



The Synergy Of Skill And Reward On Employee Performance

Chandro Viryanto Fu¹, Anoesyirwan Moeins², Yuli Zain³

Corresponding authors : Chandro Viryanto Fu¹

Email : chandroviryantofu@upi-yai.ac.id

^{1,2,3} Universitas Persada Indonesia YAI, Jakarta

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ABSTRACT

The study examines Compensation and Competence effects on performance at PT Coca Cola Amatil Indonesia's Marketing Division. Using descriptive and explanatory surveys, it analyzes 50 employees. Results show satisfactory compensation and adequate competence, leading to high performance. Both factors affect performance simultaneously, with compensation having a stronger impact. Enhancing performance requires prioritizing compensation alignment with regulations and increasing supplementary benefits for professionalism.

1. INTRODUCTION

The company requires a crucial element of human resources - both leaders and employees - to effectively carry out tasks and supervision, thereby achieving the company's goals. Human resources play a pivotal role in organizations and companies. In order for management activities to be conducted smoothly, companies must possess well-informed and immensely skilled employees, along with efforts to manage the company in the most optimal manner possible, resulting in heightened employee performance. According to the research conducted by Budi Setiyawan and Waridin in 2006, employee performance can be defined as the outcome or accomplishment of an individual's work. This performance is evaluated based on both the quality and quantity of their work, as measured against the established standards set by the organization. It is important to note that good performance refers to achieving optimal results that align with the organizational objectives, thereby aiding in the overall success of the organization.

The company's survival in a highly competitive business environment hinges on the progress derived from enhanced employee performance. Consequently, the most daunting management challenge lies in augmenting the capabilities of the employees, as the attainment of goals and the company's longevity are contingent upon the efficacy of its human resource performance.

Competence and Compensation related phenomena have been observed in the field, based on temporary observations. There are ongoing grievances among employees at PT Coca Cola Amatil Indonesia who express a sense of stagnation in their professional growth. This sentiment

manifests itself in various ways. Leaders who solely offer monotonous tasks, failing to provide captivating assignments that align with the individual expertise of their employees.

Employees who encounter challenges in performing their tasks are given minimal assistance by leaders and colleagues when it comes to resolving their issues related to work sharing. Many leaders struggle to establish harmonious relationships with their employees, resulting in a noticeable distance. It appears that they perceive themselves as more important than anyone else. The prevailing circumstance persists where employees who demonstrate exceptional abilities continue to receive insufficient recognition and acknowledgment. There are some individuals in the Marketing Division of PT Coca Cola Amatil Indonesia who are, unfortunately, still failing to fulfill their work responsibilities.

The Marketing Division of PT Coca Cola Amatil Indonesia seems to lack motivation and enthusiasm in their work, possibly due to a limited understanding and a lack of interest in learning. Despite the efforts put into maintaining discipline, there are still occurrences of misconduct within the company. These infractions range from employees arriving late to work to instances where members of the Marketing Division of PT Coca Cola Amatil Indonesia leave their office during working hours.

Mondy and Noe (2005: 284) assert that compensation encompasses all the rewards employees receive for their efforts. This idea is echoed by Mondy (2008), who defines compensation as encompassing all forms of rewards individuals receive in exchange for their work. The Marketing Division at PT Coca Cola Amatil Indonesia offers a range of compensations to its employees, encompassing both financial and non-financial rewards. These compensations can be in the form of direct or indirect benefits. Financial compensation is subject to specific laws and regulations and follows a standardized approach, leaving little room for innovation or expansion.

