalan Brigjens Zein Hamid No.A4-A5 (in front of the entrance of Pasar Tikung) Medan Johor 20146, Indonesia. The research took place from February 1, 2021, to February 13, 2021. The procedure starts from the trial of research instruments, data collection through disseminating questionnaires, conducting data analysis, and preparing research report results. The research approach used is the quantitative approach. The samples used in this study are saturated sampling because all population members are used as samples (Sugiyono, 2008). The number of pieces studied amounted to 130 employees. The data used in this study is the primary data that researchers obtain directly from the source. Researchers shared a questionnaire with sample respondents from this study that contained a list of questions related to Motivation, Work Discipline, and Compensation to Employee Performance at PT Sinar Jernih Suksesindo. Researchers used a Likert scale measurement in the study. The researchers used a 5-score Likert scale, where respondents' answers would be given 5 points, from 1 point as the lowest point to 5 points as the highest.

## 3.2. Measurement

Validity tests are used to test whether or not a questionnaire is valid. A questionnaire is said to be good if the question in the questionnaire can reveal something measured by the questionnaire (Ghozali, 2005). An instrument is helpful if the collation between a factor score and a total score is positive and the value is more significant than 0.30 (r > 0.3). It indicates that all indicators contained in this study proved valid. According to Sumarni & Wahyuni (2006), to measure internal consistency reliability, researchers can use Cronbach alpha's technique where the magnitude of alpha values are compared to the index; > 0.800 including high; 0.600 - 0.799 including moderate; < 0.600 including low. According to Sujarweni (2014), the Classic Assumption Test in multiple linear regression models; can be referred to as exemplary models in data normality assumptions. It also free from the traditional beliefs of statistics multicollinearity and heteroskedasticity. Priyatno (2009) states that a normality test is a data test to ascertain whether the data is distributed normally or not. Alternatively, in other words, this test is to find out if empirical data obtained from the field corresponds to a particular theoretical distribution. A good regression model is to have a normal distribution. This study used non-parametric statistical tests Kolmogorov-Smirnov. The criteria used in this normality test are as follows, e.g., If the test result has a significant p-value > 0.05, the data on the variable is normally distributed. If the test result has a considerable rate of <0.05, it means that the information on the variable is not normally distributed. This study used multiple linear regressions as hypothesis testing. Multiple regression analysis in which the regression equation contains interaction elements (Ghozali, 2016). Variable measurement displayed in Table 1.

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Table 1: Operational Definitions and Variable Measurement

Variable Independent	Operational Definitions	Indicator
	Malayu (2014) mentioned that motivation is the	<ul> <li>Responsibility</li> </ul>
Motivation (X1)	thing that causes, channeling, and supporting	<ul> <li>Work performance</li> </ul>
	human behavior to work hard and	<ul> <li>Opportunities to move</li> </ul>
	enthusiastically to achieve optimal results.	forward
W. 1 D: 11:	Hartatik (2014) mentions that a work discipline	Always present on time
Work Discipline	is a tool used by managers to change behavior	Always prioritize the
(X2)	and as an effort to increase one's awareness and	percentage of attendance
	willingness to obey all agency rules and social	
	norms.	Prioritize working hours
	Suparyadi (2015) states that compensation is	Wages and Salaries
Compensation (X3)	the exclusive reward received by employees as an	Incentive
	award for contributions made to the	<ul> <li>Allowances</li> </ul>
	organization, both financial and non-financial.	• facilities
	Rivai & Sagala (2011), in detail, is described the	Ability
Auditor	overall result of a person during a specific period	<ul> <li>Professional</li> </ul>
Performance (Y1)	in carrying out a task, such as the standard of	Commitment
	work, targets, or targets of predetermined	Motivation
	criteria and have been mutually agreed upon.	Job Satisfaction

