

# *The Effect Of Supervision And Compensation On Mediated Work Achievement By Employee Discipline At Hall Great Development Guarantee Quality Of Vocational Education Field Building And Electricity*

Wiono<sup>1\*</sup>, Hazmanan Khair<sup>2</sup>, Fajar Pasaribu<sup>3</sup>

<sup>1,2,3</sup>Master of Management Study Program, University of Muhammadiyah North Sumatra.



**Abstract** – This type of research is quantitative associative. The sample used in this study was a saturated sample, meaning that the entire population of 35 people was used as a sample. Data collection techniques in this study used documentation, questionnaires, and interviews. This study uses partial regression analysis (Partial Least Square/PLS) to test the seven hypotheses proposed in this study. Each hypothesis will be analyzed using Smart PLS 2.0 software to test the relationship between variables. The results of testing the first hypothesis show that the supervision variable has a positive and significant effect on work performance. The results of testing the second hypothesis show that the compensation variable has a positive and significant effect on work performance. The results of testing the third hypothesis show that the supervision variable has a positive and significant effect on work discipline. The results of testing the fourth hypothesis show that the compensation variable has a positive and significant effect on work discipline. The results of testing the fifth hypothesis show that the work discipline variable has a positive and significant effect on work performance. The results of the sixth test show that employee work discipline mediates supervision of work performance by showing a positive but not significant effect. The results of the seventh test show that work discipline mediates compensation on work performance by showing a positive but not significant effect. The results of testing the fourth hypothesis show that the compensation variable has a positive and significant effect on work discipline. The results of testing the fifth hypothesis show that the work discipline variable has a positive and significant effect on work performance. The results of the sixth test show that employee work discipline mediates supervision of work performance by showing a positive but not significant effect. The results of the seventh test show that work discipline mediates compensation on work performance by showing a positive but not significant effect. The results of testing the fourth hypothesis show that the compensation variable has a positive and significant effect on work discipline. The results of testing the fifth hypothesis show that the work discipline variable has a positive and significant effect on work performance. The results of the sixth test show that employee work discipline mediates supervision of work performance by showing a positive but not significant effect. The results of the seventh test show that work discipline mediates compensation on work performance by showing a positive but not significant effect. The results of the sixth test show that employee work discipline mediates supervision of work performance by showing a positive but not significant effect. The results of the seventh test show that work discipline mediates compensation on work performance by showing a positive but not significant effect. The results of the sixth test show that employee work discipline mediates supervision of work performance by showing a positive but not significant effect. The results of the seventh test show that work discipline mediates compensation on work performance by showing a positive but not significant effect.

**Keywords** – Supervision, Compensation, Work Performance, Work Discipline.

## I. INTRODUCTION

The achievement of the goals of an institution or organization does not only depend on modern equipment, complete facilities and infrastructure, but rather depends on the people who carry out the work. Therefore, in an agency environment, qualified

employees are employees who carry out their work and are able to provide good work results or have high work performance required by the agency to achieve high production goals and results.

The high performance of the employee is the work achievement achieved by the employee at a certain level. Employee performance is not just a coincidence, but many factors influence it. Work performance will be achieved if it is preceded by an action, namely carrying out the assigned task. Employees can carry out their duties to the maximum, among others, determined by the motivation that encourages employees to work diligently, as well as the discipline applied so that organizational goals can be achieved under the direction and leadership that can create a conducive atmosphere for the work environment of the institution.

Many factors affect high work performance, namely supervision, because with supervision, the potential possessed by an employee will be released to the maximum, so that a high level of work performance is achieved.

Supervision alone is not enough to guarantee that an employee can achieve an optimal level of work performance. It is still necessary to provide compensation to employees. The provision of compensation as part of compensation within the agency is a maximum effort made within the framework of improvement and improvement of work performance in the government environment so that it can fulfill the role and function of serving the community to the fullest. Improved work performance can be carried out if employees have a strong motivation to carry out the tasks carried out responsibly and in accordance with the "line" that has been set by the leadership.