Encouraging all potential to work, PT Coca Cola Amatil Indonesia finds that not every employee in the Marketing Division is willing to mobilize their work performance optimally. Furthermore, the inadequate performance displayed by the employees in the Marketing Division of PT Coca Cola Amatil Indonesia can be attributed to yet another factor - competence. This competence is derived from the mastery of the English language, encompassing proficiency, ability, competence, and authority, as stated by Echola and Shadily in 1975 (p. 132). It pertains to the capacity to effectively execute a job or task through one's acquired skills and knowledge, augmented by the requisite work demeanor as emphasized by Wibowo in 2008 (pp. 86-88). Competence is a quality possessed by individuals that can be exhibited through their knowledge, skills, and behavior, resulting in successful performance and accomplishments (Desler, 2006: 70). Measurable competence, expertise, and knowledge form the foundation of the performance management process in every organization. Job-oriented competencies refer to abilities, behaviors, or skills that have been proven to significantly impact or predict outstanding performance in a specific role (Rampesad, 2006: 188). Competency encompasses a fusion of skills, knowledge, and attitude that can be openly observed and critically applied to contribute to the triumph of an organization and the effective work performance and personal dedication of its employees.

2. LITERATURE REVIEW

Compensation

Mondy & Noe (2005: 284) claim that compensation encompasses all the rewards bestowed upon employees in exchange for their hard work. Similarly, Mondy (2008) concurs, defining compensation as encompassing every form of recompense individuals receive for their toil. Compensation, as defined by Hasibuan (2007: 118), is categorized into various definitions. Compensation, as described by William B. Werther and Keith Davis, refers to the remuneration an individual receives for their labor. This remuneration can take the form of an hourly wage or a regular salary, which is carefully crafted and overseen by the personnel department. Andrew F. Sikula suggests that compensation encompasses all that is deemed worthy of recognition or deemed as an equal exchange.

Based on the statement provided, we can infer that compensation is a form of recognition bestowed upon employees by the company. This acknowledgement serves as a reward for their dedicated efforts, encompassing their energy, ideas, and time devoted towards the advancement of the company in attaining its predetermined objectives. When employees receive compensation that is both reasonable and equitable, it fosters a sense of contentment and drive within them, spurring them on to work towards accomplishing the goals set forth by the company.

Competence

The idea of competence is slowly gaining momentum and has become a topic of great discussion, making it quite the trend nowadays. This is particularly true in the context of "modern" multinational and national companies. The origin of the term and concept of competency can be traced back to an American author who introduced it in his book titled *The Competence Manager*. In this book, Boyatzis puts forth the argument that American business managers need to possess specific competencies in order to prevent Japan and Europe from triumphing over the US business and economy (Ruky, 2006:103).

Performance

The term "performance" is a word derived from the English language, commonly referred to as performance. As stated by Robbins (2006: 241), the performance of an employee is determined by the interplay between their ability and motivation. When studying employee performance management, there are certain factors that demand significant attention. This is because an employee's individual performance within an organization forms an integral part of the overall performance of that organization, ultimately impacting its overall success. Achieving optimal employee performance hinges on both individual and group-level performances. As per Mathis and Jackson (2002: 78), performance essentially encapsulates the actions or lack thereof of employees. This employee performance has the capability to impact their contribution to the organization. The aforementioned description includes: (1) quality of output, (2) quantity of output, (3) timeliness of output, (4) presence at work, and (5) a collaborative demeanor. In essence, it can be broadly stated that performance embodies the manifestation or triumph of an individual's or organization's efforts in attaining its objectives. Performance is a behavioral facet within an organization that is intricately linked to the manufacture of goods or the provision of services.

According to Tika (2006: 89), understanding the performance of an organization is vital in determining whether the organization has been successful in achieving its goals. However, it is quite

common for organizations to lack or rarely possess information regarding their own performance. Performance can be defined as the outcome of an individual's or a group's activities within an organization, influenced by various factors and aimed at accomplishing organizational objectives within a specific timeframe. Additionally, Rivai and Basri (2005: 1516) suggest that performance is determined by one's willingness to engage in an activity and complete it responsibly, leading to expected outcomes.

