Analysis of Compensation, Work Discipline and Job Promotion on Employee Performance with Work Morale as an Intervening Variable

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Abstract— **This study aims to find out and test the analysis of compensation, work discipline, and job promotion on employee performance with work morale as an intervening variable at Tanjung Pura Hospital, Langkat Regency. The population in this study is 86 employees. The sampling technique used was saturated sampling. This study uses quantitative primary data collected through questionnaires and processed with the Smart-PLS Software application. The research was conducted in 2023. The analysis technique used is using the path analysis model. The results of the study showed that compensation, work discipline and job promotion had a positive and significant effect on employee performance with work morale as an intervening variable at Tanjung Pura Hospital, Langkat Regency. In addition, compensation, work discipline, and job promotions also have a positive and significant effect on employee performance directly. These findings indicate that increased compensation, work discipline, and job promotions can increase employee morale, which will ultimately have an impact on improving employee performance at Tanjung Pura Hospital, Langkat Regency.**

Keywords— Compensation, Work Discipline, Job Promotion, Morale.

I. INTRODUCTION

Hospitals as one of the health service facilities in general have a very important role in efforts to improve the health status of the Indonesian people [1]. One of the most important aspects of human life is Health [2], [3]. Most humans will do various ways to obtain excellent health [4]. One of them that is considered to have a fairly important role is to provide health services such as hospitals. Service quality is an important thing to pay attention to, because it will be perceived by consumers after consumers use goods or services. Competition that has been getting tighter lately requires a service provider institution to always pamper consumers by providing the best service. The increase in public awareness of health has resulted in demands to improve health services. One of the efforts to anticipate this situation is to maintain the quality of service, so that continuous efforts need to be made

so that weaknesses and shortcomings in health services can be identified. The ability of hospitals to meet patient needs can be measured from patient satisfaction, both from the improvement of human resources and from the use of technological facilities[5], [6], [7]. Human resources are one of the most important resources in an organization or agency engaged in the health service sector or hospitals [8], Because of its great importance, its role and function cannot be replaced by other resources [9], [10]. Human resources today are not only seen as mere resources where in the latest developments view human resources more in the form of capital or assets for organizations with the term Human Capital which is not only seen as the main asset, but an asset that is valuable and can be multiplied, developed and also not considered as a liability [2], [3], [11], [12], [13]. Quality human resources as assets owned by hospitals will make it easier for hospitals to achieve their goals, for this reason it is necessary to have good asset management by hospitals by paying attention to aspects that can affect the performance of the quality of these human resources [14], [15]. So that it will produce work performance in accordance with what is expected by the hospital. The success of a hospital in achieving its goals or the good or bad performance of a hospital is greatly influenced by the job satisfaction of each individual in the hospital.

Employee performance is one of the important factors for the success and progress of an organization. High employee performance will support the achievement of organizational goals effectively and efficiently. However, in practice, there are still various problems related to employee performance in various organizations, including at Tanjung Pura Hospital, Lalat Regency. Based on

initial observations, several problems were found related to employee performance at Tanjung Pura Hospital, including delays in completing tasks, lack of employee initiative in doing work, and a fairly high employee attendance rate. This indicates that the performance of employees at Tanjung Pura Hospital is not optimal. Some of the factors that allegedly affect employee performance at Tanjung Pura Hospital are compensation, work discipline, and job promotion. Compensation that is not in accordance with the employee's workload and responsibilities can affect employee morale and performance. In addition, low work discipline, such as arriving late and leaving early, can also have an impact on employee performance.

Job promotion is also one of the important factors that can affect employee performance. Fair and transparent job promotions can motivate employees to work better and improve their performance. On the other hand, if the promotion does not go well, it can have an impact on decreasing morale and employee performance.

In addition, work morale is also suspected to be an intervening variable that mediates the influence of compensation, work discipline, and job promotions on employee performance. Employees who have high morale tend to perform better compared to employees who have low morale.

Based on the description above, this study aims to analyze the influence of compensation, work discipline, and job promotion on employee performance, with work morale as an intervening variable at Tanjung Pura Hospital, Langkat Regency.

II. METHODS

1. Research Design

This study uses a quantitative approach with a survey method. The research design used is explanatory research, which is research that aims to explain the influence between research variables.

