
The Influence Of Compensation And Position Promotion On Employee Performance At PT. Bank Sulselbar Parepare

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Abstract: This study aims to explain the partial effect of compensation and promotion on employee performance at PT. Bank Sulselbar Parepare and explain the effect of compensation and promotion simultaneously on employee performance at PT. Bank Sulselbar Parepare. The data analysis method used is descriptive analysis, validity test, reliability test, multiple linear analysis, t test (Partial), F test (Simultaneous), and determination test (R²). The results of this study indicate that (1) Compensation has a positive and significant effect on employee performance, obtained by t count > t table, namely 3,052 > 2,019, (2) Promotion has a positive and significant effect on employee performance, obtained by t count > t table, namely 3,954 > 2,019 and (3) Compensation and promotion have a positive and significant effect on employee performance. The F count > F table is 29,944 > 3.23..

Keywords Compensation, Promotion, Employee Performance

INTRODUCTION

Every organization or company will always try to improve the performance of its employees, with the hope that the company's goals will be achieved. In improving the performance of its employees, the company takes several ways, for example through the provision of appropriate compensation and the implementation of promotions that can be carried out fairly by considering aspects of fulfilling the requirements. Through these processes, employees are expected to maximize their responsibility for their work (Santoso & Alawiyah, 2021).

Compensation for employees of PT. Bank Sulselbar parepare in the form of salaries that vary according to their position status (Hafidzi & Qomariah, 2022). The problem factor in compensation in the form of bonuses is measured by employee overtime, where employees who work overtime outside of the end of the month have different bonuses from employees who only work overtime at the end of the month. Also, sometimes there are delays in the provision of jaspro (production services) or bonuses to employees (Qomariah et al., 2022).

Promotion is an increase in the level of position accompanied by authority, responsibility, and greater financial compensation (Sanosra et al., 2022). In addition, promotion is also able to provide opportunities for employees to develop and add new experiences or employee performance in the company's work environment (Arifuddin & Divine, 2023).

The phenomenon of employee performance that is currently happening is the quality of employee performance which is characterized by a decrease in the quality of customer service at certain times such as receiving a salary, ahead of Eid, etc., due to the large number of existing customers compared to other days (Nursaid et al., 2021).. Employee performance is thought to occur through compensation and promotion given in order to be able to motivate employees to improve their performance and to make competent employees stay working for the company. (Arifuddin, 2022).

This research is motivated by previous research. There are several studies related to this research variable, regarding the effect of compensation and promotion on employee performance. Based on research conducted by Abdul Fatah and Raudatul (2020), Wahyu Maulana (2019), Kadek Restu and Trinasari (2021) and Anrio Muaja, et al (2018), the partial research results show that compensation has a significant effect on employee performance, and promotion position has a significant effect on employee performance, simultaneously the effect of compensation and promotion has a positive and significant effect on employee performance. Meanwhile, according to Ratnasari (2019), the partial results of the study namely compensation for employee performance are significant, promotion on employee performance has a significant effect and simultaneously the effect of compensation and promotion on employee performance has no significant effect (Qomariah et al., 2021).

METHOD

Research Design

This study uses a survey research design, which is included in a quantitative study to examine the behavior of an individual or group, in this case the employees of PT Bank Sulselbar Parepare . In general, survey research uses a questionnaire as a data collection tool. Survey research is research that takes samples from one population and uses a questionnaire as the main data collection tool.

Population and Sample

Population is a generalization area which consists of: objects/subjects that have certain quantity and characteristics determined by the researcher to be studied and then conclusions drawn. In this study, the population was all employees working at PT. Bank Sulselbar Parepare totaling 44 people. The sample used is the total sample where the sampling technique is when all members of the population are used as samples.

RESULTS AND DISCUSSION

a. Partial test (t test)

The t test is used to determine the effect of each independent variable (compensation and promotion) partially on the dependent variable (employee performance), by using the test of each independent variable regression coefficient whether it has a significant effect or not on the dependent variable.

