

The Impact of Compensation, Organisational Work Culture and Work Discipline on the Performance of Employees at Andalas University Hospital

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ABSTRACT

This study aims to analyze of the impact of compensation, employee work culture on the organization, employee work discipline on the performance of employees of Andalas University Hospital. The population of this study were medical staff at Andalas University Hospital. The number of research samples is 100 respondents. The research instrument was a questionnaire distributed to respondents. The analysis tool in this study uses SEM PLS. Employee performance is influenced by the size of compensation, knowledge management and work culture of employees at Andalas University Education Hospital.

Keywords: Compensation, organizational work culture, discipline and performance

1. INTRODUCTION

Employee performance is related to an achievement, results and effort of the amount of work that must be completed, quality that is the quality produced, timeliness in completing their duties because employees are not only required to complete their work but also must be in accordance with the specified time. If the employee has active participation, has responsibility, is diligent, is absent, on time, and is able to provide solutions is a good performing employee (Rivai, 2013). But in reality not all employees are able to do that. Based on preliminary observations made by the author at Andalas University Hospital for 10 employees of Andalas University Hospital it was concluded that there are still employees who have not been able to apply work instructions properly. Furthermore, the results of observations seen in the field when employees make transactions with customers still

have a way of communicating some employees who are less than satisfactory. The results of the author's interviews with several employees about the problem of compensation they receive while working are still not in accordance with what they expect when viewed from the workload they do, the compensation they receive is still inequality. The rewards given to employees are still not in accordance with the sacrifices and achievements that they do such as when the workload given to employees is done faster, the employee does not get more rewards. Many factors affect the performance of includes compensation. Based on the opinion of Dessler (2015) which states that compensation is all forms of payment or gifts given to employees arising from their work. compensation can be in the form of direct payments such as wages, incentives, commissions, and salaries and direct payments. Based on the results of research conducted by

Garbers & Konradt (2014) revealed that compensation affects the performance of employees, the better the compensation given to employees, the better the performance of these employees.

Furthermore, organizational culture is a factor that influences employee performance. Schein (2010) revealed that organizational culture is a shared pattern thought by a group to respond to external and internal problems. Based on the results of a study conducted by Debusscher, Hofmans, & De Fruyt, (2017) which states that employee performance is influenced by organizational culture. the better the organizational culture that is applied, it will trigger an increase in employee performance such as quality, quantity and completion of work according to work procedures. Discipline is a factor influencing the performance formed through training aimed at improving and shaping employee knowledge, attitudes and behavior. Latifah, Rotinsulu, & Tumilaa (2017) state that employee performance is influenced by work discipline. To improve employee performance is a challenge for management because success or not the company is a reflection of employee quality. This research is expected to be empirical evidence of the importance of performance as evidenced by compensation, organizational culture, and employee work discipline. So companies can improve performance that has not yet been achieved. The purpose of this study was to determine the effect of compensation, organizational culture This study aims to determine the impact of compensation and work discipline on the performance of employees of Andalas University Hospital.

Literature Review

Employee Performance

Statement given by Mangkunegara (2014), performance is the result of one's work based on quality, quantity achieved in accordance with targets set by the organization with full responsibility based on standard operating procedures. Rivai & Sagala (2011) revealed that a person's achievements when carrying out their duties according to standards and criteria are employees who perform well. Furthermore Wibowo

(2012), revealed that performance is a person's job according to the responsibilities given to them.

Employee Work Discipline

Discipline is one of the keys to success in completing tasks and obligations. Mondy & Noe (2010) revealed that effective disciplinary action will encourage individuals to improve performance that benefits the individual and of course also the organization. Rivai & Sagala (2011) provide an explanation that work discipline is a tool for managers to communicate with employees so that they behave well with full awareness or willingness to obey applicable social norms and rules. The definition of employee work discipline by Koopmans, at al., (2014) is compliance with the rules in organizations related to improving the quality of work, the amount of work, knowledge about work, and so on. Chukwuma Nwosu & Ugwuera (2015) revealed that improper disciplinary actions spur the effectiveness and incompetence of the organization.

