# THE EFFECT OF COMPETENCE, WORK MOTIVATION AND COMPENSATION ON JOB SATISFACTION AND EDUCATIONAL PERFORMANCE AT THE FACULTY OF SCIENCE AND TECHNOLOGY, UNIVERSITAS AIRLANGGA SURABAYA

Andriani<sup>1</sup>, Slamet Riyadi<sup>2</sup>, Riyadi Nugroho<sup>3</sup>
Faculty of Economics and Business, University of 17 August 1945 Surabaya andresita\_1980@yahoo.com, slametriyadi10@untag-sby.ac.id, riyadi@untag-sby.ac.id

#### Abstract

The purpose of this study was to determine the effect of competence, work motivation, and compensation on job satisfaction and performance of teaching staff in the Faculty of Science and Technology, Universitas Airlangga, Surabaya. This type of research used in this research is quantitative. The sample used in this study were 63 respondents who taken using the Non-Probability technique. The data was collected by distributing a questionnaire with severa statements. While the technical data analysis used in this study is to use Partial Least Square (PLS). The results in this study indicate that 1) Competence does not affect job satisfaction 2) Work Motivation influences job satisfaction 3) Compensation does not affect performance 5) Work motivation affects performance 6) Compensation does not affect performance 7) Job satisfaction does not affect performance.

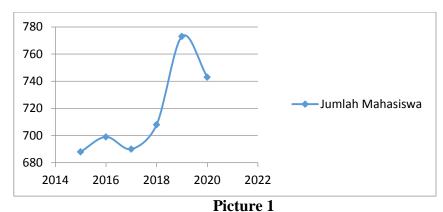
Keywords: Competence, Work Motivation, Compensation, Job Satisfaction, Performance.

# **INTRODUCTION**

Education in Indonesia in the future is a critical point that expected to be a driving force for Indonesians to improve the quality of their existence and be able to participate in development movements. One of them is higher education, where service organizations that rely heavily on the management of Human Resources (HR) are facing intense competition requiring higher education institutions to work hard to achieve predetermined goals and produce quality graduates. Arwildayanto (2012,25-26) states that one of the challenges that will be faced by institutions in the future, including in higher education institutions, is to create more diverse institutions/institutions, but at the same time demand more efficient, effective, and productive management.

Factors affecting the performance of the faculty are the incompatibility of competence with their placement in certain job positions; for example, none of the education staff placed in the role of a reading room officer who has a library degree or librarian certificate; the existence of financial team who are not graduates of the economics department, and others. In addition to inadequate competence, the lack of work motivation from the institutions and the surrounding environment also affects performance, such as the lack of training or other competency development activities that can support the education workforce work system according to their job position. In addition to competence and motivation, compensation also has an impact on the performance of educational personnel; for example, the workload

between one education staff is different, but the incentives received every month are the same, or it can be said that there is no significant difference. As a result of the compensation received, it can cause some educational staff to be less productive in carrying out their work. Besides that, based on data from the University of Airlangga cyber campus, there has been a decrease in the number of new students in the last five years (2015-2020). Based on the table above, it can be seen in the following graph that there is a decrease in the number of new students for 2015 - 2020.



New Students of the Faculty of Science and Technology, Universitas Airlangga for the period 2015 - 2020

Performance is one way to measure the level of employee effectiveness. Anwar Prabu Mangkunegara (2012: 67) states that "employee performance is the result of work in quality and quantity that has been achieved by an employee in carrying out his duties following the responsibilities given to him". One of the human resource development strategies aimed at improving performance is increasing individual competence.

Wibowo (2016: 271) competence is the ability to carry out or perform a job or task based on skills and knowledge and is supported by the job's work attitude.

Fred Luthans (2011:157) "motivation is a process that starts with physiological or psychological deficiency or need that activates a behavior or a drive that is aimed at a goal or incentive". Motivation is a process that begins with a physiological or psychological deficiency or need that activates behaviors aimed at goals or incentives.

Hasibuan (2017: 119) compensation is all income in the form of money, direct or indirect goods received by employees as compensation for the company's services. Robbins (2015: 170) job satisfaction is a general attitude towards one's job as the difference between the number of incentives received by workers and the number of incentives that should be accepted.

