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EFFECT OF COMPENSATION AND WORK DISCIPLINE ON EMPLOYEE PERFORMANCE AT THE PRINGSEWU DISTRICT ELECTION COMMISSION

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ABSTRACT

This study analyzes compensation and work discipline on employee performance in KPU Pringsewu Regency. This study was conducted with the aim of determining the effect of compensation on employee performance at the KPU Pringsewu Regency, knowing the effect of work discipline on employee performance at the KPU Pringsewu Regency, and to determine the effect of compensation and work discipline on employee performance at the KPU Pringsewu Regency. This study uses a type of quantitative research using analytical methods with data collection used by researchers are observation, documentation and questionnaires. The results obtained from this study know that there is an influence between compensation and work discipline on employee performance. Judging from the results of calculations that have been carried out, the significance value for the effect of compensation variables (X1) and work discipline variables (X2) simultaneously on employee performance variables (Y).

Keywords: compensation, work discipline, employee performance

Introduction

Today's increasingly fierce global competition requires the world of work to have human resources who are not only proactive and intelligent, but also innovative and passionate in the face of the times (Ariss & Sidani, 2016). Organizations are now striving to improve the performance of every element within them, with the main objective of ensuring their long-term survival and success. In this context, employees play a crucial role as part of human resources (Samwel, 2018). They are expected to work to the best of their abilities and utilize their full potential to achieve the performance targets set by the organization (Kuswati, 2020). Such efforts include the application of skills, initiative and creativity in every task, as well as a high commitment to the achievement of organizational goals (Nugroho, 2022).

Amidst growing global competition, today's workforce needs proactive, intelligent, and innovative individuals who are passionate about change (Verenkova et al., 2019). Organizations are focused on enhancing performance to ensure long-term success and sustainability, using various strategies to boost efficiency and effectiveness (Reda, 2018). Employees, as key human resources, are expected to fully utilize their skills, demonstrate initiative, and meet or exceed performance targets. This focus on quality work, adaptability, and commitment helps achieve the organization's strategic goals.

In the management of a company or institution, offering well-structured compensation is crucial for fostering a motivated and productive workforce (Syahreza et al., 2017). Adequate and thoughtfully designed compensation not only enhances job satisfaction but also significantly elevates employee performance (Asma et

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al., 2023). The provision of financial rewards, such as bonuses, gifts, or awards, further reinforces this positive dynamic by acknowledging and valuing employees' contributions. Such incentives not only stimulate motivation but also ignite a deeper sense of commitment and enthusiasm in tackling assigned tasks, ultimately driving employees to strive for higher levels of achievement and excellence.

Inadequate compensation can lead to high employee turnover, leaving the organization grappling with challenges in both retaining talent and managing the recruitment process. This issue is particularly acute in finding suitable replacements, as the lack of competitive compensation can deter potential candidates and disrupt organizational stability (Azeem et al., 2021). The compensation structure for employees at KPU Pringsewu Regency is outlined as follows:

Tabel 1. Kompensasi KPU Kabupaten Pringsewu

Position	Employee Total	Basic Salary (Rupiah)	Performance Benefits (Rupiah)	13 Salary (Rupiah)	14 Salary (Rupiah)
KPU	5	11. 500.000	11.500.000	11.500.000	11.500.000
Commissioner					
(ASN)	2	3.000.000	2.100.000	3.000.000	3.000.000
Golongan II					
Golongan III	12	4.400.000	3.080.000	4.400.000	4.400.000
Golongan IV	1	5.000.000	3.500.000	5.000.000	5.000.000
PPNPN	11	2.500.000	-	2.500.000	2.500.000
PPK Assistant staff	9	1.300.000	-	-	-

Source: KPU Pringsewu Regency 2024

In addition to providing adequate compensation, it is crucial for companies to focus on fostering strong employee discipline. Singodimedjo, as cited by Kartinah, (2021) defines discipline as the intrinsic willingness to adhere to established norms and regulations. Effective discipline is essential for achieving optimal organizational outcomes, as it embodies employees' conscious commitment to follow rules, whether driven by personal conviction or external enforcement. Paulus, (2022) further elaborates that work discipline encompasses a proactive attitude towards complying with all organizational regulations, underscoring its role in maintaining operational integrity and enhancing overall performance.

The success of an organization fundamentally hinges on the performance of its individual employees. Achieving organizational goals effectively and efficiently requires a multifaceted approach to enhancing employee performance, which involves fostering a supportive work environment, providing motivation, enforcing rigorous work discipline, and delivering targeted training (Deviani et al., 2023). Performance is not merely a measure of work output in terms of quality and quantity, but rather an indicator of how well employees meet their responsibilities in alignment with established standards. As articulated by Rakatama & Chaerudin, (2021) performance represents the extent of accomplishment in fulfilling assigned duties and adhering to set benchmarks. High performance facilitates the attainment of organizational objectives, whereas inadequate performance obstructs progress. Ultimately, performance is the critical determinant in realizing the strategic aims of the organization.

