

THE EFFECT OF COMPENSATION ON EMPLOYEE PERFORMANCE ON TUAN RONDAHAIM HOSPITAL PAMATANG RAYA

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Abstract

In this study there are two variables are variables X (Discipline) and Y (Performance). This study aims to examine and analyze the influence of compensation for employee work at Tuan Rondahaim Hospital Pamatang Raya. Based on the incidental sample method, the total sample in this study was 62 respondents. In this study using primary data obtained from the distribution of questionnaires. The number of questionnaires distributed as many as 62 copies and which can be returned and processed as many as 62 copies. The method of analysis used in this study is simple linear regression analysis and hypothesis testing (t-test). Amount of t-counts (8.382) > of the amount of t-tables (1.99897) then Ha accepted. Based on these results it can be concluded that the compensation has a positive and significant effect on employees'

Keywords: Employee compensation and performance.

INTRODUCTION

Human resources are one of the assets owned by every company or organization, used together with other resources in carrying out activities to achieve company goals. Human resources are elements that are always there in every company or organization. Human resources are planners, actors and determinants of achieving organizational goals.

In today's increasingly competitive industrialization era, every business person who wants to win the competition in the business world will pay full attention to the performance of the human resources within the company. In order for this to be achieved, the company needs employees who are capable, capable, skilled and have high motivation in carrying out the tasks that have become their responsibility as workers.

The success of a company is strongly influenced by the performance of its employees. Every company will always try to improve the performance of its employees, with the hope that the company's goals will be achieved. Conversely, if the company's goals are difficult or even cannot be achieved if the employees do not have good performance, so they cannot produce good work either.

Hospitals are health care institutions that deal directly with patients and must prioritize safe, quality, anti-discrimination and effective health services by prioritizing the interests of patients in accordance with hospital service standards (Law on Health and Hospitals Article 29b UU NO.44/ 2009).

TUAN Rondahaim Hospital is a hospital owned by the Simalungun Regency Government which has the RSU model, is managed by the State and is listed as a class D Hospital. The Simalungun Regency Government General Hospital has a land area of 2500

m2. Built in a location located in the Simalungun Regency Office complex, with a calm, safe and comfortable atmosphere. This RSU can serve the needs of health services quickly and precisely according to what is needed by the surrounding community and the wider community in general.

Patient safety is the responsibility of all parties related to health care providers. Stakeholders have the responsibility to ensure that no actions harm the patient. Patient safety is a top priority in health services and is a major critical step to improve service quality and is related to the quality and image of the hospital (Ministry of Health, 2008).

Research purposes

Based on the formulation of the problem that has been stated, the purpose of this study are:

To find out and analyze the effect of compensation on employee performance at Tuan Rondahaim Hospital Pamatang Raya.

LITERATURE REVIEWS

Compensation

In relation to improving the welfare of employees, an organization must effectively provide compensation in accordance with the workload received by employees. Compensation is a factor either directly or indirectly influencing the level of employee performance. Therefore, the provision of compensation to employees needs special attention from the agency management so that employee motivation can be maintained and employee performance is expected to increase.

Some definitions of compensation according to experts include the following:

- a. According to Sihotang (2007: 220), compensation is the overall arrangement of providing remuneration for employees and managers, both in the form of financial and goods and services received by each employee.
- b. According to Rivai (2010: 741), compensation is something employees receive as a substitute for their service contributions to the company.
- c. According to Rivai (2010: 741), compensation is something employees receive as a substitute for their service contributions to the company.
- d. According to Garry Dessler in Subekhi (2012: 175), compensation is any form of payment or reward given to employees who work in a company.

Performance

Performance comes from the word job performance or actual performance which means work performance or actual achievement achieved by someone. The definition of performance is the result of work in quality and quantity achieved by an employee in carrying out his functions in accordance with the responsibilities given to him.

Performance or performance is the result or output of a process (Nurlaila, 2010:71). According to the behavioral approach in management, performance is the quantity or

quality of something produced or services provided by someone who does the job (Luthans, 2005:165).

METHODS

The research to be carried out by researchers is a type of field survey research. Survey research is research conducted by researchers who are directly on the object or are in the field, who take samples from a population and use questionnaires as a means of collecting basic data (Singarimbun, 1997:3). This study uses quantitative data in the form of numbers obtained through answer scores.

In this study, the population will be the employees of Tuan Rondahaim Pamatang Raya General Hospital, namely 166 employees (48 civil servants and 118 honorary employees). The sample (respondents) who will be the subject of this research are 62 respondents.

RESULTS AND DISCUSSION

Contents Results and Discussion

Data Quality Test

Validity test

The validity test was carried out to measure whether or not a questionnaire was valid for each variable. Testing is done by comparing the r count and r table. The rcount value is the result of the correlation of respondents' answers to each statement in each variable analyzed with the SPSS program and the output is called corrected item correlation.

Whereas to get the rtable is done with the r product moment table, namely determining $\alpha = 0.05$ then $n = 62$, so that a two-sided r table value of 0.250 is obtained. The validity level of the questionnaire can be determined if $r_{count} > r_{table} = \text{Valid}$ and $r_{count} < r_{table} = \text{Invalid}$. Complete validity test results can be seen in the following table:

Table

Variable	Indicator No	r count	r table	Information
Compensation	1	0.880	0.250	Valid
	2	0.412		
	3	0.795		
	4	0.828		
Performanceemployee	1	0.607	0.250	Valid
	2	0.676		
	3	0.662		
	4	0.730		
	5	0.741		
	6	0.685		

Source : IBM SPSS Statistics 22

From the validity test table above, it shows the value of r calculated for each indicator of the compensation variable, and employee performance is greater than the value

of r table. Thus the questionnaire used by each compensation variable, and employee performance are declared valid to be used as variable measuring instruments.

