

The Effect of Work Discipline and Compensation on Employee Performance in the Government Office

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ABSTRACT

This study aims to determine the effect of work discipline and compensation for employee performance partially and together. The independent variable used in this study is work discipline and compensation, while the dependent variable in this study is employee performance. This research was carried out in the South Kalimantan provincial government office. This type of research is explanatory, because it aims to examine the relationship between variables. The population of the Central Kalimantan provincial employment workforce (specifically Banjarmasin domicile) is around 307 people while the number of samples taken in this study is 173 bureaucrats. Based on the results of hypothesis testing, it can be concluded that the relationship between the variables of work discipline and performance variables is insignificant. Moreover, the relationship between compensation variables with performance variables are significant.

Keywords: Work Discipline, Compensation, Performance, Quality Job

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INTRODUCTION

Apparatus resources are one of the most important factors in a government institution besides other factors such as money or technology-based tools (computers and the internet). Therefore, the apparatus' resources must be managed properly to improve the effectiveness and efficiency of government organizations to realize employee professionalism in carrying out work. According to Badudu and Sutan in *General Dictionary of Indonesian Language*, the word *source* means the place where it came from or the power to improve ability, while the apparatus is the employee who works in the government. So, apparatus resources are abilities that employees have to do things (Badudu and Sutan, 1996). Thus, the source of the apparatus is ability that an employee has to do the work that has been charged. Considering its importance, the apparatus resources need to be managed and developed through the provision of education and training by the government. Discipline is used to motivate employees in carrying out work both individually and in groups. In addition, discipline is also useful to educate employees to adhere to and enjoy the rules, procedures, and policies that exist, so as to produce good performance. In Human Resource Management, it is known that the higher employee's discipline is, the higher the work performance is achieved. Without this discipline, it is difficult for organizations to achieve optimum results. Arianto (2013) stated that work discipline, work environment and work culture do not affect performance, but rather give positive effect on performance in jointly relation. On the contrary, Kurniasari (2014) states work environment and compensation have a significant effect on performance. From the background, the formulation of the problem can be taken:

1. Is there any influence between work discipline on employee performance?
2. Is there any influence between compensation for employee performance?

LITERATURE REVIEW

Work Discipline

There are many obstacles faced in the bureaucratic arrangement in Indonesia, especially those related to the problems of habits and actions of the State Civil

Apparatus (ASN). The behavior and actions of ASN sometimes raise problems in terms of governance, especially public services, so there is a need for regulations or rules about how an ASN acts, works and behaves. The regulation then gave birth to a kind of discipline that was full of ethics and legal norms. This form of discipline is stated in government law products such as Government Regulation Number: 11 of 1952 concerning Position Penalty, Government Regulation Number 6 of 1974 concerning Restrictions on the Activities of Civil Servants in Private Businesses, the latter being the issue of Government Regulation Number: 53 of 2010 concerning Employee Discipline Civil Affairs. This Government Regulation revokes Government Regulation Number: 30 of 1980 concerning Discipline Regulation of Civil Servants. The aim of the Government to issue this Regulation is to guarantee the Code of Conduct and the smooth running of duties of the Civil Servants or ASN itself, so that in carrying out its duties it can run as it should. The ultimate goal is the creation of prime public services in the frame of Indonesia's development.

Refuse to measure employee work discipline:

1. Compliance with working hours.
2. Compliance with instructions from superiors, as well as applicable regulations and rules.
3. Proper dress in the workplace with agency identification.
4. Use and maintain office materials and equipment carefully.
5. Work by following predetermined ways of working.

Compensation

Compensation is a complex and difficult thing, because it involves basic feasibility, logic, rationality, and can be accounted for and involves emotional factors from the aspect of labor. Compensation is given with the aim of providing stimulation and motivation to the workforce to improve work performance, as well as efficiency and effectiveness of production. Employee job satisfaction lies in one of the factors, namely compensation which is everything that the workforce receives as a reward for the work they have done (Rachmawati, 2008). Providing fair compensation to workers will have a positive impact for the company, including:

1. Encouraging employees to excel and work harder.
2. Enabling the company gets good quality workers.
3. Facilitating administrative processes and legal aspects.
4. Attracting qualified job seekers.
5. Creating advantage compared to competitors.

According to Husein Umar (2007), the concept of compensation is all that workers earn, whether in the form of salaries, wages, promotions, bonuses, benefits, medical care, insurance, etc., and the like, directly paid by the company. While Wibowo (2007) stated that the meaning of compensation is counter-achievement against the use of labor or services that have been provided by workers to the company.

