

The Influence of Satisfaction and Compensation on Employee Performance at Hotel Peninsula Palembang

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Abstract

The objective of this study is to analyze the effect of satisfaction and compensation on employee performance at Hotel Peninsula Palembang. The data collection technique in this study was by questionnaire and obtained a total sample of 55 employees. The data analysis used is multiple linear regression analysis model. The test results indicate that satisfaction (X_1) has a significant effect on employee performance (Y). While compensation (X_2) partially significant effect on employee performance (Y). The test results also show that satisfaction (X_1) and compensation (X_2) simultaneously have a significant effect on employee performance. This research is expected to be taken into consideration by the company to improve the performance of its employees.

Keywords: Compensation, Performance, Satisfaction

1. Introduction

Every company is required to have good management. Good company management can increase the effectiveness of the company so that it is able to compete with other companies. Human resources which is one of the important factors and has the right role in a company. Managers should understand that success in improving performance and productivity must involve employees because employees are one of the main sources of power to increase the goals of the company to be achieved.

Rivai and Sagala (2013) that satisfaction is an evaluation that describes a person's feelings of being happy or unhappy, satisfied or dissatisfied at work. Widodo (2015) that job satisfaction is a pleasant psychological condition or employee feelings that are very subjective and very dependent on the individual concerned and his work environment and job satisfaction is a multidimensional concept, he can use attitudes as a whole or refer to one's job.

There is motivation from the organization in the sense of giving motivation or encouragement to employees. Providing motivation is a process of motivating employees in such a way that they work sincerely. Motivation is a power within a person that will influence the intended direction, intensity, and sustainability of voluntary actions to realize the goals that have become common goals. And it can be seen clearly that the organization will succeed in achieving its goals and objectives if all components of the organization try to display optimal performance, one of which is by providing good motivation (Deni Wicaksono 2020).

The relationship between satisfaction and employee performance compensation is that if the compensation in the form of a salary given is large enough it can improve employee performance to be optimal. Compensation is very important for employees because the size of compensation will affect job satisfaction and performance (work performance) of employees. Thus, increasing employee performance will improve individual, group, and organizational performance (Hardiyana 2013).

This research was conducted at the Peninsula Hotel Palembang, this company is engaged in services in the city of Palembang. This company evaluates employee performance every month

or quarter (three months) at the most with the aim of knowing the progress of achievement as well as the employee's character based on observations while the performance every month or at the latest three months varies, sometimes high and sometimes low. but overall there is a decrease. The performance of the employees of the Peninsula Palembang Hotel in general has decreased due to the compensation that is still low and not in accordance with the UMR of the city of Palembang. The company is still considered to have not fulfilled the wishes of employees and the provision of compensation that is not on time from a predetermined time. And the satisfaction of employees at the Peninsula Hotel Palembang is still not good, marked by employees who work only to carry out work and do not think about the targets set by the company. How can employees have good performance while the compensation received is not appropriate, employee performance can be improved through increased compensation because with the compensation provided by the company to employees, employees will be more optimal in completing work.

2. Literature Review

2.1 Satisfaction

According to Handoko (2014) that satisfaction is a pleasant or unpleasant emotional state with employees looking at their work. Rivai and Sagala (2013) that satisfaction is an evaluation that describes a person's feelings of pleasure or displeasure, satisfaction or dissatisfaction at work.

Widodo (2015) that job satisfaction is a pleasant psychological condition or employee feelings that are very subjective and very dependent on the individual concerned and the work environment, and job satisfaction is a multidimensional concept (many dimensions).

According to Davis in Mangkunegara (2007) job satisfaction is related to variables such as job level and organization. Job satisfaction is measured by company-based indicators, namely:

1. Work in the right place
2. Opportunity to advance
3. Leadership
4. Management
5. Working conditions

2.2 Compensation

According to Hasibuan (2002) that compensation is income in the form of money, goods directly or indirectly received by employees as compensation or services provided to the company.

Flippo argues that compensation is fair and proper remuneration given to workers for their services in achieving organizational goals. Meanwhile, Mathis and Jackson (2006) explain that compensation is an important factor that influences how and why people choose to work in an organization over other organizations.

Direct financial compensation, direct financial compensation consists of: payments received in the form of wages, salaries, bonuses, commissions.

Indirect financial compensation, this compensation is also referred to as allowances covering all financial rewards that are not included in direct compensation.

Non-financial compensation (non-financial compensation), is the satisfaction that a person gets

from the job itself or from the psychological and/or physical environment in which that person works

2.3 Employee Performance

According to Syamsir (2018) Performance is a record of the results produced from certain position functions or activities during a certain period of time. Performance achievement is a process that requires a number of resources (resources) such as money, people, tools, time and so on. Thus what is meant by performance or performance is the level of achievement of policies or activities by using a number of resources in achieving predetermined organizational goals.

According to Bintoro and Daryanto (2017: 106) said that employee performance is the result or level of success of employees as a whole during a certain period in carrying out tasks compared to various possibilities such as work standards, targets or goals or predetermined criteria that have been mutually agreed upon. Hamali (2016: 98) argues that performance is the result of work that has a strong relationship with the organization's strategic objectives, customer satisfaction, and contributes to the economy. Performance is about doing the work and the results achieved from the work. Performance is about what is done and how to do it.

According to Robbins (2006: 260) There are five indicators to measure the performance of individual employees as follows:

1. Quality, the quality of work is measured by employee perceptions of the quality of the work produced and the perfection of tasks on the skills and abilities of employees.
2. Quantity, the amount produced is expressed in terms such as the number of units, the number of activity cycles completed.
3. Timeliness., is the level of activity completed at the stated time, seen from the point of coordination with output results and maximizing the time available for other activities.
4. Effectiveness, is the level of use of organizational resources (energy, money, technology, raw materials) is maximized with the intention of increasing the results of each unit in the use of resources.
5. Independence, is the level of an employee who will be able to carry out his work function Work commitment. Is a level where employees have a commitment to work with agencies and employee responsibilities towards.

