THE EFFECT OF COMPENSATION AND JOB SATISFACTION ON THE PERFORMANCE OF GRAB DRIVERS IN MAGELANG CITY

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Abstract

This study aims to determine the effect of compensation, and job satisfaction on the performance of Grab drivers in Magelang City. The method in this study uses a quantitative descriptive method. The population in this research are all types of Grab Driver partners who are in the Magelang City area. The research sample was taken using a random sampling technique, where every individual in the population has the opportunity to be selected as the research sample. The sample used is 100 respondents. The results of the study show that simultaneous testing of the employee performance variables found that there was a significant effect. In the partial test it was found that the compensation variable had a positive and significant effect on employee performance, while on the job satisfaction variable it was found that there was a positive but not significant on the performance of Grab driver employees in Magelang City.

Keywords: *Compensation, Job Satisfaction, Performance, Grab Driver*

1. INTRODUCTION

Human resources must be utilized optimally for the benefit of individuals or individuals. Human resources (HR) which continues to increase in terms of population need to be accompanied by increased job opportunities. A person's welfare is influenced by the existence of sufficient and decent work opportunities. Human resources play an important part in the company. The higher the quality of the people in it, the better the company's management process. Competition between companies certainly requires quality talent to be able to compete with other companies. According to Veronika et al. (2021) human resource management is the science and art of managing relationships and individual roles so that they can be carried out effectively and efficiently to support the achievement of organizational goals.

Today, technological developments are growing so rapidly that they can offer a variety of job opportunities. The development of technology itself affects the patterns and aspects of lifestyle around the world. Technology itself can be used as a tool for individuals or individual lifestyles. according to Putri (2020) technology is a value-added process or tool that can produce a product, and because the product is closely related to other products, it is an inseparable part of the system. Technology is now a tool to help humans carry out their activities and survive. The development of the times requires humans to follow the existing developments. In this way, tools have been discovered that can facilitate the movement, or transportation, of human life.

According to Mega Putri Watung et al. (2020), transportation is the movement of people or goods from one location to another or destination. Both transportation and service-oriented transportation are needed, because transportation functions as a tool or driver of

regional growth. According to Masyarakat et al. (2017) the ideal value of transportation in the form of order, smoothness, order, safety and security.

One of the companies in the field of transportation services is an online transportation company or (Transportation network companies). One of them is Grab, which has been offering various services in Indonesia since 2014: Grab Food, Grab Bike and Grab Express. Grab Food Service is a food delivery service with business partners who have collaborated with Grab. Grabbike is a passenger delivery service from one location to a passenger's destination. In addition, Grab Express is a courier service between products. Grab's revenue system, especially motorcycles, is 80% for drivers and 20% for Grab. In addition to the income system, Grab Company 2020 also offers bonuses or incentives with two-wheeled grab drivers or a diamond system or points earned by the driver.

The specific problem identified in this study is the change in the bonus and bonus system from 2021 to 2022. The bonus and bonus system changes have been reduced by giving bonuses to grab drivers. The decrease in bonus is expected to lead to driver dissatisfaction and a decrease in work motivation, which can result in poor driver performance. Companies must be able to maintain job satisfaction and driver performance by creating a system that supports driver welfare and creates job satisfaction and superior performance for driver partners or drivers.

The previous research proved that the variables of compensation and job satisfaction had a significant positive effect on performance. however, a review of previous research results showed differences in results, including research by Darma et al. (2019) shows the results of compensation have a negative effect on the performance of the driver or drivers and show the results of job satisfaction have a significant negative effect on performance. Thus, it is necessary to examine how the relationship between these variables is, so that results and solutions can be found for this research problem and are beneficial for the Grab company.

Based on the explanation above, researchers are interested in conducting an investigation on "Effect Of Compensation And Job Satisfaction On The Performance Of Grab Drivers In Magelang City". The purpose of this study was to determine the effect of the independent variables, compensation, and job satisfaction, from the dependent variable of Grab driver's performance in the city of Magelang.

2. LITERATURE REVIEW

2.1. Compensation

Compensation is a positive factor and will directly or indirectly affect individual or employee performance. Therefore, the management or company should pay attention to providing compensation to employees to maintain work motivation and improve employee performance. According to Rozali & Kusnadi (2020), compensation is a reward paid to employees in return for their contribution to the organization. Supervisors need to evaluate to develop a fair compensation system. Then compensation is defined as what employees receive in return for their work (Dwianto et al., 2019).