#### Y = a + b1X1 + b2X2 + b3X3 + e

#### Information:

Y = Employee Performance

X1 = Motivation

X2 = Work Discipline

X3 = Compensation

a = Constant value

 $b_1b_2b_3$  = Regression Coefficient

According to Ghozali (2016), the coefficient of determination (R<sup>2</sup>) is intended to measure how far the model can describe variations of independent variables. Suppose the coefficient of determination (R2) is getting larger or closer to 1. In that case, as conclusions that the ability of a free variable (X) is considerable against a bound variable (Y). This statement means that the model used is getting stronger to explain the influence of free variables studied with bound variables. 45 Conversely, if the coefficient of determination (R2) is smaller or close to 0, as a conclusion that the ability of a free variable (X) to a bound variable (Y) is getting smaller. So, the model used is not enough to explain the influence of the free variables studied with bound variables. The F test is used to show whether all independent variables included in the model have a mutual influence on dependent variables (Ghozali, 2016). The criteria for testing hypotheses in stimulants are as follows, e.g., H0: b1 & b2 & b3 = 0. So, those communication variables, leadership, and incentives stimulants do not affect performance. PT. Sinar Jernih SuksesIndo. Ha: b1 & b2 & b3 ≠ 0. So, that communication variables, leadership, and incentives stimulants affect the performance of employees at PT. Sinar Jernih SuksesIndo. This test compares F-calculated with Festimated with the following conditions, e.g., H0 is accepted if F-calculated ≤ F-estimated to a = 5%. Ha accepted if F-calculated > F-estimated for a = 5%. T-test tests are used to show how far one independent variable affects dependent variables (Ghozali, 2016). Partial hypothesis testing criteria are as follows, e.g., If have: b1; b2; b3 = 0. So, communication, leadership, and incentive variables partially do not affect employee performance at PT Sinar Jerih Sukses Indo. Ha: b1; b2; b3 ≠ 0. So, that communication variables, leadership, and incentives partially affect the performance of PT Sinar Jernih Sukses Indo employees. This test compares t-calculated with t-estimated with the following conditions, e.g., H0 received if t-calculated ≤ t-estimated for a = 5%. Ha is accepted if t-calculated > t-estimated or - t-calculated < - t-estimated for a = 5%.



#### 4. Results and Discussion

#### 4.1. Statistical Result

Descriptive analysis in this study is a description or explanation of the results of primary data collection in the form of questionnaires that have been filled out by respondents, which is a personal statement about questionnaires. The number of samples in this study is PT Sinar Jernih Suksesindo and is willing to sample 130 respondents. Based on the data collected and processed in this study shows that the majority of respondents to the survey are women, as many as people (57. 31%), age 18-27 years as many as 70 people (53. 84%), high school / vocational education as many as 68 people (52. 31%) and a working period of 6-10 years as many as 48 people (36.92%). The classic assumption test is intended to determine the fulfilments of a blue (Best Linear Unbiased Estimator) linear regression model. This definitive assumption test consists of a normality test, a multicollinearity test, and a heteroskedasticity test. A linear regression model will meet the BLUE assumption if the model has standard data, multicollinearity is free, and heteroscedasticity. The Normality test can be done by graph analysis, i.e., on Histogram of Regression Standardized Residual. If the point spreads in a bit of diagonal line, then the data is normally distributed, as shown in Figure 1.

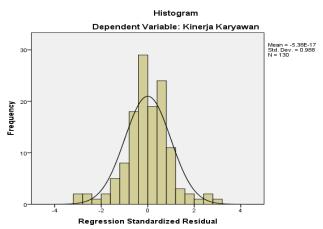


Figure 1. Histogram of Regression Standardized Residual

Based on the data in Figure 1 of the histogram graph, residual data depicts a regular distribution pattern and the standard curves that form perfect bells. In addition, normality tests can also be conducted using the Kolmogorov-Smirnov test at a significant rate of 5% (0.05). Kolmogorov-Smirnov test results can be seen in Table 2.