Based on the above statement, the researcher wants to do further research on "The Effect of Competence, Work Motivation, and Compensation on Job Satisfaction and Performance of Education Personnel in the Faculty of Science and Technology, Airlangga University, Surabaya".

#### PROBLEM SOLVING

- 1. Does competency affect the teaching staff's job satisfaction at the Faculty of Science and Technology, Airlangga University?
- 2. Does work motivation affect the teaching staff's job satisfaction at the Faculty of Science and Technology, Airlangga University?
- 3. Does compensation affect the job satisfaction of teaching staff in the Faculty of Science and Technology, Airlangga University?
- 4. Does competency affect the performance of teaching staff's at the Faculty of Science and Technology, Airlangga University?
- 5. Does work motivation affect the performance of teaching staff's at the Faculty of Science and Technology, Airlangga University?
- 6. Does compensation affect the performance of teaching staff's at the Faculty of Science and Technology, Airlangga University?
- 7. Does job satisfaction affect the performance of teaching staff's the Faculty of Science and Technology, Airlangga University?

#### LITERATURE REVIEW

# **Human Resource Management**

Anwar Prabu Mangkunegara (2013: 2), Human Resource Management (MSDM) is "management and utilization of existing resources in individuals (employees), management and utilization are maximally developed in the world of work to achieve organizational goals and individual development. Employees. Human resource management functions to organize employees and potential development of individuals and organizations to implement the planning, organizing, directing, and monitoring processes for procurement, maintenance, and dismissal, which are useful for developing performance in achieving organizational goals effectively and efficiently.

## Competence

Edison et al. (2016: 17) Competence is an individual's ability to carry out a job properly and has advantages based on knowledge, skills, and attitudes. Individual characteristics that include these three things will produce practical work to achieve organizational goals.

#### **Work motivation**

Malayu S.P Hasibuan(2016: 219), argues that: work motivation refers to encouragement and effort to satisfy a need or a goal.

## **Compensation**

Handoko (2014: 155) Compensation is anything that employees receive in return for their work. Hasibuan (2012, 118) compensation can be divided into two, namely Direct Compensation in the form of Salary, Wages, Incentive Wages, while Indirect Compensation is in the form of benefits services.

#### Job satisfaction

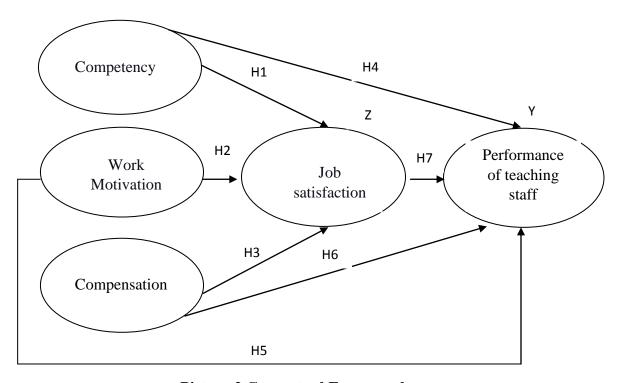
Robbins (2015: 170) stated that job satisfaction is a general attitude towards one's job as the difference between theamount of reward received by workers and the number of tips to be accepted. Job satisfaction is an essential thing that individuals have at

work. Each worker has different characteristics, so the level of job satisfaction is also different - the story of job satisfaction is also different - the level of job satisfaction is different.

## **Performance**

Performance is the result of work and work behavior that has been achieved in completing assigned tasks and responsibilities within a certain period. Anwar Prabu Mangkunegara (2014: 67) states that performance results from work in quality and quantity achieved by a worker in carrying out his duties following the responsibilities given to him.

#### CONCEPTUAL FRAMEWORK



**Picture 2 Conceptual Framework** 

# **Research Hypothesis**

the Faculty of Science and Technology, Airlanga University?

H1: Competence affects the job satisfaction of teaching staff at the Faculty of Science and Technology, Universitas Airlangga.

H2: Work Motivation has an effect on Job Satisfaction of Teaching Personnel in the Faculty of Science and Technology, Universitas Airlangga.

H3 : Compensation affects the job satisfaction of teaching staff at the Faculty of Science and Technology, Universitas Airlangga.