2.2. Job Satisfaction

Because job satisfaction is an affective and emotional response to one's work and diverse facets of employment, it is not a single idea. Individuals or employees may be pleased with

one component of their job or jobs yet unsatisfied with another. Job satisfaction is defined as an individual's or employee's favorable attitude toward a job or tasks that is the outcome of an appraisal of the job's state. The assessment is based on a task or tasks completed in appreciation for the attainment of success. Employees who are happy with their jobs will always be satisfied with the job. Job satisfaction, according to Sembiring and Tanjung (2021), is a typical sentiment toward work. Job satisfaction can affect the motivation and ability of his subordinates due to the disparity between the amount of compensation received by a worker and the amount of compensation he received. Furthermore, according to (Mega et al., 2020), job satisfaction is a good or negative emotional state in which an employee perceives numerous job and job satisfaction markers.

2.3. Performance

Performance is defined as the quality and amount of work accomplished by individuals or workers in carrying out their assigned tasks or obligations in accordance with their previous responsibilities. As said by Marliani (2016), performance is derived from the phrase job performance or the accomplishments of an individual in a job or job. In principle, performance is described as the method through which individuals work, and the resulting results or accomplishments can be used to determine whether the individual's work is considered excellent or bad. Time flexibility, job satisfaction, and compensation are all aspects that can affect the performance of drivers and online motorcycle taxis, according to Mediasi & Kerja (2020). Performance is the level of achievement from an individual's or group's work in terms of goals to be accomplished or tasks to be done within a specified time period.

3. RESEARCH METHOD

The method in this study uses a quantitative descriptive method. This research is to find out and analyze several factors that can affect the performance of Grab Drivers in Magelang City. The population in this research are all types of Grab Driver partners who are in the Magelang City area. In this study, the sampling used random sampling technique, where each individual in the population has the opportunity to be selected as the research sample. The sample used is 100 respondents.
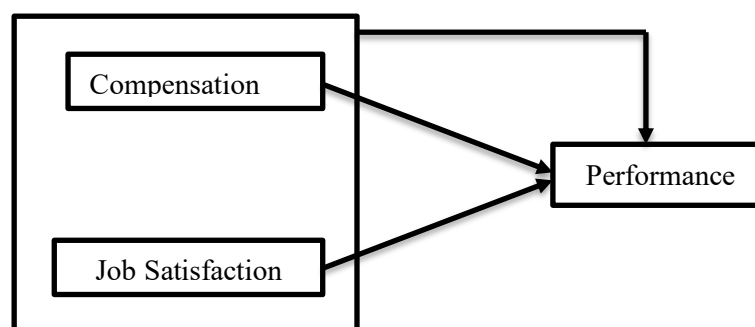

Figure 1 Framework of Thinking

4. RESULT AND DISCUSSION

4.1. Result Research

4.1.1. Validity and Reliability Test

The validity test results indicate that all items serving as indicators of the Compensation and Job Satisfaction variables are valid.

Table 1 Validity Test Results

Items	r-statistic	r-table 5%	Results
X1.1	0.782	0.196	valid
X1.2	0.609	0.196	valid
X1.3	0.719	0.196	valid
X1.4	0.685	0.196	valid
X1.5	0.632	0.196	valid
X2.1	0.611	0.196	valid
X2.2	0.801	0.196	valid
X2.3	0.750	0.196	valid
X2.4	0.785	0.196	valid
X2.5	0.731	0.196	valid
Y1	0.665	0.196	valid
Y2	0.499	0.196	valid
Y3	0.566	0.196	valid
Y4	0.667	0.196	valid
Y5	0.645	0.196	valid

Table 1 shows that all items which are indicators of compensation and job satisfaction variables have an r-statistic value that is greater than the r-table which is declared valid.

Table 2 Reliability Test Results

Variable	Cronbach's Alpha
Compensation (X1)	0.812
Job Satisfaction (X2)	0.881
Employee Performance (Y)	0.817

Based on table 2, it can be seen that all variables are declared reliable because the value of Cronbach's alpha exceeds 0,7.

4.1.2. Classic Assumption Test

Figure 2 illustrates that the distribution of the data is normal, as shown by the fact that the data is evenly distributed over the diagonal line.
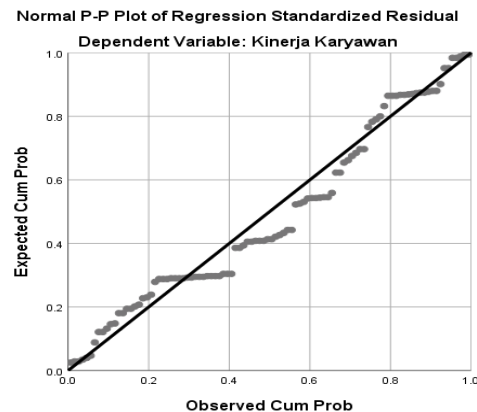
Figure 2 Normality Test Results

Furthermore, table 3 shows that the results of the multicollinearity test do not show symptoms of multicollinearity because the compensation and job satisfaction variables have a VIF value of less than 10 and a tolerance value of more than 0.01.

