Non-Financial Compensation and Discipline Effect to Employee Performance at PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung

Dody Pandiangan*, Badia Parizade, Isnurhadi
Magister Management Sriwijaya University, Indonesia

*Corresponding author: Dody Pandiangan
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Abstract

This study examines the effect of each independent variable (Non Financial Compensation and Work Discipline) of the Dependent variable (Performance Officer). Then look at the effects of both independent variables simultaneously (simultaneous) against Dependent variables. This study was a descriptive study with a quantitative approach using. The information collected from respondents using research instruments like questionnaire with the object of an employee population PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung as many as 265 people, then taking a sample of 101 people. The result of using the first hypothesis, Compensation Nonfinancial significant effect on performance. The results of the second hypothesis that there is an influence on the Performance Work Discipline. The third hypothesis is that there is a significant Influence together (simultaneously) of two independent variables (Non Financial Compensation and Work Discipline) against variable Dependent (Performance). Based on the analysis, the company should provide more training routine according to a function of duty every employee fairly, giving appropriate promotion of employee performance, a comfortable working environment friendly without seeing positions. To discipline the company must give unequivocal sanctions and consequences for noncompliance. When it has been implemented, then the employee was awarded to complete the task of own difficulties and staffing should fit the skill areas of each division.

Keywords: Compensation Nonfinancial, Discipline Work, Performance, South Sumatera.

INTRODUCTION

Background

Human resource management is an important thing that must be considered by the company, because it is one of the motor running of the company as well as the most important asset for the company to achieve the goal, Sofyandi [1]. An important component to regulate human resources is the provision of fair and appropriate compensation with employee performance. In the opinion of Monyd and Noe [2], compensation is the total of all gifts given to employees as a reward for their services. Meanwhile, according to Berger [3] Compensation is based on their classification, which consists of cash compensation (cash compensation), gross compensation (gross compensation), and the net compensation (net compensation). Then Berger also added that cash compensation is a reward in the form of salary, bonus cash, and short-term incentives. Gross compensation is a reward in the form of payroll costs on all profits and benefits both employees and the total cash compensation. While the net compensation is a reward that is used by comparing the benefit which is calculated after tax. If given the right compensation to employees it will have an impact on the creation of satisfaction that will ultimately make employees motivated to achieve the goals set by the company so that it can directly support efforts to improve employee performance.

In this study, the focus of the analysis is the Non-Financial Compensation that is part to improve employee performance. Where the object of the research done on the entire division of existing employees at the Bank's head office Babel Palembang of South Sumatera. The factors analyzed in the Non-Financial Compensation is Promotion (mutation), training, comfortable environment, recognition and co-workers who are friends.

Nonfinancial of variable compensation, Work Discipline and Employee Performance described above, it appears that each variable has an important role in the achievement of long-term and short-term. However, the presence of diverse opinions on the results of the study became of interest to writers to re-examine the same variable to see its influence on employee performance. Based on the above presentation, the researchers are interested to examine the relationship these three variables with Non-Financial Compensation and
Discipline Effect to Employee Performance at Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung.

**Formulation of the problem**

Based on the background that has been formulated above, the formulation of the problem is:

- How Compensation Nonfinancial influence on employee performance of PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung?
- How Work Discipline influence on employee performance of PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung?
- How influence in Simultaneous between of Nonfinancial Compensation and Work Discipline to Employee Performance of PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung?

**LITERATURE REVIEW**

**Non-Financial Compensation**

Armstrong [4] argues that "Non-Financial Rewards are Reviews those that focus on the needs people have to varying degrees for recognition, achievement, Responsibility, Autonomy, influences, and personal growth". Rewards Nonfinancial is focused on the needs of people in accordance with the various level (living standards) for recognition, achievement, responsibility, autonomy, influence and personal growth (promotion / training). He also split Compensation (reward) Nonfinancial be extrinsic, such as praise or recognition, or intrinsic, arising from the work itself associated with work challenges and interests and the feeling that the work was worth while.

According Chelladurai [5] in his book says "on the other hand, non-financial rewards do not increase of the financial payoff to the employee: instead of making the employee's life better off the job (as the financial rewards do), non-financial rewards emphasize making life on the job more attractive "On the other hand, the appreciation of nonfinancial not improve financial payments to employees: instead of making life better employee's work (such as financial rewards), non-financial rewards emphasize makes life at work more interesting.

