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The influence of leadership and compensation on the performance of employees of pt. Asia grow logistics

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Abstract

This research was conducted to find out how influential a leadership and compensation in PT. Asia Grow Logistics Semarang Branch where the object under study is how influential it is on employee performance. This research was conducted using the basics of previous research using quantitative methods, namely by sampling research on respondents or company employees, using a total sample of 25 company employes respondents. This research was conducted in September at the location of the company office of PT. Asia Grow Logistics Semarang Branch. Where this research can be useful for companies to find out how influential the variables studied are on the development of the company, to find out how much employee performance is for the company so that the company can analyze and continue to improve company management for the continuity of the company. The results of this study are one of the criticisms and suggestions to the company, namely that leadership and compensation have a very positive and significant influence on employee performance in the company.

Keywords: leadership, compensation, performance, employee

1. Introduction

Sedarmayanti and Wahyuni (in Erlin Dwi Aprilia, 2020) [2] stated that performance is a system used to find out and assess whether an employee is able to carry out his work as a whole or is a combination of work results or competencies. The ability of employees to take orders is a function of performance, the level of a goal or the interaction between goals and employee skills according to Judith. Gordon in Hadari Nawawi (in Nurhawaina, 2019). A definition that says that employees are an important role for the company in carrying out tasks for the continuity of the company. The phenomenon that occurs in this company is that employee performance is less positive because of less decisive leadership in responding to employees, the absence of sanctions given to employees who often violate makes employees underestimate wrong actions such as frequent late attendance. To create highly dedicated and proficient human resources requires good management to achieve company goals. A good leader or good leadership in a company is very influential on the life of the company itself. Leaders who are responsible for having usability in accordance with supervisory standards or are role models in order to achieve the goals of a company are the duties of the leader. PT. Asia Grow Logistics Semarang Branch is a company engaged in export import logistics, this company was established in 2002 in Jakarta and followed by the establishment of branches in Surabaya and Semarang to provide support and especially enlarge the company's business opportunities. The company is a player in the field of global export import shipping which also offers international freight, warehousing, and transportation. With the support of a total of 25 employees consisting of 4 managers, 5 financial staff, 5 forwader staff and 10 export import staff and 1 office boy. Based on the results of this temporary observation, PT. Asia Grow Logistics Semarang Branch in providing compensation funds to all employees has not fully run as applied in the regionnal minimum wage limit for the Semarang region.

While PT. Asia Grow Logistics Semarang Branch provides compensation per month at 2,400,000 or even less than 2,400,000. For employees whose absence is not full 1 (one) month of work or half a day permit, employees who do not attend their wages will be deducted.

From this, it causes less enthusiasm to work in new employees. The average employee who works in the company is an employee who just graduated from college, so it doesn't really matter because employees feel it's their first time working. Absenteeism of poor employee attendance is often absent or permission for reasons of family needs so that work is charged to other employees because the staff concerned does not enter, as a result of the inappropriate salary received by PT. Asia Grow Logistics Semarang causes unstable performance and often even complaints from customers with poor work conditions.

The compensation provided is in the form of an annual bonus, which is a one-time salary such as holiday allowance (THR), the company also provides facilities such as: health insurance and old age insurance, as well as annual bonuses whose value is not patent or depends on the company and the performance of each employee. The results of observations are that there are some employees who work monotonously and only do tasks according to the job desk given, there has not been an initiative to help each other, there are also those who have done or helped even though it is not the job desk, these employees are willing to help the work of fellow employees who have not been completed, these events still often occur in the company.

This illustrates that employee behavior as above has not been maximized or has not been running, human resources that are expected by the company are not appropriate such as leadership and compensation that are not on target so that they have not made a good contribution to the company's vision and mission. Events that occurred against employees of PT. Asia Grow Logistics is a form of company policy that has not been on target in accordance with the company's target that has not run perfectly, so that effective and efficient work has not been achieved as expected by the company.

From the background description above, the author is interested in conducting a research at PT. Asia Grow Logistics Semarang Branch with the aim to determine the influence of leadership on the performance of employees at PT. Asia Grow Logistics Semarang Branch and to find out the effect of compensation on employee performance at PT. Asia Grow Logistics Semarang Branch as well as to determine and analyze the influence of leadership and compensation on employee performance at PT. Asia Grow Logistics Semarang Branch.