Literature Review

a. Compensation

Compensation refers to all forms of rewards given by a company or organization to employees in recognition of their contributions, efforts, and achievements (Syahreza et al., 2017). This form of reward includes not only basic salary, but also various allowances, bonuses, awards, and other facilities that have significant value. The purpose of compensation is to motivate and reward employees, ensure that rewards are in line with responsibilities and work results, and retain high-performing employees (Prasetio et al., 2019). In addition, compensation serves as an important strategy in attracting and retaining a qualified workforce, as well as maintaining the company's competitiveness in an increasingly competitive labor market (Kusuma et al., 2019).

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b. Work Discipline

Work discipline is a manifestation of employee attitudes and behavior in complying with and applying the rules, norms, and standards set by the organization or company (Abdul Rahman & Muhammad Yusuf, 2021). This concept includes a consistent willingness to carry out duties and responsibilities in accordance with existing policies and procedures. Work discipline involves important aspects such as punctuality, adherence to regulations, and a deep commitment to work quality and results (Paulus, 2022). A high level of work discipline reflects individuals' deep awareness of their responsibilities and ability to work efficiently and effectively in a dynamic work environment. In addition, solid work discipline plays a crucial role in creating an orderly and productive work atmosphere, and contributes significantly to the achievement of an organization's strategic goals (Dhasa Eka, 2018).

c. Employee Perfomance

Employee performance is a comprehensive assessment of an individual's effectiveness in executing their role and advancing the organization's strategic objectives (Kuswati, 2020). This evaluation extends beyond mere output, encompassing the depth and quality of work, adherence to deadlines, and the capacity to meet or surpass predefined standards and goals (Kuswati, 2020). It is measured through a range of metrics, including productivity, operational efficiency, expertise, and the ability to collaborate and communicate effectively within a team. Exceptional employee performance is marked by a sustained track record of achieving goals, demonstrating proactive problem-solving abilities, and making a meaningful contribution to the organization's broader success and evolution (Rakatama & Chaerudin, 2021).

Methodology

According to Dhall, (2019)research methodology refers to the scientific methods used to collect data for specific purposes and applications. Methodology encompasses the systematic approach and procedures carefully planned to achieve research objectives, such as discovering, developing, or evaluating the validity of scientific knowledge or testing research hypotheses.

Research design as the comprehensive plan outlining the methods and procedures used by researchers in the selection, collection, and analysis of data. This plan includes everything from formulating hypotheses and defining their operational implications to conducting the final analysis.

In this study, the chosen research design is causal research. Causal research examines cause-and-effect relationships. The primary goal of causal research is to provide evidence of these relationships, identifying which variables influence others and which are affected.

In summary, research design is a strategic framework for selecting and utilizing resources and data to address research questions. It outlines the techniques for data collection, the population to be studied, and the methods for data processing and analysis, ensuring that the research effectively addresses the objectives and hypotheses posed.

Result And Discussion

a. Multiple Linear Analysis

The results of the Multiple Linear Regression analysis were computed using SPSS for Windows, version 16.0. This statistical software facilitated a comprehensive examination of the data. Detailed findings from the data processing, executed through the full suite of SPSS features, are presented in the appendix and are subsequently elucidated in Table 2 below.

Tabel 2. multiple linear analysis results

Model	Unstandardize	ed Coefficients	Standardized Coefficients	t	Sig.
	В	Std. Error	Beta		
1 (Constant)	3.689	3.417		1.080	.287
X1	.492	.141	.474	3.481	.001
X2	.440	.132	.453	3.328	.002

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Source: Data Processed, 2024

Constant Value (a) = 3,689

Regression Coefficient (b1) Compensation = 0,492

Regression Coefficient (b2) Work Dicipline = 0,440

Drawing from the comprehensive analysis and output generated by SPSS data processing, the resulting regression equation is derived as follows:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \text{et } Y = 3,689 + 0,492 X1 + 0,440 + \text{et}$$

Based on the Multiple Linear Regression equation as above, the following interpretation can be given:

The constant of 3.689 indicates that if the Compensation (X1) and Work Discipline (X2) variables are considered fixed or unchanged, then the value of Employee Performance (Y) at the Pringsewu Regency KPU will reach 3.689. In addition, the coefficient for the Compensation variable (X1) is 0.492, which indicates that the Compensation variable has a positive and significant effect on Employee Performance, where each one unit increase in the Compensation variable will increase Employee Performance by 0.492 units. Similarly, the coefficient for the Work Discipline variable (X2) is 0.440, indicating that Work Discipline also has a positive and significant impact on Employee Performance, with each one unit increase in the Work Discipline variable increasing Employee Performance by 0.440 units.

