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## The Influence Of Compensation And Motivation on The Performance of PT Master Kuliner Indonesia Employees In Sawangan Depok

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**Abstract.** This research aims to determine the effect of compensation and motivation on the performance of employees of PT Master Kuliner Indonesia located in Sawangan Depok. The research method used is a quantitative method. The population in this study was 50 respondents, who were employees of PT Master Kuliner Indonesia located in Sawangan Depok. The sampling technique uses Probability Sampling (Simple Random Sampling) and Non-Probability Sampling (Quota Sampling) techniques. The analysis in this research used the SPSS (Statistical Package for Social Science) software program version 26.0. Meanwhile, the analysis techniques using analysis are validity and reliability tests, classical assumption tests (normality test, multicollinearity test, heteroscedasticity test and autocorrelation test), multiple linear regression test, multiple correlation coefficient test, coefficient of determination test and hypothesis test, namely the t test (partial test) and F test (simultaneous test). The results of the t test of compensation on performance show that the value of t count > t table value and is significant < 0.05, namely 3.860 > 2.011 and the significant value is 0.000 < 0.05, so it can be concluded that H01 is rejected and Ha1 is accepted, which means there is an influence of compensation on performance employees partially. The results of the t test of motivation on employee performance show that the t count > t table value is significant < 0.05, namely 2.955 > 2.011 and the significant value is 0.011 < 0.05, so it can be concluded that H02 is rejected and Ha2 is accepted, which means there is an influence of motivation on performance. employees partially and the results of the F test of compensation and motivation simultaneously on employee performance show that the F count > F table value is significant < 0.05, namely 18,767 > 4.047 and the significant value is 0.000 < 0.05, so it can be concluded that H0 3 is rejected and Ha 3 is accepted, which means there is a simultaneous influence of compensation and motivation on employee performance. Based on the results of the coefficient of determination, the Adjusted R Square value is 0.444 or 44.4%. This means that the compensation variable (X1) and motivation variable (X2) are able to explain the magnitude of the influence on the Employee Performance variable (Y), namely 44.4%, while the remaining 63.6% can be influenced by other variables.

**Keywords:** Compensation, Motivation, Performance.

## A. INTRODUCTION

In the Big Indonesian Dictionary (KBBI) management is the effective use of resources to achieve targets. Apart from that, another meaning of management is a leader who is responsible for the running of a company and organization. Applying management knowledge in everyday life cannot be practiced without understanding what management is. The general understanding of management science must be understood so that it can be implemented well.

In general, management is a process where someone can organize everything that is done by an individual or group. Management needs to be carried out to achieve the goals or targets of the individual or group cooperatively using available resources.

From this understanding, management science can be interpreted as the ability to organize things so that the goals to be achieved can be met. Actually, this often happens in real life. Apart from that, management can also be interpreted according to its etymology. Management means the art of organizing and executing, based on ancient French. Management can also be interpreted as an effort to plan, coordinate and arrange existing resources in order to achieve goals effectively and efficiently.

Human resources management is a series of organizational activities directed at attracting, developing and retaining an effective workforce. Managers have a big role in directing people in the organization to achieve the expected goals, including thinking about how to have human resource management (HRM) that is able to work effectively and efficiently. Indeed, it has become the general goal of the HRM department to be able to provide maximum job satisfaction to company management which is further able to have an impact on company value, both in the short and long term.

Human resources are one part of the progress of development science and technology as well as management science which focuses more on regulating or managing the role of human resources in organizations.

In the current era of globalization, a person's ability or human resources to manage or regulate themselves within the organizational structure or manage other human resources if the person is a superior is very important in order to obtain competent human resources. Due to advances in time and technology, every human resource is demanded in such a way, but these demands must be balanced by providing compensation in accordance with the employee's responsibilities.

By controlling good human resources, good performance will also improve. In a job there are various tasks that explain what efforts are made and how people carry out these efforts to achieve specific goals and the company must be able to improve the company's performance. The quality and quantity of work results achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. Employee performance is very important for the overall success of a company, so business owners need employees who are able to complete work effectively. Managers need to understand the key benefits of employee performance so they can develop consistent and objective methods for evaluating employee performance.

