Article

The Effect of Competence, Compensation, Workload, and Work Motivation toward Employee Performance

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Abstract: In today's era of competition, every company must develop and improve the performance of its employees. Many factors are involved in improving company performance. One of the important factors that the company must consider in achieving its goals is the human resource (HR) factor. This quantitative study involved as many as 140 staff of PT. PLN (Persero) UIP Sumbagut. The data was analyzed using descriptive and inferential statistics, including multiple linear regression. The result shows that competence and compensation significantly and negatively affect employee performance. Besides that, the workload significantly and positively affects employee performance. Also, this study found that compensation significantly and positively affects work motivation. In addition, the workload negatively and significantly affects work motivation. The motivation variable has a negative and significant effect on employee performance, and the competence variable negatively affects employee performance. Also, the compensation variable has a significant negative effect on employee performance. The workload Work motivation does not mediate the relationship between competence, compensation, and workload on employee performance. In conclusion, this study has examined the mediating role of motivation and found that its variable does not play a significant role in the relationship between competence, compensation, and workload on employee performance.

Keywords: competence; compensation; workload; employee performance; motivation.

1. Introduction

In today's era of competition, every company must be able to develop and improve the performance of its employees. Many factors are involved in improving company performance. One of the important factors

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that the company must consider in achieving its goals is the human resource (HR) factor. The low number of employees causes a decrease in performance, which is indirectly determined by competence. Performance is a condition that shows the level of success of management activities in achieving goals. The success rate includes indicators of the quantity of work and timeliness in completing work. In order to achieve good performance, it is necessary to be supported by employees with the required competencies to obtain effective and efficient results. Competence can be interpreted as a person's basic characteristics consisting of knowledge, skills and attitudes that are causal with good work performance. By evaluating a person's competence, it will be able to predict the results of one's performance.

Therefore, with good competence, one's work motivation can increase even better so that good performance can be achieved, as stated by Herzberg experts quoted by Zahra & Anoraga (2021)) where according to experts that competence and organizational culture are several factors that affect work motivation. The same thing was also stated by Colquitt et al. (2014). According to Wesson, several things affect motivation, namely, Organizational Mechanism, which contains organizational culture, then individual characteristics in which there is competence and the last, is Group Mechanism. Not only employee competence factors that the company must develop to improve employee performance. From interviews conducted with HRD PT. PLN (Persero) UIP Sumbagut, found several problems that often arise in PT. PLN (Persero) UIP Sumbagut includes a high workload. Previously unfinished work added to new work makes employees required to work harder. In addition, the results of the pre-survey on 20 October, 2020, by interviewing employees of PT. PLN (Persero) UIP Sumbagut with an open question, namely "What factors affect employee performance?" shows the following results.

Table 1. Pre-survey Data for Employee Performance PT. PLN (Persero) UIP Sumbagut

Variable	Score		
	Frequency	Respondent	Score (%)
Leadership	1	18	5.56
Motivation	3	18	16.67
Job satisfaction	2	18	11.11
Years of service	2	18	11.11
Competence	3	18	16.67
Workload	4	18	22.22
Compensation	3	18	16.67
Amount	18		100

Table 1 shows the results of the pre-survey. It indicates that 18 employees of PT. PLN (Persero) UIP Sumbagut shows workload factor occupies the first position with 4 answers, followed by Work Motivation, Competence, Compensation with 3 answers, Job Satisfaction, Work Period with 2 answers, and Leadership with 1 answer. Thus, it is affecting the performance at PT. PLN (Persero) UIP Sumbagut is the Workload, Motivation, Competence, and Compensation employees feel. Based on the results of interviews with HRD (Human Resources Development) regarding the workload of PT. PLN (Persero) UIP North Sumatra found that sometimes employees during break time were not used properly due to the large number of piles of work given, and the work had to be done within the time limit determined by the superior.

According to Hannani (2016), the workload arises from the interaction between the demands of the tasks of the work environment where coworkers, skills, behavior, and workers' perceptions are used. It puts pressure on employees. The high workload at PT. PLN (Persero) UIP Sumbagut negatively and significantly impacts employee performance. Efforts to improve employee performance include paying attention to the workload of employees. The description above provides a clear picture of the phenomena affecting employee performance.