Supervision and compensation are needed in order to achieve an optimal level of work performance. But everything is not enough, it still requires a level of discipline in employees. Disciplinary action that is carried out incorrectly is destructive to employees and the organization. Therefore, disciplinary action must not be applied arbitrarily, but requires wise consideration. The relationship between employees and organizations is something dynamic, the relationship is constantly changing because each party adjusts, both the expectations of the other and the contribution that will be given in return.

Of course, all employees can work in a disciplined manner, so strict supervision is no longer needed, the compensation given can be optimal. However, in practice there are still undisciplined employees. There are still employees who come often late to go home early and leave the office during working hours or work reports are not prepared on time, causing compensation to be suspected of being the cause of the non-optimal work performance of employees at work.Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector as a Technical Implementing Unit (UPT).

Based on the description above, the authors are interested in researching work performance in government agencies, in more detail this thesis is entitled "The Effect of Supervision and Compensation on Work Performance Mediated by Employee Discipline at the Center for Quality Assurance Development for Vocational Education in the Building and Electrical Sector"

## **II. LITERATURE REVIEW**

### **a. Work performance**

Work performance is a systematic evaluation of the work that has been done by employees and is intended for development(Henry, 2015). Furthermore, another opinion states that work performance is a formal procedure carried out within the organization to evaluate employees and the contributions and interests of employees.(Henry, 2015)

(Hasibuan, 2013)Employee performance appraisal absolutely must be done to find out the achievements that can be achieved by each employee. Is the achievement achieved by the employee is good, moderate, or less. Performance appraisal is important for organizations to determine further policy actions.

Indicators that affect work performance, among others, are as follows(Hasibuan, 2013):

- 1) Work quality. This indicator includes accuracy, accuracy, neatness in carrying out tasks, using and maintaining work tools and skills in doing work.
- 2) Knowledge. It is the ability of a subordinate to be assessed from knowledge of something related to work tasks and procedures, use of work tools and technical abilities for his work.
- 3) Job adjustment. It is an indicator of work assessment in terms of the employee's ability to carry out tasks outside of work as well as the existence of new assignments, speed of thinking and acting at work.

- 4) Work relationship. A working relationship whose assessment is based on the attitude of subordinates towards their superiors and then accepts changes in work.

#### **b. Supervision**

Supervision is an uninterrupted process to ensure that the implementation of tasks, functions and authorities does not deviate from the rules that have been set in order to achieve organizational goals.(Henry, 2015),

Supervision is corrective actions in the implementation of work so that all activities are in accordance with predetermined plans, instructions and instructions, so that the predetermined goals can be achieved.(Jufrizen, 2016).

Supervision is a whole rather than an activity that compares or measures what is being or has been implemented with criteria, standard norms, or plans that have been previously determined.(Arianty, Happy, & Siswadi, 2015).

according to(Mangkunegara, 2012)for research purposes, there are 4 indicators of the supervision itself, namely:

1. Setting standards (Standards), namely setting benchmarks (targets) or desired results, to be carried out as a comparison of results when organizational activities take place. Standards are also limits on what must be done in carrying out an activity to achieve organizational goals and targets.
2. Measurement (*Measurement*) is a process that is carried out repeatedly and continuously and correctly, both in terms of intensity in the form of daily, weekly, or monthly measurements so that it can be seen that what is measured is the quality and number of results.
3. Compare (*Compare*) is comparing the results achieved with the targets or standards that have been set, maybe the performance is higher or lower or the same as the standard.
4. Taking action is a decision to take corrective or corrective actions. If there has been a deviation (deviation) between the standard and the realization, it is necessary to take follow-up actions in the form of correcting the deviations that occur.

#### **c. Organizational Commitment**

According to Allen and Meyer inDarmawan (2013:169)defining organizational commitment is a concept that has three dimensions, namely affective, ongoing and normative commitment.