Bambang Guritno and Waridin (2005: 63) state that performance is the assessment of employees' work outcomes in relation to established benchmarks. On the other hand, Hakim (2006: 103) defines performance as the accomplishments of individuals in their designated roles or responsibilities within a company during a specific timeframe. These achievements are measured against the company's own set values or standards.

3. RESEARCH METHODS

The research methods employed in this study are the descriptive survey method and the explanatory survey method. The type of investigation conducted in this research is focused on causality. The unit of analysis for this research is individuals, specifically employees working in the Marketing Division of PT Coca Cola Amatil Indonesia. This study falls under the category of cross-sectional research, which involves gathering information directly from the population at the empirical location. The primary objective is to gain insights into the opinions held by a segment of the population regarding the subject under examination. In this research, a method of selecting a sample was employed, known as the rule of thumb for analyzing data known as path analysis. The study involved a total of 5 variables and research objectives, which were multiplied by a factor ranging from 10 to 50 (5x10). This resulted in a sample size of 50 individuals who were employees within the Marketing Division of PT Coca Cola Amatil Indonesia.

Validity and Reliability Test Design Instrument Validity Test

Carried out using the Corelation Product Moment formula (Sugiyono, 2004: 182), testing the validity of the instrument was accomplished. SPSS 17 software was also utilized in this process.

Instrument Reliability Test

The reliability of an instrument is determined by the correlation coefficient between two sets of scores that are generated by the same or a similar test. We can rely on this instrument if it proves to be reliable. In simpler terms, if we evaluate the results of this instrument multiple times, we expect them to be consistent or similar. To measure reliability, this study employs the Alpha Cronbach reliability calculation method.

Analysis Design and Hypothesis Testing

In the data collection method, ordinal sizes are transformed into interval form through the use of the Method of Successive Intervals. First and foremost, it is vital to perform data processing before delving into the analysis. The processing of the data collected from interviews and questionnaires can be organized into three distinct steps approach, preparation and tabulation of data for research application. At least interval measurement level data is required for the path analysis technique. So, in order to transform the data, we use the method of successive intervals. After that, we prepare pairs of data from the independent and dependent variables from all the research samples for hypothesis testing. Meanwhile, to understand the relationship between the research variables and performance, we apply the tabulated data to a research approach called Path Analysis (Harun Al Rasyid, 1998: 6). This research

aims to examine the relationship between compensation, competence, and performance. The variables under analysis are compensation (X1), competence (X2), and performance (Y). The main focus of this study is to investigate the combined and individual impacts of compensation and competence on performance. To analyze these variables, we will employ path analysis Wirasasmita statistical test (2004: 1) as it aligns with the nature of the variables being examined. I have been given the task to conduct a test that aims to determine the impact of two independent variables, X1 and X2, on the dependent variable Y. The purpose is to see if these variables have a direct or indirect effect on Y. The hypothesis that has been put forward suggests that both Compensation and Competence have an influence on Performance, both at the same time and to some extent.

5. ANALYSIS AND DISCUSSION

Compensation Received by Employees in the Marketing Division of PT Coca Cola Amatil Indonesia

The findings revealed that the remuneration received by the employees of PT Coca Cola Amatil Indonesia's Marketing Division is generally quite fair, but there is still a lack of focus, particularly regarding the healthcare coverage provided by the organization. This aspect of compensation plays a significant role in influencing employee performance, either directly or indirectly. Hence, it is crucial for management to prioritize the welfare of their employees and ensure their satisfaction, which will subsequently lead to improved performance. As Mangkunegara (2004: 85) suggests, employee compensation takes two forms – direct forms such as wages and salaries, and indirect forms such as benefits.

