

Effect of Work Compensation, Motivation and Discipline on Employee Productivity

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ABSTRACT: This research was conducted to examine the effect of compensation, work discipline, and motivation on employee productivity. The location of this research was conducted at the Mercure Hotel Legian Bali. The analysis technique used in this study is multiple linear regression. The results of this study are (1) compensation has a positive and significant effect on employee productivity (2) work discipline has a positive and significant effect on employee productivity (3) motivation has a positive and significant effect on employee productivity.

KEYWORDS: *compensation, employee productivity, motivation, work discipline*

I. INTRODUCTION

The success of a company's organization depends on the productivity of its employees so productivity is a very important consideration in achieving the goals of the organization. Human resources must get a deeper study and special attention to improve work productivity better (Hanaysha, 2016). Successful companies do not just assign tasks to employees, but also pay attention to what employees need, so that employees can comfortably work. Human resources that have met their needs, automatically employees will provide more than expected by the company so that the productivity of employees is also considered very good by the company.

Productivity is a comparison between the results achieved (output) with the overall resources used (input) (Putra and Ardana, 2016). Productivity is an important aspect for the company because if the workforce in the company has high work, then the company will benefit and the company's life will be guaranteed. Productivity is influenced by various factors, both related to the workforce itself and other factors, such as ability, attitude, situation, motivation, wages and salary, level of education, employment agreement, and application of technology (Yuliannisa et al., 2017).

One factor that causes employee productivity problems at the company is due to poor compensation. Compensation has a broader meaning than wages or salaries. Wages or salaries emphasize financial rewards, while compensation includes financial and non-financial services. Compensation is all income in the form of money, direct, or indirect goods received by employees in return for services provided to the company (Hasibuan, 2014: 118).

Discipline is basically the ability to control oneself so as not to take inappropriate actions (Mangkunegara, 2015). Work discipline is a combination of appreciation, loyalty, compliance with applicable written and unwritten regulations, the ability to carry out and receive punishment (Arsyad, 2014). Muammam et al. (2013) states that motivation is really needed in a person so that motivation is one of the keys to achieving a need to be achieved. Motivation can be given through encouragement both financially and non-financially provided by the company to employees. Companies that lack motivation towards employees can cause failure to achieve company goals and if the company gives more motivation to employees, the company automatically achieves company goals.

Mercure Hotel Legian Bali is a four-star hotel in Bali, located in the tourism area of Kuta. Mercure Hotel Legian Bali has 321 rooms. In meeting the sales target of the Mercure Hotel Legian Bali room occupancy, assisted by employees who have expertise and skills that will build productivity in the hotel. The number of employees working at Mercure Hotel Legian Bali is 143 people, where each part and number is different depending on the tasks and parts that exist in the company. A large amount of human resources can help run a company well if it can be used effectively and efficiently so as to be able to support the company's sustainable movement. If the company is able to utilize human resources well, then the productivity of employees in the company will increase and be able to provide great benefits for the company.

Based on the results of interviews with HRD, stated that employees do not work optimally when there are many visitors who come employees can not carry out tasks that have been given quickly but complete the tasks that

have been given with a long time, as in service employees are often confused and feel overwhelmed when charged with tasks that have piled up during the rise of visitors visiting the Mercure Hotel Legian Bali. These reviews make customers feel reluctant to come to the Mercure Hotel Legian Bali, this is enough to prove that with poor service can parse the number of consumers who come. Employees who are unable to complete tasks properly and efficiently, causing employee productivity to be said to be low or decreased.

According to Agustini and Dewi (2019), one of the factors that triggered employee productivity problems is also due to poor compensation. In compensation there is a problem that is, employees are not satisfied with the compensation received, because compensation in particular salaries that should be received on time are actually reversed ie employees do not receive salaries on time. The company also does not provide incentives in the form of bonuses so as to make employees finish work not on target or it can be said that employee productivity decreases.

The work discipline of some employees is still not optimal, especially in 2018, during that year there were some employees who were late to the office less than 30 minutes so that work productivity was not optimal, this would have an impact on company activities, so that company productivity was not optimal and not as desired . In addition to work discipline issues there are issues regarding motivation at the Mercure Hotel Legian Bali, where employees are less motivated to work. They feel that the work done does not produce benefits so they only complete the work according to standards. Even though they work harder, they will not get an appropriate reward, such as the absence of promotion for superior employees. Employees also do not have the initiative and persistence at work, this was obtained from the results of interviews of employees who worked at the Mercure Legian Bali Hotel.