Table 3 Multicollinearity Test Results

Independent Variable	Tolerance Value	VIF
Compensation (X1)	0.960	1.044
Job Satisfaction (X2)	0.960	1.044

The table 4 results from the heteroscedasticity test show that there is no certain pattern because the points spread irregularly above and below the 0 axis on the Y axis. Therefore, no symptoms of heteroscedasticity or H0 is accepted.

Table 4 Heteroscedasticity Test Results
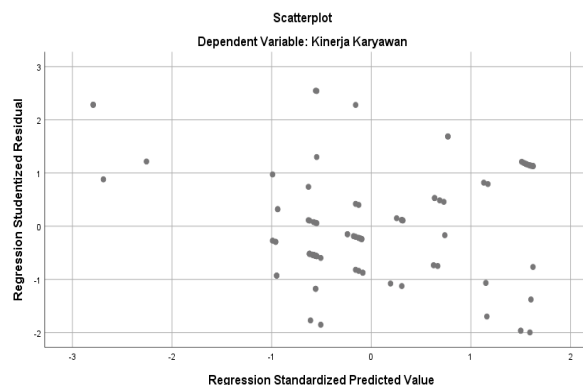
4.1.3. Multiple Linear Regression Analysis

Table 5 Results of multiple linear regression analysis

Model	Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1 (Constant)	11.502	1.826		6.298	.000
Compensation	.459	.071	.556	6.428	.000
Job satisfaction	.011	.040	.024	.272	.786

$$Y = 11.502 + 0.459\ X1 + 0.011\ X2 + e$$

Referring to the equation, the constant value (a) is 11.502, which means that without the Compensation (X1) and Job Satisfaction (X2) variables being considered entirely 0, then Employee Performance (Y) has a constant value of 11.502 and the two independent variables in this study shows a positive effect. Partially, the variable (X1) to (Y) variable (Y) will increase by 0.459 or 45.9% while the variable (X2) to (Y) variable (Y) will increase by 0.011 or 1.1%.

Table 6 Results of the Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.551a	.304	.290	1,623

Table 6 shows the results of the coefficient of determination showing the Adjusted R Square value of 0.290 which means that all independent variables can explain the dependent variable by 29%, while 71% is explained by other variables.

Table 7 F-Test Results

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	111,588	2	55,794	21,190	.000b
Residual	255,402	97	2,633		
Total	366,990	99			

4.2. Discussion
4.2.1. Effect of Compensation on Performance

The results of the t-test of the effect of compensation on employee performance obtained a regression coefficient value of 0.549 and showed a t-statistic value of 6.428 and the significant value of the t test of 0.000 which is smaller than (significant level) = 0.05, it can be concluded that compensation has a positive and significant effect on employee performance, the results of this study are in line with the results of this study (Hidayat, 2021; Kirana & Pradipta, 2021; Kresmawan et al., 2021).

Companies that provide reasonable compensation to their employees and comply with all the regulations they provide will have a significant impact on improving employee performance. As Grab Driver partners, employees still feel that their workload and salary are not balanced. This causes the employee performance to be not optimal for Grab Driver partners. In particular, Grab Driver partners are a workload to improve employee morale and performance for every employee.

4.2.2. The Effect of Job Satisfaction on Performance

The results of the t-test test of the effect of job satisfaction on employee performance obtained a regression coefficient value of 0.011 and showed a t-statistic value of 0.272 and a significant value of t-test of 0.786 which was greater than (significant level) = 0.05, it can be concluded that the variable satisfaction work on performance is more than 0.05 and the t-statistic is smaller than the t-table, so there is no significant positive effect. This research is in line with research by Jufrizen & Sitorus (2021a), but differs with the results of other studies conducted (Jufrizen, 2018; Jufrizen & Sitorus, 2021b; Rosmaini & Tanjung, 2019) which shows the results that job satisfaction is very decisive or has a significant effect on performance. Therefore, to achieve employee job satisfaction, special attention must be given by the agency. This is to avoid unwanted effects that can harm employees and authorities. In addition, it can affect the level of employee performance results.

4.2.3. Effect of Compensation and Job Satisfaction simultaneously on Performance

Following the results of the F test, it was determined that the significance value was 0.000. Given that this value is less than 0.05, the Compensation and Job Satisfaction variable has a statistically significant impact on employee performance. The findings of this study are consistent with the findings of previous research (Fernanda & Sagoro, 2016).

5. CONCLUSION

The results of this study provide administrative implications for companies to maintain the system implemented by drivers. To improve business performance, the company also pays attention to the compensation provided to ensure that employees are satisfied with their work. Likewise, practical implications for the managers of PT Grab Magelang City is to pay attention to employee performance by increasing compensation and paying attention to employee job satisfaction. It not only provides theoretical meaning, but can also be used as a reference for further researchers. This study is limited to the use of two independent variables: compensation and job satisfaction. Suggestions for additional researchers can develop a research model by adding other independent variables. In addition, future research may use other relevant data analysis techniques to research other pharmacy objects.

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