The t test is said to have meaning if:

- H_a is accepted if $t \text{ count} > t \text{ table}$ at $\alpha = 5\%$
- H_o is accepted if $t \text{ count} < t \text{ table}$ at $\alpha = 5\%$

Based on the results of the t test between compensation and promotion on employee performance, it can be seen in the table below:

Tabel 1 t Test Result

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Betas		
(Constant)	.874	.495		1.767	.085
Compensation	.386	.126	.376	3.052	.004
Job Promotion	.440	.111	.487	3.954	.000

a. Dependent Variable : Employee Performance

Source: data processed with SPSS 24, 2022

The formula for finding the t table value is:

$$T \text{ table} = a / 2 ; nk$$

Description: a = 0.05 (5%)

n = number of respondents (44)

k = number of independent variables (2)

$$t \text{ table} = a/2 ; n- k- 1 = 44-2-1 = 0.025 ; 41, \text{ then } t \text{ table} = 2.019$$

From the results of testing the hypothesis partially through the t test, the results obtained as above show that:

1. The effect of compensation on employee performance

The results of hypothesis testing can be seen in table 14. It is known that compensation has a positive and significant effect on employee performance at PT. Bank Sulsebar Parepare with t count > t table of 3.052 > 2.019 and a significance value of 0.004 (<0 .05). So in this study the compensation variable has a positive and significant effect on employee performance.

2. The effect of promotion on employee performance

The results of hypothesis testing can be seen in table 14. It is known that promotion has a positive and significant effect on employee performance at PT. Bank Sulsebar Parepare with t count > t table of 3,954 > 2.019 and a significance value of 0.000 (<0.05). So in this study that the variable Job Promotion has a positive and significant effect ter on employee performance.

b . Simultaneous Test (Test F)

This test was carried out by comparing the significance of calculated F with the conditions. If F count > F table, all the independent variables affect the dependent variable together. In addition, you can also see the significance value. If the significance value is less than 0.05 , the independent variables jointly affect the dependent variable. Meanwhile, if the significance value is greater than 0.05 , the independent variables simultaneously have no effect on the dependent variable. Based on the results of the F test between compensation and promotion on employee performance, it can be seen in the table below:

Table 2 F Test Results

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig
Regression	4.723	2	2.362	29.944	.000 ^b
Residual	3.234	41	.079		
Total	7,957	43			

a. Dependent Variable : Employee Performance

b. Predictors : (Constant), Promotion, Compensation

Source: data processed with SPSS 24, 2022

Based on the table above, it can be seen that the calculated F value = 29,944 with a sig value of 0.000. After knowing the magnitude of the F count, it will be compared with F table.

The formula for finding F tables is:

$$Df(N1) = k-1$$

$$Df(N2) = nk$$

Description: n = number of respondents (44)

k = number of variables (3)

a = 0 .05 (5%)

So: F table = Df(N1) 3-1 = 2

Df(N2) 44-3 = 41

Then an F table is obtained with a probability of 0.05 of 3.23.

From the results it was found that the calculated F value > F table was 29,944 > 3.23 with a significant level of 0.000 < 0.05. With this it can be concluded that the variables of compensation and promotion simultaneously have a significant effect on the performance of employees of PT. Bank Sulselbar Parepare.

c . Determination Coefficient Test (R²)

This test is used to determine the percentage contribution of the independent variable, namely compensation (X1) and promotion (X2) simultaneously on the dependent variable, namely employee performance (Y). The value of the coefficient of determination is between zero (0) and one (1). R2 is equal to 0, so there is not the slightest percentage of contribution or influence exerted by the independent/independent variable on the dependent/bound variable, or the variation of the independent variable used in the model does not explain the slightest variation in the dependent variable, otherwise R2 is equal to 1, then the percentage of contribution the influence of the independent variable on the dependent variable is perfect or the variation of the independent variables used in the model explains 100% of the variation in the dependent variable or the dependent variable. The value of the coefficient of determination between compensation, promotion on employee performance can be seen in the following table

Table 3 R Test Results²

Summary Models				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.770 ^a	.594	.574	.281

a. Predictors “ (Constant), Promotion, Compensation

Source: data processed with SPSS 24, 2022

Based on the table above, it can be seen that the R Square result is 0.594 or 59.4 %, thus compensation and promotion can affect employee performance by 59.4%. Where 0.406 or 40.6 is influenced by other variables not examined in this study, for example workload, work environment, leadership, job satisfaction and various other variables. The correlation coefficient (R) shows a value of 0.770 which indicates that the relationship between the independent variable and the dependent variable is strong because it has an R value of 0.770.