Employee Competence in the Marketing Division of PT Coca Cola Amatil Indonesia

In the Marketing Division of PT Coca Cola Amatil Indonesia, employee competence is revealed through various factors. These factors include the level of orientation towards achieving performance standards, attention to quality and work efficiency, individual expertise and professionalism, individual skills, speed of service to the community, willingness to develop personal abilities, individual responsibility, and service effectiveness. Competence can be seen as a reflection of a person's skills, knowledge, and abilities, as well as the characteristics that underlie their effectiveness in their work. The Marketing Division of PT Coca Cola Amatil Indonesia has generally competent employees who meet the necessary requirements. However, there are still areas that need attention, particularly in terms of managing and organizing work to ensure timely completion. Additionally, there is a lack of guidance for colleagues in carrying out tasks and an inability to fulfill all managerial responsibilities. While employee competence is overall high, these specific indicators should be taken into account. The institution should focus on improving employee competence through education and training, with the aim of fostering high performance in the future.

Employee Performance in the Marketing Division of PT Coca Cola Amatil Indonesia

The employees in the Marketing Division of PT Coca Cola Amatil Indonesia exhibit a commendable level of performance. However, it is important to take note of certain aspects regarding those employees who do not exert sufficient effort to enhance their performance beyond the established standards. These aspects include their abilities that remain significantly below the expected standard and the quantity of work produced that falls short when compared to other employees. Consequently, in order to enhance overall performance, it becomes imperative to focus on improving both the quality and quantity of work accomplished. This can be achieved through a comprehensive evaluation of the completed tasks, fostering creativity and innovation as competitive advantages, and developing the capability to effectively execute assigned responsibilities based on experience and sincerity within the given time frame.

The effect of compensation and competence on employee performance in the Marketing Division of PT Coca Cola Amatil Indonesia.

We aim to determine the impact of compensation and competence on employee performance in the Marketing Division of PT Coca Cola Amatil Indonesia. To achieve this, we will utilize path analysis and the SPSS release 12 software. The first step involves calculating the correlations between the variables, which will be presented in table 1.

Table 1
Correlation matrix between variables

		CORRELATIONS	
		COMPENSATION	COMPETENCY
COMPENSATION	Pearson Correlation	1	.570**
	Sig. (2-tailed)	.	.000
	N	50	50
COMPETENCY	Pears on Correlation	.570**	1
	Sig. (2-tailed)	.000	.
	N	50	50

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS output results

Based on the results of the correlation matrix calculation, the overall effect of X1 to X2 can be calculated. Furthermore, the path coefficient of other variables outside the variables X1 to X2 can be determined using table 2 below..

Table 2
Magnitude of Path Coefficient

Path coefficient of X ₁ on Y	pyx_1	0.534
Path coefficient of X ₂ on Y	pyx_2	0.269

Source : SPSS output results

The table 3 below displays the calculation results for various coefficients. These include the multiple determination coefficient ($R^2_{Y.X1, X2}$), the correlation coefficient ($R_{Y.X1, X2}$), the coefficient of determination of other variables on Y ($P^2_{Y\epsilon}$), and the path coefficient of other variables on Y ($P_{Y\epsilon}$).

Table 3
Multiple Determination Coefficient, and Path Coefficient of Other Variables

Multiple Determination (R^2)	$R^2_{Y.X1, X2}$	0.522
Multiple Correlation Coefficient	$R_{Y.X1, X2}$	0.723
Determination of Var. Other to Y	$P^2_{Y\epsilon}$	0.478
Path Coefficient X ₂ Var. Other to Y	$P_{Y\epsilon}$	0.691

Source: SPSS output results

Influenced by other variables not included in the study, the remaining 0.478 or 47.8% of variable Y is affected by variables X₁ and X₂ together, while variables X₁ and X₂ together have an effect of 0.522 or 52.2% on variable Y.

In the Marketing Division of PT Coca Cola Amatil Indonesia, we will test the overall hypothesis regarding the influence between compensation and competence on employee performance. This will be done using table 4, which displays the simultaneous test results of X₁ and X₂ on Y according to the theoretical framework.

