**ANALYSIS OF THE INFLUENCE OF COMPENSATION, COMPETENCY, WORK MOTIVATION, AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE (CASE STUDY AT PT BANK SYARIAH INDONESIA, Tbk SEMARANG PANDANARAN BRANCH OFFICE)**

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**Abstract:** This study aims to analyze and obtain empirical evidence regarding the effect of compensation, competence, work motivation, and organizational culture on employee performance in Bank Syariah Indonesia Semarang Pandanaran Branch Office either simultaneously or partially. The population of the data used in this study includes all employees consisting of PT Bank Syariah Indonesia Semarang, Tbk Pandanaran Branch Office as many as 55 employees. Sampling technique using saturated sampling, primary data obtained through the distribution of questionnaires. The data analysis model uses multiple linear regression analysis model. Meanwhile, the data analysis technique used the F statistical test, the Coefficient of Determination (R2) test, and the t statistical test. The results of the analysis show that simultaneously variables compensation, competence, work motivation, and organizational culture have a significant effect on employee performance at Bank Syariah Indonesia Semarang Pandanaran Branch Office. Partially, variable competencies, work motivation, and organizational culture significantly influenced employee performance, but variable compensation partially did not have any significant effect on employee performance at Bank Syariah Indonesia Semarang Pandanaran Branch Office.

**Keywords:** Employee Performance, Compensation, Competence, Work Motivation, and Organizational Culture

**INTRODUCTION**

**Introduction**

Employees play an important role in improving company performance. Whether a company can be said to be successful or not really depends on how its employees perform (Zulkifli et al., 2023). Therefore, employees are required to make their best contribution to a company (Bangun et al., 2019). Evaluation of employee performance can be done in various ways, for example assessment by direct superiors, colleagues, or self-assessment. Some organizations also use employee performance measurement tools, such as Key Performance Indicators (KPI) or Balanced Scorecard, to measure the extent to which employees achieve targets and meet predetermined expectations.

One of the objectives of implementing KPI in a company or organization is aimed at all employees within the company or organization in order to achieve company goals through good employee performance (Hersusetiyati et al., 2024). The benchmark for good employee performance based on the Key Performance Indicator (KPI) at PT Bank Syariah Indonesia can be seen from the employee productivity score in the table and graph as follows:

**Table 1**

**Employee Productivity Score**

|  |  |  |
| --- | --- | --- |
| **Year** | **Key Performance Indicator (KPI)** | **Score** |
| 2021 | Employee Productivity | 10,20 |
| 2022 | Employee Productivity | 16,60 |
| 2023 | Employee Productivity | 11,41 |

**Source: Annual Report BSI 2021-2023**

**Figure 1**

**Employee Productivity Score**

**Source: Annual Report BSI 2021-2023**

Based on table 1 and figure 1, it can be seen that the employee productivity score in the Key Performance Indicator (KPI) at PT Bank Syariah Indonesia Tbk is still experiencing a decline in 2023. The decline in employee productivity scores indicates that there is still inconsistency in employee performance which is able to influence goals and objectives. company reputation. Companies really need optimal employee productivity in order to get maximum performance results, so it is very important for companies to pay attention to aspects of compensation, competency, work motivation and organizational culture.

**Research purposes**

This aims to analyze and obtain empirical evidence regarding the direction and significance of the influence of compensation, competence, work motivation and organizational culture simultaneously or partially on the performance of employees at the PT Bank Indonesia Syariah, Tbk Semarang Pandanaran Branch Office.

**LITERATURE REVIEW**

1. Employee Performance

Employee performance refers to the extent to which a person achieves his or her goals and responsibilities in the work context. This involves assessing productivity, efficiency, quality of work, ability to meet deadline requirements, and contribution to overall organizational goals (Zulkifli et al., 2023).

1. Compensation

Sitopu et al., (2023) define compensation as everything an employee receives as a reward for their work or dedication. Motivation comes from within a person who intends to produce output that can influence employee performance.

1. Competency

According to Zulkifli et al., (2023) competence is the ability, knowledge and skills, attitudes, values, behavior and characteristics of a person that are needed to carry out certain work with optimal success.

1. Work Motivation

Riyanto et al., (2021) say that work motivation is an urge that arises within a person consciously or unconsciously to carry out an action with a certain goal.

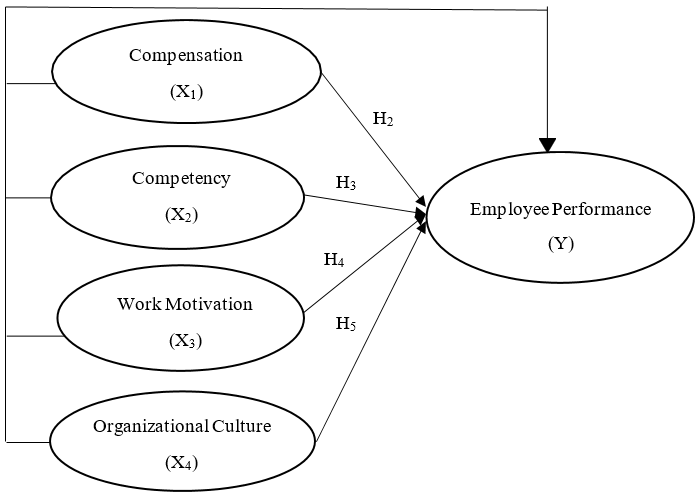
1. Organizational Culture

Organizational culture is the values ​​and spirit that underlie the way a company is managed and managed. It is a deeply held and sometimes secret belief. Values ​​and enthusiasm will underlie the nature of the company in its efforts to answer organizational challenges. Organizations with a strong culture will have a competitive nature (Ekaningsih et al., 2020).