2. Literature Review

A. Leadership

According to Malayu Hasibuan (in Nurhawaina, 2019) leadership is a way how a leader can in such a way influence an employee, so that they can work with orders or can do work according to the orders of superiors properly to achieve a goal of a company or group. Robins (Nurhawaina, 2019) also defines leadership as one of the abilities to be able to influence a group or individual in achieving a certain goal in order to be achieved according to a predetermined target. Leadership is an important factor in providing direction to employees, especially in these times where everything is open, so the leadership needed is leadership that can empower employees. Leadership that can foster employee motivation is leadership that can foster employee confidence in carrying out their respective duties. According to (Wahjosumidjo, in Nurhawaina, 2019) that a leader has intelligence, responsibility, health and has traits including maturity, flexibility of social relations, self- motivation and

encouragement of achievement and attitudes of human labor relations. In the context of the company, Handoko (in Nurhawaina, 2019) suggests that a way to improve employee performance, motivation and job satisfaction is to provide compensation.

B. Compesation

Definition of compensation is a counter-achievement to the use of labor or services that have been provided by labor. Compensation is the amount of the package that an organization offers to workers in exchange for the use of its labor. (Werther and Davis, 1996: 379. in Nurhawaina, 2019) defines compensation as what workers receive in exchange for their contributions to the organization. In compensation there is an intensive system that links compensation with performance. With compensation to workers are rewarded based on performance and not based on seniority or number of hours worked (Werther dan Davis, dalam Nurhawaina, 2019).

Compensation according to Veithzal Rivai (in Muhamad Ridwan, 2018) [8] is something that employees receive in lieu of their service contributions to the company. Compensation is the number of packages offered by the organization to workers in return for the use of their labor (Wibowo, 2007) and According to Panggabean (in Usman Fauzi, 2014), compensation can be defined as any form of appreciation given to employees in return for the contributions they make to the organization. Furthermore, Saydam (in Usman Fauzi, 2014), suggests that compensation is a form of company recompense for the sacrifice of time, energy, and thought that they (employees) have given to the company. Noe (2008: 374) divides compensation into two parts, namely direct financial compensation consisting of salaries, wages, and incentives (commissions and bonuses). Indirect financial compensation in the form of various facilities and benefits. Hasibuan (2007: 122) in Usman Fauzi, 2014 said the objectives of providing compensation or wage services include: cooperation ties; job satisfaction; effective procurement; work motivation; stability of employees; Discipline; labor and government influence; Government influence.

C. Performance

Performance which is a term in a general job term used to provide actions or activities of a group or organization in a company with a predetermined period, a number of standards such as suppression of past costs or projected costs, on the basis of efficiency, an accountability accountability of a performance management in a company. According to Mulyadi said that periodically the cost or operational performance of an organization, part of the operations and performance of employees based on predetermined target targets, according to standard criteria that have been set from the previous company or organization (Zainal dkk, 2014: 1 in Nurhawaina, 2019).

According to Dessler, employee performance is the actual achievements of employees compared to the achievements expected of employees. Expected work performance is a standard achievement that is compiled as a reference so that it can see employee performance in accordance with its position compared to the standards made. In addition, the performance of these employees is also seen with the performance of other employees (Dessler and Garry 2010). According to Wibowo, performance is about doing the work

and the results achieved from the work. Performance is about what is done and how to do it (Wibowo 2016 in Taufik Ismail Sitompul, 2019). Based on the opinions of these experts, it can be concluded that performance is the result of work achieved by a person based on a predetermined time, about what is done and how to do it.

Performance indicators in conducting employee performance research yani, employee performance indicators according to Bangun (2012: 233 in Nruhawaina, 2019) are: number of workers, quality of work, punctuality, attendance, teamwork ability. According to Dale Timple (2000 in Nurhawaina, 2019), there are two factors that affect employee performance, namely internal factors and external factors. Internal factors are factors related to a person's traits including attitude, personality traits, physical traits, motivation, age, gender, education, performance experience, cultural background, and other personal variables. External factors are factors that affect employee performance from the environment including organizational policies, leadership, co-worker actions, supervision, wage systems, and the social environment (Dewi, 2012 in Nurhawaina, 2019).

