

The Influence of Compensation on Employee Performance with Job Satisfaction as an Intervening Variable (A Case Study of PT. Angkasa Pura I Juanda)

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Abstract

This research aims to find out employee performance, compensation, and job satisfaction, the direct influence of compensation on employee performance, the direct influence of compensation on employee job satisfaction, the influence of job satisfaction on employee performance and the indirect influence of compensation on employee performance through job satisfaction as an intervening variable. The type of research in preparing this thesis is explanatory research. The population in this research is employees of PT Angkasa Pura I Juanda, especially the airport security screening section, 304 employees. The data analysis method uses a range of scales and path analysis. Based on the results of the research and discussions that have been carried out, it can be concluded that employee performance is in the sufficient category, compensation is in the sufficient category, and employee job satisfaction is in the sufficient criteria. Compensation has a direct effect on employee performance, compensation has a direct effect on employee job satisfaction, job satisfaction has an effect on employee performance and compensation indirectly has an effect on employee performance through job satisfaction as an intervening variable.

Keywords: Compensation, Job Satisfaction and Employee Performance

Abstrak

Tujuan dari penelitian ini adalah untuk mengetahui kinerja karyawan, kompensasi, dan kepuasan kerja, pengaruh langsung kompensasi terhadap kinerja karyawan, pengaruh langsung kompensasi terhadap kepuasan kerja karyawan, pengaruh kepuasan kerja terhadap kinerja karyawan, serta pengaruh tidak langsung kompensasi terhadap kinerja karyawan melalui kepuasan kerja sebagai variabel intervening. Jenis penelitian yang digunakan dalam penyusunan skripsi ini adalah penelitian eksplanatori. Populasi dalam penelitian ini adalah karyawan PT Angkasa Pura I Juanda, khususnya bagian pemeriksaan keamanan bandara, yang berjumlah 304 karyawan. Metode analisis data menggunakan rentang skala dan analisis jalur. Berdasarkan hasil penelitian dan pembahasan yang telah dilakukan, dapat disimpulkan bahwa kinerja karyawan berada dalam kategori cukup, kompensasi berada dalam kategori cukup, dan kepuasan kerja karyawan berada dalam kriteria cukup. Kompensasi berpengaruh langsung terhadap kinerja karyawan, kompensasi berpengaruh langsung terhadap kepuasan kerja karyawan, kepuasan kerja berpengaruh terhadap kinerja karyawan, dan kompensasi secara tidak langsung berpengaruh terhadap kinerja karyawan melalui kepuasan kerja sebagai variabel intervening.

Kata Kunci: Kompensasi, Kepuasan Kerja, dan Kinerja Karyawan

Article info

Received (03/09/2024)

Revised (17/09/2024)

Accepted (26/09/2024)

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INTRODUCTION

Performance is a very important and interesting part because it has proven to be very important in its benefits, an institution wants employees to work seriously according to their abilities to achieve good work results, without good performance from all employees, then success in achieving goals will be difficult to achieve (Widjaja, 2021). An employee will obtain good work performance if his performance is in accordance with standards, both quality and quantity, and time standards for completing work (Mangkunegara, 2018). Efforts to maximize employee performance achievements are influenced by the compensation policy set by the company (Hardina, 2020). Compensation includes all types of payments, both direct and indirect, in the form of material/monetary as well as awards given by the company to employees which are remuneration provided by the company for work achievements. Compensation is not the only factor that influences employee performance, but compensation is still recognized as a determining factor in improving performance.

Job satisfaction is something that is of concern in a company. Company management should satisfy their employees because they are valuable assets for the company. Efforts to satisfy employees are important so that employees can perform well, especially in completing the work targets set. Employees with a high level of job satisfaction will have positive feelings towards their work, and vice versa, employees with a low level of satisfaction will have negative feelings towards their work (Robbins and Judge, 2016).

Research results from Andriani (2022), Aromega (2019) and Saree (2020) show that Compensation has a significant influence on employee performance and Rahayu (2017) from the results of research conducted shows that satisfaction has a significant influence on employee performance. Different results are shown from the results of research conducted by Rianda (2022) and Istiani (2020) showing that compensation does not affect employee performance. Arinal (2017) and Harahap (2019) obtained the following results compensation has no effect on employee job satisfaction and Adiyasa (2019) shows that satisfaction does not influence performance. The existence of differences in the results of previous research or gaps in research is for researchers to conduct a study on the effect of compensation on employee performance with employee job satisfaction as an intervening variable.