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	609.035	2	304.518	25.704	.000a
Residuals	556.824	47	11.847		
Total	1165.859	49			

a. Predictors: (Constant), COMPETENCY, COMPENSATION
b. Dependent Variable: PERFORMANCE
Source: SPSS 12.0 Output

Based on the data presented in table 4.37, we can observe that the Fcount value is 25,704. Additionally, the significance level of 0.00 is smaller than 0.05. As a result, we can conclude that the simultaneous test results are indeed proven to be significant. This allows us to proceed with further analysis, including partial testing. The causal relationship or direct influence of X1 and X2 on Y can be observed in table 5 below by examining the results.

Table 5
Influence of Variables X1 and X2 to Y and Influence Beyond Variables X1 and X2

Interpretation of Path Analysis		
Description	Influence	%
Effect of X1, X2 to Y	0.522	52.2
Influence Beyond X1, X2	0.478	47.8
Total		100

Source: Statistical Processing Results SPSS Program

Based on the test results, we can observe that both compensation and competence have an impact on employee performance in the Marketing Division of PT Coca Cola Amatil Indonesia, accounting for 52.2% of the overall influence. The remaining 47.8% is attributed to other factors that were not specifically analyzed by the author, such as work climate, motivation, commitment, leadership, work culture, and work environment. However, upon closer examination, it becomes evident that compensation plays a more significant role in influencing employee performance compared to competence. The results of hypothesis testing support the conclusion that compensation dominantly affects employee performance. This can be observed in a causal diagram where the path coefficient is 0.534 with a tcount of 4.355, and the t value of tabel at a significance level of α (0.05) is 1.96. On the other hand, competence has a lesser impact on employee performance with a coefficient of 0.269, tcount of 2.194, and the same t value

oftabel at a significance level of $\alpha (0.05) = 1.96$. Both variables, however, have been proven to affect employee performance as indicated in Table 6 below.

Table 6
Partial Path Coefficient Testing

Symbol	Path Coefficient	thitung	ttable	Conclusion
PYX ₁	0.534	4.355	1.96	Ho reject There is an effect of compensation on employee performance
PYX ₂	0.269	2.194	1.96	Ho reject There is an influence of competence on employee performance

Source : calculation result

Table 7 below reveals the compensation on employee performance in the Marketing Division of PT Coca Cola Amatil Indonesia, which can be seen based on the results of the above calculations.

Table 7.
Direct and Indirect Effects of Compensation on Employee Performance

Interpretation of Path Analysis			
Ket		Influence	%
X ₁	Direct effect to Y	0.28516	28.5156
	Indirect effect through X ₂ to Y	0.08188	8.18782
Total		0.36703	36.7034

Source: Statistical Processing Results SPSS Program

It can be observed from the data provided that compensation has a direct impact on employee performance, accounting for 28.5156% and a tcount coefficient of 4.355. This is evident as the value of tcount surpasses the ttable value at $\alpha (0.05) = 1.96$. Additionally, compensation indirectly affects employee performance through the competency variable, contributing 8.18782%. The study found that compensation plays a vital role in employee performance, accounting for approximately 36.7034% of the overall impact. This suggests that improving compensation directly influences employee performance. The results of this empirical analysis indicate that enhancing the compensation factor is crucial in efforts to enhance employee

performance. The path coefficient confirms a positive and significant relationship, suggesting that better compensation leads to improved employee performance. This demonstrates that the remuneration exert an impact on the effectiveness of workers, signifying that the role of compensation holds great significance. However, there exist multiple factors that necessitate contemplation by the organization. These factors include the sufficiency of wages, transportation allowances, vacation benefits, and overtime remuneration. On the other hand, indirect compensation encompasses elements such as promotion commensurate with accomplishments, rewards in line with position, and rewards attributed to job transfers. Furthermore, the compensation system serves as a means of motivating employees towards achieving predetermined objectives within the organization. Compensation is typically provided as a form of recompense for individual efforts, although it can also be extended to encompass collective endeavors. The system of compensation establishes a connection between remuneration and one's performance, rather than being contingent upon seniority or the quantity of hours devoted to work.