Employee performance is a description of the level of achievement of the implementation of an activity or program or policy in the goals, objectives, mission and vision of an organization as stated in an organization's strategic planning. According to

Mangkunegara (2015:67), performance is generally divided into two, namely individual and organizational performance. Individual performance is the result of employee work both in terms of quality and quantity based on predetermined work standards, while organizational performance is a combination of individual performance and group performance.

The decline in employee performance that occurred at the company PT. This Indonesian Culinary Master has attached some target data and production realization which occurred due to a lack of attention to improving the quality, quantity and timeliness of service desired by customers. This is illustrated by the many mistakes made by employees when producing customer orders which were not realized, when the staff Production conducted a performance evaluation on employees and it was found that the cause of the decline in performance was due to employees being tired due to work stress, which affected the employee's work environment.

Based on the problems above, the author limits the problem only to the variables of Compensation, Motivation and Employee Performance, so the author is interested in conducting research entitled "The Influence Of Compensation And Motivation on The Performance of PT Master Kuliner Indonesia Employees In Sawangan Depok".

## **B. LITERATURE REVIEW**

### **1. Management**

The definition of management is the science and art of managing the process of utilizing human resources and other resources effectively and efficiently to achieve a certain goal. Management is a science as well as the art of making other people willing to work to achieve goals that have been formulated together, therefore management requires basic concepts of knowledge, the ability to analyze situations, conditions, existing human resources and think of appropriate ways to carry out mutual activities. related to achieving goals. In essence, human activity in general is managing (managing), here we need an art, how other people need work to achieve common goals.

The definition of management is a series of processes that include planning, organizing, implementing, supervising, evaluating and controlling activities in order to empower all organizational/company resources, including human resources (human resource capital), capital (financial capital), material (land, natural resources or raw materials), as well as technology optimally to achieve organizational/company goals.

Management is needed by individuals or groups of individuals, business organizations, social organizations or government organizations to organize and plan everything to obtain optimal results in the future. Management is needed by everyone, because without good management, all efforts undertaken will be less successful. In its development, the management process is a strategic step which is also the benefit of the management. To achieve organizational goals, managers therefore need to maintain a different balance, namely stakeholder demands and employee demands.

Every organization certainly has one or more goals that determine direction and form a view of the management elements within that organization. Of course, the goal to be achieved later is a condition that is better than the condition at the beginning. In its development, management was used to control the organization.

An organization can be defined as a group of people who work together to achieve predetermined goals. Within the organization there is a need for cooperation or assistance from others. The success of an organization is determined, among other things, by the ability of the leader/manager to organize this collaboration. The activities of leading, organizing, managing, controlling, developing organizational activities are organizational activities which are management activities.

## **2. Human Resources Management**

"Human resource management is a procedure for managing people in an organization so that they can play their role effectively and efficiently. Management consists of six (6M) elements, namely: Men, Money Method, Material, Machine, and Market. The human element (Men) developed into a field of management science called human resource management. The following are experts' opinions regarding the meaning of human resource development. According to Hasibuan (2014:10) "that human resource management is the science and art of managing the relationships and roles of the workforce so that they are effective and efficient in helping to realize the goals of the company, employees and society." Meanwhile, according to Mangkunegara (2013:2), human resource management is "planning, organizing, coordinating, implementing and supervising the procurement, development, provision of services, integration and separation of workforce in order to achieve organizational goals".

And the view of Rivai and Sagala (2013:18) "States that human resource management is one of the areas of general management which includes aspects of planning, organizing, implementing and controlling, human resources in an organization".

## **3. Compensation**

Compensation is a form of remuneration provided by a company to its employees for all the work the employee has done for the company where he works and this remuneration has a value that can be used by the employee. So it can be said that compensation is an element that influences all activities within a company and determines the success or failure of the company in the future.