Discussion

This research was conducted to determine the effect of compensation and promotion on employee performance. The following are the results of the tests that have been carried out as follows:

1. Effect of Compensation on Employee Performance

The results of this study indicate that compensation has a positive and significant effect on employee performance. The results of the t test analysis obtained the t count > t table, namely 3,052 > 2.019 and a significance value of 0.004 (<0.05). So in this study it was stated that the compensation variable had a positive and significant effect on employee performance. Regarding the explanation that has been described, it is explained that if the better the compensation is in the form of increased salaries, the provision of jaspro in a timely manner, if the things described can be carried out properly it will definitely have an impact on employee performance will increase. This is in accordance with the results of research obtained by Agung, et al (2019) which stated that there was an effect of providing compensation on the performance of employees of

the Production Department of PT. Jaeil Indonesia. Likewise with that obtained by Hidayat (2021) who said that compensation has a positive and significant effect on employee performance. However, in a study by Fatmah et al (2020) stated the opposite, where compensation has no significant effect on employee performance.

2. The Effect of Promotion on Employee Performance

The results of this study indicate that promotion has a positive and significant effect on employee performance. The results of the t test analysis obtained the value of t count > t table, namely $3,954 > 2.019$ and a significance value of $0.000 (<0.05)$. So in this study it was stated that the promotion variable had a positive and significant effect on employee performance. In the sense that it is described if the implementation of a promotion must be in accordance with the conditions for fulfilling the requirements, it is also known that the implementation of a promotion is usually carried out if the employee has been working for the longest period. By implementing it fairly and well, it can have an impact on improving employee performance. The results of this study are the same as the results obtained by Malikhah and Geby (2021) which state that promotions have a positive and significant effect on employee performance at Pembangunan Panca B University in Medan, as well as research conducted by Bungaran Saing (2021) which explains that promotion can affect employee performance. While the results obtained by Indra Syahputra and Jufrizen (2019) state that the promotion variable has a positive but not significant effect on employee performance.

3. Effect of Compensation and Promotion on Employee Performance

The results of this study indicate that compensation and promotion have a positive and significant impact on employee performance. The results of the F test analysis obtained the calculated F value > F table, namely $29,944 > 3.23$ with a significant level of $0.000 <0.05$. With this it can be concluded that the variable compensation, promotion simultaneously has a significant effect on employee performance. This illustrates that the higher compensation and implementation of good and fair promotion is followed by an increase in employee performance. Which means when an employee's promotion will be accompanied by an increase in salary, it is also followed by an increase in performance. Research conducted by Sri Langgeng Ratnasari (2019) revealed that compensation and promotion simultaneously have a significant effect on employee performance. This is also supported by research conducted by Abdul Fatah and Raudatul Jannah (2020) which states that employee performance is influenced by compensation and promotion variables. in Arifuddin and Andi Alfianto's (2023) research also obtained the same result, namely that there was a positive and significant influence between compensation and promotion on employee performance.

4. Testing the Determination Test of R²

The results of this study indicate that the R Square value is 0.594 or 59.4 %, thus compensation and promotion can affect employee performance by 59.4%. Where 0.406 or 40.6 is influenced by other variables not examined in this study, for example workload, work environment, leadership, job satisfaction and various other variables. The correlation coefficient (R) shows a value of 0.770 which indicates that the relationship between the independent variable and the dependent variable is strong because it has an R value of 0.770.

CONCLUSION

Based on the results of the analysis that has been done, it can be concluded that. Partially, compensation has a positive and significant effect on employee performance at PT. Bank Sulselbar parepare. This is indicated by the value of the results of the t test analysis obtained by $t_{count} > t_{table}$, namely $3,052 > 2.019$ and a significance value of $0.004 (<0.05)$ and partially Promotion has a positive and significant effect on employee performance. This is indicated by the value of the results of the t test analysis obtained by the value of $t_{count} > t_{table}$, namely $3,954 > 2.019$ and a significance value of $0.000 (<0.05)$. These results indicate that the first hypothesis is accepted. Compensation and promotion simultaneously have a positive and significant effect on employee performance. This is indicated by the value of the results of the F test analysis obtained by the value of $F_{count} > F_{table}$, namely $29,944 > 3.23$ with a significant level of $0.000 < 0.05$. These results indicate that the second hypothesis is accepted.

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