The findings indicated that the compensation received by employees in the Marketing Division of PT Coca Cola Amatil Indonesia has a general impact on their performance. Efforts have been made to enhance employee welfare through the provision of suitable incentives and recognition for exceptional work. This aligns with Siagian's opinion (2008: 118) that defines compensation as any form of financial or material gain received by employees, either directly or indirectly, in exchange for their services to the company. The objective behind such compensation is to enhance employee productivity and gain a competitive edge. In the case of the Marketing Division of PT Coca Cola Amatil Indonesia, compensation is based on employee perceptions and can be categorized into direct and indirect forms.

Based on the provided description, it appears that compensation plays a significant role in determining performance. This indicates that the remuneration offered to the Marketing Division employees at PT Coca Cola Amatil Indonesia plays a tangible part in enhancing their well-being.

The effect of competence on the performance of employees of the Marketing Division of PT Coca Cola Amatil Indonesia can be seen in table 8 below as revealed by the results of the above calculations.

Table 8.
Direct and indirect effects of competence on employee performance

Interpretation of Path Analysis			
Ket		Influence	%
X ₂	Direct effect to Y	0.07236	7.2361
	Indirect effect through X ₁ to Y	0.08188	8.18782
Total		0.15424	15.4239

Source: Statistical Processing Results SPSS Program

The contribution of competence to employee performance, as seen in the table above, directly amounted to 7.2361% with a tcount coefficient of 2.194. The value of ttablel at the significance level α (0.05) is 1.96. This value is determined because the value of tcount is greater than ttablel. Additionally, the compensation variable indirectly influences employee performance by 8.18782%. On the other hand, competence contributes significantly to overall employee performance, accounting for 15.4239%. From these findings, it can be concluded that competence has a noteworthy direct impact on employee performance.

Improving employee performance necessitates enhancing the competency factor, as indicated by this empirical evidence, which suggests a close relationship between the two. The path coefficient presents a noteworthy and affirmative value, indicating that the enhancement of skills and attitudes relies on the interplay between the work environment and one's own self. This, in turn, leads to an improvement in employee performance, as articulated by Asthon (1996b: 19) who elucidates competence as "the portrayal of an employee's understanding, abilities, attitudes, and aptitudes to attain optimal performance". Moreover, Traves in Murley (1997: 21) explicates competence as "an individual's capacity to utilize their acquired skills in order to deliver exemplary service performance". Furthermore, Zeithaml (1990: 21) substantiates this notion by affirming that competence is "the extent of skills and knowledge possessed by an employee to effectively achieve a specific level of service performance and generate the finest service outcomes".

By analyzing the aforementioned statement, it becomes evident that various facets like capability, knowledge, quality, and ability, which constitute competence, are utilized as metrics to evaluate employee performance. It is suggested that the Marketing Division of PT Coca Cola Amatil Indonesia may potentially have additional factors in their assessment of performance, including a focus on power dynamics, proximity to higher-ups, or the loyalty of employees towards superiors that hold more significance.

The collective performance of the employees in the Marketing Division at PT Coca Cola Amatil Indonesia is regarded as quite commendable, particularly their sense of accountability when it comes to their duties. The majority of employees have successfully met the established work standards in terms of quality. Even in the absence of direct supervision from their superiors, these employees consistently strive to enhance the caliber of their work and demonstrate exceptional diligence. The measure of their work performance can also be determined by their enthusiasm and conscientiousness, both of which are deemed highly satisfactory in this instance.