Based on description and explanation in on, so framework thinking in study this can seen on Figure 2.

**Figure 2**

**Research Framework**



**Source: Ekaningsih et al., (2020); Saputri et al., (2020); Sitopu et al., (2023); Zulkifli et al., (2023); Riyanto et al., (2021); Iswibiarka Wibowo et al., (2023); Mukhtar et al., (2018).**

**RESEARCH METHODOLOGY**

The research design used in this research is causality quantitative research. The primary data used in this study were obtained from the respondents' answers directly from the questionnaire which was distributed to all employees of PT Bank Syariah Indonesia Semarang, Tbk Pandanaran Branch Office. The number of samples in this study were 55 respondents. The sampling technique used in this study is saturated sampling. In this study using multiple linear regression analysis model.

**RESULTS AND ANALYSIS**

1. Multiple Linear Regression Test Results

**Table 2**

**Multiple Linear Regression Test Results**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Coefficientsa** | | | | | | |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| B | Std. Error | Beta |
| 1 | (Constant) | 3.150 | 4.934 |  | .638 | .526 |
| Compensation | -.063 | .081 | -.068 | -.779 | .439 |
| Competency | .165 | .078 | .188 | 2.106 | .040 |
| Work Motivation | .319 | .091 | .332 | 3.503 | .001 |
| Organizational Culture | .450 | .085 | .536 | 5.266 | .000 |
| a. Dependent Variable: Employee Performance | | | | | | |

**Source: Processed primary data, 2024.**

* Constant = 3.150

A constant of 3.150 indicates that if the independence variable consisting of improvement, competence, work motivation and organizational culture has a constant value, then the employee performance variable has a positive value of 3.150

* Compensation Coefficient (-0.063)

The regression coefficient is -0.063. This shows that compensation has a negative effect on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch Office. For every 1 (one) unit increase in compensation, employee performance will decrease by -0.063 assuming other variables are considered constant.

* Competency Coefficient (0.165)

The competency regression coefficient is 0.165. This shows that competence has a positive effect on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch Office. For every 1 (one) unit increase in competency, employee performance will increase by 0.165 assuming other variables are considered constant.

* Work Motivation Coefficient (0.319)

The work motivation regression coefficient is 0.319. This shows that work motivation has a positive effect on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch Office. For every 1 (one) unit increase in work motivation, employee performance will increase by 0.319 assuming other variables are considered constant.

* Organizational Culture Coefficient (0.450)

The organizational culture regression coefficient is 0.450. This shows that organizational culture has a positive effect on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch Office. For every 1 (one) unit increase in organizational culture, employee performance will increase by 0.450 assuming other variables are considered constant.

1. F Test Result (Simultaneous Test)

**Table 3**

**F Test Result**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **ANOVAa** | | | | | | |
| Model |  | Sum of Squares | dF | Mean Square | F | Sig. |
| 1 | Regression | 533.723 | 4 | 133.431 | 23.720 | .000b |
| Residual | 281.259 | 50 | 5.625 |  |  |
| Total | 814.982 | 54 |  |  |  |
| a. Dependent Variable: Employee Performance | | | | | | |
| b. Predictors: (Constant), Organizational Culture, Compensation, Competency, Work Motivation | | | | | | |

**Source: Processed primary data, 2024.**

Based on table 3, the resulting Fcount = 23.720 > Ftable = 2.79 or significance = 0.000 < 0.05, which means there is a significant influence between the variables compensation, competence, work motivation and organizational culture on employee performance.

1. t Test Result (Partial Test)

**Table 4**

**t Test Result**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Coefficientsa** | | | | | | |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| B | Std. Error | Beta |
| 1 | (Constant) | 3.150 | 4.934 |  | .638 | .526 |
| Compensation | -.063 | .081 | -.068 | -.779 | .439 |
| Competency | .165 | .078 | .188 | 2.106 | .040 |
| Work Motivation | .319 | .091 | .332 | 3.503 | .001 |
| Organizational Culture | .450 | .085 | .536 | 5.266 | .000 |
| a. Dependent Variable: Employee Performance | | | | | | |

**Source: Processed primary data, 2024.**

* The t-value for compensation is -0.779, which is less than the critical t-value of 2.008, and the significance value is 0.439, which is greater than 0.05. This means that there is no significant partial effect of compensation on employee performance.
* The t-value for competence is 2.106, which is greater than the critical t-value of 2.008, and the significance value is 0.04, which is less than 0.05. This indicates that there is a significant partial effect of competence on employee performance.
* The t-value for work motivation is 3.503, which is greater than the critical t-value of 2.008, and the significance value is 0.01, which is less than 0.05. This indicates that there is a significant partial effect of work motivation on employee performance.
* The t-value for organizational culture is 5.266, which is greater than the critical t-value of 2.008, and the significance value is 0.00, which is less than 0.05. This indicates that there is a significant partial effect of organizational culture on employee performance.

**CONCLUSION**

Based on the results of the analysis and discussion carried out in this research regarding the analysis of the influence of compensation, competence, work motivation and organizational culture on employee performance at Bank Syariah Indonesia Semarang Pandanaran Branch Office, the following conclusions can be drawn:

1. The variables of compensation, competence, work motivation, and organizational culture simultaneously have a positive and significant impact on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch.
2. The variable of compensation partially does not have a significant effect and shows a negative direction on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch.
3. The competency variable partially has a positive and significant effect on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch.
4. The work motivation variable partially has a positive and significant effect on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch.
5. The organizational culture variable partially has a positive and significant effect on employee performance at PT Bank Syariah Indonesia, Tbk Semarang Pandanaran Branch.

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