

Manuscript 2

by Misna Ariani

Submission date: 26-Dec-2022 10:49AM (UTC+0700)

Submission ID: 1986617474

File name: Artikel_Misna_Ariani_EN.pdf (271.16K)

Word count: 6210

Character count: 35825

Employee Performance: The Role of Compensation, Motivation, and Discipline as Intervening in the Era of the Industrial Revolution 4.0

Misna Ariani ^{1*)}; Didik Hadiyatno ²⁾; Dwindi Tamara ³⁾; Pudjiati ⁴⁾; Tutik Yuliani ⁵⁾; Imam Arrywibowo ⁶⁾; Farrah Diba Safira Yasmin ⁷⁾

¹⁾ misna.ariani@uniba-bpn.ac.id, Balikpapan University, Indonesia

²⁾ dikhadiyatno@uniba-bpn.ac.id, Balikpapan University, Indonesia

³⁾ dwinda@uniba-bpn.ac.id, Balikpapan University, Indonesia

⁴⁾ pudjiati@uniba-bpn.ac.id, Balikpapan University, Indonesia

⁵⁾ tutik.yuliani@uniba-bpn.ac.id, Balikpapan University, Indonesia

⁶⁾ imam @uniba-bpn.ac.id, Balikpapan University, Indonesia

⁷⁾ farahdiba329@gmail.com, Balikpapan University, Indonesia

*) Corresponding Author

ABSTRACT

Objective: This study analyzes the relationship and influence of motivation, compensation, and work discipline as intervening variables on the performance of PT employees. Telekomunikasi Indonesia (TELKOM) Tbk Balikpapan.

Methodology: Using the census method, 113 employees are the population and the entire population is sampled. Data collection with observation and closed questionnaires. The hypothesis tested using Smart-PLS.

Finding: The independent variables of compensation and motivation have a significant positive effect on the dependent variables of employee performance. Compensation and motivation also significantly positively affected the intervening variables of discipline. Discipline variables have a significant positive influence on employee performance. In addition, discipline can positively mediate the relationship between compensation and motivation in employee performance.

Conclusion: Companies need to consider factors such as giving holidays, the relationship between employees and all parties in the internal company, and unwritten company regulations to increase the integrity of employees' integrity. If these factors can be maximized, then they can help improve employee performance.

Keywords: Employee Performance; Discipline; Motivation; Compensation.

INTRODUCTION

The industrial revolution 4.0 encourages people to think quickly and strategically in all things with the help of technology. The Industrial Revolution 4.0 is based on technology integration in specific industries, especially the Internet of technology (Hidayat et al., 2020). The implementation of the 4.0 revolution in the manufacturing industry has challenged the relationship and interaction between several challenges, namely the challenge of the lack of views and leadership styles from top management and the challenges of implementing the 4.0 industrial revolution in the manufacturing industry (Bakhtari et al., 2020). The challenges of the manufacturing business model are related to the application of the industrial revolution 4.0. The application of the industrial revolution 4.0 involves company management and employee change strategies to improve company and employee performance, with training programs to increase knowledge about industrial revolution 4.0 (Gajek et al., 2022). Society must increase their understanding of the industrial revolution 4.0 (Balan et al., 2021).

Current technological developments greatly influence individuals and organizations accessing information (Hadikusuma & Siagian, 2022). Information technology has a direct impact from within and influences from outside, integral, and the performance of the company's operational employees. Companies understand the effects of Industrial Investment 4.0 so that it will reduce the absorption of workers with low levels of ability. On the other hand, it will increase the absorption of workers with high levels of ability (Bal & Erkan, 2019). Companies should provide practical recommendations with object-centered information and communication

technology (ICT), and emphasize empowering employees with the Internet of Things (IoT) rather than letting them think that they are dominated by autonomous objects (Sievers et al., 2021). Technology and information allow companies to measure performance in different ways and the main factor for company success is a sustainable performance with the support of employee performance (Babel'ová et al., 2015).

