

The Influence of Organizational Culture and Compensation on Employee Performance through Work Discipline at PT. Bima Palma Nugraha

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Abstract

The purpose of this study is to determine how organizational culture and compensation at PT. Bima Palma Nugraha affect employee performance through work discipline. to determine how organizational culture and work discipline affect employee performance, how compensation and work discipline affect employee performance, and how work discipline affects employee performance. With a sample size of 70 respondents, a descriptive method with proportional random sampling methodology was used. Regression equations and correlation coefficient analysis were used in data analysis to test the hypothesis. Based on the research findings, employee performance through work discipline is positively and significantly influenced by corporate culture and salary. Meanwhile, salary and work discipline have a positive and significant influence on employee performance, and work discipline has a beneficial influence on performance. This organizational culture will integrate individual diversity into shared values or norms among members and guide their behavior towards one goal: achieving consistently higher performance to advance the company.

Article Info

Keywords:
Compensation,
Employee Performance,
Organizational Culture,
Work Discipline

JEL Classification:
M14, M52, Y80

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Received: 10-01-2025
Revised: 20-02-2025
Accepted: 28-02-2025
Published: 11-03-2025



1. Introduction

Human Assets (HR) are very important and fundamental resources and are central figures in supporting the success of an organization or company (Saluy, 2018). The quality of Human Resources (HR) can be reflected in the mindset taught and the behavior applied, because teaching has a very large influence on an organization to realize victory in what is planned (Suryandini, 2021).

Job training has a tremendous impact on an organization or company. It is important for a company leader to communicate with his employees to create a natural climate that can change behavior that is unable to create a great commitment to the company (Meldiana et al., 2021). Administrative training works well if an organization or company has steadfast and highly educated workers who are able to supervise the company as much as possible and provide great returns for trade (Shofwani & Hariyadi, 2019).

Organizational culture reflects how a person thinks, how a person reacts, how a person feels based on the design that exists in the organization (Ratnasari et al., 2020). Organizational culture can be a structure that guides daily behavior (Meldiana et al., 2021). An organization is said to be effective if the organization is able to determine choices that make the organization achieve its goals and all implementation and administrative capacity have a core in making choices (Khosyi'in, 2021). In addition to organizational problems, rewards are also one of the variables that contribute to the success of the company through human assets.

Rewards are gifts given by companies to their representatives, either directly or indirectly, in monetary and non-financial frames, fairly and equally to workers for the achievements they have

contributed to achieving organizational and company targets, so that providing benefits is one of the company's procedures to advance the implementation of its representatives (Azikin et al., 2019). This means that the greater the compensation given, the better the employee's education. On the other hand, if the compensation or salary is small, the teaching representative will be scolded. It is difficult for representatives to be well controlled as long as their essential needs are not legally met (Devi, 2022) large remuneration will make worker execution large

Representative execution is the most prominent force in a company's victory. Every company certainly has a way to provide progress in the implementation of its workers, with the belief that all company goals will be achieved. If a company is able to advance the performance of its workers, the company's salary will increase. Representatives who have high execution will look controlled in completing work on time, with few obvious errors (Wairooy, 2017). One of the variables that influences representative implementation is teaching work (Efendi & Hardiyanto, 2021).

An employee's teachings are visible when a worker is able to uphold, appreciate, obey and obey the directions made by the company, both written and unwritten (Khosyi'in, 2021). Teaching work instructions consist of (1) Reliability, if a representative can come to the office on time and leave the office on time, and can carry out his duties deliberately, then a representative can be said to have a good job in teaching. (2), Utilization of the office, a worker who is always careful and not careless in using office equipment to avoid danger can be a reflection of a worker who has good work skills. (3), High obligations, workers who continuously complete the tasks and tasks assigned to them in accordance with the methods and times specified can then be said to be workers who have high teaching duties. (4), compliance with office regulations (Tall, 2021)