PT Angkasa Pura I Juanda is a State-Owned Enterprise (BUMN) that provides air traffic services and airport business in Indonesia which focuses on services in the central and eastern regions of Indonesia. PT. Angkasa Pura I Juanda Surabaya has a Communication and Legal Section in which there is a Public Relations apparatus that manages and disseminates all information as well as being a mediator for internal and external companies within East Java. Public Relations Division PT. Angkasa Pura I Juanda Surabaya carries out daily routine activities in the form of media monitoring as a reference for analyzing and managing all information about the company, which is used to maintain the company's image and to create company strategic programs.

The results of the pre-survey conducted showed that employees often complained about the compensation policy implemented, which according to employees, the compensation policy was not commensurate with the risks or workload that had to be borne by employees in the airport security screening section. Problems that occur among employees in the airport security screening section mean that performance achievements are not achieved optimally, this condition can be shown in Table 1.

Table 1. Performance of Airport Security Screening Section Employees

No.	Information	Target	Realization
1.	Work Quality (What are the tasks of an airport security screening session and are all these tasks carried out according to the SOP?)	Checking passengers who will enter the plane, checking the cabin crew, supervising access control to the air side, checking airplane passengers who will transit and transfer, monitoring the route to the plane, controlling cargo, and checking for illegal items.	The presence/escape of illegal items carried by passengers
2.	Work Quantity (Is the completion of the task in accordance with the specified target?)	Setting a target of 100% monitoring activities for passenger luggage and controlling cargo.	Target achievement was 85%.
3.	Time (Are you able to achieve the time target set in checking the goods?)	The target time for checking passenger luggage is around 10-15 seconds.	Realization >15 seconds.

Source: PT Angkasa Pura I Juanda Surabaya

Based on Table 1, it shows that the airport security screening section employees have not been able to work in accordance with the provisions so the realization of performance achievements has not been in accordance with the targets that have been set.

LITERATURE REVIEW

The success of an organization is influenced by employee performance, for this reason, every company will try to improve the performance of its employees in achieving the organizational goals that have been set. Achieving optimal performance in accordance with an employee's potential is something that is always a concern for organizational leaders. The following is the meaning or definition of performance from several figures : Rivai & Basri (2018), "Performance is the result or overall level of success of a person during a certain period in carrying out tasks compared to various possibilities, such as standards of work results, targets or goals and criteria set has been determined in advance and has been mutually agreed upon".

According to Hasibuan(2016), compensation is something that workers receive as compensation for their work (employees). According to Rivai (2018), compensation is something that employees receive as a replacement for their service contribution to the company. So it can be concluded that compensation is something that is considered as something comparable. In personnel management, gifts in the form of money are compensation given to employees as appreciation for their service. Apart from gifts, wages or salaries are also classified as a form of compensation given to employees. Wages are payment compensation for services provided by employees. There are many forms of payment of wages, either in the form of money (financial) or not in the form of money (non-financial). Wage payments are usually in the concept of payment which means broadly rather than the ideas of salary and wages which are normally financial, but not in a non-financial dimension.

According to Abdurrahmat (2006) job satisfaction is a form of emotional attitude that is pleasant and loves the work one does. Job satisfaction in work is job satisfaction that can be enjoyed at work by getting results from achieving work goals, placement, treatment, and a good work environment. Employees who enjoy job satisfaction in this job will choose to prioritize their work rather than the

remuneration/wages they get from this job. Employees will feel more satisfied if their compensation is commensurate with the work they do. According to Handoko, job satisfaction is one of the variables that can influence employee or work performance. Other variables that can also influence employee work productivity include motivation to work, the level of work stress experienced by employees, physical conditions of work, compensation, and other economic, technical and behavioral aspects. Based on the description explained above, the framework in this research can be schematized as follows:

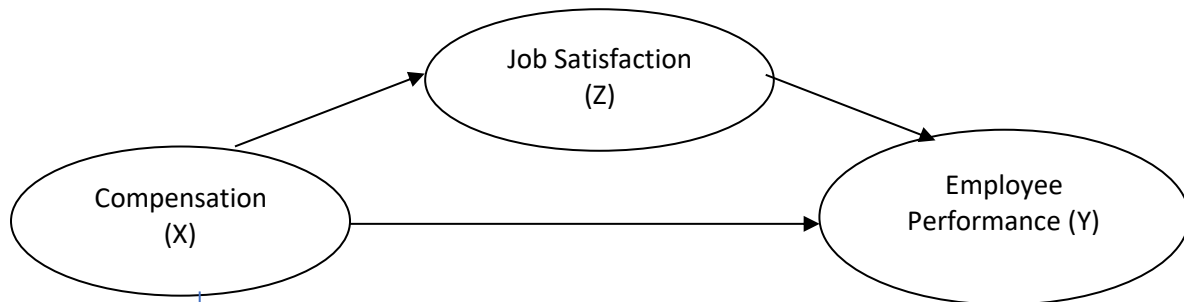


Figure 1. Research Framework

From the framework of thinking, it can also be seen the direct influence of compensation on job satisfaction, meaning changes or increases and decreases in satisfaction in terms of the compensation policy set by the agency. Direct analysis is also used to determine the effect of job satisfaction and compensation on performance, so changes in employee performance achievements are seen from changes in job satisfaction felt by employees and compensation policies set by the company. Based on the framework of thinking, it can also be seen that there is a decrease and increase in employee performance in this case regarding quality, quantity, and time in terms of compensation policy variables with job satisfaction as an intervening.

RESEARCH METHOD

The type of research in preparing this thesis is explanatory research. The population in this research is employees of PT Angkasa Pura I Juanda, especially the airport security screening section, 304 employees. The method used for data collection is a questionnaire. In this study, the questionnaire used was closed, meaning that respondents were expected to answer all the questions and were not given the opportunity to answer other than the answers provided. The scale used in measuring variables is the Likert scale. The Likert scale is a systematic way to assess an index. The data analysis method uses a range of scales and path analysis.

RESULTS AND DISCUSSION

The results of testing the effect of compensation on employee performance can be seen in Table 2.

Table 2. Compensation Path Coefficient Test Results on Employee Performance

Model	Unstandardized Coefficients		Standardize d Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	14,349	2,579		5,564	,000

Compensation	,539	,085	,592	6,313	,000
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a. Dependent Variable: Employee Performance

Source: *Primary data processed (2024)*

Based on the results of the equation, it can be explained that $a = 14.349$ is a constant value, indicating a fixed value of employee performance if it is not influenced by compensation. Compensation influences employee performance with a beta coefficient of 0.539, t count of 6.313, and a probability of 0.000 ($p < 0.05$), which shows that there is a significant influence between compensation and employee performance. This means that if the compensation is better, employee performance will be higher. The results of the analysis show that the Adjusted R Square coefficient (R²) obtained a value of 0.341, this explains that the influence of compensation on employee performance with a contribution of 34.1%, and the remaining 65.9% is influenced by other variables not used in the equation. The results of testing the effect of compensation on employee job satisfaction can be seen in Table 3

Table 3. Compensation Path Coefficient Test Results on Job Satisfaction

		Coefficients ^a			
		Unstandardized Coefficients	Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta	
1	(Constant)	29,780	4,945		6,022 ,000
	Compensation	,564	,164	,372	3,443 ,001

a. Dependent Variable: Job Satisfaction

Source: *Primary data processed (2024)*

Based on the results of the equation, it can be explained that $a = 29.780$ is a constant value, indicating a fixed value of employee job satisfaction if it is not influenced by compensation. Compensation influences employee job satisfaction with a beta coefficient of 0.564, t count of 3.443, and a probability of 0.001 ($p < 0.05$), which shows that there is a significant influence between compensation and employee job satisfaction. This means that if the compensation is better, employee job satisfaction will be higher. The results of the analysis show that the Adjusted R Square coefficient (R²) obtained a value of 0.126, this explains the influence of compensation on employee job satisfaction with a contribution of 12.6%, the remaining 87.4% is influenced by other variables not used in the equation. The results of testing the effect of job satisfaction on employee performance can be seen in Table 4.

