The Influence Of Compensation, Job Promotion, And Job Satisfaction On Employee Performance Of Mercubuana University

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Abstract: This study aims to examine and analyze the influence of compensation, job promotions and job satisfaction on the performance of Mercu Buana University's teaching staff. This type of research is a causal analysis using a quantitative approach. Questionnaires were distributed to 77 Mercu Buana University employees from a total population of 332 employees using convenience sampling techniques. The analytical method used in this study is multiple linear regression. The results showed that compensation, job promotions and job satisfaction simultaneously had a significant effect on performance. Partial compensation does not affect performance. Job promotion has a positive and significant effect on performance. Job satisfaction has a positive and significant effect on performance.

Keywords: Compensation, Job Promotion, Job Satisfaction and Performance

I. INTRODUCTION

Employees are the most important resource that has key to success in organization. As human resource drives organization, management human resource strategy is needed to maximize employee performance. Conditions internally and externally within organization certainly differ from one organization to another. Including each individual or group that is in organization. It can affect the overall elements of organization.

Mercu Buana University as organization focuses on education, It continues to strive to improve quality in field of education through the implementation of education, research, and community service, and focus on improving competencies to be able to make individuals capable of competitiveness in achieving industry and community needs in global competition. Mercu Buana University until now has achieved many achievements at national and international levels, it has also been able to achieve institutional accreditation by BAN-PT with an A grade and also ranked 25th best universities in Indonesia and has ranked 3254 in the world version of Webometrics. (source: www.webometrics.info/Asia/Indonesia). Thus, it can be said that employee performance is one of the crucial factors in determining overall organizational performance. One of them is in the scope of educational organizations such as Mercu Buana University.

Based on Fig. 1 shows that in the period of 2016-2018 the number of employees performing well and very well was no more than 80%, in case the details of employees who were performing well and very well in 2016-2017 were 55% and in 2017-2018 number it increased by 3% to 58%. The increasing did not meet expectations. In addition, employees who need improvement reach an average of 12.3% in 2016-2017 and 2017-2018 where the number is still greater than the average employee who performs very well, which is only an average of 9.5% in in 2016-2017 and 2017-2018.

Further, authors conduct a pre-survey of 7 aspects that allegedly influenced performance with results such as aspects of competence and work discipline having an average percentage of 27.5%, employee engagement with a value of 27.7%, training having an average of 26% , while other 3 lowest are described in the aspect of compensation by 20.4%, job promotion by 22%, and job satisfaction by 24%.
II. LITERATURE REVIEW

According to Wirawan (2015:5), performance is output produced by the functions or indicators of a job or a profession within a certain time. Term performance is used to indicate output of a company/organization, tools, management functions (production, financial marketing), or output of an employee. Performance is very important, because performance can find out how great their ability to complete tasks assigned to it. According to Lijan Poltak Sinambela et. al (2011: 480), defines performance as the ability of employees to do certain skills. According to Stolovitch and Keeps (in Lijan Poltak Sinambela, 2016: 481) which explains that performance is a set of results achieved and refers to actions of achieving and implementing of requested work. According to Wirawan (2015: 166) states that there are three dimensions of performance, as follows: job skills, job quality, and Initiative.

According to Hasibuan (2018:118), compensation consists of two components of direct compensation, including salary, wages, incentives, and indirect compensation, including employee welfare. According to Farida Elmi (2018:83), compensation is a remuneration given by the organization/company to employees, which can be financial or non-financial. According to Flippo (in Darsono and Dewi, 2016: 242) compensation is function is formulated as a proper and adequate remuneration to personnel for their contribution to organization. According to Farida Elmi (2018:86), the components of overall salary program are generally classified into direct, indirect, and non-financial compensation.

Compensation can improve performance, motivation, loyalty, and employee satisfaction at work. If compensation is given precisely in accordance with capacity between responsibilities and rights, then employees are motivated to achieve organizational goals. Employees use their knowledge, skills, energy, time, and commitment, merely wanting to get a reward or repayment for the performance and productivity of the work they produce. In accordance with research conducted by Usman Fauzi (2014) found that financial and non-financial compensation had a positive and significant influence on employee performance. According to Mohd Hamran Mohamad et. al (2016) conclude that compensation has an influence on employee performance. According to Yuli Triana (2017) found that compensation has a significant influence on performance.