Products that have a good brand image tend to be more easily accepted by consumers. Product image is related to attitudes in the form of beliefs and preferences towards a product. Consumers with a positive image of a product, are more likely to make purchases, therefore the main use of advertising is to build a positive image of a product. Another benefit of a positive product image is by developing a product and utilizing the positive image that has been formed towards the old product. The better the image of a brand, the higher the consumer's decision to make a purchase.

Conceptual Framework

To explain the relationship between leadership variables and compensation variables that will affect employee performance, in this study the author presents a conceptual framework image so that readers can understand the relationship between independent variables to.

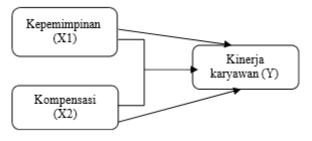


Fig 1: Conceptual Framework

3. Research Methods

Data collection is used through research instruments, such as quantitative / statistical data analysis, which aims to test established hypotheses (Sugiyono, 2016: 8 in Eka Maryanti, 2020). This type of research is descriptive quantitative, with the population being all employees of PT. Asia Grow Logistics Semarang Branch which totaled 25 people. The sample technique is simple random sampling with a sample of 25 respondents. The analysis model used to answer the hypothesis is multiple linear regretion in (Ghozali, 2005: 82) with the following formulation: $Y = \alpha + \beta 1X1 + \beta 2X2 + e$. The results of the regression equation are analyzed using several test methods, namely: validity test; reliability test; hypothesis test. The data used in this study include secondary

data and primary data. Primary data is data obtained directly from the object of direct research, in this case the researcher obtains data or information directly with predetermined instruments. This primary data is collected by researchers to answer research questions. Primary data collection that is an internal part of a research process and that often occurs or is necessary for the decision-making purposes of a company. Secondary data is a source of research data obtained by researchers indirectly through intermediary media (obtained and recorded by other parties).

The data collection method in this study used questionnaires, documentation, conservation. Questionnaire (questionnaire) is a data collection technique carried out by giving a set of written statements or questions addressed to respondents to be answered. The author or researcher disseminates a set of written statements regarding the influence of leadership and compensation on the performance of PT employees. Asia Grow Logistics Semarang Branch which will later be the result of this question will be used as a measuring tool. Documentation is a collection of data and information from books, journals, references, the internet and other reports. The observation method is a complex process, a process that is systematically composed of several biological and psychological research processes.

4. Research Results and Discussion

Based on the value of the coefficient from the table above of 0.068 is positive, it means that the leadership variable has a positive effect on employee performance. The leadership variable has a t-count value of 3.318, which is greater than the t-table, which is 1.70614, and a significant value of 0.003, which means the value is smaller than 0.05. This shows that the variable X1 leadership has a significant effect on the dependent variable Y employee performance. This means that leadership is getting better and able to improve employee performance at PT. Asia Grow Logistics. With the above statement means that leadership variables have a significant influence and are accepted and support with previous research.

Rivai (2014 in Taufik Ismail Sitompul, 2019) is a process of influence or giving examples to followers or subordinates to carry out a movement, a communication process in an effort to achieve a certain goal or company interest. Leaders must be able to create integrity or good processes with their subordinates to do something to be a good cause. Leadership that goes well will lead to influencing employees to do good things in order to achieve a certain goal that has been targeted. Leadership is the process of influencing work activities related to the tasks of a group. The results of this study are also supported by previous research conducted by Nur Hawaena (2019), the results of this study show that leadership has a positive effect (+) and significant results on employee performance at PT. Asia Grow Logistics Semarang Branch

The regression coefficient value of 0.307 means that the value of positive means that the compensation variable has a significant influence on the dependent variable, namely the employee performance variable. The compensation variable has a t-count value of 3.318 or a value higher than the r-table of 1.70614. And there is a significant value of 0.003 where the value is smaller than 0.05. This means showing that compensation variables have a significant effect on employee performance. From the regression results, it means that compensation variables affect employee performance at PT.

Asia Grow Logistics and have an impact on improving employee performance.