According to Wibowo (2016: 289), "compensation is an achievement counter to the use of energy or services provided by the workforce". A person works by giving his time and energy to the organization and as a counter to his achievements, the organization provides rewards or compensation which can vary greatly in form. The system used by the organization to provide these rewards can influence employee work motivation and job satisfaction. So providing compensation aims to provide rewards for what has been done, so that employees are motivated to improve performance. Meanwhile, Hasibuan (2017:19) states "compensation is all income in the form of money, goods, both directly and indirectly, received by employees as compensation for services provided to the company."

According to Sedarmayanti (2017:173) that "compensation is everything an employee receives as remuneration for their contribution to the company/organization. In the form of money, direct or indirect goods received by employees as compensation for services provided to the company."

Referring to the expert opinion above, compensation is defined as everything an employee receives as remuneration, both financial and non-financial, because the

employee has participated in providing contributions in the form of energy and thoughts for the progress of the organization.

Compensation Indicators According to Hasibuan (2012:86) "are as follows:

- 1) Wages  
These are rewards given directly to employees based on hours worked.
- 2) Allowance  
Is compensation given to certain employees as a reward for their sacrifices.
- 3) Position Promotion  
Transfer of employees from a position or position, to a higher position or position with greater salary, facilities, responsibilities and opportunities.
- 4) Health Guarantee  
Health Insurance is a social security program implemented nationally based on social insurance principles and equity principles with the aim of ensuring that employees receive health care benefits and protection in meeting basic health needs.

#### 4. Motivation

Work motivation comes from the Latin word *movere*, which means encouragement or movement. Motivation in management is only aimed at human resources in general and subordinates in particular. Motivation questions how to direct the power and potential of subordinates so that they are willing to work together productively and successfully achieve the goals that have been set.

According to Nimran and Amrullah (2015:116) "motivation is a formation of behavior that is characterized by forms of activity or activity through psychological processes, both influenced by intrinsic and extrinsic factors, which can direct it in achieving goals."

This understanding means that a person is directed towards certain behavior through stimulation from within and from outside. Stimulation from within usually arises based on educational background, experience and needs. Meanwhile, external stimulation can be driven by leadership factors, co-workers, work environment, compensation, and similar forms.

According to Hasibuan (2014:141), "motivation is the mobilization of enthusiasm for someone's performance so that they are willing to cooperate, work effectively, and integrate to achieve satisfaction." Bangun (2012:312) "defines motivation as a condition that encourages people to carry out their duties in accordance with their function in the organization".

Indicators according to David Mc.Clelland's in Hasibuan (2013:162), "the motivation indicators are as follows:

- a) There are allowances  
Employee benefits are payments and services that protect and supplement the base salary, and the company pays all or part of the benefits.
- b) There is mutual assistance in work  
The relationship between employees and other employees also really needs to be a horizontal relationship, namely a relationship that is coordination and cooperation in carrying out tasks. Relationships between employees and employees are very necessary in order to create coordination, common perception, discuss and exchange opinions, mutual assistance between fellow employees in carrying out their duties.
- c) There is a career path  
A career ladder is a path that an employee takes to advance to a higher level and greater responsibility.



## 5. Employee Performance

"According to Safrizal et al (2014: 14) performance is a description of the level of achievement in implementing an activity/program, policies in realizing the goals, objectives, vision and mission of an organization as stated in an organization's strategic planning.

Performance according to Nawawi (2016:43) "is the success that individuals can achieve in carrying out their work, where the measure of success achieved by individuals is not equated with other individuals." The success achieved by individuals is based on applicable standards and in accordance with what they have done. Performance is the result of work that is concrete, observable and measurable. So performance is the result of work achieved by employees in carrying out their duties based on predetermined measures and time.

From several expert opinions it can be concluded that employee performance is the result of work carried out by someone in an organization in order to achieve the desired organizational goals and minimize all forms of loss.

Performance indicators according to (Wirawan, 2012: 5) "namely:

- a) Focus on the target  
Targets and goals will be difficult to achieve or even unattainable if we are not focused on achieving them. Focus on achieving your dreams is the main capital you need to have. So if we focus on our targets and goals, we will find many ways in each process.
- b) Have a commitment to quality.  
Quality is an important element, because the quality produced is a strength in maintaining customer loyalty.
- c) Timely Work.  
Timely work ensures certainty of distribution and delivery of work, this is capital to create customer trust.
- d) Transparent and accountable  
Not only must it meet targets, quality and on time but it must also be done in a correct, transparent and accountable manner."