Flipo (in Hasibuan, 2018: 108) states that promotion is a move from one position to another that has a higher status and responsibility. Usually move to a higher position includes an increase in salary / other wages, although this is not always the case. According to Sikula (in Hasibuan, 2018: 108), technically a promotion is a move in one position to another that involves both wages and status increases. According to Ardana et. al (in I Gede Purnawan Adi et. al., 2016) states there are basics in job promotions include seniority, job performance, loyalty level, and honesty.

Job promotions are mostly in the interest of employees because promotion does not only show the dynamics of the job but also other aspects that are given in line with the job description. This is in line with theory revealed according to Flipo (in Hasibuan, 2018: 108) states that promotion is the move from one position to another which has a higher status and responsibility. In research conducted by Winda Yulyarta Simanjuntak
(2015) found that job promotion has a positive and significant influence on employee performance. According to Virginia Maulidiah Septiani (2015) found that job promotion influences performance. According to Suharni Rahayu (2017) found that the promotion of position has a positive and significant influence on performance.

Job Satisfaction is one's feeling towards his job which is produced by his own performance (internal) and which is supported by things that come from outside him (external), on the job situation, job results, and job itself. (Lijan Poltak Sinambela (2016: 303). The concept of job satisfaction is not easy and because it is related to human feelings and perceptions. Employee feel they have job satisfaction if they have the perception that rewards they receive for carrying out job exceeds the individual labor and costs they have incurred, and the difference is still enough to fill his life.

Job satisfaction is a positive feeling that an employee feels towards his job. In accordance with research conducted by Hendra Kurniawan and Arasy Alimudin (2015) conclude that job satisfaction has a significant influence on employee performance. According to M.D.S.H. Perera and W.A.S. Weerakkody (2016) in his research states that job satisfaction influence on employee performance. According to Mohammed Inuwa and Abdullahi Muhammad (2016) conclude that job satisfaction has a positive and significant influence on employee performance.

In accordance with the results of research from previous researchers who conducted research on the influence of compensation on performance, the influence of job promotion on performance and the influence of job satisfaction on performance. Based on Fig. 2 the hypotheses proposed in this study:

\textbf{H}_1: \text{Compensation has a positive influence on employee performance at Mercu Buana University.}

\textbf{H}_2: \text{Job promotion has a positive influence on employee performance at Mercu Buana University.}

\textbf{H}_3: \text{Job satisfaction has a positive influence on employee performance at Mercu Buana University.}

\textbf{H}_4: \text{Compensation, Job promotion and Job satisfaction simultaneously influence on employee performance at Mercu Buana University.}
III. RESEARCH METHODOLOGY

Based on the identification of problems and hypotheses that have been formulated, the variables measured in this study consisted of three independent variables including compensation, job promotions, and job satisfaction and one dependent variable including performance.

The type of sampling used is Non-probability sampling, there is convenience sampling, where samples are taken based on the availability of samples and the ease of getting them (Sugiarto, 2017:152). This sample was obtained based on spontaneous or accidental events, ie anyone who incidentally could be met within the scope of Mercu Buana University's teaching staff and was willing to fill out questionnaires distributed to the various targeted units would be taken as samples.

Determining sample size in this study is to use the statistical formula with Yamane Approach (1967) (in Suliyanto, 2018: 187), which is as follows:

\[ n = \frac{N}{(1 + N \times d^2)} \]

Where:
- \( n \) = minimum sample size
- \( N \) = population size
- \( d \) = fault tolerance (sampling error); by 10%

The total sample calculated is: \( n = \frac{332}{(1 + 332 \times (10\%)^2)} = 76.85 \)

n = 76.85 rounded up to 77 people.

In determining selected sample, author uses a precision or error rate of 10%, sample size will be examined from a population of 77 employees from 332 employee in Mercu Buana University population in the Meruya area.