The phenomenon that occurs at PT. Bima Palma Nugraha is the existence of problems that arise within the company where sometimes the performance results produced by employees are not good enough. This happens because of several problems, namely related to the organization or group in a company that is not good enough, the next problem is about compensation given to employees that is not appropriate. Next is about employee discipline regarding time, utilization of facilities, responsibility and compliance with office regulations that are not as they should be and finally the problem of employee performance that is not in accordance with the targets given. From the several problems above, the purpose of this study is to determine whether there is "The Influence of Organizational Culture and Compensation on Employee Performance Through Work Discipline at PT. Bima Palma Nugraha

Employee performance can be a person's victory in carrying out the tasks given to him/her in terms of commitment, employee ability to organize, exertion of energy in work and general achievement (Ratnasari, 2020). Execution is the level of victory in carrying out tasks, as well as the ability to achieve predetermined goals, where "execution is said to be good and effective if the expected goals can be achieved properly (Gibson, 2003). Employee performance is "work achievement (that occurs) of representatives or representatives during a certain period of time compared to other imaginable results (benchmarks, targets or criteria) that have been decided on an ongoing basis and agreed upon together (Soeprihanto, 2007). Instructions for measuring employee implementation according to Robbins & Judge (2017) consist of external components consisting of quality, quantity, opportunity, sufficiency, autonomy, work commitment.

Discipline is a condition of employees in carrying out tasks according to the rules in order to maintain work optimization (Shofwani and Hariyadi, 2019). It is said that employees are said to be disciplined if employees can appreciate, respect, obey and comply with applicable regulations, both written and unwritten. There are several factors that can influence the work discipline of company employees. Namely goals, examples, service leaders, justice, inherent supervision, punishment sanctions, rigidity, and relationships (Kurnia & Sitorus, 2022). According to Mangkunegara and Octorenc (2015), there are six indicators of work discipline. Punctuality when arriving at work, punctuality when returning home, compliance with applicable regulations, use of uniforms for designated work, responsibility in carrying out, carrying out tasks, and carrying out tasks, work tasks by completing them every day.

Sutrisno (2013) accepts that organizational culture is an invisible social boundary that can move individuals in an organization to do work training. Sulistyan et al. (2020) said that organizational culture can be a long-standing tendency that is utilized and connected in work training as a driver of progress in the quality of work of workers and company directors.

According to Sudarmanto (2014), there are 6 guidelines for organizational culture, namely: development and taking opportunities, point-by-point consideration to workers, introduction of representative work results, team orientation, strength and solidity.

Salary is also a reaction given by the company for the services provided by workers to the company because employees provide their enthusiasm and thoughts for the progress of the company to achieve the goals that have been set both in the short and long term (Shofwani & Hariyadi, 2019). Meanwhile, in agreement with Sulistyan et al. (2019) peace was something that representatives received in exchange for their profit commitment to the company. In accordance with Simamora (2015) salary markers are as follows: compensation and salary level, motivation, benefits and position.

2. Methods

This research was conducted quantitatively using explanatory research, namely research that can provide explanations and test hypotheses between one variable and another. This type of research is used to research a specific population or sample, data collection using research instruments, data analysis is quantitative / statistical, with the aim of testing the established hypothesis. The scope of this study is human resource management which examines the influence of organizational culture and compensation on employee performance through work discipline. Research Location The location of this study was conducted at PT. Bima Palma Nugraha, with the reason that similar research has never been conducted at this location, Address: JL KM 93, Tepianlangsar, Kec. Bengalon, East Kutai Regency. The independent variables in this study are organizational culture and compensation variables, the dependent variable is employee performance. while work discipline is a mediating variable. There are two types of data in this study, namely qualitative and quantitative. The data sources in this study are primary data and secondary data sources. The population in this study were all palm oil harvesting employees totaling 240 people from 10 divisions or blocks (one outer block is 10 hectares). The sampling technique used the simple random method using the slovin formula, so that the number of samples used in this study was 70 employees. In this study, the data collection technique used was by using a questionnaire, namely data collection carried out by distributing questionnaires via Google Form to employees at PT. Bima Palma Nugraha. The data analysis techniques used were 1) descriptive analysis, 2) classical assumption test, 3) structural equation model analysis, 4) hypothesis test