H4 : Competence affects the performance of educational staff at the Faculty of Science and Technology, Universitas Airlangga.

H5: Work Motivation affects the performance of educational staff at the Faculty of Science and Technology, Universitas Airlangga.

H6: Compensation affects the performance of teaching staff at the Faculty of Science and Technology, Universitas Airlangga.

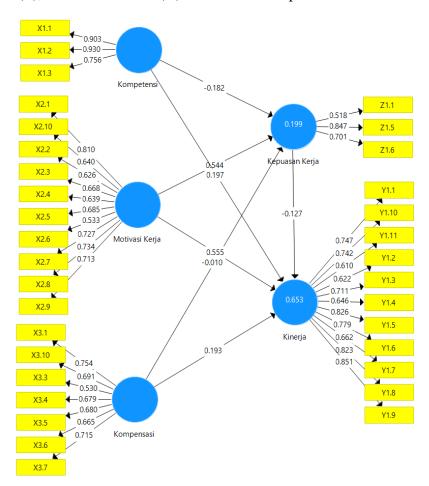
# RESEARCH METHODS Research Design

The approach used in this research is quantitative. The sampling technique in this study uses the Non-Probability technique. The population in this study is the educational staff at the Faculty of Science and Technology of Airlangga University, which consists of 63 people comprised of Civil Servants (PNS) group II number 21 people, group III number 29 people, and non-civil servants (PT) equivalent group II numbering four people and the equivalent of group III numbering nine people.

#### RESULTS AND DISCUSSION

#### A. Evaluation of the Outer Model

Evaluation of the measurement model is a stage to evaluate the validity and reliability of construct validity evaluation and construct reliability evaluation. In this study, the researcher determined that there were seven problem formulations with five variables, namely Competence (X1), Work Motivation (X2), Compensation (X3), Job Satisfaction (Z), and Performance (Y). Each will be explained as follows:



Picture 3 Construct of the Outer Model

# **B.** Hypothesis Testing

**Table 1 Effects between Research Constructs** 

Variable Relationships	Path Coefficient	Standart Error	T- Statistic	P- value	Information
<b>Competence</b> → <b>Job</b>	- 0.182	0.207	0.879	0.379	No effect
Satisfaction(H1)					
Work Motivation →	0.544	0.276	1.973	0.049	Take effect
Job Satisfaction (H2)					
Compensation $\rightarrow$ Job	- 0.010	0.205	0.048	0.962	No effect
Satisfaction (H3)					
<b>Competence</b> →	0.197	0.096	2.046	0.041	Take effect
<b>Performance (H4)</b>					
Work Motivation →	0.555	0.148	3.766	0.000	Take effect
<b>Performance (H5)</b>					
<b>Compensation</b> →	0.193	0.128	1.503	0.133	No effect
Performance (H6)					
Job Satisfaction →	- 0.127	0.092	1.376	0.169	No effect
<b>Performance (H7)</b>					

#### C. Discussion

# 1. The influence of competence on job satisfaction

The 1st hypothesis examines the relationship between competence and job satisfaction. Competence has an effect of -0.18, has a t-statistic of 0.879 (<1.96), a p-value of 0.379 (> 0.05), so Ho is accepted, meaning that competence (X1) has no effect on job satisfaction (Z). This is in line with the research of Runi, I., Ramli, M., Nujum, S., &Kalla, R. (2017) which states that competence has no significant positive effect on job satisfaction with a value of 0.175.

### 2. The influence of motivation on job satisfaction

The second hypothesis examines the relationship between motivation and job satisfaction. Work motivation has an effect of 0.544, has a t-statistic of 1.973 (> 1.96), a p-value of 0.049 (<0.05) so Ho is rejected, meaning that work motivation (X2) affects job satisfaction (Z). Line with the research of Runi, I., Ramli, M., Nujum, S., &Kalla, R. (2017) that motivation has a positive and significant effect on job satisfaction with a value of 0.009.