According to Tohardi (in Sutrisno, 2009: 193-194 Nur Hawaena, (2019). There are several factors that affect the provision of compensation to employees, including: Productivity, ability to pay, willingness to pay, offers and price demand. This has been proven by employees at PT. Asia Grow Logistics Semarang Branch where employees have the spirit to work to get maximum results The research conducted is also supported by previous research, namely research conducted by Rukmini (2016 in Heni Kustina, 2019), which states that variable X2 compensation has a positive (+) and significant effect on variable Y employee performance.

From the table above, which is produced from spss data, the simultaneous test f produces an F value of 3.440 with a sig value of 0.050 and freedom V1 = 22 (n-(k + 1) and V2 = 2, then the F-table value is 3.39. The Fcalculate result is 3.440 > 3.39, it can be concluded that H0 is rejected, meaning that the leadership and compensation variables together have a significant effect on the dependent variable Y employee performance.

Based on the results of research on the influence of leadership and compensation on employee performance studied to produce research figures as above, leadership is a way how a leader can influence his employees to be able to perform tasks according to the wishes of the company or leader in order to achieve company goals. Likewise, compensation given to employees or commissions, bonuses or other forms given by the company to its employees can improve performance by improving their work, loyalty to achieve company goals according to the targets set by the company. This is also supported by previous research researched by Nurhawaina, (2019).

5. Conclusion and Suggestion

A. Conclusion

Based on the results of the study, it can be concluded that

- 1. Based on the results of the analysis and observations, the author shows that the leadership carried out at PT. Asia Grow Logistics uses a charismatic leadership style, which is by influencing employees by expressing an attractive vision and mission so that employees can follow the direction of the leader to do their duties well and achieve targets as desired by the leader or company. The coefficient value of 0.068 is positive (+) which means that leadership as an independent variable X1 has a positive and significant influence on employee performance as variable Y in the company PT. Asia grow Logistics Semarang Branch.
- 2. Based on the results of the above research and its analysis, produce data showing that the value of the independent variable coefficient X2 compensation, which is 0.307 positive value (+) given in the company has a role or positive and significant effect on employee performance as the dependent variable Y in the company PT. Asia grow Logistics Semarang Branch. The compensation variable has a T-Count value of 0.307 which is greater than in T- Table 1.7614 and a significant value of 0.003 where this value is smaller than 0.05 which states that compensation has a positive (+) and significant effect on employee performance and is declared accepted.
- 3. Based on the results of research and analysis from the

previous chapter that has been processed with spss with the simultaneous test analysis method F gets an F value of 3.440 with a significant value (sig) of 0.050 and there is freedom V1 = 22 (n-(k + 1) and V2 = 2 then the F-Table value is 3.39 then the result is 3.440 > 3.99 (F-Count is greater than the F-Table), obtain data stating that the variables X1 leadership and X2 compensation have a positive (+) and significant effect on variable Y employee performance at PT. Asia grow Logistics Semarang Branch, which means that leader policies and compensation to employees greatly affect employee performance and are accepted.

B. Suggestions

- The research that has been done is expected to be used as a means or material for consideration of how the important role of leadership and compensation in improving the quality and performance of employees in the company. With the hope that with a fair leader policy and equitable compensation in the company, human resources in the company or employees can improve the quality of work, loyalty, or performance improvement provided by employees. With an assessment like this, it can be used as a correction regarding the condition of the company and the circumstances experienced by employees in the company to be able to improve their performance. So that it can overcome problems within the company and can bring out compactness, harmony, and good performance in order to improve performance and advance the company in company revenue.
- 2. This research is expected to be and can be one of the references in conducting research activities that will be carried out by the next researcher. In addition, it is also expected to examine other things that have not been discussed in this study, which may be more helpful for companies in improving employee performance or increasing company sales, apart from leadership and compensation as an influence on employee performance. These things are done by researchers to perfect a previous study and researchers
- 3. It is hoped that this research can help evaluate the state of how the company has been running so far, such as what the policies of the leadership and the performance of employees. With the research with the results that have been put forward, it is hoped that leaders and employees can perform duties and obligations properly and correctly aimed at mutual smoothness and progress of the company so that the company can provide what should be obtained or employee rights. So that the company and employees run together harmoniously.

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