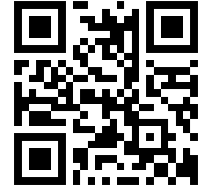


## Analyzing the Impact of Compensation as a Moderation of Workload and Employee Performance at PT Midas Nusantara, Binjai in 2022



**Cheng Peiwei**

Master of Management / University Prima, Indonesia

**ABSTRACT:** In the business world, companies are required to create high employee performance for the development of the company. Companies must be able to create, build and improve performance within their work environment. Excessive workload is accompanied by disproportionate compensation, causing many employees to feel not at home and stay in one company alone. This study aims to analyze the impact of compensation on the moderation of workload and employee performance. The research approach used in this study is quantitative. This research was conducted at PT Midas Nusantara, Binjai in April 2022. The population is the entire population of 77 employees, with the determination of the number of samples using saturated samples. The data collection technique uses questionnaires, with data measurement techniques on a Likert scale. The research data analysis model used in this study is a multiple regression analysis model, statistical test F, and statistical test t. Workload partially has a positive and significant effect on employee performance at PT Midas Nusantara with a calculated t value  $>$  t table ( $5.112 > 2.5$ ) with a significant value of  $0.004 < 0.05$ . Compensation partially has a positive and significant effect on the performance of PT Midas Nusantara. The dominant Workload Variable in improving performance at PT Sumut Jaya with a calculated t value  $>$  t table ( $4,233 > 2.5$ ) with a significant value of  $0.004 < 0.05$ . Workload and Compensation simultaneously have a positive and significant effect on employee performance at PT Midas Nusantara with a coefficient of determination (R<sup>2</sup>) value of 85%, the remaining 15% is explained by independent variables that are not studied, leadership, motivation, and others.

**KEYWORDS:** workload, compensation, performance.

### I. INTRODUCTION

In the business world, companies are required to create high employee performance for the development of the company. Companies must be able to create, build and improve performance within their work environment (1). The success of the company is influenced by several factors, one of the important factors is human resources, because human resources are actors from the entire level of planning to evaluate who can utilize other resources owned by the organization or company (2). The existence of human resources in a company plays a very important role. Labor has great potential to carry out the company's activities (1).

A company that is complete with facilities and infrastructure will be meaningless without humans as managers and strengtheners of ideas. Human resources in a company are an important aspect that determines the effectiveness and success of a company. As human beings, employees have personal goals other than company goals that must be achieved. If the needs of an employee have been met with appropriate rewards from the results of their work, then employee job satisfaction will increase. Excessive workload is accompanied by disproportionate compensation, causing many employees to feel not at home and stay in one company alone. Many factors that affect performance in employees include: an educational background that is not by the work, low employee job satisfaction, compensation given by the agency is not by the work, low employee commitment, lack of employee discipline, employees who feel less involved in their work, and the high workload given by the agency is not suitable (2); (3); (4). Therefore, researchers are interested in analyzing the impact of compensation as moderation of workload and employee performance at PT Midas Nusantara, Binjai in 2022".

### II. LITERATUR REVIEW

Workload is the average frequency of activity of each job in a given period of time. Workload measurement is defined as a technique to obtain information about the efficiency and effectiveness of the work of an organizational unit, or position holders

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which is carried out systematically using job title analysis techniques, workload analysis techniques or other management techniques (5). Compensation is all income in the form of money, direct or indirect goods that an employee receives in return or services provided to the company (6). Compensation is a form of service return given to employees as a form of service return given to employees as a form of appreciation for their contribution and work to the company, where the award can be in the form of direct or indirect finances, and the award can also be indirect (7). Performance is a real behavior that everyone displays as work achievements produced by employees in accordance with their role in the company. Employee performance is a very important thing in the company's efforts to achieve its goals (8).

### III. RESEARCH METHODS

The research approach used in this study is quantitative. This research was conducted at PT Midas Nusantara, Binjai in April 2022. The population is the entire population of 77 employees, with the determination of the number of samples using saturated samples. The data collection technique uses questionnaires, with data measurement techniques on a Likert scale. The research data analysis model used in this study is a multiple regression analysis models, statistical test F, statistical test t.

