

Employee Performance in Terms of Compensation and Work Motivation

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ABSTRACT

This study aims to determine and analyze the effect of compensation and work motivation on employee performance at Santika Pekalongan Hotel. The population of this study were employees of the Santika Pekalongan hotel with a total of 73 respondents. The sampling technique in this study used a census. This analysis includes validity, reliability, multiple linear analysis, t test, f test, coefficient of determination analysis. The results of this study indicate that compensation (X1) has a positive but not significant effect on employee performance, work motivation (X2) has a positive and significant effect on employee performance.

Keywords: Compensation, Work Motivation, Employee Performance.

INTRODUCTION

Tourism is a travel activity carried out temporarily from the original place of residence to the destination area with the reason not to settle down or make a living but only to fulfill curiosity, spend free time or holidays and other purposes.(Revelation, 2020)

Pekalongan City is one of the centers of economic growth in Central Java, which is bordered by the Java Sea to the north, Batang Regency to the east, and Pekalongan Regency to the south and west. The city is located on the Pantura Route which connects Jakarta-Semarang-Surabaya. Pekalongan is 101 km west of Semarang, or 384 km east of Jakarta. Pekalongan is known as the city of batik, because Pekalongan batik has a distinctive and varied style.

The development of tourism in Pekalongan can be said to be advanced, especially after UNESCO designated Pekalongan as one of the world's creative cities in 2010. The tourism sector has been designated as a national leading business capable of spurring economic growth such as opening up job opportunities in the tourism sector and opening upstream business opportunities. downstream tourism activities. The designation of tourism as a leading business in Indonesia is in line with the report of The World Travel and Tourism Council, which states that

Indonesia is a country with the best tourism growth when compared to G20 member countries.(Widiati & Permatasari, 2022)

In line with the shift in tourism, economic development has also experienced a shift. The economic shift started from the agricultural economy, then shifted to industrial economy, and is currently experiencing a shift towards the information economy and creative economy.(Adha et al., 2020). Since the 1990s the world economy has begun to shift towards an economy supported by creativity in the term creative economy through creative industries(Prime & Utami, 2022). Developed countries are starting to realize that the economy can no longer rely on industry, but instead relies on creative human resources(Halim, 2020). The current development of the economic and business world has undergone a paradigm shift, namely from a resource-based economy to a knowledge and creativity-based economic paradigm or what is then referred to as the creative industry.

The City of Pekalongan has made efforts to bring in tourists through the development of Pesindon Batik Village, Kauman Batik Village, and the Batik Museum which, apart from selling works from the creative batik industry, also provide opportunities to learn batik for tourists. The procurement of Pesindon Batik Village, Kauman Batik Village, and the Batik Museum

can become a tourist attraction that has uniqueness and cultural value that can become a target or tourist destination in creative tourism in Pekalongan City. However, fulfilling the need for services while tourists are in tourist destinations cannot be separated from the existence of accommodation services.

Accommodation in tourism is anything that is provided to meet someone when traveling. Accommodation can be a place where a tourist can stay, rest, eat, drink, bathe, etc (Samalam et al., 2016). One of these accommodation services include lodging and restaurants. Tourism is expected to enable visiting tourists to spend their money to meet their needs during their visit, so that this accommodation will make more money circulating in tourist destinations. The accommodation is inseparable from the existence of hotels in Pekalongan City itself. The number of hotels in Pekalongan City is 28, consisting of four 3-star hotels (***), one 2-star hotel (**), one 1-star hotel (*) and 22 jasmine hotels, while the number of restaurants and restaurants is 74 units. One of them is Hotel Santika Pekalongan.

Hotel Santika Pekalongan is included in the Santika Indonesia Hotels & Resorts group, one of the hotel groups in Indonesia and managed by PT. Grahawita Santika, a business unit of the Kompas Gramedia Group. PT. Grahawita Santika was established on August 22, 1981. Santika Indonesia Hotels & Resorts has more than 40 hotels spread throughout Indonesia. Since 2006, Santika Indonesia Hotels & Resorts has changed its strategy based on market segmentation by dividing several brands into The Royal Collection, Hotel Santika Premiere, Hotel Santika and Amaris Hotel.

Hotel Santika is a brand for the three-star property Santika Indonesia Hotels & Resorts. Currently, Santika Indonesia Hotels & Resorts has 15 properties spread across Indonesia. One of them is Hotel Santika Pekalongan, the 88th hotel in the Santika Indonesia Hotels & Resorts group, which is located at Jalan Gajah Mada Barat. No. 7A, Kramatsari, Kec Pekalongan Barat, Kota Pekalongan, a hotel with an elegant and modern design that has 10 floors and 109

rooms consisting of various types and has other supporting facilities, Hotel Santika has 74 employees who contribute to it.