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

According to Hasibuan (2017: 119) Compensation is all income in the form of money, direct or indirect goods received by employees as a reward for services provided to the company. In the business world, especially companies, of course, will increase work productivity for employees to achieve company goals by providing compensation and appropriate reward systems as enthusiasm and motivation for company employees to always play a role in contributing to realizing corporate goals. Agustini (2019) strengthens the research with research that has been done which states that compensation has a positive and significant effect on employee productivity and research conducted by Putra and Ardana (2016), Purwanto (2016), Labudo (2013), Santoni (2018) states compensation has a positive effect and significant effect on employee productivity. Based on this description, the hypothesis can be formulated as follows:

H1 : Compensation has a positive effect and significant effect on employee productivity

Discipline is basically the ability to control oneself so as not to take inappropriate actions (Mangkunegara, 2015). Work discipline is one of the requirements to be able to help employees work productively which will help increase employee productivity. The results of previous studies conducted by Agustini (2019), Santoni and Suana (2018), Ruauw (2015), Ananta and Adnyani (2016) stated that work discipline has a positive and significant effect on employee productivity. Based on this description, the hypothesis can be formulated as follows:

H2 : Discipline has a positive and significant effect on employee productivity

Motivation is a motive which means a reason to do something and strength that can arouse, direct and sustain behavior (Hamali, 2013). High productivity can be achieved if supported by employees who have motivation and work environment in carrying out their duties and obligations. The results of previous studies by Omollo and Oloko (2015), Putra and Ardana (2016), Sutanto and Patty (2014), Agustini (2019) stated that motivation has a positive and significant effect on employee productivity. Based on this description, the hypothesis can be formulated as follows:

H3 : Motivation has a positive and significant effect on employee productivity

III. METHODS

The study was conducted at the Mercure Hotel Legian Bali Company. The object of this research is compensation, work discipline, motivation, and employee productivity. In this study, researchers used a questionnaire as a data collection technique with a Likert scale including questionnaire answer score data that is based on indicators of each variable with five (5) points "Strongly Disagree", "Disagree", "Fairly Agree", "Agree" , and "Strongly Agree" to the respondent. The population in this study were permanent employees working at the Mercure Legian Bali Hotel in 2019 totaling 143 people. The sample determination method used in this study is nonprobability sampling with the Slovin formula to obtain a sample of 105 employees. Data analysis techniques used in this study used multiple linear regression analysis, preceded by testing of research

instruments namely; validity test and reliability test. Continued testing of classic assumptions includes; normality test, multicollinearity test and heteroscedasticity test.

IV. RESULT AND DISCUSSION

IV.1 Characteristics of respondents

Based on the age characteristics of respondents, it can be seen that respondents aged 21-25 years were 12 people (11.4%), aged 26-30 years as many as 54 people (51.4%), aged 31-35 years as many as 20 people (19, 0%), aged 36-40 years were 13 people (12.4%) and aged over 40 years were 6 people (5.7%). Judging from the percentage of age, respondents aged 26-30 years most dominate among the others, namely 54 respondents or 51.4%. While the lowest age is respondents with more than 40 years, 6 respondents or 5.7%. Based on the gender characteristics of the respondents it is known that there are 65 men (61.9%) and 40 women (38.1%). Judging from the percentage of the sexes who most identified as male were 65 people (61.9%). Based on the latest level of education, it can be seen that respondents who have the last high school education are 49 people (46.7%), Diploma as many as 23 people (21.9%), Bachelor as many as 33 people (31.4%). Judging from the percentage of the last level of education, respondents who have the highest level of education have the highest percentage. Based on the characteristics of the length of work, it can be seen that those who have worked less than one year are 17 people (16.2%), who have worked for one to three years are 24 people (22.9%), and those who have worked for more than three years are 64 people (61.0%). Judging from the percentage it can be seen that the length of work of more than 3 years is the most dominant, namely 64 respondents or 61.0%. Based on the characteristics of the position, it can be seen that the position of director is 1 person (1.0%), the position of section head is 27 people (25.7%), the position of section chief is 18 people (17.1%), and the number of staff positions is 59 people (56.2%). Judging from the percentage it can be seen that the most dominating staff personnel are 59 respondents or 56.2%.