Improving ways of thinking can be done by increasing employee motivation, such as providing new opportunities and self-actualization rewards to enhance organizational performance (Lee & Raschke, 2016). Companies need to provide comprehensive motivation in all corporate lines and current employee performance proportionally to employee work (Omollo & Oloko, 2015; Saad, 2018). Motivation can improve work skills, as seen from high and efficient work results, to impact performance (Antoniades & Haan, 2019; Sulila, 2020).

Compensation is believed to be one of the factors that can have an impact on employee performance. Better compensation can improve employee performance, so compensation is also essential in efforts to support employee performance (Arif et al., 2019). Providing non-monetary compensation can be one way to improve employee performance. If the compensation given is higher, employees' support and work results will increase (Njoroge et al., 2015).

In addition to motivation and discipline, high employee discipline will improve employee performance. Discipline in combining with company rules has the most significant positive impact on improving employee performance, meaning that good work discipline will support employee performance and increase company value (Bura et al., 2019; Mangkunegara & Waris, 2015). Good work discipline will be beneficial, and in the end, profits will be achieved more quickly, both for the company and employees (Bagis et al., 2020; Simatupang & Saroyeni, 2018). Discipline is proven to be able to significantly improve employee performance by using a basic reference level of attendance, employees must be present on time, employees must dress politely according to rules, such as wearing uniforms according to the specified day, and workers must use working time effectively, before the deadline (Apalia, 2017; Arif et al., 2019). Empirical evidence regarding employee performance is generally measured from the point of view of discipline and motivation, but in this study employee performance is measured from the point of discipline, motivation and compensation.

Community, employee, and business lifestyles in the industry 4.0 era will change (Pella, 2021). The impact of this change will occur in the supply chain system, production, quality, finance, audit, promotion, marketing, sales, and customer service, especially the impact on human resources. The impact of changes in the fundamentals of human resources in the industrial era 4.0 is the basis for PT TELKOM Balikpapan City to review employee performance, whether they still have commitment, integrity, drive and teamwork in serving customers who use PT TELKOM Balikpapan City services, seen from the compensation given, motivation and discipline as an intervening variable.

LITERATURE REVIEW

Performance

Digitalization can be considered a competitive resource in the future because of its potential to open up new value and revenue creation opportunities (Kamalaldin et al., 2020). The advantages of digitalization from the perspective of providers and customers tend to choose a relational service orientation model. This relational transformation is realized through digital services. Therefore, positive support is needed to improve employee skills and increase

employee work results (Antoniades & Haan, 2019). Employee performance is required to ensure objectivity in evaluating employees, it must include all staff because staff cooperation also impacts employee performance (Babel'ová et al., 2015; Fu et al., 2021). Employee performance challenges in the era of the industrial revolution 4.0 require employees to improve their skills to adapt to changes in the work environment. New job and business opportunities for companies can be created with the Industrial Revolution 4.0 and benefits for employees, along with the challenges of automation and digitalization. Empirical evidence shows that improving employee performance in the era of the industrial revolution 4.0 has challenges, but it can improve performance by increasing skills that are tailored to company strategy and company goals.

Compensation

Executive compensation is an essential factor in finance, and this shows that when leaders have ties with company owners, it turns out that executive compensation plays a more critical role (Cieslak et al., 2021). By providing compensation based on levels and differences in levels of the job hierarchy, employee performance will increase because a higher amount of compensation can improve performance (Ferrara & Giua, 2022; Kumar et al., 2019). So to improve employee performance, companies should pay more attention to compensation issues (Simon & Riyanto, 2022). There is a strong influence between compensation and employee performance. If the compensation given is high, it will increase performance (Arif et al., 2019; Njoroge et al., 2015).

Motivation

Employee performance can be increased by providing high motivation (Sardjana et al., 2019; Sulila, 2020). Employees prefer employee reward motivation, so managers need to keep more detailed motivational records on all lines of the organization because monetary reward motivation is linear with employee work results (Omollo & Oloko, 2015). Previous research has proven that rewards in the form of money are a good source of motivation. Still, monetary rewards cannot be given and predicted at any time, so they are more valuable when given opportunities for work, self-actualization, and promotions. Employees who receive intrinsic rewards perform better than those who do not. Besides, that reward motivation can improve employee performance (Saad, 2018; Shashidhara & Erez, 2021).