Then according to(Robbins & Judge, 2016)said that organizational commitment is defined as the relative strength of the individual in identifying his involvement in the organization which is characterized by acceptance of organizational values and goals, willingness to work for the organization and desire to maintain membership in the organization.

according toVerma et al (1985),Rustini, et al (2015), andKrisnawati and Suartana(2017)Organizational commitment indicators, are:

- 1) Strong desire to remain a member of the organization.
- 2) Great willingness to work for the organization.
- 3) Strong belief in and acceptance of the organization's values and goals.

#### **d. Compensation**

According to Andrew E. Sikula in(Mangkunegara, 2017), "Compensation is something that is considered as something comparable" according to(Sustainable. S., 2018), "Compensation is a remuneration or remuneration given to employees for their work" according to (Cashmere, 2018) Compensation is something that employees receive for the services they contribute to their work.

According to(Rachmawati, 2008)"Compensation is remuneration paid for the services of employees, workers, hours or employees who are not carrying out supervision and administration".

According to Robbins (2016: 294), the indicators of organizational culture are as follows:

1. *Outcome orientation*(benefit orientation)

Where management focuses on results or benefits rather than just the techniques and processes used to obtain these benefits.

2. People orientation (orientation to people)

The degree to which decisions made by management take into account the effect on the members of the organization.

3. Team orientation (team orientation)

**e. Accounting information system**

An accounting information system, namely, an accounting information system is an organization of forms, records, and reports that are coordinated in such a way as to provide the financial information needed by management to facilitate the management of the company.(Amir Mahmud, 2013)

An accounting information system is defined as a collection of subsystems that are interconnected with each other and work together in harmony to process financial data into information needed by management in the decision-making process in the financial sector.(Ayu & Erawati, 2016)

Basic considerations for compiling additional compensation according to(Wake Up, 2018)are as follows :

a. Length of working

Determined on the basis of the length of work the employee performs or completes the job. How to calculate it can use hourly, per day, per week or per month. Generally, this method is applied when there are difficulties in applying the compensation method.

b. seniority

This compensation system is based on the period of service or seniority of the employee concerned in an organization. The more senior an employee in the organization, the higher his loyalty to the organization.

c. Need

This compensation system is based on the level of urgency of the employees' decent living needs. The compensation given is reasonable if it can be used to meet some basic needs, not excessive and not lacking. The needs here are not only financial but also facility needs.

d. Fairness and Worthiness

Justice in this system is not equal, but is related to the relationship between workload and expected compensation, therefore it must be assessed against the workload required for a position. Feasibility, feasible means meeting their primary needs and is guided by the government's standard input costs (SBM) and based on internal and external consistency

### III. METHOD

#### Type Study

Approach study this is approach associative causal, that is study which aim for analyze connection Among one variable with variable other or how something variable influence variable other.

#### Population and Sample

The population in this study is the permanent manager of the accounting and finance department at BBPMPPV Medan (Great Hall for the Development of Quality Assurance for Vocational Education), 35 people.

### Technique Collection Data

Method collection data which used in study this is A list of questions (questionnaire), which is obtained by asking questions in writing to respondents. Documentation studies, namely the data used by researchers in conducting research is quantitative data.

### Technique Analysis Data

Analysis data in study this is method analysis statistics with use Structural Equation Modeling (SEM) type Partial Least Squares (SEM-PLS) which where could used on every type scale data (nominal, ordinal, intervals, ratio) as well as condition assumption which more flexible. pls also used for measure connection every indicator with the construct. Besides that, in pls could conducted test bootstrapping to structural model which character outer model and inner model.

Evaluation model measurement or outer model conducted for evaluate validity and reliability model. Whereas analysis inner model/analysis structural model conducted for ensure that model structural which built accurate. In study this no conducted analysis outer model because every variable which used researcher no use indicator so that no required for analyze assumption outer model.

### Analysis Inner Model (Evaluation Model Structural)

Analysis Inner Model usually also called with “inner relations, structural model and substantive theory” in pls evaluated with use R-Square (R<sup>2</sup>) for variable dependent and Mark coefficient path for variable independent which then rated its significance based on Mark t-statistics every path coefficients. Analysis model structural (inner model) in study this conducted with see (a) test coefficient determination (R-square); (b) Goodness of Fit (GoF); (c) test effect size / f-square (F<sup>2</sup>); and (d) testing hypothesis (Hair, et al., 2014).