In Figure 1. Chelladurai divide Compensation Nonfinancial Nonfinancial split into two: Choice in terms of career (Career Rewards) and Rewards Sosial (Social Rewards). In terms of career...
awards from the work consists of Security (Job Security), Promotion (Career Growth), Self-development / Training (Self-Development), while social benefits consist of the recognition of the status (Status Symbols); office (Title), workplace (Office), a flexible work schedule (Preferred Schedule).

In Figure 2 Compensation distribution systems (Rewards) Armstrong explained that the compensation system Nonfinancial consists of Recognition (recognition), Responsibility (CSR), achievement (Achievement), Training/Development (Development), Promotion (Growth). But for the Total Compensation Component itself in his Armstrong explains a little different look at figure 3.

Seen in Figure 3 Armstrong explained that for Total Compensation in the capture of several indicators are somewhat different from the previous system; Recognition (recognition). Opportunities for training/development skills (Opportunities To Develop Skills), Opportunity /Promotion (Current Opportunities), quality of work life (Quality Of Working Life).

Understanding Discipline
According Rival [6], Discipline managers use a tool in order to establish communication with all employees to be willing to change some behavior in an effort to improve kesadarn and keiklhasan every employee to comply with all the rules and norms. Opinions differ slightly from Hasibuan [7], that discipline is the operative functions of human resource management so that all employees work by reflecting a sense of responsibility towards the tasks assigned to the employee. Discipline comes from the Latin meaning Discere learning.

Understanding performance
Etymologically, the performance comes from the work performance (performance) which is an outcome or level of a person's success as a whole during certain periods of duty compared to the wide range of possibilities, such as the standard of the work, the target or targets or criteria that have been determined in advance has been agreed together.
Framework

Based on the literature review and the theoretical basis of the research framework used, 1) Variable Non-Financial Compensation (X1) with indicators such as training, promotion, transfer, Working Environment (support facilities). 2) Discipline Variable work (X2) with indicators such as attendance, adherence to labor regulations, adherence to labor standards, work ethic. 3) Kinerja employee (Y) with indicators such as quantity of work, quality of work, creativity, cooperation. It can be described as follows:

\[ \text{Fig-4: Framework Research} \]

Research hypothesis

Based on the formulation of the problem and the purpose of research which has been described above, it can be arranged hypothesis is as follows:

- Nonfinancial compensation effect on employee performance of PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung
- Work Discipline affect the Employee Performance of PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung
- Non Financial Compensation and Work Discipline influence simultaneously the Employee Performance of PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung

Research Methods

The scope of research

In writing this proposal, the authors define one of the object of study, namely PT Bank Pembangunan Daerah South Sumatra and Bangka Belitung Central Office. Regional Development Bank of South Sumatra and Bangka Belitung or in short Bank of South Sumatra Road address air Babel Governor H.Ahmad Bastari 7. 8 Ulu. I. Seberang Ulu Palembang. South Sumatra 30 267.

Research design

This study was a descriptive study with a quantitative approach analysis by using data in the form of numbers. According Sugiyono [8] "Descriptive method is a method used to describe or analyze the results of the study but not used for make broader conclusions". The information collected from respondents using research instruments like questionnaire with the object of all employees of the Regional Development Bank of South Sumatra and Bangka Belitung. Design studies using surveys way to see the impact of variable compensation and Discipline Nonfinancial working to variable employee performance at PT Bank Pembangunan Daerah South Sumatra and Bangka Belitung.

Type and source of data

Data types

Jenis quantitative data

Quantitative data is data in the form of numbers or numbers that can be calculated or measured in a numerical scale, Sunyoto [8]. Quantitative data obtained from the results of the qualitative data processing.

Jenis qualitative data

In the opinion of Sukmadinata [9] states that qualitative research (qualitative research) is a study aimed at describing and analyzing phenomena, events, social activities, attitudes, beliefs, perceptions, thoughts of people individually or in groups. Another opinion
from Arai [10] qualitative research is to observe the environment, interact with them and interpret their opinions about the world around. Qualitative data is data in the form of information, or information that is not a number or numbers that cannot be measured. In this study of qualitative data analysis that will be used is qualitative data that will be in the form of results kuantitatifkan respondents made in the form of Likert scale.