4.2 Instrument Testing Results

Table 1: Validity Test Result

Variable	Indicator	R value	R table	Information
Compensation (X_1)	$X_{1,1}$	0,511	0,30	Valid
	$X_{1,2}$	0,839	0,30	Valid
	$X_{1,3}$	0,826	0,30	Valid
	$X_{1,4}$	0,893	0,30	Valid
	$X_{1,5}$	0,826	0,30	Valid
	$X_{1,6}$	0,737	0,30	Valid
Discipline (X_2)	$X_{2,1}$	0,757	0,30	Valid
	$X_{2,2}$	0,812	0,30	Valid
	$X_{2,3}$	0,843	0,30	Valid
	$X_{2,4}$	0,728	0,30	Valid
	$X_{2,5}$	0,715	0,30	Valid
Motivation (X_3)	$X_{3,1}$	0,716	0,30	Valid
	$X_{3,2}$	0,744	0,30	Valid
	$X_{3,3}$	0,777	0,30	Valid
	$X_{3,4}$	0,772	0,30	Valid
	$X_{3,5}$	0,681	0,30	Valid
Employee productivity (Y)	Y_1	0,695	0,30	Valid
	Y_2	0,806	0,30	Valid
	Y_3	0,761	0,30	Valid
	Y_4	0,771	0,30	Valid
	Y_5	0,746	0,30	Valid

No.	Variabel	Cronbach's Alpha	Information
1	Compensation (X ₁)	0,859	Reliabel
2	Discipline (X ₂)	0,828	Reliabel
3	Motivation (X ₃)	0,771	Reliabel
4	Employee productivity (Y)	0,802	Reliabel

Table 2: Reliability Test Result

Validity test is done with the help of SPSS program by calculating the correlation. The validity test results show that all instruments used to measure the research variables have a Pearson Correlation above 0.30 so that the overall indicators used are valid. The reliability test results show that each variable has a Cronbach Alpha coefficient of more than 0.60. This shows that all variables in this study were stated to be reliable.

4.3 Classic assumption test

The classic assumption test conducted in this study is the normality test, multicollinearity test, and heterokedsticity test.

Normality test aims to test whether in the residuals of the regression model that are made normally distributed or not. This study uses the Kolmogorov-Smirnov non-parametric statistical test.

Table 3: Normality Test Result

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		105
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.39273946
Most Extreme Differences	Absolute	.059
	Positive	.040
	Negative	-.059
Test Statistic		.059
Asymp. Sig. (2-tailed)		.200 ^{c,d}

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

Source: (Primary Data Processed), 2019

Based on Table 3 it is known the significance value using the Asymp test. Sig. (2-tailed) of 0.200 > 0.05, it can be concluded that the regression model used in this study is normally distributed.

Multicollinearity test aims to test whether the regression model has a correlation between independent variables. A good regression model if there is no correlation between independent variables.

Table 4: Test Result Multicollinearity

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Compensation	.657	1.523
	Discipline	.730	1.369
	Motivation	.850	1.176

a. Dependent Variable: Produktivitas Kerja

Source: (Primary Data Processed), 2019

Based on the test results in Table 4 it can be seen that the tolerance value for the Compensation variable is 0.657 (0.657 > 0.1) with a VIF value of 1.523 (1.523 < 10), and the tolerance value for the Discipline variable is 0.730 (0.730 > 0.1) with a VIF value of 1.369 (1.369 < 10), the tolerance value for the Motivation variable is 0.850 (0.850 > 0.1) with a VIF value of 1.176 (1,176 < 10). All variables in the multiple regression model have a tolerance value greater than 0.1 and a VIF value less than 10 so it can be concluded that the regression model used is free of multicollinearity.

Heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. A good regression model is a regression model without heteroscedasticity.

Table 5: Test Result Heteroskidastity

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.343	1.070		2.190	.031
Compensation	-.014	.036	-.048	-.397	.692
Discipline	.019	.050	.044	.386	.700
Motivation	-.064	.043	-.159	-1.492	.139

a. Dependent Variable: ABS_RES1

Source: (Primary Data Processed), 2019

Based on Table 5 above it can be seen that the significant value for the significant value for the Compensation variable is 0.692 (0.692 > 0.05), and the significant value for the Discipline variable is 0.700 (0.700 > 0.05), the Motivation variable is 0.139 (0.139 > 0, 05). All independent variables have a significance value > 0.05, so there is no heteroscedasticity in the regression model.

4.4 Multiple Linear Regression Analysis Test

Multiple linear regression analysis is used to determine the direction and magnitude of the influence of independent variables namely compensation, work discipline, and motivation on the dependent variable namely employee productivity. The analysis in this study was processed using the Statistical Package for Social Science (SPSS) program version 24.0. The results of the analysis are as follows:

Table 6: Summary of Results of Multiple Linear Regression

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.890	1.747		-.509	.612
Compensation	.477	.058	.585	8.174	.000
Discipline	.201	.081	.168	2.483	.015
Motivation	.273	.070	.244	3.885	.000
Adjusted R square	0.651				
F value	42.854				
F sig	0.000				

Source: (Primary Data Processed), 2019

Based on the results of the analysis presented, we obtain the following linear regression equation:

$$Y = -0,890 + 0,477X1 + 0,201X2 + 0,273X3 + e.....(1)$$

Based on the regression equation it can be interpreted as follows:

- 1) Compensation variable regression coefficient of 0.477 has a positive meaning that if Compensation is worth 1 unit then the work productivity will increase by 0.477 assuming the other variables are constant at zero.