Discipline

Discipline can be seen in employees' work according to applicable regulations. Suppose the application of discipline in a company is very high. In that case, it is hoped that the employee's discipline can be further increased so that the productivity of the company's employees increases. In addition, increased work discipline leads to maximum support and work efficiency (Sulila, 2020). There is a positive influence between discipline and employee performance. This is related to attendance, obeying regulations, and good ethics (Farisi & Fani, 2019; Hidayati et al., 2019).

On the other hand, Simatupang & Saroyeni (2018) state that each employee's discipline level is not related to the minimum time to complete work, so management needs serious attention. Raising awareness about discipline is very important because disciplinary implementation policies can help improve and control employee disciplinary behavior by ensuring solid teamwork within the organization (Apalia, 2017). Employee discipline problems need to be addressed with guidelines in planning and managing human resources related to employee discipline (Hidayati et al., 2019).

Based on a literature review of the factors that impact employee performance, the hypotheses in this study include:

H1: Compensation affects discipline.

H2: Motivation affects discipline.

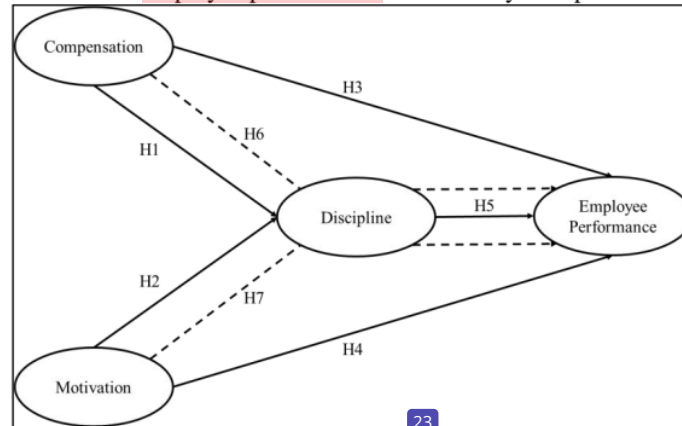
H3: Discipline affects employee performance.

H4: Motivation affects employee performance.

H5: Discipline affects employee performance.

H6: Compensation affects employee performance mediated by discipline.

H7: Motivation influences employee performance mediated by discipline.



Gambar 1. Research Framework

METHOD

This research is explanatory quantitative research to examine the effect of work discipline, motivation, and compensation on employee performance. The sample of this research is all permanent employees of PT Telekomunikasi Indonesia Tbk Balikpapan, totaling 113 people. Data were obtained using a questionnaire, and each answer from the respondent was scored using a Likert scale, namely by giving a score to each alternative answer statement, with a scale of 1 = strongly disagree to 5 = strongly agree (Sugiyono, 2021). The data obtained were processed using the Structural Equation Model (SEM) technique using the Smart-PLS analysis tool.

Model Evaluation - Smart-PLS

Refinement of the results of this study using the Smart-PLS analysis tool. Ghazali (2021) states that model evaluation in PLS includes two completion steps: measuring the outer and inner models. The measurement results are evaluated with the following criteria:

1. Outer Model

- Convergent Validity. Criteria: The value of the loading factor must be above 0.7, but for research at the initial stage of developing a loading factor measurement scale, 0.5 to 0.6 is considered sufficient.
- Average Variance Extracted (AVE). Criteria: AVE value > 0.5 .
- Discriminant Validity. Criteria: Cross Loading Value $> 0,7$.