## C. RESEARCH METHODOLOGY

The type of research used in this research is quantitative research by searching for problems faced by companies regarding employee performance from the influence of Work Compensation and Work Motivation. According to Sugiyono (2019:16) "quantitative research methods can be interpreted as research methods that are based on the philosophy of positivism, used to research certain populations or samples, use data, use research instruments, quantitative/statistical data analysis with the aim of testing hypotheses has been established". This research was conducted at PT Master Kuliner Indonesia whose address is Ruko Citra Lake Sawangan, Blk. D - E No.18, Kedaung, Sawangan, Depok City, West Java 16516, Indonesia, Depok City, West Java, 16516.

The population of this research is employees at PT Master Kuliner Indonesia who are the research subjects, consisting of 50 (fifty) employees. The sample used in this research was the total population of 50 employees. The sampling technique used is the Saturated Sampling technique (Nonprobability Sampling). According to Sugiyono (2019:133) saturated sampling is a sampling technique when all members of the population are used as samples." Data collection was carried out by means of

documentation, interviews and questionnaires. Data analysis techniques use multiple linear regression, partial hypothesis testing and simultaneous hypothesis testing.

## **D. RESULTS AND DISCUSSION**

### **1. The Effect of Work Compensation on Employee Performance**

The hypothesis is in accordance with the research results on the Work Compensation variable ( $X_1$ ), namely  $H_1$ : there is an influence of Work Compensation on employee performance at PT Master Kuliner Indonesia which is based on the results of the multiple linear regression test, showing the constant value  $Y = 13.287 + 0.150X_1 + 0.391X_2 + 0.05E$  which can be interpreted as work compensation value ( $X_1$ ) = 0.150 positive value and direct change, where if employee work compensation increases one unit, it will be followed by an improvement in employee performance with the same amount. Looking at the results of the t test (partially) showing the value of  $t_{count} > t_{table}$  value and significance  $< 0.05$ , namely  $3.860 > 2.011$  and the significant value is  $0.000 < 0.05$ , it can be concluded that  $H_{01}$  is rejected and  $H_1$  is accepted, which means there is an influence of compensation. Partial work on employee performance.

In previous research, the results of which were the same as this research, namely in a journal written by Komarudin in 2018 with the research title "The Influence of Compensation on Employee Performance at PT. Trans Retail Indonesia (Carrefour), Lebak Bulus, South Jakarta" whose research results are; Work Compensation partially influences performance

### **2. The Influence of Work Motivation on Employee Performance**

The hypothesis is in accordance with the research results on the Work Motivation variable ( $X_2$ ), namely  $H_2$ : there is an influence of Work Motivation on employee performance at PT Master Kuliner Indonesia, based on the results of the multiple linear regression test, showing the constant value  $Y = 13.287 + 0.150X_1 + 0.391X_2 + 0.05E$  which can be interpreted as work motivation value ( $X_2$ ) = 0.391 positive values and unidirectional changes, where if employee work motivation increases one unit, it will be followed by an increase in employee performance with the same amount. Looking at the results of the t test (partially) showing that the  $t_{count} > t_{table}$  value is significant  $< 0.05$ , namely  $2.955 > 2.011$  and the significant value is  $0.000 < 0.05$ , it can be concluded that  $H_{02}$  is rejected and  $H_2$  is accepted, which means there is an influence of Work Motivation partial impact on employee performance.

In previous research, the results of the research were the same as this research, namely in a journal written by Gatot Kusjono, Putri Ratnasari in 2019 with the research title "The Influence of Motivation and Compensation on Performance" where the conclusion of this research was that work motivation was the most important variable. dominant over employee performance. This can be interpreted as increasing employee performance seen from the way the company is able to provide motivation to employees.