#### 3. Effect of compensation on job satisfaction

The third hypothesis examines the relationship between compensation and job satisfaction. Compensation has an effect of -0.010, has a t-statistic of 0.048 (<1.96), a p-value of 0.962 (> 0.05) then Ho is accepted, meaning that compensation (X3) doesn'teffect on job satisfaction (Z). Line with the research of Saputra, P., Sudiro, A., &Irawanto, D.W (2018) which states that compensation does not have a significant effect on job satisfaction with a coefficient of 0.159 with a t-statistic of 1.310.

## 4. The influence of competence on performance

The fourth hypothesis tests the relationship between competence and performance. Competence has an effect of 0.197, has a t-statistic of 2,046 (> 1.96), a p-value of

0.041 (<0.05) so Ho is rejected, meaning that competence (X1) affects performance (Y). The line with research by Renyut, B. C., Modding, H. B., &Bima, J. (2017) which states that employee competencies have a positive and significant effect on employee performance. The p value is 0.000 <0.05 and the coefficient value is 0.461.

# 5. The influence of motivation on performance

Hypothesis -5 examines the relationship between motivation and performance. Work motivation has an effect of 0.555, has a t-statistic of 3.766 (> 1.96), a p-value of 0.000 (<0.05), so Ho is rejected, meaning that work motivation (X2) affects performance (Y). The line with the research of Murgianto, S. S. Suhermin. (2016) which states that the amount of the variable path coefficient of work motivation on employee performance at the East Java Integrated Service Office is 0.324 with a p-value of 0.014 smaller than 5%.

#### **6.** Effect of compensation on performance

The sixth hypothesis examines the relationship between compensation and performance. Compensation has an effect of 0.193, has a t-statistic of 1,503 (<1.96), a p-value of 0.133 (> 0.05), so Ho is accepted, meaning that compensation (X3) does not affect performance (Y). The line with the research of Saputra, P., Sudiro, A., &Irawanto, D.W (2018) which states that compensation has no significant effect on performance with a coefficient value of 0.049 and t-statistic 0.849.

# 7. The effect of job satisfaction on performance

The 7th hypothesis examines the relationship between job satisfaction and performance. Job satisfaction has an effect of - 0.127, has a t-statistic of 1.376 (<1.96), a p-value of 0.169 (> 0.05), then Ho is accepted, meaning that job satisfaction (Z) does not affect performance (Y). The line with the research of Purnama, UA, Suddin, A., &Triastity, R. (2017) which shows that from the results of the t-test calculation of job satisfaction variables, the t-value is 0.931 with a p-value of 0.355> 0.05, so Ho is accepted, it means that work motivation does not have a significant effect on performance.

#### **CONCLUSION**

Based on the analysis that hasdone, some conclusions can be drawn, among others:

- 1. Competence does noteffect on job satisfaction. The applied competencies do not increase the job satisfaction of educational staff. The increasing knowledge (knowledge) of individuals who consider the work they do is an obligation so that they are still unable to create job satisfaction.
- 2. Work motivation does noteffect on job satisfaction. With the work motivation provided by the leadership of the achievement in the results of their work, the job satisfaction of the educational workforce will increase.
- 3. Compensation does not affect effect on job satisfaction. When the institution can provide direct compensation in the form of incentives/bonuses and the opportunity to take part in training for education staff, it will not necessarily increase the teaching staff's job satisfaction. Competence affects performance. The staff of the education staff have skills

- and are competent in their field of work expertiseand it will greatly assist and accelerate their work and service activities so that they can improve performance.
- 4. Work motivation has an effect on performance. Educational staff get work motivation from the leadership through potential development in the form of training following their field of work and getting facilities and infrastructure that support their work; it will have a positive effect so that they are motivated to work harder and can improve better performance. This has a good impact on the institutions as well.
- 5. Compensation does not affect performance, and this is because the workload between one education staff is different, but the incentives received every month are the same, or it can be saying that there is no significant difference. As a result of the compensation received, it can cause some educational staff to be less productive in carrying out their work.
- 6. Job satisfaction has no effect on performance. Increasing or not job satisfaction will not affect employee performance. The job satisfaction of education personnel will arise because of the impulses in a person who will drive and direct their behavior. Based on this, what needs to be done in order to improve the performance of education personnel through increasing work motivation, among others, is to provide additional incentives for outstanding educational staff, provide opportunities for promotion, provide facilities and infrastructure that support their work.

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