Table 2: Kolmogorov-Smirnov Normality Test

Table2: Kolmogorov-Smirnov Normality Test					
		Employee Performance			
n		130			
Normal Parameters <sup>a,b</sup>	Mean	32.4385			
Normal Parameters	Std. Deviation	5.50828			
	Absolute	.133			
Most Extreme Differences	Positive	.085			
	Negative	133			
Test Statistic		.133			
Asymp. Sig. (2-tailed)		.070°			
a. Test distribution is Normal.					
b. Calculated from data.					

Based on the data in the table above, it is known that the data is normally distributed—the statistical test value of 0,133; because of the value of Asympy. Sig (2-tailed) is 0.070, where this number is above



c. Lilliefors Significance Correction.

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or exceeds the significance level of 0.05 or 5%, so that the value simply.sig (2-tailed) > 0.05 (0.070 > 0.05). Symptoms of multicollinearity can be seen from the magnitude of tolerance and VIF (Variance Inflation Factor). The value used for Tolerance > 0.10 and VIF < 1.0 does not occur multicolinearity. The amount of Tolerance and VIF (Variance Inflation Factor) can be seen in Table 3.

Table 3: Multiconflicatity 1 es	Table 3:	Multicollineari	cy Tes
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	Model		Collinearity Statistics		
			VIF		
	(Constant)				
1	Motivation	.880	1.136		
	Work Discipline	.194	5.149		
	Compensation	.206	4.866		
a. Dependent Variable: Employee Performance					

Based on the data in the table above, it is known that all independent variable values have a Tolerance value of > 0.10 and a VIF value of < 10.0, where the tolerance value of an independent variable in the form of Motivation, Work Discipline and Compensation are (0.880 > 0.10), (0, 194 > 0.10) and (0.206 > 0.10). In contrast, the VIF value of the free variable in the form of Motivation, Work Discipline, and Compensation amounted to  $(1.\ 136 < 10.0)$ ,  $(5.\ 149 < 10.0)$  and  $(4.\ 866 < 10.0)$ , thus in this study, there was no multicollinearity. The heteroskedasticity Test aims to test whether the regression model variance occurs from residual one observation to another. The Heteroskedasticity test can be done with graph and statistical analysis in the form of a scatterplot test. A regression model is considered non-heteroskedasticity if the dots spread randomly and do not form a specific pattern that is clear and scattered above or below zeros on the Y-axis seen in figure 2.

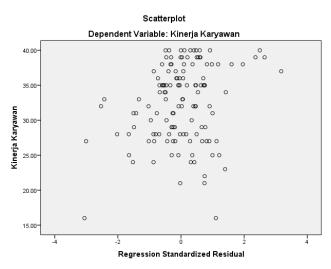


Figure 2. Scatterplot of Regression Standarizied Residual

Based on the data in the picture above, it is known that the point spread randomly and does not form a specific pattern that is clear and scattered both above and below zero on the Y-axis where there is no heteroskedasticity in the regression model. Hence, the research regression model is worth using to predict the research result. Based on the data in table 4, it is known that, e.g., the constant value of 5,258, indicating if a free variable (X) of Motivation, Work Discipline, and Compensation is 0 or none, then Employee Performance (Y) is -5,258. The coefficient value of regression X1 of 0.079 means that if there is an increase or addition to X1 while the variables X2 and X3 are constant, then the Y increases, and vice versa. This result means that if motivation increases by 1 unit while other free variables remain, employee performance increases by 0.079 units, and vice versa. The value of the regression coefficient X2 is 0.337, meaning that if there is an increase or addition on X2 while the variables X1 and X3 are constant, then the value of Y will increase, and vice versa. This result means that if the Work Discipline



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increases by 1 unit while other free variables remain, employee performance increases by 0.337 units, and vice versa—compensation Regression Coefficient (X3). The coefficient value of regression X3 is 0.376, meaning that if there is an increase or addition to X3 while the variables X1 and X2 are constant, then the value of Y will increase, and vice versa. This result means that if compensation increases by 1 unit while other free variables remain, employee performance increases by 0.376 units, and vice versa.