According to Simamora (2004), indicators for measuring employee compensation are:

1. Wage or salary; it is the basis of payments that is often used for production and maintenance workers. Wage generally relates to hourly salary rates and salaries usually apply for annual, monthly or weekly fees.
2. Incentive: it is additional compensation above or beyond the salary or wages provided by the company.
3. Benefits: it is health and life insurance, pension plans, holidays that are borne by the company, and other benefits related to employment relations.
4. Facility: it is generally associated with enjoyments such as company cars, access to company aircraft, special parking spaces and enjoyment (read: special treatment) obtained by employees.

Performance

For a company to advance or develop, qualified employees are required. Quality employees are those who can meet the targets set by the company. Mangkuprawira and Hubeis (2007) stated that employee performance is influenced by intrinsic and extrinsic factors of employees. Basically, performance is something that is individual, because every employee has a different level of ability in doing their tasks. According to Robbins (2003) argues that performance presents functions and abilities (motivation) and motivation (opportunities). Thus, performance is determined or influenced by factors of ability, motivation and opportunity. Performance depends on a combination of ability, effort and opportunity acquired. Aguinis (2013) in his book

Performance Management in general said that, performance management is the key for organizations to translate strategies into business results. It specifically mentioned that performance management affects financial performance, productivity, product or service quality, customer satisfaction and employee comfort. It turns out that large companies that show flashy performance are organizations that are serious in working on human resources. Aguinis explained that performance management is a continuous process of identifying, measuring, developing individual and team performance, and aligning performance with organizational strategy. Mangkunegara (2001: 67), Performance is the result of quality and quantity of work achieved by an employee or employee in carrying out their duties in accordance with the responsibilities that have been given to him. What is meant by quality here is seen in terms of cleanliness, smoothness and accuracy in carrying out its duties and work. Meanwhile, what is meant by quantity is seen from the large amount of work that must be completed by the employee or the employee. Employee performance indicators according to Chester I. Barnard in Suyadi Prawirosentono (2008: 27-32), are as follows:

1. Effectiveness and Efficiency

The activity of an organization if the objectives of an organization can be achieved according to the planned needs, efficiency is related to the amount of sacrifice spent in achieving the goals.

2. Authority and responsibility

In this case the authority is the authority that is owned by someone to govern other people (subordinates) to carry out tasks that are charged to each subordinate in an organization. While responsibility is an inseparable part or as a result of such authoritative ownership. If there is authority means that responsibility automatically arises.

3. Discipline

Discipline when obeying the laws and regulations. Employee discipline as obedience of the employee in respect of the work agreement where the employee works.

4. Initiative

A person's initiative is related to the power of thought, creativity in the form of ideas for something related to organizational goals. Each initiative in turn gets attention or positive responses from superiors.

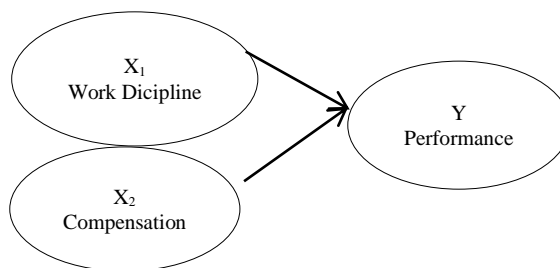


Figure 1. Theoretical Framework

Hypothesis

Research Hypothesis or commonly called a research hypothesis is a temporary answer to research questions. So the researchers will make a hypothesis in their research, which aims to make it as a reference in determining the next steps in order to make conclusions about the research he was doing.

Ha1: There is a significant influence between work discipline on employee performance

Ho1: There is no significant influence between work discipline on employee performance

Ha2: There is a significant effect between compensation for employee performance

Ho2: There is no significant effect between compensation for employee performance

RESEARCH METHODS

Research Approach

The approach in this study uses quantitative, because it aims to test or determine the effect of the work discipline and compensation on employee performance. Quantitative research is research that uses numbers in the process of calculating and identifying research results. The members obtained in this type of research by determining the population and sample.

Types of research

Exploratory research is research aimed at testing a theory or hypothesis in order to strengthen or even reject a theory or hypothesis that has already existed. Exploratory research is fundamental and aims to obtain information, information, data about things that are not yet known, because it is fundamental, this research is called exploration. Exploratory research is carried out if the researcher has not obtained preliminary data so that he does not have a picture at all of the matter to be examined. Exploratory research does not require certain hypotheses or theories. Researchers only prepare a few questions as a guide to obtain primary data in the form of information, information, as initial data needed. Explanatory or explanatory research aims to explain the relationship between two or more symptoms or variables. This research focuses on the basic question "why". People are often dissatisfied with simply knowing what happened, how it happened, but also wanting to know why it happened. We want to explain the cause of an event. For that, various variables outside the problem need to be identified to confirm the cause of a problem.