Author conduct several methods of data collection including questionnaire method. Literature study method. The data that has been obtained from respondents who are the subject of research then the data is processed using SPSS software version 25. Regression analysis in this study aims to determine how much influence the independent variable (independent) consisting of Compensation, Job Promotion, and Job Satisfaction on the dependent variable consisting of the performance of Mercu Buana University employees. In this study, regression analysis is performed using SPSS 25.0 for Windows statistical processing tools obtained by the calculation results.

IV. RESULT AND ANALYSIS

Profile of respondents, in this study is depicted in several categories as in the following, total respondents are 77 people, and demographics in this study are dominated by male as much as 56%, ages from 25 to 30 years old and under 25 years old each as much as 32%, last education of bachelor as much as 62%, work period under 3 years as much as 33%, and staff position as much as 98%.

Based on descriptive statistical test questionnaire answers has been answered by respondents, average compensation variable of 3.49. It shows that Mercu Buana University's employee compensation is at a high level. The indirect compensation dimension has highest average value of 3.70. It shows that the commitment of Mercu Buana University's employee is in the good level. Job promotion are measured using 6 indicators in 4 dimensions, there are dimensions of seniority, job performance, loyalty level, and honesty, average value of job promotion is 3.86, it shows that between the granting of promotion with indicators of employee criteria are in the good level. Work performance dimension has the highest average of 3.96. It is indicated by respondents who have a higher orientation to achievement or work results as a reference in either category. Job satisfaction in this study was measured using 13 indicators in 2 dimensions, namely the dimensions of satisfiers and dissatisfaction (hygiene factors). The average value of the variable level of job satisfaction is 3.59, it shows that the level of job satisfaction of Mercu Buana University education staff is in the good level. Satisfiers dimensions has an average value of 3.59, it shows level of satisfaction of employee related to the work itself is in the good level. Performance is measured using 14 indicators in 3 dimensions, there are dimensions of job skills, job quality, and initiatives, average value of performance variable is 4.09, it shows that the performance of Mercu Buana University's employee is in the good level. Job quality dimension shows the highest average value of 4.11 which states that the quality of work is already in the good level where employee of Mercu Buana University have
exercised to maximize quality of work in holding responsibilities while serving as an employee in Mercu Buana University scope which includes accuracy, work discipline, cooperation, professionalism, and time use.

Based on Table 1 show he results of the multiple linear regression model are contained in the calculation of the formula which will be tested with a significance level of $\alpha = 0.05$, then the equation is:

$$\text{Performance} = 1,645 - 0.192 \times \text{Compensation} + 0.510 \times \text{Job Promotion} + 0.329 \times \text{Job Satisfaction} + e$$

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t Test</th>
<th>F Test</th>
<th>Koefisien Determinasi</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.645</td>
<td>0.403</td>
<td>4.080</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Compensation</td>
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<td>0.110</td>
<td>-0.242</td>
<td>-1.742</td>
<td>0.086</td>
</tr>
<tr>
<td>Job Promotion</td>
<td>0.510</td>
<td>0.120</td>
<td>0.468</td>
<td>4.245</td>
<td>0.000</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.329</td>
<td>0.135</td>
<td>0.370</td>
<td>2.438</td>
<td>0.017</td>
</tr>
<tr>
<td>Regression</td>
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<td></td>
<td>14,714</td>
<td>.000</td>
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<tr>
<td>R</td>
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<td>Adjust R Square</td>
<td></td>
<td></td>
<td></td>
<td>0.351</td>
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From the regression equation can be described as follows:

a) A constant of 1.645 means that if Compensation, Job promotion, and Job satisfaction = 0, then the employee's performance is 1.645

b) Compensation Coefficient = -0.192 it means that there is a negative influence compensation so that if compensation increases then performance will decrease.

c) Job promotion coefficient = 0.510 it means that there is a positive influence of job promotion so that if job promotion increases then performance will also increase.

d) Job satisfaction coefficient = 0.329 it means that there is a positive influence of job satisfaction so that if job satisfaction increases then performance will also increase.