Table 4: Partial Statistical Test

Model		t	Sig	Collinearity Statistics		
				Tolerance	VIF	
	(Constant)	-4.423	.000			
1	Motivation	2.769	.006	.880	1.136	
1	Work discipline	9.720	.000	.194	5.149	
	Compensation	9.858	.000	.206	4.866	
a. Dependent Variable: Employee Performance						

Partial results of Motivation to Employee Performance are obtained value of t-calculated of 2,769 and t-estimated value of 1,978 (in Excel formula = TINV (0.05,130), the provision of t-calculated value > t-estimated (2,769 > 1,978) and sig value < 0.05 (0.000 < 0.05), so that motivation partially has a significant effect on employee performance of PT. Sinar Jernih Suksesindo. The partial result of Work Discipline on Employee Performance is obtained by 9.720, and the t-estimated value is 1,978 (in Excel formula = TINV (0.05,130), the provision of t-calculated value > ttable (9,720 > 1,978) and *sig* value < 0.05 (0.022 < 0.05), so that the discipline of work partially has a significant effect on employee performance of PT. Sinar Jernih Suksesindo. The result of the t-test (partial) Compensation for Employee Performance is obtained value of t-calculated of 9,858 and the t-estimated value of 1,978 (in Excel formula = TINV (0.05,130) provision of t-calculated value > t-estimated (9,858 > 1,978) and sig value < 0.05 (0.000 < 0.05), so that compensation partially affects the Employee Performance of PT Sinar Jernih Suksesindo.

Table 5: Simultaneous Statistical Test Results (F-Test)

	Model Sum of Squares df Mean Square F Sig						
1	Regression	3669.557	3	1223.186	630.480	.000 <sup>b</sup>	
Residual 244.451 126 1.940							
Total 3914.008 129							
a. Dependent Variable: Employee Performance							
b. Predictors: (Constant), Compensation, Work Discipline, Motivation							

Based on the data on Table 6 above, it is known that the simultaneous influence on Employee Performance where the simultaneously obtained value of F-calculated of 630,480 and F-table value of 2,485 (in Excel formula =FINV (0.05,4,130) terms of value F-calculated > F-estimated (630,480 > 2,485) and sig value p < 0.05 (0.000 < 0.05), so Motivation, Discipline Work and Compensation significantly affect the Employee Performance of PT Sinar Jernih Suksesindo.

Table 6: Adjusted Determination Coefficient Test (R2)

Model R R Square Adjusted Std. The error R Square of the Estimate						
1 .968 <sup>a</sup> .938 .936 1.39287 1.58						
a. Predictors: (Constant), Compensation, Motivation, Discipline						
b. Dependent Variable: Employee Performance						

Based on the data in table 6, it is known to value adjusted R-Square, which is 0.936, or adjusted  $R^2$  x 100% by 93.60%. The result means free variable research in the form of Motivation, Work Discipline, and Compensation contributed significantly in explaining Employee Performance by 93,60% while the

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remaining 6,40% influenced by other factors outside this research such as work culture, competence, work culture, leadership, personal factors and situation factors, government policies and national economic situation. Based on the results of the above research, conclusions can be drawn, among others. Linear regression test results obtained multiple linear equations, i.e., Employee performance. =  $-5,258 + 0,079 \times 1 + 0,337 \times 2 + 0,376 \times 3$ .

Partial test results obtained Motivation significantly influenced to employees work performance with sig value < 0.05 (0.0 06 < 0.05), work discipline significantly affects employees' performance with sig value < 0.05 (0 000 < 0.05) and compensation significantly affects employees and is the dominant variable that affects employees' work performance sig value < 0.05 (0.0 00 < 0.05). Simultaneous test results obtained Motivation, Leadership and Compensation significantly affect employees' performance with sig value of < 0.05 (0.000 < 0.05). Adjusted R-Square value is 0.936 or adjusted R2 x 100% by 93.60%, meaning that free variable research in the form of Motivation, Work Discipline, and Compensation contributes significantly in explaining the performance of employees by 93,60%.