Employees are one of the most important human resources in a company. Human resources are the main key that must be considered with all their needs in every company activity. This is because humans are one of the important resources in the organization / company (Hadiantini, 2017). Human resources are the spearhead that will determine the success of the company's activities. Therefore companies must understand to create high quality employees and will provide good performance for the company.

Performance is the achievement of a person who is obtained from motivation and ability as well as support from the work itself (Octafian & Nugraheni, 2022). the company must try to understand what the employee wants so that the performance of an employee is good but in reality there is still a lack of employee work discipline and employee performance is considered not optimal. With good employee performance, it is hoped that the company will be able to compete with other companies so that it can be recognized that the company has quality performance (Octafian, 2020). Employee performance can be increased through increased compensation and work motivation, especially during a pandemic like this, many employees need high motivation and enthusiasm to be able to continue to provide the best for the company.

Work motivation is something that creates enthusiasm or encouragement to work. (Maria et al., 2021), with a motivated employee who will be energetic and enthusiastic and vice versa an employee with low motivation will often display discomfort as well as a lack of understanding of the company in creating work motivation which causes a decrease in employee motivation due to the too high workload given, as has happened at Hotel Santika Pekalongan there is a decrease in motivation in every employee, the decrease in motivation in every employee is influenced by circumstances or the surrounding environment and also factors from each of them.

Basic compensation is necessary to maintain employees with a decent standard of living, but compensation also provides a tangible measure of an individual's value to the company (Octafian, 2020). Compensation is a strategic human resource function that has a significant impact on other human resource functions (Rizal et al., 2013). Compensation attracts the attention of employees and provides information or reminds of the importance of something being compensated compared to others, compensation also increases employee motivation towards performance measures, thus helping employees allocate employee time and effort. The compensation given to employees also greatly influences the level of job satisfaction and work motivation, as well as work results (Mankunegara, 2007). Each individual has a different level of satisfaction according to the value system that applies to him. Employees will give their best if their wishes match their expectations, so that employee satisfaction will be fulfilled and their performance will also increase. The existence of several departments in one hotel with different duties and responsibilities also results in some differences in work culture between one department and another or one individual with another individual which makes working time different and there are some employees who have to work extra time and Must have a high sense of loyalty to the company.

Professional employees are employees who are able to complete their work properly and correctly, employees are the main resource in the company, they act as managers, thinkers, and play an active role in the company's business, apart from these tasks, they are individuals with various needs in life. This company is able to provide compensation to its employees, if they are prospered by the company it will have an impact on employee performance satisfaction, if the compensation from the company provided to employees is not in accordance with hours and workload, it will have an impact on decreasing employee performance.

Other research was also conducted by Rohendi (2011) which states that there is an influence between motivation on employee performance at the regional drinking water company (PDAM) in Gianyar Regency. This means that the higher the motivation of employees at work will be able to spur enthusiasm and enthusiasm of employees at work so that it can also improve performance.

Research conducted Sukidi & Wajdi (2017) states that there is a positive influence between employee motivation and performance in manufacturing companies in East Java. If employee performance appraisal is carried out properly, in an orderly and correct manner, it will be able to help increase the motivation of the employees in it. If this happens it will benefit the company itself. Therefore performance appraisal needs to be done formally with the criteria set by the company objectively.

Compensation is one way that can be provided by the company in the form of rewards to employees. Compensation can increase or decrease employee performance (Dhani & Susanti, 2019). Compensation for employees needs to get more attention from the company. Compensation must have a strong basis, true and fair (Anggraini, 2020). If compensation is felt to be unfair, it will cause disappointment to employees, so that good employees will leave the company. Therefore, in order to retain good employees, the compensation program is made in such a way that potential employees will feel valued and are willing to stay in the company. (Wijaya, 2016). The compensation given to employees aims to motivate them to improve performance in the company (Nurcahyani & Adnyani, 2016)

The question in this study is how the influence of compensation and motivation simultaneously or partially on employee performance. With the aim to determine the effect of compensation and motivation simultaneously or partially on employee performance.

METHOD

The fields that will be examined in this study are the sciences of hospitality, the field of hospitality economics in general which includes the field of human resources which focuses on the influence of motivation and the work environment on employee performance at Hotel Santika Pekalongan.

The research method used is a quantitative, factual, and accurate method with a questionnaire on respondents (employees) who will answer questions about compensation and work motivation on employee performance at Hotel Santika Pekalongan.

The data sources in this study are premier data and secondary data. The population is a generalization area consisting of objects that have certain quantities and characteristics determined by the researcher to be studied and then drawn conclusions (Sugiyono, 2016). The population in this study were all staff of Hotel Santika Pekalongan totaling 73 people. Which is also a sample, so this research is a census research.