- d. ² Composite Reliability. Criteria: Composite reliability measures internal consistency, and the value is above 0,60.
2. Inner Model ⁷
 - a. R-Square. Criteria: R-Square value of 0.75 (strong), 0.50 (moderate), and 0.25 (weak)
 - b. Significance Test (Hypothesis ³⁰st). Criteria: P value <0.05
 - c. Effect Size. Criteria: F² value 0.02 = weak, 0.15 = moderate, and 0.35 = strong at the structural level

RESULTS

Questionnaires were administered to 113 employees, and individual characteristics of permanent employees were obtained, namely gender, age, length of service, and education of the respondents. 74 male respondents were staff (65.5%), 39 female respondents (34.5%), it can be concluded that employees at PT. Telekomunikasi Indonesia, Tbk Balikpapan City has more male employees than female employees. Based on age, there were 25 respondents aged 20 to 30 years (22.1%), then respondents aged between 31 and 40 were 33 persons (29.2%), and respondents aged between 41 and 50 years as many as 36. (31.9%), and respondents aged more than 50 totaled 19 people (16.8%). The data show that most employees are recorded at 41-50 years old.

In the education category, there were seventeen respondents had their last education at high school (15%), fifteen respondents with diploma education (13.3%), a bachelor's degree respondents were the most in this category with 47 people (41.6%), and 34 respondents had a master's degree (30.1%).

The number of respondents whose working period was less than two years was 19 people (16.8%). In comparison, the respondents whose working period was between 2-5 years were 29 people (25.7%), then respondents whose working period was between 6-10 years were respondents with the highest number with 36 people. (31.9%) and 29 people (25.7%) respondents who have worked for more than 11 years.

²⁵
Table 1. Characteristics of Respondents

Category	Frequency	Percentage
Gender		
Male	74	65.5%
Female	39	34.5%
Age		
20-30	25	22.1%
31-40	33	29.2%
41-50	36	31.9%
> 50	19	16.8%
Education		
≤ High school	17	15.0%
Diploma	15	13.3%
Bachelor	47	41.6%
Magister	34	30.1%
Work Period		
< 2 years	19	16.8%
2-5 years	29	25.7%
6-10 years	36	31.9%
> 11 years	29	25.7%

Outer Model Analysis

Table 2 shows the results of Smart-PLS calculations, namely the loading value (λ) obtained. Indicator reliability shows how much latent variables can explain variation indicators. The value of the factor loading indicator items in this study was declared reliable. An indicator item is reliable if it has a loading value of more than 0.4. If less than 0.4, the item must be excluded from the measurement model. The loading factor value (must be positive) so that it can be used as a basis for seeing the convergent validity (VC) value of compensation, discipline, and motivation, as well as employee performance.

Table 2. Operational Variable

Variable	Item	Indikator	Loading Factor
Employee Performance	PERF1	Commitment	0,792
	PERF2	Integrity	0,893
	PERF3	Drive	0,890
	PERF4	Teamwork	0,813
Compensation	COMP1	Salary	0,684
	COMP2	Wages	0,806
	COMP3	Salary incentives	0,824
	COMP4	Coverage	0,850
	COMP5	Office facilities	0,801
Discipline	DISCP1	Time rules	0,770
	DISCP2	Comply with company regulations	0,731
	DISCP3	Rules of conduct at work	0,755
	DISCP4	Comply with other regulations in the company	0,737
Motivation	MOT1	Need for affiliation	0,860
	MOT2	Need for achievement	0,872
	MOT3	Need for authority	0,819

Table 3. Reliability Test

	Cronbach Alpha	rho_A	Composite Reliability	AVE
Employee Performance	0,870	0,879	0,847	0,719
Compensation	0,854	0,867	0,847	0,653
Discipline	0,740	0,747	0,882	0,560
Motivation	0,810	0,825	0,807	0,723

The reliability test is measured by AVE, Cronbach Alpha (CA), rho_A, and composite reliability (CR) values. The variable is declared reliable if the AVE, Cronbach Alpha, and rho_A values are greater than 0.50 or the composite reliability value is 0.60. Table 3 shows that this research variable has a composite reliability value greater than 0.60, and the AVE, Cronbach Alpha, and rho_A values are greater than 0.50, meaning that all variables in this study are declared reliable.

Table 4. Discriminant Validity

	Compensation	Discipline	Employee Performance	Motivation
Compensation	0,795			
Discipline	0,469	0,748		
Employee Performance	0,492	0,528	0,848	
Motivation	0,356	0,468	0,502	0,850

Table 4 shows the discriminant validity value based on each variable's cross-loading value. Based on table 4, each table has a cross-loading value higher than the cross-loading value of

other variables with a cross-loading value greater than 0.7, meaning that the constructs in this study have good discriminant validity.