b. coefficient of determination test

Table 3. coefficient of Determination Test Results

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.886ª	.785	.774	3.070

Predictors: (Constant), X2, X2 Source: Data Processed, 2024

Based on table 5, the correlation value (R) is 0.886, and the coefficient of determination (R²) calculated from the square of R is 0.785. This means that 78.5% of the influence of the independent variables (Compensation and Work Discipline) on the dependent variable (Employee Performance) can be explained by the model, while the remaining 21.5% is influenced by other factors outside the independent variables.

c. Hypothesis Test

Table 4. Statistical t Test Results

Coefficients^a

Coefficients							
Model	Unstandardize	ed Coefficients	Standardized t Coefficients		Sig.		
	В	Std. Error	Beta				
1 (Constant)	3.689	3.417		1.080	.287		
X1	.492	.141	.474	3.481	.001		
X2	.440	.132	.453	3.328	.002		

Source: Data Processed, 2024

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Testing the first hypothesis (H1) shows that the Compensation variable (X1) has a significance value (sig) of 0.001, which is smaller than alpha 0.05, and a t-count value of 3.481, which is greater than the t-table of 2.02619 (calculated with df = n-k-1, namely 40-3=37). Therefore, H1 is accepted, indicating that Compensation has a positive and significant effect on Employee Performance at the KPU Pringsewu Regency. Testing the second hypothesis (H2) shows that the Work Discipline variable (X2) has a significance value (sig) of 0.002, also smaller than alpha 0.05, and a t-count value of 3.328, which exceeds the t-table of 2.02619 (calculated with the same formula, df = 37). Thus, H2 is accepted, indicating that Work Discipline has a positive and significant effect on Employee Performance at the KPU Pringsewu Regency.

Table 5. Statistical f Test Results

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	1275.034	2	637.517	67.638	.000a
1	Residual	348.741	37	9.425		
	Total	1623.775	39			

a. Dependent Variable: Y

b. Predictors: (Constant), X1, X2 Source: Data Processed, 2024

Based on the hypothesis test results presented in table 4, the calculation for the Compensation and Work Discipline variables shows a significance value (sig) of 0.000, which is much smaller than alpha 0.05, and an F-count value of 67.638, which significantly exceeds the F-table value of 3.24 (calculated with degrees of freedom k and n-k, namely 40-2=38). With these results, it can be concluded that the sig value which is smaller than alpha and the F-count value which is greater than the F-table support the acceptance of H3. This indicates that the Compensation and Work Discipline variables simultaneously have a significant influence on Employee Performance at the Pringsewu Regency KPU, underlining that the two variables contribute collectively in influencing employee performance.

d. Discussion

Based on the results of data analysis and hypothesis testing in this study, it can be concluded that there is a significant relationship both simultaneously and partially between the independent variables, namely Compensation and Work Discipline, to the dependent variable, namely Employee Performance at KPU Pringsewu Regency. The magnitude of the relationship between Compensation and Work Discipline on Employee Performance is 0.785 (R²), which indicates that 78.5% of the variation in Employee Performance can be explained by these two variables, while 21.5% is influenced by other factors outside this study. Hypothesis testing shows that Compensation has a significant effect on Employee Performance with a significance t value of 0.001, which is smaller than 0.05. Similarly, Work Discipline also has a significant effect on Employee Performance with a significance t value of 0.002. The F test results show an F significance value of 0.000, which is smaller than 0.05, confirming that Compensation and Work Discipline simultaneously have a significant effect on Employee Performance with a significance level of 95%.

Conclusions and Recomendation

a. Conclusion

- a) Testing the First Hypothesis (H1): Compensation is proven to have a positive effect on employee performance, with a significance value of 0.001 (less than 0.05) and a t-count value of 3.481 (greater than t-table 2.02619).
- b) Second Hypothesis Testing (H2): Work Discipline also has a positive effect on Employee Performance, with a significance value of 0.002 (less than 0.05) and a t-count value of 3.328 (greater than t-table 2.02619).

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c) Testing the Third Hypothesis (H3): Simultaneously, Compensation and Work Discipline affect Employee Performance, with a significance value of 0.000 (less than 0.05) and an F-count value of 67.638 (greater than F-table 3.24).

a. Recommendation

Here is a more detailed version of the sentence:

Researchers provide several suggestions to improve compensation and employee discipline at the KPU Pringsewu Regency. Further research should consider the following points:

- a) Leaders must actively encourage employees to achieve the performance targets that have been set. This effort is important to ensure that the work results are in accordance with the standards and expectations of the institution
- b) Compensation provided to employees needs to be adjusted to their expectations and needs. This is because the level of employee satisfaction with benefits has a direct effect on their motivation and the quality of their performance.
- c) Leaders should prioritize improving employee discipline, including by providing appropriate sanctions for those who are not disciplined. Good discipline is expected to improve overall employee performance.
- d) Future researchers are advised to improve the quality of future research by focusing on aspects of compensation and work discipline, and their impact on employee performance."

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