**Source of data**

**Primary data**

Primary data is data collected directly from the author by obtaining a subject population that respondents were collected by distributing questionnaires in the form of a statement that has been distributed to every employee researchers. In the opinion of Hasan [11] primary data is data obtained or collected directly in the field by people doing research or are concerned that need it.

**Secondary Data**

In the opinion of Hasan [11], secondary data is data obtained or collected by the person who conducted the research from sources that already exist. Secondary data is data that form the organizational structure of the company, a brief history of the company. Information through internet sites relating to the object of research as well as data obtained from written reports and information about the state of the company in this study.

This study will use primary data obtained from questionnaires enclosed spread to collect information from the statements later in kuantitatifkan into numbers that can be calculated statistically.

**Mechanical Sampling (Sampling)**

Sugiyono [8] says that the technique of sampling is a sampling technique. The sampling technique is basically divided into two nonprobability probability sampling and sampling. In accordance think he is, probability sampling is a sampling technique that provides equal opportunity for each element (member) of the population to be elected as members of the sample, while the non-probability sampling is a sampling technique that does not give opportunity/equal opportunity for each element or member of the population to selected into the sample, Sugiyono [8]. The sampling technique used in this study is the probability sampling techniques drawn is proportional sampling.

**DISCUSSION**

**Classic Assumption Test**

**Normality Test**

In testing a regression model, the dependent variable, independent variable, or both do have a normal or nearly normal distribution. To figure this out, can be seen through the images PP plot and the Kolmogorov-Smirnov Test in SPSS. On the basis of that decision:

1. **PP plot,** if the data spread around the linear straight line and follow the direction of the diagonal line, the regression model to meet the assumptions of normality, otherwise if no data or spread jah of linear straight line, then the regression model did not meet the assumptions of normality.

2. **Kolmogorov-Smirnov Test,** Base this decision on the basis of probability (Asymtotic Significance), namely
   - When Asymtotic Significance > 0.05, then the distribution of the regression model is Normal,
   - When Asymtotic Significance < 0.05, then the distribution of the regression model is not Normal.

![Normal PP Plot of Regression Standardized Residual](image)

**Fig-5: Normal PP Plot of Regression Standardized Residual**

**Table-1: Tests Npar (Kolmogorov-Smirnov Test)**
Based on the decision-making basis first, normality test results can be seen from the image below PP plot.

Based on the second decision to use Kolmogorov-Smirnov Test, namely by looking at the value of Asymptotic Significance (Asymp. Sig) 0.697. This value is greater than 0.05, it can be concluded that the Residual Value Normal distribution.

**Multicollinearity Test**

This test is performed aims to examine where in regression models found a strong correlation between the independent variables. A good regression model should not happen correlations among the independent variables. To be able to see their multikolinearitas, it must be seen from the magnitude of the value Tolerance value (large ere level is justified in statistically) and VIF (Variance Inflation Factor) (standard deviation squared inflation factor). On the basis of that decision;

- If Tolerance Value <0.10 or VIF > 10, then there Multicollinearity
- If Tolerance Value> 0.10 or VIF <10, then it does not happen Multicollinearity

<table>
<thead>
<tr>
<th>Coefficients</th>
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<td>Model</td>
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According to the table, visible Tolerance value of 0.995 for each variable, VIF for both variables at 1.006. When viewed from the basic decision-making, then the value of Tolerance 0.995 > 0.10 and VIF 1.005 <10. So it can be concluded that there was no trouble Multicollinearity between independent variables.

**Heteroskedastisitas Test**
Heterokedastisitas Test in research intended to test wherein the linear regression model occurred inequality variance of residual one observation to observation, or the other. If the variance of the residuals from one observation to another observation remains then called Homokedastisitas, whereas if different called heterocedastity. Linear regression models were better when there was no trouble heterocedastity. Basis for decision making by looking at the picture below Scatter Plot.

In Figure 6, the dots do not exist to form a specific pattern of regular (waves, widened, then narrowed), but the point is seen to spread above and below the number 0 (zero) on the Y axis, so that it can be concluded there was no trouble heterokedastisitas.

**Analysis Correlation Coefficient (r)**

This analysis is used in order to determine whether there is a relationship between two variables.