#### a. Coefficient Determination (R<sup>2</sup>)

In evaluate inner model with pls (Partial *Least Square*) started with method see R-square for every variable latent dependent. Then in the interpreter same with interpretation on regression. Change Mark R-square could used for evaluate influence variable latent independent certain to variable latent dependent is have influence which substantive. The more tall Mark R-square the more good model prediction.

#### b. Test *Goodness of Fit* (GoF)

For validate model structural by whole used *Goodness of Fit* (GoF). GoF index is size single for validate performance combined Among model measurement and model structural. Mark GoF this obtained from root square of value average *Average Communalities Index* (AVE) multiplied with Mark R<sup>2</sup> model. Mark GoF stretched Among 0 SD 1 with interpretation values : 0.1 (Gof small), 0.25 (GoF *moderate*), and 0.36 (GoF big) (Hair, Hult, ringle, & Sarstedt, 2014).The more tall Mark GoF, so model could said the more good or the more fit with data. Formula for count Mark GoF is as following :

$$\text{GoF} = \sqrt{\text{Com} \times R^2}$$

#### c. *Effect Size/ F-Square* (F<sup>2</sup>)

F-Square is size which used for evaluate impact relatively from something variable which influence (exogenous) to variable which influenced (endogenous). Criteria withdrawal conclusion is if Mark F<sup>2</sup> as big as 0.02 so there is effect which small (weak) from variable exogenous to endogenous, Mark F<sup>2</sup> as big as 0.15 so there is effect which moderate (currently) from variable exogenous to endogenous, Mark F<sup>2</sup> as big as 0.35 so there is effect which big (good) from variable exogeme to endogenous(A Juliandi, 2018).

#### d. Test Hypothesis

In testing hypothesis could seen from Mark t-stats and Mark probability. For testing hypothesis that is with use Mark statistics so for alpha 5% Mark t-stats which used is 1.96, whereas for alpha 1% Mark t-stats which used is 1.64. Hypothesis accepted if Mark *T-statistics* more tall than Mark *T-table* (1.96) with significance level 5% or through P-Value =5%, p-val = 0.05. For refuse/accept hypothesis use probability so Ha accepted if Mark probability < 0.05 (Hair, et al., 2014).

Significance :

1. > 1.65 (significance level = 10 % )
2. > 1.96 (significance level = 5 % )
3. > 2.58 (significance level = 1 % )

Test model *structural* (inner *model*) in pls conducted with help software Smart pls ver. 3 for Windows.

#### IV. RESULTS AND DISCUSSION

##### Analysis Data

##### 1. Goodness of Fit Test

Based on data processing carried out with the SmartPLS 3.0 program, the R-Square values obtained are as follows:

Table 1. *R-Square*

Variable	R Square	R Square Adj
Work Performance(Y)	0.641	0.452
Work Discipline (Z)	0.694	0.665

Square obtained is 0.641 for the work performance variable. This value interprets that the supervisory variable, compensation, is only able to explain the variance of work performance around 64.1%, and the R-Square value of work discipline of 0.694. This value interprets that the supervisory variable, compensation, is only able to explain the variance of work discipline around 64.1%, the rest is influenced by factors others not mentioned in this study.

##### 2. Hypothesis testing

The purpose of the direct effect analysis is to test the hypothesis of the direct effect of a variable that affects (exogenous) on the variable that is influenced (endogenous) (Juliandi, 2018). Probability/significance value (P-Value):

- If the P-Value < 0.05, it is significant.
- If the P-Value > 0.05, then it is not significant.