Reliability Test

Reliability test is used to determine whether the questionnaire used can be trusted or reliable as a variable measuring tool. The reliability of a questionnaire can be seen from the value of Cronbach's alpha (α), that is, if the value of Cronbach's alpha (α) is greater ($>$) than 0.60 then the questionnaire is reliable, whereas if the value of Cronbach's alpha (α) is smaller ($<$) 0.60 then the questionnaire is not reliable. Overall the results of the reliability test can be seen in the following table:

Table Data Results	Reliability Statistics		Reliability
	Cronbach's Alpha	N of Items	
	,870	12	

Source : IBM SPSS Statistics 22

From the data above, the Cronbach's alpha value of 0.870 is greater than 0.60. So it can be concluded that the questionnaire used on compensation variables, and employee performance are all declared reliable or can be trusted as a variable measuring tool.

Data analysis technique

Simple Linear Regression Analysis

This study uses simple linear regression analysis, because there is only one independent variable (X) and one dependent variable (Y). Simple linear regression is a mathematical relationship procedure to measure whether or not there is an influence of the independent variable on the dependent variable. Calculations can be performed with SPSS software tools.

Table
Simple Linear Regression Analysis

Model	Coefficients^a				t	Sig.
	Unstandardized Coefficients		Standardized Coefficients			
	B	std. Error	Betas			
1 (Constant)	12,478	1,535		8,130	,000	
Compensation	,878	,105	,734	8,382	,000	

a. Dependent Variable: Performance

Source : IBM SPSS Statistics 22

Based on the table above, it can be concluded that: $Y = a + bX$ ($Y = 12.478 + 0.878 X$). Then, there is a significant value (sig.) < less than a probability of 0.05 which means that compensation has a positive effect on employee performance.

Hypothesis Test (t test)

This test was conducted to determine the significant effect of the independent variables on the dependent variable with a confidence level of 5% (0.05).

This test is carried out with the following steps:

Table

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
	B	std. Error	Betas		
1 (Constant)	12,478	1.535		8,130	,000
Compensation	,878	,105	,734	8,382	,000

a. Dependent Variable: Performance

Source : IBM SPSS Statistics 22

$$\begin{aligned}
 T \text{ table} &= (a/2 : nk-1) \\
 &= (0.05/2 : 62-1-1) \\
 &= (0.025 : 60) \\
 &= 1,99897
 \end{aligned}$$

Based on the table above, it can be seen that t count (8.382) > from t table (1.99897) then Ha is accepted. This means that compensation (X) affects performance (Y).

Contents of Discussion Results

Based on the gender characteristics of the respondents obtained by the author, it shows that the number of female respondents who participated was more, namely 52 respondents (84%), compared to male respondents as many as 10 respondents (16%). Meanwhile, based on age, it shows the least number of respondents, namely 20 years of age, with 3 respondents (5%), the highest number of respondents, aged 21-29 years, with 32 respondents (52%). Then for ages 30-39 there were 27 respondents (44%).

The author is of the opinion that the majority of workers or employees who work at Tuan Rondahaim Hospital Pamatang Raya are female with an average age of 21-29 years.

Based on the characteristics of the size of the respondent's salary, it shows that the number of respondents who have a salary of IDR 1,000,000 is 39 respondents (63%), a salary of IDR 2,000,000 is 21 respondents (34%), and a salary of RP. 4,000,000 as many as 2 respondents (3%). And based on the level of education of the 62 respondents, the number of respondents with high school/vocational school education was 5 respondents (8%), diploma educated were 33 respondents (53%), undergraduate educated were 22

respondents (35%), while respondents with other education (S2 , S3) as many as 2 respondents (3%).

The author is of the opinion that most of the employees from Tuan Rondahaim Hospital are bachelor graduates, because the hospital currently prioritizes the education of each employee.

Based on the results of simple linear regression analysis, it can be concluded that compensation has an effect on performance. This is evidenced from the results of the hypothesis test (t test), namely $8.382 > 1.99897$, then H_0 is rejected and H_a is accepted. The effect of this compensation is positive with a significance value (Sig) 0.000 less than $\frac{1}{2} \alpha$ 5% ($0.000 < 0.025$). This means that if the company's compensation according to employee perceptions is getting better, then this will further encourage the performance of employees working in the company to be better because of good compensation.

CLOSING

Conclusion

In this study, the researcher intends to find out whether compensation affects performance. The results obtained after completing all the research are as follows:

Based on the results of simple linear regression analysis, it can be concluded that compensation has an effect on performance. This is evidenced from the results of the hypothesis test (t test), namely $8.382 > 1.99897$, then H_0 is rejected and H_a is accepted. The effect of this compensation is positive with a significance value (Sig) 0.000 less than $\frac{1}{2} \alpha$ 5% ($0.000 < 0.025$). Then, the performance of employees working at Tuan Rondahaim Pamatang Raya Hospital is included in good performance.

Suggestions

Based on the conclusions above, suggestions can be given which can be used as material for consideration for companies in an effort to improve employee performance.

Implementation of compensation to employees by the company has been going well. However, there are still indicators for the salary component that must be improved by the company, including the provision of incentives other than salary and the provision of salary according to workload and employee responsibilities in carrying out work.

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