3. Results and Discussion

3.1. Results

Instrument Testing

The validity testing criteria in this study by comparing the correlation of each statement item (r_{count}) with the table correlation value (r_{table}). The product moment table value at $\alpha = 0.05$ and $n = 70$ is 0.231. Based on the test results, it shows that all statement items used are valid, indicated by the r_{count} value $> r_{\text{table}}$, so that the instrument in this study can be used as a good data collection tool. Based on the results of the reliability test, it shows that the Cronbach Alpha value for each variable is > 0.6 . Thus, the instrument used in this study is reliable or reliable as a measuring tool.

Variable Description

Based on the research results, it is known that in the Organizational Culture variable, the Innovation and Risk Taking indicators have an average value of 4.29, the Attention to detail indicator for employees has an average value of 4.11, the employee work result orientation indicator has an average value of 3.77, team orientation has an average value of 3.39, the aggressiveness indicator has an average value of 3.96, the stability has an average value of 4.31. Compensation variables with indicators of wages and salaries have an average value of 4.40, the

Incentive statement indicator has an average value of 4.32, the allowance indicator has an average value of 3.89, the facility indicator has an average value of 4.38. Work discipline variable with the indicator of punctuality of arrival at work has an average value of 3.82, the indicator of punctuality of returning home has an average value of 3.87, the indicator of compliance with applicable regulations has an average value of 4.29, the indicator of compliance with applicable regulations has an average value of 3.92, the indicator of compliance with applicable regulations has an average value of 3.62, Employee performance variable with the indicator of quality has an average value of 4.45, the indicator of quantity has an average value of 4.45, the indicator of punctuality has an average value of 3.89, the indicator of effectiveness has an average value of 4.48, the indicator of independence has an average value of 3.8, the indicator of work commitment has an average value of 4.19.

Classical Assumption Test

The results of the normality test are explained in the following figure :

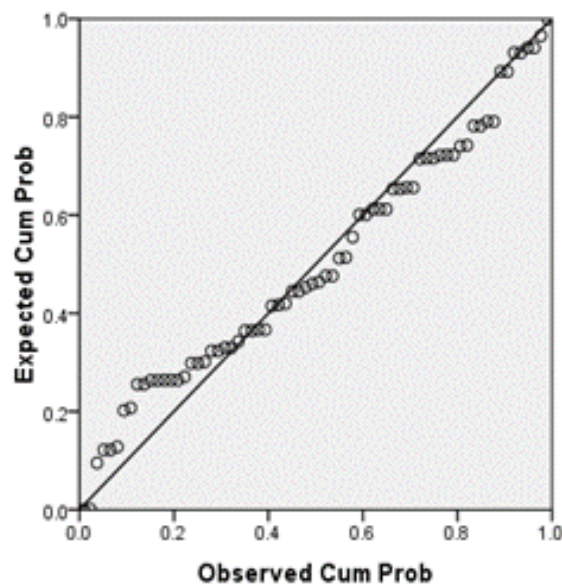


Figure 1. Normality test
Source: Data Processed (2024)