Table 4. Path Coefficient Test Results for Job Satisfaction on Employee Performance

		Unstandardized Coefficients	Standardized Coefficients			
		B	Std. Error	Beta	t	Sig.
1	(Constant)	9,563	2,179		4,388 ,000	
	Job satisfaction	,449	,046	,747	9,679 ,000	

Source: *Primary data processed (2024)*

Based on the results of the equation, it can be explained that $a = 9.563$ is a constant value, indicating a fixed value of employee performance if it is not influenced by job satisfaction. Job satisfaction influences employee performance with a regression coefficient of 0.449, t count of 9.679, and probability of 0.000 ($p < 0.05$), which shows that there is a significant influence between job satisfaction and employee performance. This means that if job satisfaction increases, employee

performance will be higher. The results of the analysis show that the Adjusted R Square coefficient (R²) obtained a value of 0.553, this explains the influence of job satisfaction on employee performance with a contribution of 55.3%, the remaining 44.7% is influenced by other variables not used in the equation. The results of testing the direct influence of compensation and job satisfaction on employee performance can be seen in Table 5.

Table 5. Compensation Path Coefficient Test Results and Job Satisfaction On Employee Performance

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3,401	2,248		1,513	.135
	Compensation	,332	,066	,364	5,052	,000
	Job satisfaction	,368	,043	,612	8,491	,000

Source: *Primary data processed (2024)*

Based on the results of the equation, it can be explained that $a = 3.401$ is a constant value, indicating a fixed value of employee performance if it is not influenced by compensation and job satisfaction. Compensation influences employee performance with a regression coefficient of 0.332, t count of 5.052, and a probability of 0.000 ($p < 0.05$), which shows that there is a significant influence between compensation and employee performance. This means that if the compensation is better, the employee's performance will be higher. Job satisfaction influences employee performance with a regression coefficient of 0.368, t count of 8.491, and probability of 0.000 ($p < 0.05$), which shows that there is a significant influence between job satisfaction and employee performance. This means that if job satisfaction increases, employee performance will be higher. The results of the analysis show that the Adjusted R Square coefficient (R²) obtained a value of 0.664, this explains that the influence of compensation and job satisfaction on employee performance with a contribution of 66.4%, the remaining 33.6% is influenced by other variables not used in the equation.

Based on the results of the equation, it can be interpreted that if the compensation provided is better, employees will also feel more satisfied at work and performance achievements will increase. The results of the analysis show that the Adjusted R Square coefficient (R²) obtained a value of 0.673, this explains that the influence of compensation and job satisfaction on employee performance with a contribution of 67.3%, the remaining 32.7% is influenced by other variables not used in the equation. The results of the analysis also show that the direct effect of compensation on employee performance is 0.539, which is smaller than the indirect effect, which is 0.781. The Sobel test statistic result is 3.976000 with a probability value of 0.0000211 ($p < 0.05$). So it can be concluded that the job satisfaction variable can be intervening in the influence of compensation on employee performance.

Results of compensation analysis provided by PT Angkasa Pura I Juanda which includes the salary given under what was promised, where the average salary given is more than IDR 5,000,000 per month, providing support in meeting employees' basic needs. Incentives are given fairly to employees, namely by giving the same proportion to employees with the amount of incentives given. The company also provides allowances in accordance with the provisions, where various forms of benefits are provided, including health benefits (health insurance and hospitalization), transportation benefits (for employees who live far from the office), lunch and dinner benefits (for shift employees), and other benefits. These results are in accordance with the conditions of employee characteristics where the majority have 2 dependents, namely with a total of 43 employees or 56.57% and the majority of

employees have a monthly salary of > IDR 8 million. This condition means that the amount of salary given can meet employee needs.