Therefore, this explanatory research is also referred to as confirmatory research (Confirmatory research) and is increasingly known as correlational research (Correlational research). Through this explanatory research it can be seen how the correlation between two or more variables both patterns, directions, properties, shapes, and strength of the relationship. This correlational research begins with an implicit or explicit question: "Is there a relationship between X and Y?" The answers to these questions can only be obtained through explanatory or correlational research. This type of research is explanatory, because it aims to examine the relationships between variables, both those that are correlational (relationship) and causality (influence) in accordance with the title, formulation of the problem and the objectives to be achieved.

Sampling Method

The sample has the meaning of a part of the whole and the characteristics possessed by a population. If the population is large, so the researchers certainly do not allow to study the whole contained in the population some of the obstacles that will be faced, such as limited funds, manpower and time, in this case the need to use samples taken from that population. Then, what is learned from the sample will get the impression that later will be applied to the population. The population is 307 employees and after using the Slovin formula, the sample of 173 employees.

RESULTS AND DISCUSSION

Results of Multiple Linear Regression Calculation

Table 1. Anova

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4596.542	2	2298.271	68.598	.000 ^b
	Residual	5695.597	170	33.504		
	Total	10292.139	172			
a. Dependent Variable: performance						
b. Predictors: (Constant), compensation, work discipline						

Table 1 shows the F value of 68,598 with the sig value. 0.000, because the sig value <0.05, the variables of work discipline and compensation affect simultaneously on employee performance. The F test is used to determine whether the independent variables simultaneously have a significant effect on the dependent variable. The degree

of trust used is 0.05. If the calculated F value is greater than the F value according to the table then the alternative hypothesis, which states that all independent variables simultaneously have a significant effect on the dependent variable.

Table 2. Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.668 ^a	.447	.440	5.788
a. Predictors: (Constant), compensation, work discipline				

Table 2 shows the R_{square} value of 0.447 with F of 68.598. Then H_0 is rejected, and H_a is accepted. Based on the results of multiple linear regression test, R value is 0.668, because the correlation value is between 0.60-0.799, it can be concluded that there is a strong relationship between the independent variable and the dependent variable. The coefficient of determination (R^2) is 0.440 or 44%, meaning that the independent variable affects the dependent variable by 44%. The coefficient of determination is used to find out how big is the relationship of several variables in a clearer sense. The coefficient of determination will explain how much

change or variation in a variable can be explained by changes or variations in other variables (Santosa & Ashari, 2005: 125). R square is the ability of the independent variable to contribute to its fixed variable in percentage units. This coefficient value is between 0 and 1, if the result is closer to 0 it means that the ability of the independent variables in explaining the variation of variables is very limited. But if the result approaches number 1 it means that the independent variables provide almost all the information needed to predict the variation of the dependent variable.

Table 3. Coefficients

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	38.652	9.329		4.143	.000
	work dicipline	-.142	.096	-.084	-1.477	.142
	compensation	1.168	.101	.660	11.564	.000

a. Dependent Variable: performance

Based on the results of regression hypothesis testing on the output above, then the standardized beta coefficient value of the working discipline variable in this regression analysis amounted to -0.084, with t count -1.497 and significance of 0.142 > 0.05 and variable variable regression coefficient of work -0.142, thus it can be concluded that H_0 is accepted, and H_a is rejected which means that the relationship between variables of work discipline with performance variables is insignificant. Standardized beta coefficient value of compensation variable in this regression analysis amounted to 0.660, with t count 11.564 and significance of 0.000 > 0.05 and regression coefficient variable of work discipline worth 1.168, thus it can be concluded that H_a is accepted, and H_0 is rejected which means the relationship between compensation variables with performance variables are significant.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

Work discipline has a negative and insignificant influence on employee performance, which means that the higher the discipline applied, the performance will decrease. This happened because the provincial office's location was far enough to be achieved, resulting in a decrease in the level of employee discipline. As for the compensation variable, has a significant effect on performance. This means that the higher the compensation, the employee's performance will increase.

Suggestion

1. Based on the results of the research should leaders and superiors can carry out continuous socialization activities to employees to improve understanding of the rules that apply in the organization.
2. For the next researcher to add to other variables such as work motivation variables.

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