#### 4.2. Discussion

Performance is the result of achieving specific tasks. The work accomplished by an employee must make an essential contribution to the company. Employees who have good work results can help the company achieve its goals. The effects of employees' work are felt by the company and very beneficial for the continuity of the company's existence. The term performance comes from job performance or actual performance, which means the work in quality and quantity to be achieved by an employee in carrying out his duties following his responsibilities. Employees in improving their performance need work motivation. Motivation is anything that creates enthusiasm or work motivation so that the strength or weakness of the employee's work motivation will determine their performance. The importance of motivation because motivation is the thing that causes, distributes, and supports human behavior so that they want to work hard and enthusiastically achieve optimal results. Motivation is increasingly essential because managers share work with their subordinates to be done well and integrated into the desired goals. Motivation or encouragement to work is very decisive for achieving a goal; then, humans must grow the highest work motivation for employees in the company. Work motivation arises because there is a need that a person feels. If a person's needs are solid, then the person's motivation increases to use behaviors that lead to the satisfaction of their needs. This theory focuses on three needs: the need for achievement, power, and affiliation. The need for achievement is a person's need to excel and do something better than what has been done before. The need for power is the desire to influence and control others, and the need for affiliation is the need to socialize and be accepted by others. These three things will motivate someone at work so that it can encourage an increase in employee performance. Every activity carried out by a person, including employees, is driven by a power within that person; this driving force is called motivation. Work motivation of employees in an organization can be considered simple. It can also be a complex problem because humans can be motivated by giving what they want.

Work motivation can be problematic in determining rewards where what is considered essential to one person because what is necessary to one person is not necessarily important to another. When a person is motivated, he will try to do his best to realize what he wants. But not necessarily that hard effort will produce the expected performance if it is not channeled in the desired direction of the organization. Every organization is required to improve its performance to achieve its goals. Therefore, the existence of human resources is the essential thing that the company must consider. Potential human resources and significant capital capabilities of the company can lead the company to success. Realizing how vital human resources are, companies need to pay attention to compensation as a proper reward for an award that employees have done. The compensation given to employees tends to determine the standard of living and social standing in society. The importance of compensation for employees dramatically affects their behavior and performance. The higher the compensation received by employees from the company, the more welfare also increases. This motivates employees to carry out the work responsibilities given. The compensation received is low, the interest is reduced, resulting



in decreased morale at work, which causes losses to the company, and the company is not achieved correctly. As a form of appreciation for submitting and giving all employee performance results to the company, the company provides compensation as a source of income for the employee concerned. Compensation will always be linked to the quantity, quality, and benefits of services offered by employees for the company where they work. Providing compensation to these employees will affect how much the organization's goals can be achieved; it can even affect its survival. A sound compensation system is a system that can ensure the satisfaction of company members, which in turn allows the company to acquire, maintain, and employ several high-performing employees for the common good. Employees have different expectations from the company, and so does the organization towards employees. The financial compensation system will complement procedures for determining market rates, job appraisals, establishing and maintaining wage structures, and providing employee benefits. Compensation systems are tangible and communicate behind their instrumental values, management's philosophy, attitudes, and desires. The provision of remuneration for services or income will always be associated with the quantity, quality, and benefits of services provided by employees for the organization where they work. This will affect how far the organization's goals can be achieved, and it can even affect the organization's survival. When compensation runs smoothly, and according to the plan, the next step expected to occur is to increase employee performance. When employee performance has been achieved, the company can measure the extent to which the performance improvement they have achieved.

## 5. Conclusion

Factors that affect performance include work discipline, compensation, and motivation. Work discipline is needed to produce a good performance; with discipline, employees will try to do the work as much as possible, and the resulting performance will be better. Discipline must be enforced in an organization or company because without good employee discipline, and it is difficult for companies to realize their goals. The key to the company's success in achieving its goals is discipline. The primary purpose of disciplinary action is to ensure that employee behavior is consistent with the rules set by the organization. A discipline is a form of awareness or willingness of a person to obey all organizational or company regulations and applicable social norms. Discipline can be interpreted if: employees always come and go home on time, do all the work well, and comply with all company regulations and applicable social norms.

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