3. Research Method

This study only covers the effect of work stress, work environment, work motivation and work discipline on the performance of the employees of Hotel Peninsula Palembang. According to Sujarweni (2015) data collection techniques are methods used by researchers to capture or capture information from respondents according to the scope of research. Data collection techniques in this study were carried out using questionnaires. This research questionnaire is to collect data from respondents to test the variables of Satisfaction and Compensation on Employee Performance at Hotel Palembang. The scale of measurement in this study uses a Likert scale. With a Likert scale, the variables to be measured are translated into variable indicators.

The sample in this study were 55 employees of Hotel Peninsula Palembang. The data analysis technique used by researchers in processing data is quantitative data analysis.

To find out how far the influence of satisfaction and compensation on employee performance at the Peninsula Hotel Palembang, statistical analysis techniques with SPSS are used, where the statistical formula used is Linear Multiple Regression, namely:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Keterangan :

- Y = Employee performance
 X_1 = Satisfaction
 X_2 = Compensation
a = konstanta
 b_1, b_2 = Variable Regression Coefficient X
e = error term

4. Findings and Discussions

4.1 Validity and Reliability Test Results

The validity test was carried out by comparing the value of rcount with rtable for a significance of 5% of the degree of freedom (df) with the formula $df = n - 2$. If the value of rcount > rtable is obtained, the instrument item can be said to be valid however, if the price is rcount < rtable then it is said that the instrument is invalid.

According to Suharsimi (2017: 213) Reliability indicates an understanding that an instrument is quite reliable, so it is reliable. The reliability test in this study used SPSS with the alpha method. SPSS provides a facility to measure reliability with the Cronbach Alpha (α) statistical test.

Table 1. Reliability test results

Variabel	<i>Cronbach's Alpha</i>	N of Items	Cut off	explanation
Satisfaction (X_1)	0,929	9	0,6	Reliable
Motivation (X_2)	0,928	12	0,6	Reliable
Employee performance (Y)	0,879	7	0,6	Reliable

Based on table 1, it can be seen that the 28 questions asked in this study had a Cronbach's Alphay value of more than 0.6 so that it can be said that all measuring variables in the questionnaire were reliable, which meant that the questionnaire used in this study was a good questionnaire.

Normality Test Results

The normality test aims to determine whether the observations are normally distributed or not, this test uses the Kolmogorov Smirnov. The normality test results can be seen in the table below:

Table 2. Normality test results

Unstandardized Residual		
N		55
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	3,13417519
	Absolute	,099
Most Extreme Differences	Positive	,057

	Negative	-,099
Kolmogorov-Smirnov Z		,733
Asymp. Sig. (2-tailed)		,656

4.2 Statistical test results t

The t statistical test is used to determine whether or not there is an influence of each individual variable on the dependent variable tested at a significance level of 0.05. If the sig. smaller than 0.05 and the value of $t_{count} > t_{table}$ then H_0 is accepted and H_a is rejected. The results of the t statistical test can be seen in the following table:

Table 3. t test results

Model		Unstandardized Coefficients		Standardize Coefficients	Sig.
		B	Std. Error	Beta	
	(Constant)	22,915	2,293		,000
1	Satisfaction	,182	,049	,4413,690	,001
	Compensation	,131	,063	,248	,043
				2,078	

Based on table 3 the results of the t test obtained a t_{count} value of $3.690 > t_{table} 2.006$ and a significant value of $0.001 < 0.05$, which means that there is a significant influence between Satisfaction on Employee Performance at the Peninsula Palembang Hotel. In the Compensation variable (X2) it is found that the t_{count} value is $2.078 > t_{table} 2.006$ and a significant value is $0.043 < 0.05$, which means that there is a significant effect between compensation on the performance of Palembang peninsula hotel employees

4.3 F Test Results

This test is based on the hypothesis and criteria that have been determined previously. Based on this, the effect test of Satisfaction and Compensation simultaneously (simultaneously) has a significant influence on Employee Performance is as follows:

Table 4. F test results

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	183,664	2	91,832	9,00	,000 ^b
1	Residual	530,445	52	10,201	2	
	Total	714,109	54			

Based on the results of the F statistical test using analysis of variance or ANOVA it can be seen

that $F_{\text{count}} 9.002 > F_{\text{table}} 3.18$ and a significance value ($0.000 < 0.05$) which means significant, it can be concluded that the variables Satisfaction (X1) and Compensation (X2) simultaneously (simultaneously) has a significant influence on the variable Employee Performance (Y).

5. Conclusion

Based on the results of research that has been conducted at the Peninsula Palembang Hotel regarding the Effect of Satisfaction and Compensation on Employee Performance on the Palembang Peninsula Hotel Employees, the following conclusions can be drawn:

Partially Satisfaction (X1) of Peninsula Hotel Palembang employees contributes positively and significantly to Employee Performance (Y), this is indicated by the t-count value greater than t-table ($3.690 > 2.006$), with a probability value (0.001) smaller from a significant level of 0.05.

Partially Compensation (X2) of Peninsula Hotel Palembang employees contributes positively and significantly to Employee Performance (Y), this is indicated by the t-count value greater than t-table ($2.078 > 2.006$), with a probability value (0.043) smaller from a significant level of 0.05.

Job satisfaction and compensation have a significant simultaneous effect on the performance of the employees of the Peninsula Hotel Palembang, this is indicated by the F-count value greater than F-table ($9.002 > 3.18$), with a probability value (0.000) smaller from a significant level of 0.05.

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