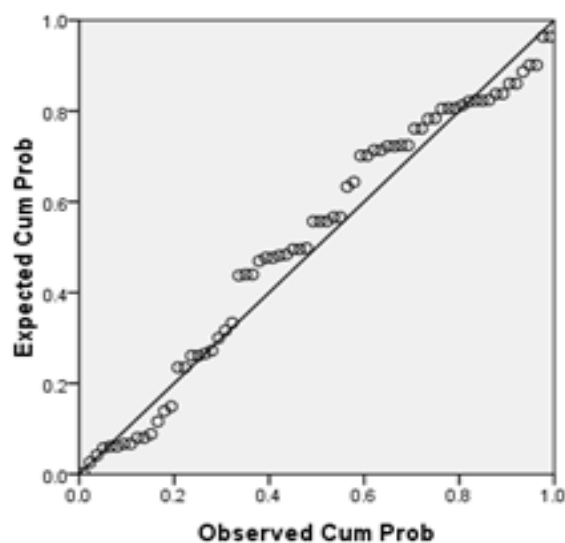


Figure 2. Normality Test
Source: Data Processed (2024)

Based on Figures 1 and 2 above, it can be seen that in the norm-probability plot graph, the points are spread around the diagonal line and their distribution follows the direction of the

diagonal line, giving a normal distribution pattern. So it can be concluded that the regression model meets the regression assumption of normality.

The following are the results of the multicollinearity test shown in table 2:

Table 1. Multicollinearity Test

Model	Tolerance	Collinearity Statistics	
		VIF	
1 (Constant)			
Organizational Culture	.787		1,271
Compensation	.787		1,271

a. Dependent Variable: Work Discipline

Source: Data Processed (2024)

Table 2. Multicollinearity Test

Model	Tolerance	Collinearity Statistics	
		VIF	
1 (Constant)			
Organizational Culture	.638		1,568
Compensation	.725		1,379
Work Discipline	.637		1,570

a. Dependent Variable: Employee Performance

Source: Data Processed (2024)

Based on Table 1 and 2, it can be seen that the calculation of tolerance value also shows that there is no independent variable that has a tolerance value of less than 0.10, which means that there is no correlation between independent variables whose values are more than 95%. The results of the VIF value calculation show the same thing, there is no independent variable that has a VIT of more than 10 (Ghozali, 2011). If it can be concluded that there is no multicollinearity between independent variables in both regression equation models .

The results of the Heteroscedasticity test are shown in the following figure:

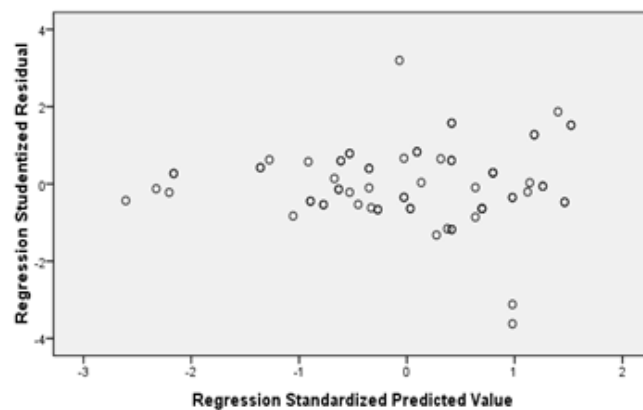


Figure 3. Heteroscedasticity Test

Source: Data Processed (2024)

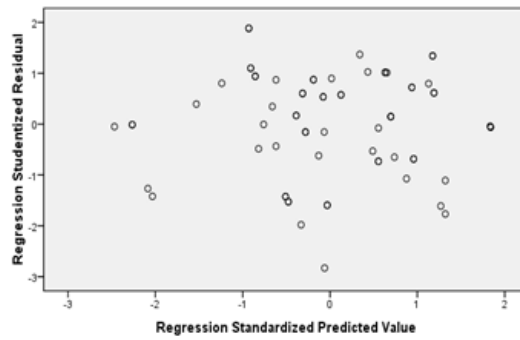


Figure 4. Heteroscedasticity Test
Source: Data Processed (2024)

From the scatterplot graph, it can be seen that the points are spread randomly and spread above and below the number 0 on the Y axis. This concludes that there is no heteroscedasticity in the regression model.