**Research Discussion**

**The influence of Compensation on employee performance of Mercu Buana University employee**

T test results for Compensation on Performance show the Sig value of 0.086 and t count shows of -1.742, and Sig value is greater than the probability value of 0.05 so that 0.086 > 0.05, and the t value is smaller than t table (-1.742 < 1.930), then the conclusion that can be explained is $H_0$ is accepted and $H_1$ is rejected. The conclusion is Compensation has no a significant influence or negative relation on the performance of Mercu Buana University employee.

Based on the results of this study states that compensation has no effect on the performance of Mercu Buana University's teaching staff. The results of this study are consistent with the results of research conducted by M. A. Habibi Kadir and Lia Amalia (2017) which states that compensation has no effect on employee performance. Likewise the results of research Purwanto S. Katidjan, Suwarno Pawirosumarto, and Albertus Isnaryadi (2017) also stated that compensation had no significant effect on employee performance. Similar research results also include research conducted by Ikrom (2014). The results of this study indicate that compensation has the opposite relationship to performance, i.e. the higher the compensation the lower the performance. Based on the results of previous interviews conducted with a number of education staff at Mercu Buana University, the compensation is in the category of adequate / standard and maximum satisfaction has not been felt.
The Influence Of Compensation, Job Promotion, And Job Satisfaction On Employee Performance

The influence of Job Promotion on employee performance of Mercu Buana University employee

T test results for Job Promotion on Performance show the Sig value of 0.000 and t count shows of 4.245, and Sig value is smaller than the probability value of 0.05 so that 0.000 < 0.05, and the t value is greater than t table (4.245 > 1.930), then the conclusion that can be explained is H₁ is accepted and H₀ is rejected. The conclusion is Job promotion has a significant influence or positive relation on the performance of Mercu Buana University employee.

Based on the results of this study indicate that the promotion of a positive and significant effect on the performance of the Mercu Buana University educational staff. The results of this study are consistent with the results of research conducted by Rudi Prasetyo Ardi and Ninik Sukmasari (2016) which states that job promotion has a positive and significant influence on performance. The results of other studies that are in line with the research of Ni Putu Oktaviani and I Gusti Salit Ketut Netra (2014) who conducted research on the employees of PT. Grand Mega Bali Resort & Spa Kuta, Bali, which shows that job promotion has a significant influence on employee performance. The results of the study by Suharni Rahayu (2017) also showed that job promotions has a positive and significant influence on employee performance. Other studies are also in line with those expressed by Munadiah, Ihyani Malik, and Burhanuddin (2015) which states that the results of job promotion have a positive and significant effect on employee performance.

The influence of Job satisfaction on employee performance of Mercu Buana University employee

T test results for Job satisfaction on Performance show the Sig value of 0.017 and t count shows of 2,438, and the Sig value is smaller than the probability value of 0.05 so that 0.017 < 0.05, and the t value is greater than t table (2,438 > 1.930), then the conclusion that can be explained is H₁ is accepted and H₀ is rejected. The conclusion is Job satisfaction has a significant influence or positive relation on the performance of Mercu Buana University employee.

Based on the results of this study stated that job satisfaction has a positive and significant influence on the performance of Mercu Buana University's teaching staff. The results of this study are in accordance with the results of research conducted by Hendra Kurniawan and Arasy Alimudin (2015) which said that job satisfaction has a significant effect on performance. The results of other studies presented by M.D.S.H. Perera and W.A.S. Weerakkody (2016) which states that job satisfaction affects performance. Similar research results were also expressed in studies conducted by Shahu M. Subhashini D. (2017), I Wayan Juniantara and I Gede Riana (2015), Mohammed Inuwa and Abdullahi Muhammad (2016), Ramona Octaviannad, Nurmala K. Panjaitan, Sadikin Kuswanto (2017), and Danica Bacotic (2016).

Effects of Compensation, Job Promotion, and Job Satisfaction on Employee Performance of Mercu Buana University

Based on the results of the simultaneous test, it has been obtained that compensation, job promotions, and satisfaction simultaneously have a significant effect on the performance of the Mercu Buana University teaching staff.