### IV. RESULT AND DISCUSSION

**Table 1. Characteristics of Respondents by Gender**

No	Gender	Sum	Percentage (%)
1	Woman	33	41.18
2	Man	44	58.85
	<b>Total</b>	<b>77</b>	<b>100</b>

Source: Research Data Processing Results, 2022

Based on Table 1, it can be explained that of the 77 respondents as many as 33 (41.18%) respondents were employees of the female sex, while 44 (58.85%) respondents were employees of the male sex.

**Table 2. Characteristics of Respondents by Age**

No	Usia	Sum	Percentage (%)
1	< 25 years old	33	44.15
2	25-30 years old	19	25.81
3	36- 40 years old	16	22.58
4	>40 years old	9	15.90
	<b>Total</b>	<b>77</b>	<b>100</b>

Source: Research Data Processing Results, 2022

Based on Table 2, it can be explained that of the 77 respondents as many as 33 (44.15%) respondents were employees under the age of 25 years, 19 (25.81%) respondents were employees aged 25-30 years, 16 (22.58%) respondents were employees aged 36-40 years, and 9 (15.90%) respondents were employees over 40 years old.

**Table 3. Characteristics of Respondents by Level of Education**

No	Education Level	Sum	Percentage (%)
1	SMA	19	25.49
2	D3	13	17.20
3	Strata 1 (S1)	42	56,99
5	Lainnya	3	5.38
	<b>Total</b>	<b>77</b>	<b>100</b>

Source: Research Data Processing Results, 2022

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Based on Table 3, it can be explained that of the 77 respondents in this study as many as 19 (25.49%) respondents were those with high school education, 13 (17.20%) respondents were those with D3 education, 42 (55.99%) were those with S1 education, 3 (5.38%) were those with other educations.

**Table 4 Multiple Linear Analysis**

<i>Coefficients<sup>a</sup></i>			
Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
(Constant)	6,442	1,576	
Workload	-,086	,046	-,241
Compensation	,001	,053	,004

a. Dependent Variable: ABS\_RES

Source: Research Data Processing Results, 2022

Based on table 4, it can be seen that the regression constant value of 6.442 means that if Workload (X1) and Compensation (X2) = 0 then performance will increase by 6,442. The X1 regression coefficient for the Workload variable is negative 0.086 meaning that the influence of the Workload variable is in the same direction as the performance improvement. This shows that workload variables have a negative influence on improving performance. Partially the Workload variable affects performance, The regression coefficient X2 for the Compensation variable is positively valued at 0.001 meaning that the influence of the Compensation variable is in the same direction as the performance improvement. This shows that the Compensation variable has a positive influence on improving performance.

**Table 5. Coefficient of Determination Value (R Square)**

<i>Model Summary<sup>b</sup></i>				
Model <sup>R</sup>		R Square	Adjusted R Square	Std. Error of the Estimate
1	,857 <sup>a</sup>	,889	,852	3,54444

Source: Research Data Processing Results, 2022

Based on Table 5. above the adjusted value of R Square is 0.852, meaning that the ability of the variables Workload (X1) and Compensation (X2) can explain the variation from performance is 85%, the remaining 15% is explained by independent variables that are not studied such as stress apes, work disipin and other factors.

**Table 6. Simultaneous Hypothesis Testing Results / F Test**

<i>ANOVA<sup>a</sup></i>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	2725,956	2	1362,978	88,242	,008 <sup>b</sup>
	Residual	1561,872	77	14,021		
	Total	3987,858	77			

a. Dependent Variable: Kinerja

Source: Research Data Processing Results, 2022

Based on Table 6, the result F Calculate 88.242 was obtained while F Table at  $\alpha = 0.05$  with a numerator degree of 2 and a denominator degree of 90 obtained F table 1.85 from this result it is known F calculate > F of the table, and the significance of 0.008 or less than  $\alpha = 0.05$  so the position of the significance test point is in the rejection area of H0 or it can be concluded that H1 is accepted which means that the variables Workload and Compensation together have a positive and significant effect on performance.