<table>
<thead>
<tr>
<th>Table-3: SPSS Correlations</th>
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<tbody>
<tr>
<td>Correlations</td>
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<tr>
<td></td>
</tr>
<tr>
<td>Non Financial Compensation</td>
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<tr>
<td></td>
</tr>
<tr>
<td>Discipline</td>
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<td>Performance</td>
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**. Correlation is significant at the 0.01 level (2-tailed).**

At table 3, can looks Pearson correlation coefficient r for variable compensation and the Discipline of work Nonfinancial obtained value close to -1 is -0.73, Compensation and Performance Nonfinancial obtained value close to 0 is -0.239, Labor and Performance Discipline approaching +1 is 0.875. Based on information from 4.54 table it can be concluded in accordance to the decision-making method of Pearson Product Moment (PPM):

- Nonfinancial Relations Compensation and Work Discipline is negative towards the strong correlation (-0.73)
- Compensation relationship Nonfinancial And performance is not correlated (-0.239),
- Relationships Work Discipline and Performance is a perfect correlation or strong and unidirectional (0.874).

**Coefficient Determination (R2)**

R-square is the main method that can be used to determine whether there is a relationship between two variables. The coefficient of determination (R2) is defined as a measure of the amount of diversity between the Y around flats which can be explained by the linear regression equation, the greater the value of R2, the better the regression equation to explain the diversity of the data.

<table>
<thead>
<tr>
<th>Table-4: Model Summary</th>
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<tbody>
<tr>
<td>Model Summaryb</td>
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<tr>
<td>Model</td>
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<tr>
<td>1</td>
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</tbody>
</table>

* a. Predictors: (Constant), Discipline, Non Financial Compensation
* b. Dependent Variable: Performance
At table 4 shows that the value of R2 (coefficient of determination) of 0.740, it can be concluded that the variable compensation Nonfinancial and Work Discipline may explain the variable performance of 79.4%, while the remaining 20.6% are influenced by independent variables besides. Basis for a decision by the coefficient R2 is:

- R2 = 0, then there is no influence of variables Independent and Dependent Variables,
- R2 close to 1, the stronger the influence of variables Independent and Dependent Variables,
- R2 close to 0, the smaller the influence of variables Independent and Dependent Variables.

In tabel 4, the R2 value approaching 1, the relationship between Independent and Dependent Variables Variables in this study is very strong and independent variables was able to provide the required information in predicting the dependent variable. Simultaneously Test (F)

According Ghozali [12], F statistical test is basically whether all independent variables included in the model have jointly influence on the dependent variable. To test these two hypotheses used statistical test F: a) Quick look: if the value of F is greater than 4, then Ho can be rejected at the 5% confidence level, in other words we accept the hypothesis alternatif, yang states that all independent variables simultaneously and significantly affect the dependent variable. b) Comparing the F value calculation results with the F value according to the table. When the value of F count is greater than the value of F table then Ho is rejected and Ha accepted.

**Hypothesis Testing**

In this study, using a computer program Statistical Package For Social Sciences (SPSS) for Windows IBM version 24. The results are presented in descriptive form to present the description data using inferesial analysis to determine the relationship between variables and the effect of research, in this case the Variable Compensation Non-Finance, Work discipline and performance.

**Partial Test (t test)**

Linear regression in this study using the enter method, which method is the first test, all the independent variables be included in the testing, the results can be seen from the significant value t below 0.05. T test done in 2 ways yaiut:

- Memandangkan Calculate the value t with t-table,
- Comparing the value of significance (Sig.) In the table Coefficient with a significance level set (a).

Table 5 looks solid value t count Nonfinancial variable compensation amounting to 3.826, and the variable Work Discipline of 28.198. Hypothesis testing before proceeding to first look at the t-Distribution Table t with a significance level of 5% (a = 0.05), and the degree of freedom (df) = nk = 101-3 = 98. From the information was then obtained t-table value of 1.98447. Significance Value variable compensation for Nonfinancial at 0.000 and 0.000 Work Discipline variables.

Based on the information table 4:55 to do the analysis:

- Testing The first hypothesis (H1), comparison of the t-Count and t-Table variables Nonfinancial Kompensasi of -3.826 > 1.98447. Then the significance value of 0.000 > 0.05. So the researchers conclude H2 is accepted, it means that the variable X2 (Discipline Work) there is an influence to variable Y (Performance).

Table 5: Coefficients SPSS Sig.