RESULT and DISCUSSION

The results of the study show that there is a significant influence between compensation (X1) and motivation (X2) on employee performance at Hotel Santika Pekalongan, so that the proposed hypothesis can be accepted.

4.2.1 Effect of Compensation Variables on Employee Performance

The results of multiple linear regression calculations show that compensation has a positive effect on employee performance at Hotel Santika Pekalongan at a significant level of 5%. This shows a significant value in the Compensation variable of 0.12 or greater than 0.05 and a t count of 2.592 > t table of 1.666. so it can be said that the first hypothesis is accepted. Thus the Compensation Variable affects the Employee Performance of Hotel Santika Pekalongan.

Based on the results of the variable validity test, between the 2 dimensions of direct compensation and the dimensions of indirect compensation examined by 9 indicators, the

indicator of benefits outside of employee salaries is the indicator that has the most influence on employee performance, which is equal to 4.10

This shows that employees have positive responses and agree with statements related to indicators of benefits outside of employee salaries in the dimension of indirect financial compensation.

The results of the above research are in line with and support the research of I Wayan Kemara Giri (2005) entitled "Empirical Study of the Effects of Compensation and Work Motivation on Employee Performance" with the results of this study using regression analysis and it is known that the value of R² is 0.4454. So in this study 44.54% was influenced by compensation and employee motivation, while the remaining 55.46% was influenced by other factors not examined in this study.

4.2.2 The Influence of Motivational Variables on Employee Performance

Results Multiple linear regression calculations show that motivation has a positive and significant effect on employee performance at Hotel Santika Pekalongan at a significant level of 5%. This shows a significant value on the Motivation Variable of 0.00 or less than 0.05, t count 5.003 > t table 1.666. so it can be said that the second first hypothesis. With the Variable Motivation influencing the Employee Performance of Hotel Santika Pekalongan.

Based on the results of the variable validity test, among the 3 dimensions studied with 8 indicators, the indicator Always thinking about how to complete work with good results in the dimension of the need for affiliation is the indicator that has the most influence on employee performance, which is equal to 3.88

Meanwhile, the involvement indicator fosters a sense of responsibility in the dimension of the need for affiliation, which is the indicator that has the most influence on employee performance, namely 3.88

Results the research above is in line with and supports research from Larasati & Gilang (2014) with the results of research on work motivation variables simultaneously and partially having a positive and significant influence on the

performance of Witel Bekasi employees. The affiliation needs variable has the greatest influence on the performance produced by employees. This means that the greater the motivation for affiliation needs that are met, the greater the quality of performance produced by Witel Bekasi employees.

4.2.3 The Effect of Compensation and Motivation Variables on Employee Performance

Based on the results of the simultaneous significance test (F test) that F_{count} is 50.948 > F_{table} and the significance value is below 0.000 < 0.05, it is proven that there is a simultaneous effect of Compensation and Motivation together on Employee Performance at Hotel Santika Pekalongan.

As well as the results of multiple linear regression tests also show that the independent variables (Compensation and Motivation) in this study are feasible to use and are able to explain variations in the dependent variable (Employee Performance) of 58.1%, while the remaining 41.9% is explained by the variables other outside the model that is not described in this study.

Based on the validity test between the 2 dimensions studied with 6 indicators, the indicator of benefits outside of employee salaries is the indicator that has the most influence on

employee performance, which is equal to 4.10. Meanwhile, based on the results of the variable validity test, among the 3 dimensions studied with 8 indicators, the indicator Always thinking about how to complete work with good results in the dimension of the need for affiliation is the indicator that has the most influence on employee performance, which is equal to 3.88

The results of the above research are in line with and support the research Andico et al., (2013) which shows that compensation affects employee performance, motivation influences employee performance. In conclusion, all variables are significant and the desired data is valid.

4.2.4 The most influential variable on Employee Performance

Of the two independent variables studied, the variable that has the most influence on employee performance at Hotel Santika Pekalongan is motivation as evidenced by the beta coefficient value in the t test of 0.544, this is because the motivation factor in management is one of the most important factors in supporting increased employee performance, the results the research above is in line with the research Andico et al., (2013).

Motivation Variable has the greatest influence on Employee Performance at Hotel Santika Pekalongan compared to Compensation Variables.

CONCLUSION

Based on the results of the tests and discussions that exist, it can be concluded as follows:

- There is a positive influence between compensation variables on employee performance at Hotel Santika Pekalongan, so that the first hypothesis is accepted.
- There is a positive and significant influence between motivational variables on employee performance at Hotel Santika Pekalongan, so the second hypothesis is accepted.
- There is a positive and significant influence between the Compensation and Motivation variables on Employee Performance at Hotel Santika Pekalongan, so the third hypothesis is accepted.

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