2. Literature Review
2.1. Competence

Spencer and Spencer in Kusrini et al. (2018) state that competence is the basic foundation of people's characteristics and indicates a way of behaving or thinking, equating situations, and supporting for a long time. In the corporate environment, both domestically and abroad, Thoha & Avandana (2020), stated that there were only 2 types of competency, namely:

Competence describes what must be known or done to perform the job well. Understanding this type of competence is known as Technical or Functional Competency (Technical/Functional Competency), or it can also be referred to as Hard Skills/Hard Competency (hard competence). This type of competency originated and developed in the UK and is widely used in European countries and Commonwealth countries. Technical competence is on the job, which describes the responsibilities, challenges, and work targets that employees must carry out or achieve to perform well. Competence describes how a person is expected to behave to carry out his work well. Understanding this type of competence is known as Behavioral Competencies or can also be referred to as Soft Skills (Soft Competencies). It should be noted here that behavior is an action (action), so behavioral competence will be identified if someone practices it at work.

2.2. Compensation

Compensation is a provision to employees with financial payments as remuneration for the work carried out and as a motivator for implementing activities in the future. (Handoko 2012). Compensation is very important for employees as individuals because wages measure their value for employees themselves, their families, and society. The absolute income level of employees will determine the scale of their lives, and their relative income indicates their status, dignity, and value (Handoko 2012). Compensation is also important for organizations because the number of payments to employees in wages and other remuneration is often the largest and most important component of costs. In addition, compensation has an important impact on the economy. The source of national income comes partly from compensation. Employee income is the largest part of his purchasing power which is used to buy goods and services produced by companies.

Management compensation needs to pay attention to the principle of fairness. Employees usually judge their pay's fairness by comparing the compensation amount with other employees. They feel that their income is fair or not depending on how they see its relative value compared to others. Most employee dissatisfaction results from differences in pay between individual positions. In general, employees will accept wages based on differences in responsibilities, abilities, knowledge, productivity, "on-job," or managerial activities. Meanwhile, differences in payments based on race, ethnic group, and gender are prohibited by law and public policy (Handoko 2012).

2.3. Workload

The workload is the amount of work that must be carried out by a position/organizational unit and is the product of the work volume and the time norm. According to Manuaba (2005), workload is the ability of the worker's body to accept work. Based on the point of view of ergonomics, every workload received by a person must be appropriate and balanced to the physical and psychological abilities of the workers who receive the workload. The workload can be in the form of physical workload and psychological workload. The physical workload can be in the form of heavy work such as lifting, caring, and pushing, while the psychological workload can be in the form of the extent to which individuals with other individuals possess the level of expertise and work performance. Furthermore, based on Health Law Number 36 of 2009, the workload is the amount of work that must be carried out by a position/organizational unit and is the product of the number of jobs and time. Every worker can work healthily without endangering himself and the community around him. For this reason, it is necessary to harmonize work capacity, workload, and environment to obtain optimal work productivity.

2.4. Employee Performance

In theory, employee performance is influenced by several factors. These factors have indicators that can complete work properly and regularly so that it can affect employee performance. Factors that affect performance can be summarized individually (work-ability, personal reward, education, discipline), institutionally (punishment or career path, work environment, leadership, work politics, compensation, wages, and organizational culture), psychologically (job satisfaction, motivation, work stress, comfort) (Aryanta et al., 2019). When viewed from the institution or company side in terms of a good and comfortable work environment, employee performance can affect employee performance, and competent leadership will influence good leadership and be directed to a better level in improving employee performance. This organizational work culture brings current direction to better and more optimal work. Compensation (wages, salaries, and bonuses) and additional payment funds beyond the monthly salary given in the form of adequate money will affect work morale and improve better and more established performance (Dianati Deilami et al. 2016).

3. Materials and Methods

The type of research used is quantitative research. In quantitative research, the data needed is in quantities represented by numbers (numeric) (Sarwono, 2012). Data analysis tests the established hypothesis statistically (Sugiyono, 2018). Primary data is obtained from the first data source at the research location or object. Sources of data were obtained from respondents through questionnaires. Data collection can be obtained from the results of filling out questionnaires by respondents and the freedom to answer the questionnaire without the influence of others. Secondary data is obtained from secondary sources of required data. Secondary data includes demographic data, profiles of data collection sites, research reports, previous research journals, references or literature from various books, and internet media. The research was conducted by collecting library materials, literature, and scientific essays related to this research. Library research is needed to discuss theoretical problems. In this case, the author reads, collects, and draws conclusions from both books and articles from other publishers. So that it can expand knowledge of the issues discussed. The results obtained are then used as the basis for providing an overview of the problem being studied and used as a basis for drawing conclusions and providing the necessary suggestions. This method requires researchers to have a technical understanding of information technology.

4. Results

4.1. Normality Test

A good regression model has a normal distribution or is close to normal. According to Ghozali (2013), the normality test aims to test whether the confounding or residual variables have a normal distribution in the regression model. The researcher used the Kolmogrov-Smirnov (KS) statistical test in this study. The concept is to compare the data distribution (which will be tested for normality) with the normal distribution.