Structural Equation Model (SEM) Testing

Based on the research results, the results of the structural equation test are as follows:

$$\begin{aligned}
 R^2 \text{ model} &= 1 - (\sqrt{(1 - R^2)} \sqrt{(1 - R^2)} \sqrt{(1 - R^2)}) \\
 &= 1 - (\sqrt{(1 - 0.363)} \sqrt{(1 - 0.874)} \sqrt{(1 - 0.481)}) \\
 &= 1 - (\sqrt{(0.637)} \sqrt{(0.126)} \sqrt{(0.519)}) \\
 &= 1 - (0.798 \times 0.354 \times 0.720) \\
 &= 0.79
 \end{aligned}$$

From the results of the R^2 model calculation above, a value of 0.79 or 79% was obtained, meaning that the model in this study explains information from 79% of the data, while the other 21% is influenced by external factor variables that are not yet in this research model or errors.

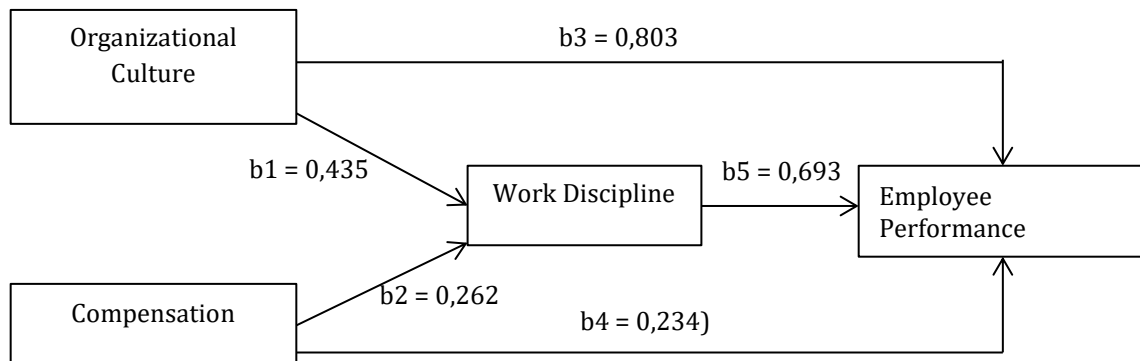


Figure 5. Path Analysis Results
Source: Data Processed (2024)

Table 3. Results of Path analysis

Variables	Direct Influence	Indirect Influence	Total Influence
Organisational Culture → Work Discipline	0.435		
Compensation → Work Discipline	0.262		
Organizational Culture → Employee Performance	0.803		
Compensation → Employee Performance	0.234		
Work Discipline → Employee Performance			
The Influence of Organizational Culture on Employee Performance Through Work Discipline		0.435x0.693 = 0.301	1,104
The Influence of Compensation on Employee Performance through Work Discipline		0.262x0.693= 0.181	0.496

Source: Data Processed (2024)

3.2. Discussion

Description of organizational culture and compensation for employee performance through work discipline.

Based on the results of the research description, the organizational culture variable has the most dominant indicator or the highest average in the organizational culture variable, the Team Orientation indicator, which is detailed in the second point. The statement item "Do you agree that you can complete work accurately according to company standards?" This means that respondents agree to always work together as a team to achieve the work targets set by the company. Employees are more enthusiastic about working with a solid team to advance the company, according to Robbins & Judge (2017) which is quoted in the Kharisma (2019) study, stating that there are several indicators and instruments that can be used to measure organizational culture, namely innovation, taking risks into account, attention, results orientation and aggressiveness.

The compensation variable has the most dominant indicator in the compensation variable, namely the wage and salary indicator in the first statement item "Do you agree that the salary given by the company is in accordance with the Regional Minimum Wage (UMR)". Respondents tend to agree with being given wages and salaries according to the Regional Minimum Wage (UMR) to improve the welfare of all workers at PT. Bima Palma Nugraha.