Job satisfaction of PT Angkasa Pura I Juanda employees includes feeling satisfied with the work provided by the company, feeling satisfied with the salary provided by the company, feeling satisfied with promotional policies set by the company, feel satisfied with the implementation of supervision carried out by the leadership, feel satisfied with work groups in activities in the company and feel satisfied with working conditions in the company falls within the criteria of being quite satisfied. The condition of employee job satisfaction is also shown by the characteristics of the respondents, where the majority of employees have a monthly salary of > IDR 8 million, thus providing support in creating satisfaction in working at the company.

The results of the analysis regarding employee performance include: carrying out tasks in accordance with SOP, achieving targets for monitoring passenger luggage, achieving targets for cargo control and can complete tasks in no more than 2 hours according to existing SOPs falls within the sufficient criteria. These results in terms of work quality show that illegal goods carried by passengers are still being released, the quantity of work is about achieving the target of 85% and the actual work completion time is >15 minutes. In general, the performance achievements of employees are not in accordance with the provisions set by the company. Employee performance achievements can also be seen from the condition of the respondents' characteristics, where the majority are aged 36 - 40 years, namely 37 respondents or 48.68% who show productive age and have experience with a tertiary education level (S1), namely 55 respondents or 72, 37% and most employees have worked at the agency for 1 year to 5 years. The condition of the respondents' characteristics influences the performance of employees.

Based on the results of the analysis, it shows that there is a significant influence between compensation on employee performance, meaning that if the compensation is better, the employee's performance will be higher. Hasibuan (2013) states that compensation policies, both in size, structure, and timing of payment, can encourage employee passion and desire to achieve optimal performance, thus helping to realize company goals. Mangkunegara (2018) "Compensation is very important for both employees and employers, this is because compensation is a source of employee income, compensation is also a reflection of the employee's social status." The compensation given to employees greatly influences employee performance, levels of job satisfaction, and work motivation, as well as employee work results. The results of this research support the results of previous research conducted by Wehantouw (2022), Wulandari (2021), Wahyuni (2021), and Kurniawan (2021) which showed that compensation has an influence on employee performance.

The results of the analysis show that there is a significant influence between compensation on employee job satisfaction, meaning that if the compensation is better, employee job satisfaction will be higher. Mangkunegara (2013) stated that the compensation given to employees greatly influences the level of job satisfaction and work motivation, as well as work results. In other words, compensation is closely related to employee job satisfaction in a company. Therefore, companies are expected to provide fair compensation and in accordance with the agreement between employees and the company. This includes the amount of salary or allowances, as well as the timing of compensation which must be in accordance with the agreement. The results of this research support the results of previous research conducted by Meliza (2021), Mustofa (2019), Wahyuni (2021) and Kurniawan (2021) state that there is a positive and significant influence between compensation and job satisfaction.

The analysis show that there is a significant influence between job satisfaction and employee performance, meaning that if job satisfaction increases, employee performance will be higher. The

results of this research support the results of previous research conducted by Wehantouw (2022), Wulandari (2021), Wahyuni (2021) and Kurniawan (2021) who found that partial job satisfaction has a significant positive effect on performance. The results of the analysis show that compensation has an effect on employee performance, namely through job satisfaction, meaning that increasing job satisfaction can increase the influence of compensation on employee performance. The results of this research support the results of previous research conducted by Wehantouw (2022), Wulandari (2021), Wahyuni (2021) and Kurniawan (2021) showing that compensation has an indirect effect on employee performance through job satisfaction as an intervening variable.

CONCLUSION

Based on the results of the research and discussions that have been carried out, the following conclusions is The performance of PT Angkasa Pura I Juanda employees is in the sufficient category, compensation is in the sufficient category and the job satisfaction of PT Angkasa Pura I Juanda employees is in the sufficient criteria. Compensation has a direct effect on the performance of PT Angkasa Pura I Juanda employees, meaning that if the compensation is better, the employee's performance will be higher. Compensation has a direct effect on employee job satisfaction at PT Angkasa Pura I Juanda, meaning that if the compensation is better, employee job satisfaction will be higher. Job satisfaction influences the performance of PT Angkasa Pura I Juanda employees, meaning that if job satisfaction increases, employee performance will be higher. Compensation indirectly influences employee performance through job satisfaction as an intervening variable, meaning that if compensation is better, job satisfaction will increase or employees will be more satisfied at work. If employees are more satisfied at work, employee performance will increase.

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