Table 2. Normality Test One-Sample Kolmogrov-Smirnov (N=140)

		Unstandardized Residual
Normal Parameters, b	mean	0E-7
	Std. Deviation	1.57730857
Most Extreme Differences	Absolute	.065
	Positive	.060
	negative	-.065
Kolmogrov-Smirnov Z		.764
Asymp. Sig. (2-tailed)		.603

a. Test distribution is Normal.
b. Calculated from data.

Table 2 shows the results of the Kolmogrov-Smirnov non-parametric statistical test. It indicates that Asymp.Sig (2-tailed) is 0.603, while the significance level is 0.05. These results indicate that the data used is with normal distribution because of the value of Asymp. Sig (2-tailed) is greater than 0.05 (0.603 > 0.05).

4.2. Heteroscedasticity Test

The basis for decision making: If there is a certain pattern, such as points where the points form a certain and regular pattern (wavy, widening, and narrowing), then heteroscedasticity has occurred. There is no heteroscedasticity if there is a clear pattern and the points spread above and below the number 0 on the Y axis.
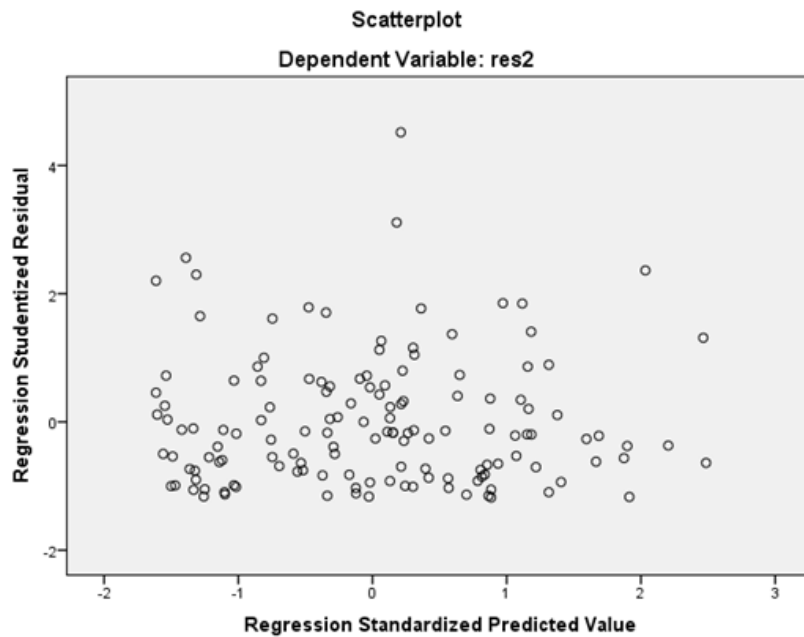
Figure 1. Scatterplot Dependent Variable

Figure 1 looks patterned and irregular. Thus, it concluded that there is no heteroscedasticity in the regression model. In the scatterplot graph above, the points spread above and below the number 0, but it still looks a little patterned, for that the author conducted a second test using the Glejser to be sure that there was no heteroscedasticity in the regression model.

4.3. Multicollinearity Test

Multicollinearity test to test whether the regression model found a correlation between independent variables (independent) between variables. To determine the presence or absence of multicollinearity in the regression is as follows. To detect the presence or absence of multicollinearity in the regression model are as follows: Having a tolerance number above (>) 0.1 and Having a VIF value below (<) 10.

Table 3. Result of Multicollinearity Testing

Variable(s)	Collinearity Statistics	
	Tolerance	VIF
Competence	0.784	1.275
Compensation	0.789	1.268
Workload	0.739	1.352
Work motivation	0.884	1.131

a. Dependent Variable: Employee Performance

Table 3 shows the results of the multicollinearity test at the tolerance value for the Competency variable (X1) of 0.784, Compensation (X2) of 0.789, Workload (X3) of 0.739, and Work Motivation (Z) of 0.884. The Tolerance results show that no variable has a Tolerance value of <0.10, meaning there is no correlation between variables. The VIF value for the Competency variable (X1) is 1,275, Compensation (X2) is 1,268, Workload (X3) is 1,352, and Work Motivation (Z) is 1,131. The Variance Inflation Factor (VIF) value also shows that no single variable has a VIF value > 10. It can be concluded that there are no symptoms of multicollinearity.