The work discipline variable has the most dominant indicator in the second statement "do you agree to obey company rules?" This means that respondents tend to agree to obey and follow every rule implemented by the company in order to improve work discipline.

Based on the results of the research description, the employee performance variable has the most nominal or average high quality indicator in the first statement item "Do you agree that you are able to work well without supervision from your superiors?" This means that respondents tend to agree with working without being supervised by the company's superiors and can work well in accordance with standard operating procedures (SOP).

The influence of organizational culture and compensation on work discipline

Based on the results of statistical analysis using regression shows that the influence of organizational culture and compensation on work discipline at PT. Bima Palma Nugraha. The results of this study indicate that the organization is a place for employees to think, feel and act based on certain patterns or rules that exist in the organization, Therefore the organization will achieve its goals if the goals and objectives in an organization show optimal performance or good results and every employee or member of the organization cannot just be a spectator, but must play an important role in realizing the company's goals, with organizational culture typically determined with a shared orientation that unites in a system and provides values that agree on culture.

Meanwhile, compensation is employee income received by employees that is given by the company either in the form of money, goods or indirectly as a reward for employee services to the company, besides compensation is also a reward given for the services of energy and thoughts, compensation influences behavior in the organization of good compensation and is based on the principle of justice and consistency.

Then work discipline is how an employee's condition is in carrying out tasks in accordance with the rules in order to support work optimization, this employee is said to be a disciplined employee if the employee is able to appreciate, respect, obey and comply with applicable regulations, both written and unwritten. This shows the influence of organizational culture and compensation on work discipline in employees.

The influence of organizational culture and compensation on employee performance.

Based on the results of statistical analysis using regression shows that organizational culture (X1) and compensation have a significant influence on employee performance at PT. Bima Palma Nugraha, the results of this study indicate that organizational culture and compensation are very important in explaining the level of employee performance. The organizational culture in this company emphasizes cooperation between work partners and always prioritizes teamwork in working and always does work in accordance with the procedures of the company. Organizational

culture becomes a controller of direction in shaping employee attitudes and behavior in working together with their colleagues. Organizational culture affects productivity, performance, quality, self-confidence, organizational culture in this company which is very influential is team orientation when working. In addition, compensation is also very influential in improving employee performance, compensation that is in accordance with work, functional positions, structural positions will affect work enthusiasm. Then employee performance will continue to increase and have good quality when working if the organizational culture applied is very good and compensation in accordance with the Regional Minimum Wage (UMR) is very influential for employee performance at work.

The Influence of Work Discipline on Employee Performance

From the results of statistical analysis using regression shows that work discipline (Y1) affects employee performance (Y2) in this discipline in work will have a very big impact on employee performance and will form a good culture that increases employee performance at PT. Bima Palma Nugraha. The results of this study provide an indication of the significant influence of work discipline on employee performance is very important in improving employee performance in the company, besides that discipline also increases work productivity and advances the company by starting from discipline to improve employee performance.

The Influence of Organizational Culture and Compensation on Employee Performance through Work Discipline

Based on the results of statistical analysis using regression, organizational culture and compensation have an effect on employee performance through work discipline. Factors that support the running of an organization well include innovation, daring to take risks, integrity, results-oriented, support and management of communication as one of the motivations to achieve employee desires to improve employee performance.

Through proper organization and good compensation, employee performance will increase, supported by employees who are disciplined at work, this shows that there is a very significant influence on the existing variables.

4. Conclusion

Organizational culture and compensation for employee performance at PT. Bima Palma Nugraha, all employees will want a good culture and compensation according to employee performance. Work discipline on employee performance in this discipline in working will have a very big impact on employee performance and will form a culture that increases employee performance at PT. Bima Palma Nugraha. The right organizational culture and good compensation will increase employee performance supported by employees who are disciplined at work, this shows that there is a very significant influence on the existing variables.

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