Regression test results showed that the regression coefficient between job promotion on performance was 0.510 higher than the regression coefficient between job satisfaction on performance that was 0.329 and the regression coefficient of compensation on performance was -0.192. It can be interpreted that job promotion has most greater influence on employee performance of Mercu Buana University's than job satisfaction and compensation.

While the results of coefficient determination test obtained Adjusted R Square value or the correlation coefficient suitability between compensation, job promotion, and job satisfaction on performance of 0.351. This value indicates a moderate correlation level. It shows that the independent variables consist of compensation, job promotion, and job satisfaction together can explain the dependent variable, namely employee performance of 35.1%, while the rest of 64.9% is explained by other variables outside this research model.
Managerial Implications

Based on the results of these studies indicate that good performance is needed for Mercu Buana University in an effort to achieve the expected goals. To increase a good performance, it needs encouragement from various sides that support the creation of productivity to be able to produce performance that is as expected. Attractive compensation makes employees feel valued for their hard work and gives employees the opportunity to explore their abilities to get their rights. Job promotion gives employees the opportunity to develop better and provides opportunities to mobilize their abilities, experience and skills in carrying out their duties. Employees who have reached their orientation will feel job satisfaction so it is closely related to better performance.

V. Conclusion

Based on the results of research and discussion with regard to The Influence of Compensation, Job Promotion, and Job Satisfaction on Employee Performance of Mercu Buana University: a number of conclusions can be explained as follows:

1. Compensation has a negative and not significant influence on employee performance of Mercu Buana University. It shows that the higher the compensation given to employee, the decreased performance. The highest correlation between dimensions on the compensation variable to the performance variable is the indirect compensation dimension to work skills and quality of work. Thus, indirect compensation can improve performance in terms of work skills and quality of work.

2. Job Promotion has a positive and significant influence on employee performance of Mercu Buana University. It shows that higher job promotion given to employee, the better employee performance will be. The highest correlation between dimensions on the promotion variable on the performance variable is on the dimensions of job performance on the dimensions of job skills. Thus, the resulting achievement benchmark is able to create the desire of educational staff in improving their job skills.

3. Job satisfaction has a positive and significant effect on employee performance of the Mercu Buana University. It shows that the higher the level of satisfaction felt by employee, performance will increase. The highest correlation between dimensions on the variable job satisfaction on the performance dimension is on the dimensions of dissatisfiers to the initiative dimension. Where education staff feel satisfaction with the environment, policies, technical matters, and other internal links are able to trigger positive action within the scope of work.

4. Compensation, promotion, and job satisfaction significantly influence on employee performance of Mercu Buana University. It shows that the compensation, job promotion and job satisfaction factors are very important in influencing the performance of Mercu Buana University's teaching staff. Thus, giving and emphasizing attention to the elements that represent the independent variables will give optimal results to the performance improvement.

Suggestion:

Based on the results of research and discussion and conclusions that have been described previously, then some suggestions that can be put forward by the author are as follows:

1. Performance improving in connection with compensation, the organization continues to maintain and pay attention to the level of educational staff’s need for core needs and self-development in order to be able to improve performance. One of them is using a merit-pay based system where it uses a compensation system based on work performance or performance.

2. Performance improving in connection with the promotion of the office that is the organization emphasizes and gives the opportunity the importance of achievement and has results that are more than expectations as a reference because better achievement and results are able to provide opportunities for promotion to a higher level. In this case, some educational staff who have experience are given the opportunity to prove their
performance for several years and use their wisdom to be assisted in providing input to more junior colleagues.

3. Performance improving with respect to job satisfaction, the organization needs to apply work satisfaction methods, one of which can be in the form of interviews with individuals to assess and find out the extent and what causes satisfaction for education staff. In addition, giving appreciation to educational staff by seeking satisfaction in the scope of the work environment related to the formation of policies, techniques, rules, security, to good relations established between fellow education staff and with superiors

4. Considering that the independent variables in this study are very important in influencing the performance of educational staff, it is expected that the results of this study can be used as a reference for future researchers to develop this research by considering other variables, especially employee engagement, work discipline, competence or Other variables outside the variables included in this study. This is useful to know the extent to which these variables affect performance.

**REFERENCE**