- 2) The coefficient of work variable regression is 0.201 with a positive value meaning that if the work discipline is worth 1 unit then the work productivity will increase by 0.201 assuming the other variables are constant at zero.
- 3) Motivation variable regression coefficient of 0.273 has a positive value meaning that if Motivation is worth 1 unit then the productivity of work will also increase by 0.273 assuming the other variables are constant at zero.

The coefficient of determination is used to find out how much the variation of the dependent variable will be able to be explained by the variation of the independent variable while the rest is explained by other variables outside the model used. The adjusted R² value of 0.651 means that 65.1% change (up and down) in work productivity is influenced by compensation, work discipline, and motivation while the remaining 34.9% is influenced by other factors outside this study.

Based on the results of the analysis presented, the F test significance value is obtained, the F significance value is 0,000. Significant value of 0,000 <0.05 means that compensation, work discipline, motivation are significantly related to work productivity.

Based on the analysis results that have been presented, it is obtained the significance value of the t test of the three independent variables is smaller than 0.05. This means that the compensation, work discipline, and motivation variables partially have a positive and significant effect on employee productivity.

V. HYPOTHESIS AND RESULT

Effect of compensation on work productivity

Based on the results of data analysis found that compensation has a positive effect on work productivity. This is indicated by the significance value of 0,000 with a regression coefficient of 0.477 positive value. The significance value of 0,000 <0.05 indicates that H1 was accepted. This result means that compensation has a positive and significant effect on employee productivity.

Agustini (2019) strengthens the research with the research that has been done which states that compensation has a positive and significant effect on employee productivity at the Single Fin Restaurant & Bar Bali. Putra (2018) states that compensation has a positive and significant effect on employee productivity at Maya Ubud Resort & Spa. Purwanto (2016) states that compensation has a positive and significant effect on employee work productivity at PT. Pelangi. Labudo (2013) also strengthens research with the research that has been done which states that compensation has a positive and significant effect on employee productivity at PT. Sinar Galesong Pratama. Santoni (2018) emphasized in the research that had been carried out that based on the results of the analysis of the effect of compensation on work productivity, a significant positive effect was obtained between compensation for work productivity, which means that if the compensation provided by the company was good the employee productivity at Honda Denpasar Agung would increase and vice versa if the compensation given a bad company, employee productivity at Honda Denpasar Agung will decrease.

The effect of work discipline on work productivity

Based on the results of data analysis found that work discipline has a positive effect on work productivity. This is indicated by the significance value of 0.015 with a regression coefficient of 0.201 with a positive value. The significance value of 0.015 <0.05 indicates that H2 was accepted. These results mean that work discipline has a positive and significant effect on employee productivity.

Agustini (2019) states that work discipline has a positive and significant effect on employee productivity at the Single Fin Restaurant & Bar Bali. Santoni and Suana (2018) found that there was a positive influence between work discipline and work productivity. Ruauw (2015) states that work discipline has a positive and significant effect on employee productivity in the Village of Tinkulu Wanea districts of Manado. Ananta and Adnyani (2016) work discipline has a positive and significant effect on the work productivity of Villa Mahapala Sanur employees.

The influence of motivation on work productivity

Based on the results of data analysis found that motivation has a positive effect on work productivity. This is indicated by the significance value of 0,000 with a regression coefficient of 0.273 positive value. Significance value of 0,000 <0.05 indicates that H3 is accepted. This result means that motivation has a positive and significant effect on employee productivity.

Research conducted by Omollo and Oloko (2015) states that high work productivity is influenced by high motivation. Putra and Ardana (2016) states that there is a significant positive influence between motivation on the work productivity of silver craftsmen. Employees who lack their own motivation to work and are not

enthusiastic about working also reflect the decreased employee productivity. Sutanto and Patty (2014) stated that, if the motivation of the employees can be built, then the employees can have productive work. Agustini (2019) emphasized in the research that had been done that motivation had a positive and significant effect on employee productivity at the Single Fin Restaurant & Bar Bali.

VI. CONCLUSION

Based on the results of data analysis and discussion that has been presented in the previous chapter, the conclusions of the results of this study are as follows compensation, work discipline, and motivation have a positive and significant effect on employee productivity. This shows an increase in compensation, work discipline, and motivation will have an impact on increasing employee productivity.

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