Compensation

All forms of payments received by employees because their work results both directly and indirectly are compensation. Based on the opinion of Dessler (2013) states that compensation consists of direct financial compensation, namely payments given directly to employees who have completed work in accordance with the quality, and quantity and work procedures. then indirect compensation is a payment given to employees in the form of pensuin money, health insurance. Furthermore Mondy & Martocchio (2016) states that compensation is the total of all awards given to employees for the results of their work. The purpose of giving compensation is to attract employees to work with the organization, retain employees who have good work results, and motivate employees to work better. Further Akter & Husain (2016) revealed that all forms of financial and tangible services and benefits received by employees constitute an employment relationship consisting of employee salaries, incentive payments, bonuses, and commissions referred to as compensation.

Organizational culture

Based on the opinion of Yarbrough, Morgan, & Vorhies (2011) who revealed that employee organizational culture is a collection of traditions, values, beliefs, policies and attitudes in a broad context that must be obeyed and implemented by employees. Furthermore, Chenot, Benton, & Kim

(2009) argued that organizational culture as a system and knowledge developed into a standard that must be learned by employees. Shein (2017) shows that organizational culture focuses on private, public, non-profit and government organizations.

Conceptual Framework and Hypotheses

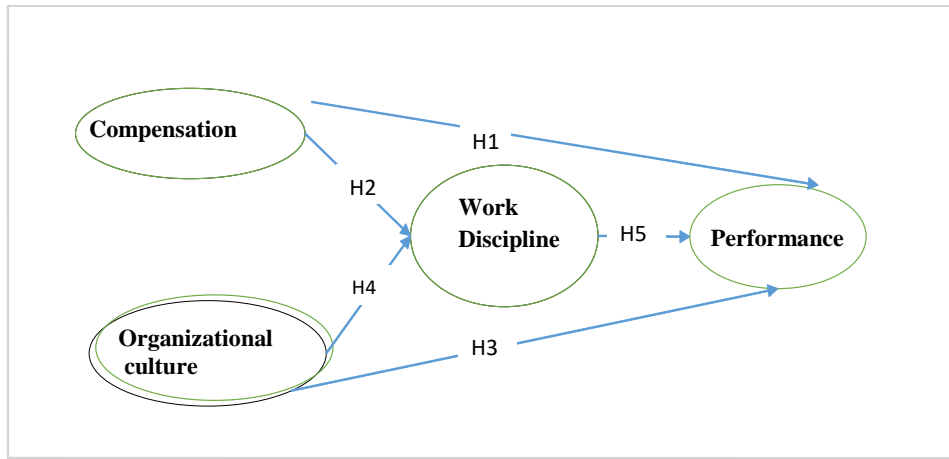


Figure 1. Conceptual Model

Incentive programs formulated by the government have a positive and significant impact on motivation, performance and interest in a company (Cameron & Quinn, 2011). The statement given by Klor, Kube, Winter, & Zultan (2014), that the increase in rewards promised to all team members results in lower performance than every individual on the team. Even though workers are given prizes, there will be problems if team members do not contribute to work evenly because people who lack achievement in the team (Bukovinsky, 2013). Garbers & Konradt, (2014) revealed that this phenomenon is very dependent on the existing environmental characteristics.

The relationship between trust, participation, and performance is associated with organizational culture (Debusscher, Hofmans, & DeFruyt, 2017; Dubey et al., 2017). When organizational culture does not match functions will have a significant negative effect on employee efficiency (Awadh & Alyahya, 2013; Furnhum & Gunter, 1993). A strong organizational culture develops employee

performance by motivating employees towards shared goals and objectives, although some researchers report a neutral effect (Behery & Paton, 2008). The biggest challenge for organizations is to change culture, because employees are used to certain ways of working (Chatman, Polzer, Barsade, & Neale, 2011).