2. Population and Sample

The population in this study is all employees of Tanjung Pura Hospital, Lalat Regency. The sampling technique used is purposive sampling, with the criteria for employees who have worked for at least 1 year at Tanjung Pura Hospital. The number of samples in this study is 100 employees.

a. *Research Variables*

Independent variables: Compensation (X1), Work Discipline (X2), and Position Promotion (X3).

b. Intervening variable: Work morale (Z).

c. Dependent variable: Employee Performance (Y).

3. RESEARCH INSTRUMENTS

The research instrument used is a questionnaire containing statements related to research variables. The questionnaire was measured using a 5-point Likert scale.

4. DATA COLLECTION TECHNIQUES

Data collection was carried out through the distribution of questionnaires to respondents, namely employees of Tanjung Pura Hospital, Lalat Regency.

5. DATA ANALYSIS TECHNIQUES

The data analysis techniques used in this study are:

a. Validity and Reliability Test
b. Descriptive Analysis
c. Multiple Linear Regression Analysis
d. Path Analysis

6. HYPOTHESIS TESTING

Hypothesis testing in this study uses the t test and F test with a significance level of 5%. The research method is shown in figure 1.
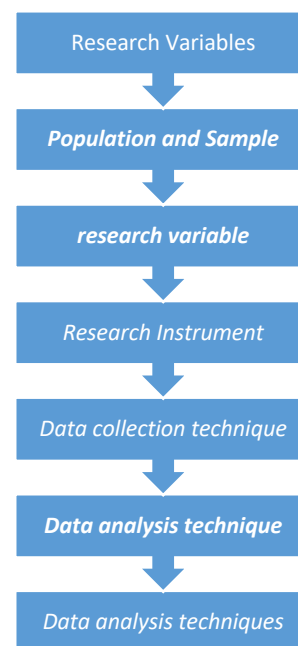

Figure 1. Research Stages

III. RESEARCH RESULT

1. Characteristics Responden

The respondents in this study are employees of Tanjung Pura Hospital, Langkat Regency with the following characteristics:

a. Respondent Characteristics by Gender

Based on the research, it shows that of the 86 respondents, the highest are male respondents, namely 51 respondents (59.3%), while female gender is 35 respondents (40.7%). This table illustrates that the employees who work at Tanjung Pura Hospital, Langkat Regency between male genders compared to women are more male.

b. Characteristics of Respondents Based on Age

Based on Table 4.2, it shows that of the 86 respondents, as many as 5 respondents (5.8%) are under 21 years old, as many as 15 respondents (17.4%) are 21-25 years old, as many as 15 respondents (17.4%) are 26-30 years old, as many as 10 respondents (11.6%) are 31-35 years old, as many as 19 respondents (22.1%) are 36-40 years old, as many as 10 respondents (11.6%) are 41-45 years old, and the remaining 12 respondents (14.1%) are over 45 years old. In this study, employees aged 36-40 years are the most dominant employees, which is 22.1%.

c. Respondent Characteristics Based on Education

Based on the research, it shows that of the 86 respondents, 38 respondents (44.2%) had the last high school education, followed by 23 respondents (26.7%) who had the last education D-3, then 38 respondents (44.2) who had the last education S-1. In this study, employees with the last S-1 education were the most dominant at 44.2%.

d. Characteristics of Respondents Based on Marital Status

Based on the research, it was shown that of the 86 respondents, 25 respondents (29.1%) were girls/single, 50 respondents (58.1%) were married, and the remaining 11 respondents (12.8%) were widowed/widowed. In this study, most of the employees of Tajung Pura Hospital, Langkat Regency have a family or married status, which is as much as 58.1% because the majority of employees are over 25 years old.

2. AnalysisDescriptive Analysis

Descriptive analysis was used to describe the research data. The data in question are respondent data and research variable data.

Respondent data is in the form of a frequency table based on certain criteria. The research variables are in the form of the condition of each research variable such as mean, mode, standard deviation, minimum and maximum. The analysis of the description of the variables of the research also includes the categorization of variables, namely from measurements that originally used 10 scales to 5 categories. The theoretical middle value is the theoretical highest value plus the theoretical lowest value divided by 2. The lowest theoretical score (if the answer to each questionnaire item is 1) While the highest theoretical score (if the answer to each questionnaire item is 5). The empirical mean value is greater than the theoretical median value, which means that the variable is categorized as good.