<table>
<thead>
<tr>
<th>Coefficientsa</th>
<th>Coefficients unstandardized</th>
<th>standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Zero-order</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>28.198</td>
<td>5.398</td>
<td></td>
<td>5.224</td>
<td>.000</td>
</tr>
<tr>
<td>Non-Financial Compensation</td>
<td>.297</td>
<td>.078</td>
<td>-.176</td>
<td>3.826</td>
<td>.000</td>
</tr>
<tr>
<td>Discipline</td>
<td>1.168</td>
<td>.062</td>
<td>.861</td>
<td>18.732</td>
<td>.000</td>
</tr>
</tbody>
</table>

- Testing the second hypothesis (H2), comparison of the t-Count and t-Table variables Work Discipline of 18.732 > 1.98447. Then the significance of 0.000 < 0.05. So the researchers conclude H2 is accepted, it means that the variable X2 (Discipline Work) there is an influence to variable Y (Performance).

**Simultaneous Significance Test (Test F)**

F test carried out with the intention of knowing whether the independent variable (Non Financial Compensation and Work Discipline) together influence the dependent variable (Performance Officer). F-test basis for decision making, namely:

- Quick Look, the value of F> 4, then the rate of 5% confidence level can be concluded that all the independent variables (free) jointly affect the dependent variable.
• Comparing adigo F-Calculate the F-table, when the F-count> F-table, then Ho is rejected and Ha accepted.

Description Ho and Ha:
Ho: no influence signifikan dari Nonfinancial Compensation variable (X1) and Work Discipline (X2) on Performance (Y).
Ha: No effects were significant simultaneously from variable compensation Nonfinancial (X1) and Work Discipline (X2) on Performance (Y).

Table 6: Significance Simultaneous Test Results (Test F)

<table>
<thead>
<tr>
<th>ANOVAAa</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>4152.762</td>
<td>2</td>
<td>2076.381</td>
<td>189.017</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>residual</td>
<td>1076.545</td>
<td>98</td>
<td>10.985</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>5229.307</td>
<td>100</td>
<td></td>
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</tbody>
</table>

In Table 6 looks the F-Count equal to 189.017, and the significance value of 0.000. For the F-table values obtained for 3.09 (the tables list F Distribution, Probability = 0.05).

From 4.56 table information, can analyze the F test first is the basis for decision making:

• 189.017 > 4, it can be concluded that all independent variables (Non-Financial Compensation and Work Discipline) jointly affect Dependent variable (performance).
• Comparison of F-Count and F-table, 189.017 > 3.09, then Ho is rejected and Ha accepted.
• At 4.56 table looks simultaneous F test significance value of 0.000 < 0.05, it can also be concluded that Ho refused and Ha accepted.
• There is a simultaneous influence between Non-Financial Compensation and Work Discipline on Employee Performance against employees of PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung.

CONCLUSION

From the analysis using IBM SPSS Ver.24, it can be seen the relationship between variables, namely:

• Testing The first hypothesis (H1), comparison of the t-Count and t-Table variables Nonfinancial Kompensasi of 3.826 <1.98447. Then the significance value of 0.000 > 0.05. So the researchers conclude H1 is accepted, meaning that variable X1 (Compensation Nonfinancial) there is influence to variable Y (Performance). So there is relationship between the variables of non-financial compensation to employee performance at PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung.

• Testing the second hypothesis (H2), comparison of the t-Count and t-Table variables Work Discipline of 18.732 > 1.98447. Then the significance of 0.000 < 0.05. So the researchers conclude H2 is accepted, it means that the variable X2 (Discipline Work) there is an influence to variable Y (Performance). So that there is significant influence between the variables kinerj work discipline with performance of employees at PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung.

Suggestions

• Based on the results of the above analysis, the company must pay more attention to the importance of Non-Financial Compensation such as training provided in accordance with the task function of each employee, if employees have good performance should be given appropriate promotions, consider better employee mutations so as not to make employees bored working creating friendlier environmental conditions between superiors and subordinates so that the gaps are not too striking which makes employees not free to work or give ideas at work.
• When viewed from the Work Discipline Variables in the Regional Development PT Bank Pembangunan Daerah Sumatera Selatan and Bangka Belitung, to be better, because there are still some employees who have not applied discipline properly, so the implementation of discipline requires consistent cooperation from company management and their respective heads division in order to provide strict sanctions or consequences due to lack of
discipline. This must be done indiscriminately, whether the boss must do the same thing because it will be an example of actions for subordinates.

REFERENCES