Conflicts of interest and possessive attitudes will lead to deviant behavior from regulations (Sule-Dan & Godwin Ilesanmi, 2015). Lastriani (2018) revealed that discipline influences employee performance positively and significantly. Katiandagho et al. (2014) proved that the same employee performance was positively influenced by employee discipline. Pristian (2011) revealed that work discipline has a positive effect on employee performance. The same thing was stated by Suwondo & Sutanto (2015) that an employee's discipline has a positive influence on performance. Mananeke, Mandey, & Katiandagho (2014) stated that the same level of discipline owned by employees will affect performance. Based on the explanation above, the hypothesis of this study is:

- H1: Compensation is suspected to have an effect on the performance of employees at Andalas University Padang Hospital.
- H2: Compensation is suspected to have an effects on employee work discipline at Andalas University Padang Hospital
- H3: Organizational culture is suspected to have an influences on the employee performance at Andalas University Padang Hospital
- H4: Compensation is suspected to have an effects on employee work discipline at Andalas University Padang Hospital
- H5: Work discipline has an effect on the performance of employees at Andalas University Education Hospital, Padang University

2. METHOD

This research is a qualitative research using method of causal associative . According to

Sugiyono (2013: 38) causal associative research is looking at relationships that are causal. The variables of this study are compensation, organizational culture and work discipline, while performance is an independent variable. The population is civil servants medical staff, medical and medical support who work at the Andalas University Hospital, which numbered 100 employees. In this study used a saturated sample that is taking a sample of all medical personnel, paramedics, medical support Civil Servants Andalas University Hospital as many as 100 people.

3. RESULTS AND DISCUSSION

Results

Research using SEM approach. The analytical tool used in analyzing SEM modeling and hypothesis testing using PLS with SmartPLS version 3.

Table 1. Outer Model.

Item	Loading	Cronbach's Alpha	Composite Reliability	AVE
Employee Performance		0,986	0,910	0,813
Mastery of the field of work	0,895			
Effectiveness	0,880			
Efficiency	0,918			
Decision-making	0,943			
Combined ability	0,962			
Leadership and responsibility	0,935			
Absensi	0,986			
Punctuality	0,984			
Communication skills	0,994			
Time management	0,977			
Adaptasi and Flexibility	0,641			
Appearance	0,896			
Professionalism	0,989			
Initiative and innovative	0,866			
Independence	0,821			
Confidence	0,893			
Survival and	0,866			
Integrity	0,850			
Planning ability,	0,938			
Diversity.	0,898			
Work Discipline		0,887	0,910	0,763

I am always on time	0,788			
I am able to make good use of work time	0,621			
I go home on time	0,795			
I obey the boss's instructions	0,640			
Cont's Table				
I understand the organizational order	0,745			
I always carry out organizational order	0,752			
I am polite in dressing	0,699			
I always wear office uniform	0,563			
I always use an institution ID	0,828			
I understand using office equipment	0,590			
I participated in maintenance of office equipment	0,770			
Compensation		0,875	0,894	0,504
The formulation of the compensation system in Unand Educational Hospital was carried out properly according to applicable regulations	0,788			
Compensation at Unand Educational Hospital is given in a balanced manner according to position	0,621			
I get adequate compensation according to the skills I have	0,795			
My job offers little or no incentive	0,640			
Compensation motivates employees to do a good job.	0,745			
Compensation is given if it reaches work goals	0,752			
Adequate benefits are provided to meet the basic needs of employees	0,699			
The benefits obtained are a source of employee job satisfaction	0,563			
The compensation system has been well-formulated in Unand Educational Hospital	0,828			
Organizational Culture		0,887	0,910	0,562
Carrying out his religious law perfectly	0,584			
Basic piety must maintain self-respect	0,705			
The basis of devotion must maintain the organization and manage it properly	0,687			
Having high intelligence to run the Shari'a religion.	0,853			
Innovative and have high creativity in order to expect God's blessing.	0,794			
Visionary and always develop themselves according to religious teachings	0,857			
Having the ability to independently help others only because of Allah	0,771			
Discipline and work hard with no strings attached to God	0,706			

Based on the table above it can be seen that the value of loading, cronbach alpha, composite composite and AVE meet the criteria meaning that all statement items are valid and reliable. The rule of

thumb used in this study is a hypothesis that has a positive beta coefficient with a significance level of p-value 0.05 (5%).