1. Validity and Reliability Testing

Convergent validity is part of the measurement model, usually referred to as the outer model, while in covariancebased it is called confirmatory factor analysis (CFA). There are two criteria to assess whether the outer model (measurement model) meets the convergent validity requirements for reflective constructs, namely (1) loading must be above 0.7 and (2) a significant p value. Here is the Validity Testing Based on Factor loading as shown in figure 2 below;
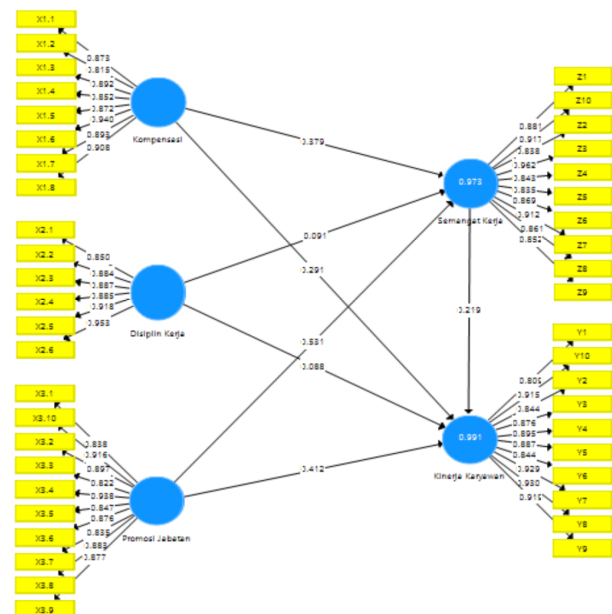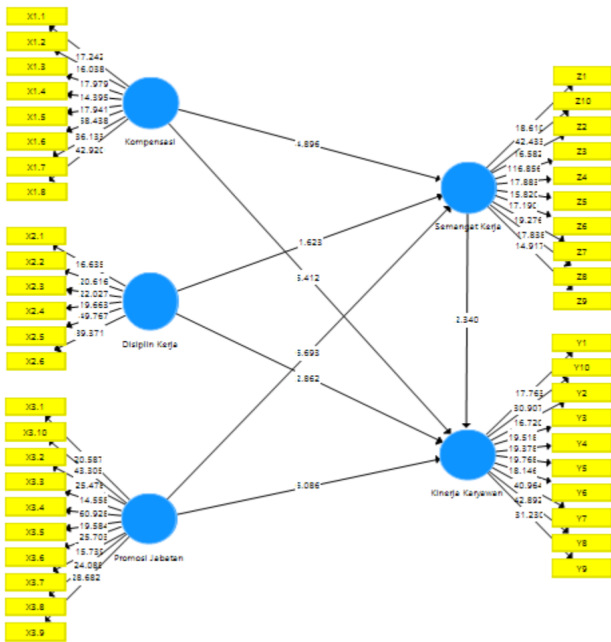

Figure 2. Loading Factor

Figure 3. Outher Loading

IV. RESEARCH RESULT

1. The Effect of Compensation (H1) on Employee Performance The H1 hypothesis proposed in this study reads:

Compensation has a positive and significant effect on the performance of employees of Tanjung Pura Hospital, Lalat Regency. Based on the results of the analysis of the test results that have been carried out by the SRMR Estimation Model 0.047 96, it is known that the Compensation variable (X1) has a value of 0.234 which indicates that compensation has a positive effect on employee performance, so that an increase in employee compensation will improve employee performance, on the contrary, a decrease in employee compensation will decrease the performance of the employee.

2. The Effect of Compensation (H2) on Work Morale The H2 hypothesis proposed in this study reads

compensation has a positive and significant effect on the morale of Tanjung Pura Hospital, Langkat Regency. Based on the results of the analysis of the test results that have been carried out, it is known that the Compensation variable (X1) has a value of 0.00 which indicates that compensation has a positive effect on work morale, so that an increase in employee compensation will increase work morale, on the contrary, a decrease in employee compensation will decrease the work morale.

3. Work Discipline has a positive and significant effect on the performance of employees of Tanjung Pura Hospital, Lalat Regency.