The size of employee performance in individuals and groups depends on the efficiency and effectiveness of compensation and competency factors, as employee performance itself can be influenced by these. According to these competencies, the better the competence and adequate compensation, the employee performance will increase. It can be inferred from this that in order to enhance performance, it is imperative to enhance and augment factors of remuneration and proficiency. This is because remuneration and competency are intricately linked to the enhancement of performance, as highlighted by Bernardin and Russel (2003: 397), who argue that: "the performance of an employee relies on their ability, exerted effort, and opportunities at work, which can be evaluated based on the outcomes resulting from the provided compensation and work behavior." This signifies that perceived remuneration and employee competence play a significant role in influencing employee performance. Thus, to foster improvement in employee performance, it becomes indispensable to enhance and amplify factors of remuneration and competency due to their close correlation with performance enhancement.

Performance is influenced by these two variables, which Wahyudi (2002: 101) states in his opinion following the above discussion. He believes that performance is an evaluation carried out periodically and systematically, requiring labor / employees to possess five basic conditions to excel in their work - the conditions referred to are:

Obtained work competence from the results of carrying out good work. Programs that allow for successful participation in training and development. Job satisfaction to improve discipline and motivate, in order to improve performance. Employees' attitude towards their work is influenced by the compensation they receive, both direct and indirect.

Based on this viewpoint, it becomes apparent that the level of performance is affected by various factors such as expertise, training initiatives, personal growth, job contentment, drive, work ethics, employee outlooks, and remuneration. Consequently, the enhancement of performance is influenced by both employee compensation and competence. The impact of compensation on employee performance surpasses that of competence. This is due to the fact that all employees in the Marketing Division of PT Coca-Cola Amatil Indonesia have fulfilled the necessary qualifications as marketing staff. This implies that, in terms of competence, they can be considered proficient. However, when it comes to compensation, it does not align adequately with the risks associated with their work. Consequently, it is crucial to prioritize the congruity between compensation and work risks. Therefore, the more fitting and suitable the compensation provided, the greater the enhancement in employee performance will be.

6. CONCLUSION AND SUGGESTION

Generally quite appropriate, the compensation received by employees in the Marketing Division of PT Coca Cola Amatil Indonesia is not easy to use. There are still some things that are not considered, especially the health insurance provided to employees. The Marketing Division of PT Coca Cola Amatil Indonesia has a competent employee base that sufficiently meets company needs. However, some areas require attention, including the need for improved work management and organization to ensure timely completion of tasks. Additionally, there is a lack of direction for work partners and an inability to fulfill all managerial responsibilities. Employees in the Marketing Division of PT Coca Cola Amatil Indonesia have a relatively high performance. However, there are a few noteworthy observations: some employees lack effort in improving performance to meet set standards, their abilities fall short of the standard, and their work quantity remains below average compared to other employees.

The performance of employees is influenced by both their compensation and competence. However, it is noteworthy that compensation, although partially dominant, has a greater impact on employee performance compared to competence. Furthermore, the relationship between competence and compensation in relation to performance can be described as follows: The better employee performance will be, so compensation affects employee performance. If employees have the correct competence, their performance will increase as a result. Improvements in compensation, for employee performance to increase, can be made through providing health

insurance in accordance with rank and class and ease of use and access. Regarding the lack of managing and organizing work, employee competencies have improved by not being able to carry out all work and lacking in directing work partners to complete tasks on time. In order to tackle these three challenges, it is essential for the organization to offer educational and training opportunities to employees who lack the necessary skills. This will enable them to effectively handle the managerial responsibilities assigned to them. Improvements in employees who do not strive to improve their performance above the set standards' work quantity, abilities that are still far below the standard and employee performance especially.

Since compensation greatly impacts performance, it should be the primary focus when aiming to enhance employee performance. It is recommended that the Marketing Division of PT Coca Cola Amatil Indonesia receive compensation as per the established guidelines, while also receiving additional benefits in order to further motivate them to work with a higher level of professionalism. In order to carry out further research, it is necessary to increase the causal variables that affect employee performance by conducting more in-depth interviews with all respondents. This recommendation is made due to limited time and research funds, specifically in exploring question data.

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