4.4. Multiple Linear Regression Analysis

Table 4 shows multiple linear regression analysis results for competence, compensation, and workload on employee performance, with work motivation as an intervening variable. The t-test is used to see the

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level of significance of the independent variables affecting the dependent variable individually or individually. This test is carried out partially or individually, using a statistical t test for each independent variable, with a certain level of confidence (Manaf & Bawono 2021).

Table 4. Result of Multiple Linear Regression Analysis

Variable(s)	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	18,952	1.552		12.210	0.000
Competence	-0.522	0.076	-0.409	-6.892	0.000
Compensation	-0.336	0.057	-0.349	-5.893	0.000
Workload	0.560	0.041	0.843	13.795	0.000
Work Motivation	-0.109	0.048	-0.127	-2.278	0.024

a. Dependent Variable: Employee Performance

Table 4 displays the regression equation model is Y = 18.952 – 0.409 X1 – 0.349X2 + 0.843X3 – 0.127Z + 0.611. The constant 18.952 means that if the variables of competence (X1), compensation (X2), workload (X3) and work motivation (Z) do not exist or the value is 0, then the employee's performance will increase by 18,952. The regression coefficient for the competency variable (X1) is -0.409, which states that each additional 1 point of the competency variable (X1) will reduce employee performance by 0.409 with the assumption that compensation (X2), workload (X3) and work motivation (Z) remain. The regression coefficient for the compensation variable (X2) is - 0.349 which states that each additional 1 point of the compensation variable (X2) will reduce employee performance by 0.349 with the assumption that competence (X1), workload (X3) and work motivation (Z) remain. The regression coefficient of the workload variable (X3) of 0.843 states that each additional 1 point of the workload variable (X3) will increase employee performance by 0.843 with the assumption that competence (X1), compensation (X2) and work motivation (Z) remain. The regression coefficient for the work motivation variable (Z) is -0.127 which states that every additional 1 point of the work motivation variable (Z) will reduce employee performance by 0.127 with the assumption that competence (X1), compensation (X2), and workload (X3) remain.

The results of the t-test show that the competency variable produces a significance value of 0.000, which is smaller than 0.05, meaning that applying the competency variable has a significant effect on employee motivation at PT. PLN (Persero) UIP North Sumatra. The results of the t-test show that the compensation variable produces a significance value of 0.017, which is smaller than 0.05, meaning that the application of the compensation variable has a significant effect on employee motivation at PT. PLN (Persero) UIP North Sumatra. The results of the t-test show that the workload variable produces a significance value of 0.020, which is smaller than 0.05, meaning that the application of the workload variable has a significant effect on employee motivation at PT. PLN (Persero) UIP North Sumatra.

The results of the t-test show that the work motivation variable produces a significance value of 0.024, which is smaller than 0.05, meaning that the application of the work motivation variable has a significant effect on employee performance at PT. PLN (Persero) UIP North Sumatra. The results of the t-test show that the competency variable produces a significance value of 0.000, which is smaller than 0.05, meaning that the application of the competency variable has a significant effect on the performance of employees at PT. PLN (Persero) UIP North Sumatra. The results of the t-test show that the compensation variable produces a significance value of 0.000, which is smaller than 0.05, meaning that the application of the compensation variable has a significant effect on the performance of employees at PT. PLN (Persero) UIP North Sumatra. The results of the t-test show that the workload variable produces a significance value of 0.000, which is smaller than 0.05, meaning that the application of the workload variable has a significant effect on the performance of employees at PT. PLN (Persero) UIP North Sumatra.

4.5. Path Analysis

This study uses statistical analysis, namely path analysis. This analysis is used to test the effect of the intervening variable (Z), using regression analysis to estimate the causality relationship between variables