Table 2. Hypothesis Test Results

Hypothesis	Original Sample (O)	Sample Mean (M)	Standart Deviation (STDEV)	T Statisyik (O/STDEV)	P Value
Organizational Culture -> Work Discipline	0,258	0,274	0,102	2,522	0,006
Organizational Culture -> Employee Performance	0,252	0,244	0,110	2,282	0,010

Work Discipline -> Employee_Performance	0,480	0,479	0,099	4,855	0,000
Compensation-> Work Discipline	0,391	0,409	0,146	2,679	0,003
Compensation -> Employee Performance	0,295	0,292	0,127	2,321	0,010

The first hypothesis test results received are shown with a positive value and a P-Values value <0.05 which is 0.010. This research results show that compensation has a influence on employee performance at the Andalas University Hospital. The second hypothesis test results received are shown with a positive value and a P-Values value <0.05 which is 0.010. this research results show that compensation significantly influences employee work discipline at Andalas University Hospital. The third hypothesis test results received are shown with a positive value and a P-Values value <0.05 which is 0.010. This means that organizational culture has an impact on employee performance at Andalas University Hospital. The fourth hypothesis test result is accepted, which is looking at the relationship of organizational culture to employee work discipline which is indicated by a positive value and a P-Values value <0.05 that is 0.010. This means that organizational culture has an impact on employee work discipline at Andalas University Hospital. The fifth hypothesis test results received are shown with a positive value and P-Values value <0.05. This means that work discipline has the impact on employee performance at Andalas University Hospital.

DISCUSSION

The results of this study are supported by research conducted by Cameron & Quinn, (2011) which states that incentives impact employee performance and interests positively. While this statement differs from the views of Klor, Kube, Winter, & Zultan (2014) revealing that there is a meaning of reversal of incentives, where the increase in rewards promised to all team members results in lower performance than every individual on the team, this can be assumed to be increasingly a lot of team members will create a gap in the number of jobs found, so there are some workers who get jobs that are not in accordance with the request.

Furthermore, research conducted by Jufrizen (2018) revealed that compensation and work discipline influence employee performance positively. Furthermore Sajangbati, 2013; Septiasari, 2017; Ahmad Nur Rofi, 2012 from the results of their research stated that compensation affects the work discipline. This research is also in line with the results of a study conducted by Debusscher, Hofmans, & DeFruyt, 2017; Dubey et al. (2017), that the relationship between trust, participation, and performance is related to organizational culture. A strong organizational culture will develop employee performance by providing motivation towards shared goals and objectives (Behery & Paton, 2008). Sule-Dan & Godwin Ilesanmi's research (2015) revealed that conflicts will occur if there is behavior that deviates from the rules and regulations of the organization that have been set. One way to ensure order and compliance with workplace rules is discipline. Supatmi, Nimran, & Utami, (2013) stated in their research that work discipline partially has the effect on improving employee performance. Research by Katiandagho et al. (2014) proves that employee performance is positively influenced by employee discipline. Tumilaar (2015) in his research proved that improving employee job performance is strongly influenced by work discipline. The same thing was stated by Suwondo & Sutanto (2015) that employee discipline would provide a positive impact on performance. Mananeke, Mandey, & Katiandagho (2014) stated that the level of employee discipline would affect performance. Supatmi, Nimran, & Utami, (2013) stated in their research that work discipline partially has the effect on improving employee job performance. Katiandagho (2014) proved that the same employee performance was positively influenced by employee discipline.

4. CONCLUSIONS

The size of the employee's performance is affected by compensation, organizational culture and employee work discipline positively and significantly in the of Andalas University Hospital. The advice given to the leadership elements and hospital staff. Andalas University hospital to improve employee performance is by increasing work discipline for employees, improving the composition of compensation and strengthening the organizational culture of Andalas University Hospital Padang.

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