Table 2. *Direct Effect*

Hypothesis	Variable	T Statistics ( O/STDEV )	P Values	Coefficient
H1	Supervision (X1) -> Work Performance(Y)	3.552	0.035	0.294
H2	Compensation (X2) -> Work Performance(Y)	4.119	0.028	0.584
H3	Supervision (X1) -> Work Discipline (Z)	3,691	0.000	0.320
H4	Compensation (X2) -> Work Discipline (Z)	4.287	0.004	0.601
H5	Work Discipline (Z) -> Work Performance (Y)	3.439	0.019	0.496



<b>H6</b>	<b>Intervening Work discipline (Z) Supervision (X1) -&gt; Work performance(Y)</b>	3.230	0.032	0.253
<b>H7</b>	<b>Intervening Work Discipline (Z) Compensation (X2) -&gt; Work Performance(Y)</b>	4.411	0.034	0.511

Source: Processed by Researchers With SmartPLS Application

The conclusion of the direct effect value in the table above is as follows:

- 1) Supervision of the work performance of managers and elements of certain functional positions: Path coefficient = 3.552 > T-Table = 2,036 meaning, the effect of supervision on work performance is positive and significant. The regression equation also means that the functional relationship between the two variables has a positive linear pattern, because the regression direction coefficient is positive. The results of the data analysis indicate that the supervisory factor has a positive effect on employee performance. So it can be concluded that supervision has a positive and significant effect on employee performance at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector, which means the hypothesis is accepted.
- 2) Effect of compensation on work performance: Path coefficient = 4.119 > T-Table = 2,036 it means that the effect of compensation on work performance is positive and significant. The regression equation also means that the functional relationship between the two variables has a positive linear pattern, because the regression direction coefficient is positive. The results of the data analysis indicate that the compensation factor has a positive and significant effect on employee performance. So it can be concluded that compensation has a positive and significant effect on employee performance at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector, which means the hypothesis is accepted.
- 3) The effect of supervision on work discipline: Path coefficient = 3.691 > T-Table = 2.036 meaning, the effect of supervision on work discipline is positive and not significant. The regression equation also means that the functional relationship between the two variables has a positive linear pattern, because the regression direction coefficient is positive. The results of the data analysis indicate that the supervisory factor has a positive and significant effect on employee work discipline. So it can be concluded that supervision has a positive and significant effect on employee work discipline at the Center for Quality Assurance Development for Vocational Education in the Building and Electrical Sector, which means the hypothesis is accepted.
- 4) The effect of compensation on work discipline: Path coefficient = 4.287 > T-Table = 2.036, meaning that the effect of compensation on employee discipline is positive and significant. The regression equation also means that the functional relationship between the two variables has a positive linear pattern, because the regression direction coefficient is positive. The results of the data analysis indicate that the compensation factor has a positive and significant effect on employee work discipline. So it can be concluded that compensation has a positive and significant effect on employee work discipline at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector, which means the hypothesis is accepted.
- 5) The effect of work discipline on work performance: Path coefficient 3.439 > T-Table = 2.036, meaning that the effect of work discipline on employee performance is positive and significant. The regression equation also means that the functional relationship between the two variables has a positive linear pattern, because the regression direction coefficient is positive. The results of the data analysis indicate that the work discipline factor has a positive and significant effect on employee performance. So it can be concluded that work discipline has a positive and significant effect on employee performance at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector, which means the hypothesis is accepted.

## V. CLOSING

The results of testing the first hypothesis show that the supervision variable has a positive and significant effect on employee performance at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector. The results of testing the second hypothesis show that the compensation variable has a positive and significant effect on employee performance at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector. The results of testing the third hypothesis show that the supervision variable has a positive and significant effect on employee discipline at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector. The results of testing the fourth hypothesis show that the compensation variable has a positive and significant effect on employee work discipline at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector. The results of testing the fifth hypothesis show that the work discipline variable has a positive and significant effect on employee performance at the Center for the Development of Quality Assurance for Vocational Education in the Building and Electrical Sector. The results of the sixth test show that employee work discipline mediates the effect of supervision on work performance at the Center for Quality Assurance Development of Baidang Building and Electrical Vocational Education by showing a positive but not significant effect.

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