(casual model). Path analysis is an extension of multiple linear regression analysis, or path analysis is the use of regression analysis to estimate causality between variables previously determined based on theory.
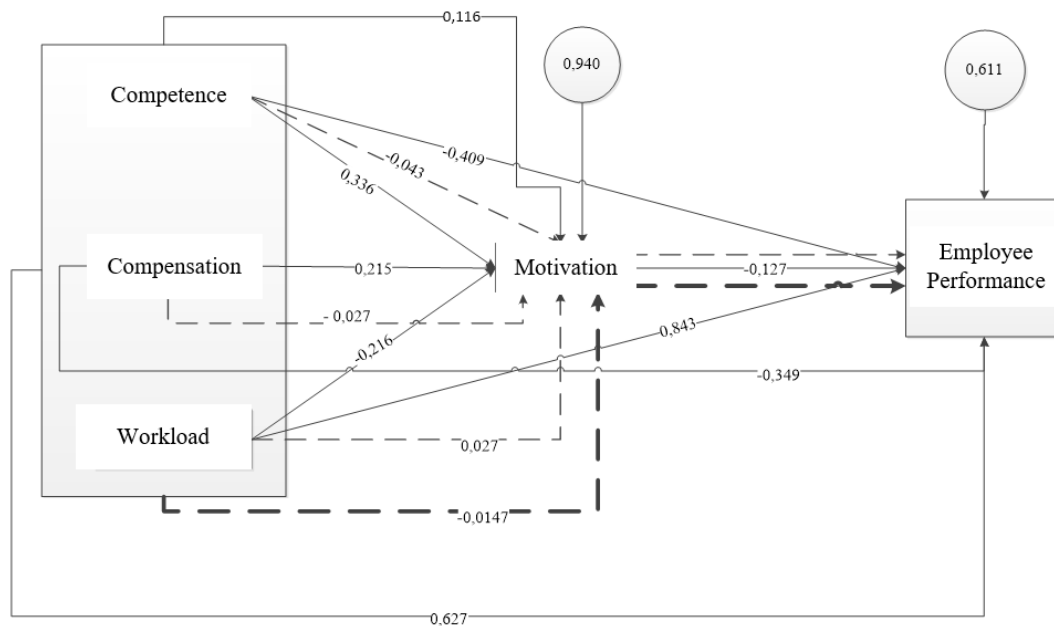

Figure 2. Path Analysis Model

Figure 2 indicates that competence indirectly does not significantly affect employee performance. It is reinforced by the results of t-stat < t-table, namely -1.797 < 1.978, with a significance level of 0.05. These results prove that work motivation cannot mediate competence in employee performance. Also, compensation does not have a significant effect on employee performance. It is reinforced by the results of t-stat < t-table, which is 1.607 < 1.978 with a significance level of 0.05. These results prove that work motivation cannot mediate compensation on employee performance. Besides that, the workload does not significantly affect employee performance. It is reinforced by the results of t-stat < t-table, which is 1.940 < 1.978 with a significance level of 0.05. These results prove that work motivation cannot mediate workload on employee performance.

4.6. Simultaneous Testing (ANOVA)

The F-test identifies how far the independent variables affect the dependent variable (Manaf & Bawono 2021).

Table 5. Result of Simultaneous Testing - ANOVA[a]

	Sum of Squares	df	Mean Square	F	Sig.
Regression	581,403	4	145,351	56,742	0.000[b]
Residual	345,818	135	2,562		
Total	927,221	139			

a. Dependent Variable: Employee performance
b. Predictors: (Constant), Work motivation, workload, compensation, competence

With the ANOVA test, Table 5 shows that the F-stat value is 56,742 with a probability significance value of 0.000. Because the probability is much smaller than 0.05, this result means that the regression model can be used to predict employee performance or it can be said that competence, compensation, workload, and work motivation together affect employee performance.

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4.7. Coefficient of Determination (R2)

The coefficient of determination (R^2) shows the extent of the relationship between the dependent variable and the independent variable or the extent to which the contribution of the independent variable affects the dependent variable Manaf & Bawono (2021). Analysis of the coefficient of determination (R^2) is used to determine how big the percentage (%) of the overall effect of the independent variables on the dependent variable. The results of the coefficient of determination test (R^2) of this study can be seen from the following Table:

Table 6. Result of Determination Coefficient (R^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.792[a]	0.627	0.616	1.601

a. Predictors: (Constant), work motivation, workload, compensation, competence

Table 6 displays that the coefficient of determination (R^2) is 0.627, which means that there is a moderate relationship between the dependent variable (employee performance) and the independent variables (competence, compensation, workload, and work motivation) because it is close to 1. The coefficient of determination (R^2) is 0.627, which means that the independent variable's contribution affects the dependent variable by 62.7%. In contrast, other variables outside the study influence the remaining 37.3%.

5. Conclusions

In conclusion, work motivation does not mediate the relationship between competence, compensation, and workload on employee performance. Besides that, this study found that competence, compensation, workload, and motivation simultaneously affect employee performance. This study's results can be used as material for consideration and input in decision-making for PT. PLN (Persero) UIP Sumbagut are (i) the motivation given to all employees needs to be increased, because the motivation given will have implications for better work performance. When the motivation given does not support employee performance, the employee's perceived job satisfaction will also decrease. (ii) So that the performance of employees of PT. PLN (Persero) UIP Sumbagut remains good, so the company must always pay attention to its employees by maintaining and improving competence, compensation, and work motivation. (iii) Efforts to approach the company more towards employees so that employees always feel comfortable and motivated to improve their performance.

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