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**Table 7. Hypothesis Test Results Partially / Test t**

Model	Coefficients <sup>a</sup>				
	nstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
(Constant)	1,570	2,568		,611	,543
Workload	,334	,075	,385	5,112	,004
Compensation	,507	,087	,503	4,233	,008

a. Dependent Variable: Performance

Source: Research Data Processing Results, 2022

Based on Table 7, the partial test results obtained a calculated t value for the Workload variable (5.112) greater than the table t value (1.9), or a t sig value for the Workload variable (0.004) smaller than alpha (0.05). Based on the results obtained, it rejects Ho and accepts H1 for the Workload variable. Thus, partially workload has a positive and significant effect on performance. This means that Workloads have a real effect on improving performance. The results of this study are in line with Nabawi's research (2019), which states that the Workload variable partially has a significant effect on employee performance variables. This result proves that the workload variable has a significant effect on the employee performance variable at the Aceh Tamiang Public Works and Public Housing Service (9).

Too much workload will have a bad impact on employees in general, which will cause fatigue both physically and mentally and will cause emotional reactions such as headaches, indigestion, and irritability. Meanwhile, too little workload will also reduce motion which will cause boredom (10). Boredom in the work done or too little work results in a lack of attention to work so that it potentially endangers employees. Employee performance will be maximized if workload indicators are met in a balanced manner such as targets to be achieved, work conditions and work standards (11); (12); (8). The job targets set must be in accordance with the abilities of the employee. Work conditions that include how the individual has views on the conditions of his work in the organization, for example making decisions quickly, as well as overcoming unexpected events such as doing extra work outside the specified time. Work standards are the impressions that individuals have regarding their work, for example, feelings that arise regarding the workload of the organization that must be completed within a certain period of time (5); (10).

The calculated t value for the Compensation variable (4.233) is greater than the table t value (1.9), or the sig t value for the Compensation variable (0.008) is smaller than the alpha (0.05). Based on the results obtained then reject H0 and accept H1 for the variable Compensation. Thus, partially Compensation has a positive and significant effect on performance. This means that the existence of compensation has an impact on improving performance. Compensation is one of the meaningful aspects for employees because the amount of compensation reflects the measure of the value of their work among the employees themselves, their families, and the community (8); (13); (6). Compensation has an important impact on long-term economic performance. Compensation is even more important factor in determining the success or failure of an organization. Compensation is not uncommon to hinder long-term financial performance (7); (14); (15). Compensation develops easily in an organization full of rational and astute people. Although it is powerful to change, compensation can be made to further improve performance. Compensation is a factor that is also important for employees as individuals because the amount of compensation reflects the measure of the value of their work among the employees themselves, their families, and society (16).

The results of this study are in line with Fauzi's research (2014), where financial compensation has a significant effect on performance while nonfinancial compensation does not have a significant effect on performance. This indicates that employees of PT. Trakindo Utama Samarinda does not care much about or pay attention to what is included in nonfinancial compensation compared to financial compensation (8). In line with Lengkong's research (2015), where the hypothesis test results found that compensation has a significant and positive influence on the performance of PT Air Manado employees (16).

From the statistical results, the result F Calculate 88.242 was obtained while F Table at  $\alpha = 0.05$  with a numerator degree of 2 and a denominator degree of 90 obtained F table 1.85 from this result it is known F calculate > F table, and the significance of 0.008 or less than  $\alpha = 0.05$  so the position of the significance test point is in the rejection area H0 or it can be concluded that H1 is accepted which means that the Variables workload and compensation together have a positive and significant effect on performance.

## V. CONCLUSIONS

From the results of research and discussion, the conclusion that can be drawn is that workload partially has a positive and significant effect on employee performance at PT Midas Nusantara with a calculated t value > t table (5,112 > 2.5) with a significant

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value of  $0.004 < 0.05$ . Compensation partially has a positive and significant effect on performance at PT Midas Nusantara. Workload Variables are dominant in improving performance at PT Sumut Jaya with a calculated value  $> t$  table ( $4,233 > 2.5$ ) with a significant value of  $0.004 < 0.05$ . Workload and Compensation simultaneously have a positive and significant effect on employee performance at PT Midas Nusantara with a coefficient of determination (R<sup>2</sup>) value of 85%, the remaining 15% is explained by independent variables that are not studied, leadership, motivation, and others.

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