Based on the results of the analysis of the test results that have been carried out 97, it is known that the work discipline variable (X3) has a value of 0.001 which indicates that work discipline has a positive effect on employee performance, so that an increase in employee work discipline will improve employee performance, on the contrary, a decrease in work discipline will decrease the performance of the employee. Reinforced with.

4. The Effect of Work Discipline (H4) on Work Morale The H4 hypothesis proposed in this study reads.

Work Discipline has a positive and significant effect on the morale of Tanjung Pura Hospital, Langkat Regency. Based on the results of the analysis of the test results that have been carried out, it is known that the work discipline variable (X3) has a value of 0.134 which indicates that work discipline does not have a positive effect on work morale, so that the increase in employee work discipline affects work morale, on the contrary, the decrease in work discipline will decrease the work morale.

5. The Effect of Position Promotion (H5) on Employee Performance The H5 hypothesis proposed in this study reads.

Position promotions have a positive and significant effect on the performance of employees of Tanjung Pura Hospital, Lalat Regency. Based on the results of the analysis of the test results that have been carried out, it is known that the position promotion variable (X3) has a value of 98 of 0.00 which indicates that position promotion has a positive effect on employee performance.

6. The Effect of Position Promotion (H6) on Work Morale The H6 hypothesis proposed in this study reads.

Position promotion has a positive and significant effect on the morale of Tanjung Pura Hospital, Langkat Regency. Based on the results of the analysis of the test results that have been carried out, it is known that the position promotion variable (X3) has a value of 0.00 which indicates that position promotion has a positive effect on work morale.

7. The Effect of Work Morale (H7) on Employee Performance The H7 hypothesis proposed in this study reads.

Work morale has a positive and significant effect on the performance of employees of Tanjung Pura Hospital, Langkat Regency. Based on the results of the analysis of the test results that have been carried out, it is known that the work morale variable (X3) has a value of 0.027 which indicates that work morale has a positive effect on employee performance, so that an increase in employee morale will improve employee performance, on the contrary, a decrease in work morale will decrease the performance of the employee.

8. The Effect of Compensation on Performance (H8) through Work Spirit The H8 hypothesis proposed in this study has a positive and significant effect on performance through the work spirit of Tanjung Pura Hospital, Langkat Regency. Based on the results of the analysis of the test results that have been carried out, it is known that the compensation variable (X1) has a value of 0.043 which indicates that compensation has a positive effect on performance through work morale, so that the better the compensation, the performance through work morale will increase, on the contrary, the lower the compensation, the lower the performance through employee morale. Strengthened by the results of previous research entitled

9. The Effect of Work Discipline on Performance (H9) through Work Morale The H9 hypothesis proposed in this study reads.

Work Discipline has a positive and significant effect on performance through the work spirit of Tanjung Pura Hospital, Langkat Regency. Based on the results of the analysis of the test results that have been carried out, it is known that the work discipline variable (X2) has a value of 0.244 which indicates that work discipline does not have a positive effect on performance through work morale, then performance through work spirit will affect work discipline.

10. The Effect of Position Promotion on Performance (H10) through Work Morale The H10 hypothesis proposed in this study reads. Position promotion has a positive and significant effect on performance through the work spirit of Tanjung Pura Hospital, Langkat Regency. Based on the results of the analysis of the test results

that have been carried out, it is known that the position promotion variable (X3) has a value of 0.046 which indicates that position promotion has a positive effect on performance through work morale.

V. CONCLUSION

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

1. Compensation (X1) has a positive effect on Performance (Y), with a path coefficient value (Original Sample column) of 0.374, and with a value of P-Values = 0.00.
2. Compensation (X1) has a positive effect on work morale (Z), with a path coefficient value (Original Sample column) of 0.379, with a value of P-Values = 0.00.
3. Work discipline (X2) has a positive effect on Performance (Y), with a path coefficient value (Original Sample column) of 0.108, and with a value of P-Values = 0.001.
4. Work discipline (X2) had a positive effect on work morale (Z), with a path coefficient value (Original Sample column) of 0.091, and had no significant effect with a value of P-Values = 0.134.
5. Promotion of position (X3) has a positive effect on Performance (Y), with a path coefficient value (Original Sample column) of 0.529, and with a value of P-Values = 0.00.
6. Position promotion (X3) has a positive effect on work morale (Z), with a path coefficient value (Original Sample column) of 0.531, and with a value of P-Values = 0.00.

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