### **3. Simultaneous Influence of Work Compensation and Work Motivation on Employee Performance**

The hypothesis is in accordance with the research results on the Employee Performance variable ( $Y$ ), namely  $H_3$ : there is an influence of work compensation and work motivation on employee performance at PT Master Kuliner Indonesia which is based on the

results of the multiple linear regression test, showing the constant value  $Y = 6,950 + 0.450 X_1 + 0.373$  constant and positive.

Based on the results of the coefficient of determination test above, it shows the ability of the independent variable in explaining the dependent variable which can be seen through the Adjusted R Square value. So the results of the coefficient of determination show an Adjusted R Square value of 0.444 or 44.4%. This means that the Work Compensation variable ( $X_1$ ) and the Work Motivation variable ( $X_2$ ) are able to explain the magnitude of the influence on the Employee Performance variable ( $Y$ ), namely 44.4%, while the remaining 63.6% can be influenced or explained by the variables. other variables outside the testing model of this research, while looking at the results of the  $F_{test}$  (simultaneously) shows the  $F_{count} > F_{table}$  significant value  $< 0.05$ , namely  $18,767 > 4.047$  and the significant value is  $0.000 < 0.05$ , it can be concluded that  $H_{03}$  is rejected and  $H_3$  is accepted, which means that there is an influence of Work Compensation and Work Motivation on employee performance simultaneously.

In previous research, the results of the research were the same as this research, namely in a journal written by Rukini in 2017 with the research title "The Influence of Compensation and Motivation on Employee Performance at CV Roda Jati Karanganyar" where the results of the research showed that, Work Compensation and Motivation Partial work has a significant influence on employee performance. Simultaneous test results show that Work Compensation and Work Motivation together or simultaneously have a significant influence on employee performance at CV Roda Jati Karanganyar.

## E. CONCLUSIONS AND SUGGESTIONS

Based on the research results and discussions that have been described, the conclusions of this research are as follows:

1. Compensation has a positive and significant effect on the performance of PT employees. Indonesian Culinary Master. This can be seen from the results of the  $t$  test, where  $t_{count} > t_{table}$ , namely  $3,860 > 2.011$ . With a significance value (sig) of  $0.000 < 0.05$ . So this shows that if the compensation given increases, employee performance will increase significantly. Conversely, if the compensation given is lower, employee performance will decrease significantly.
2. Motivation has a positive and significant effect on the performance of PT employees. Indonesian Culinary Master. This can be seen from the results of the  $t$  test, where  $t_{count} > t_{table}$ , namely  $2.955 > 2.011$ . With a significance value (sig) of  $0.011 < 0.05$ . So this shows that if the motivation provided increases, employee performance will increase significantly. Because if motivation increases it will make employees enthusiastic about achieving the goals the company wants to achieve.
3. There is an influence of compensation and motivation on employee performance at PT. Indonesian Culinary Master, based on the results of the  $F$  test (simultaneously) which shows the  $F_{count} > F_{table}$  value and significance  $< 0.05$ , namely  $18,767 > 4.047$  and the significant value, namely  $0.000 < 0.05$   $H_0$  is rejected and  $H_a$  is accepted, meaning that the Compensation variable ( $X_1$ ) and Motivation ( $X_2$ ) together (simultaneously) have a positive and significant effect on performance. Judging from the results of the determination test, it shows that the Adjusted R Square value is 0.444 or 44.4%, which means that the compensation and motivation variables are able to explain the magnitude of the influence on employee performance variables of 44.4% while the remaining 63.6% is determined by other variables.



Based on the research results obtained, the suggestions that the author wants to convey are:

1. Compensation ( $X_1$ ) The statement with the lowest score on the wage indicator can cause a decrease in employee performance. To make it better, companies provide wages to employees according to the employee's workload.
2. Motivation ( $X_2$ ) is the statement with the lowest score on the indicator of lack of mutual assistance in work. Therefore, leaders must control their employees so that there is good cooperation between employees.
3. Employee Performance (Y) The statement with the lowest score on the indicator has a commitment to quality. Therefore, every employee must set an example in completing all tasks on time in accordance with the targets desired by the company

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