The outer model meets the requirements and is declared reliable and valid based on the results. The following calculation stage to calculate the research results is to assess the inner model, namely looking at the relationship between latent constructs seen from the results of the prediction path parameters and the significance level.

Inner Model Analysis

Table 5. Direct Effect

	Original Sample	Sample Mean	Standard Deviation	T - Statistic	P-Values
Compensation → Discipline	0,346	0,366	0,089	3,872	0.000
Motivation → Discipline	0,344	0,344	0,082	4,212	0.000
Compensation → Employee Performance	0,264	0,273	0,094	2,817	0.006
Motivation → Employee Performance	0,281	0,291	0,102	2,752	0.007
Discipline → Employee Performance	0,273	0,250	0,091	3,021	0.003

Table 5 shows the direct effect of each independent variable and the dependent variable to test hypotheses 1 to 5. The relationship between compensation on discipline shows a significant positive impact.

The relationship between compensation and discipline can be seen from the t-statistic value of $3.872 > 1.96$, so it can be said that there is a positive relationship between compensation and discipline. The positive relationship between discipline and motivation is evidenced by the t-statistic value of 4.212, so there is a positive relationship between motivation and discipline. Compensation with employee performance shows a positive relationship with a t-statistic value of $2.817 > 1.96$. Motivation also positively influences employee performance, as seen from the t-statistic value of $2.752 > 1.96$. The relationship between discipline on employee performance shows a positive influence, as evidenced by the t-statistic value of $3.021 > 1.96$. All variable relationships have a p-value < 0.5 , meaning that the relationship between variables has a significant influence.

Table 6. R-Square and R-Square Adjusted

	R-Square	R Square Adjusted
Discipline	0,323	0,311
Employee Performance	0,415	0,399

The R-square relationship to the disciplinary variable is weak because it has a value of 0.323. These results indicate that compensation and motivation variables explain 32.3% of employee performance variables. With an Adjusted R-Square value of 0.311, the variation given by the compensation and motivation variables in defining employee performance variables is 31.1%. The R-square relationship to employee performance variables is weak because it has a value of 0.415. These results indicate that the variables of compensation, motivation, and discipline explain 41.5% of employee performance variables. With an Adjusted R-Square value of 0.399, the variation given by the compensation, motivation, and discipline variables in defining employee performance variables is 39.9%.

Table 7. Effect Size (F square)

	Discipline	Employee Performance
Compensation	0,155	0,090
Motivation	0,153	0,102
Discipline	0,086	

Table 7 shows the effect size values of the independent variables on the dependent variable. The compensation variable has an f square value of 0.155 in the discipline variable and 0.090 in the employee performance variable. That is, compensation has a moderate effect on discipline and employee performance. In the motivation variable, the f square value is 0.153 in the discipline variable and 0.102 for the employee performance variable. That is, motivation has a moderate effect on discipline and employee performance. The discipline variable also has a moderate impact on employee performance variables, with a value of 0.086.

Table 8. Indirect Effect

	Original Sample	Sample Mean	Standard Deviation	T - Statistic	P-Values
Compensation → Discipline → Employee Performance	0,095	0,097	0,044	2,174	0,032
Motivation → Discipline → Employee Performance	0,094	0,094	0,043	2,188	0,031

The discipline variable indirectly affects the relationship between compensation and employee performance. The p-value is 0.032, and the T-statistic value is greater than 1.96, discipline has a significant positive indirect effect on the relationship of compensation to employee performance. The discipline variable also indirectly influences the relationship between motivation and employee performance. The p-value is 0.031, and the T-statistic value is greater than 1.96, discipline has a significant positive indirect effect on the relationship between motivation on employee performance.

DISCUSSION

Research at [46]. Telekomunikasi Indonesia, Tbk Balikpapan City is trying to find a model and answer the challenges of the industrial revolution 4.0 by improving the performance of its employees by providing good compensation, high disciplinary efforts, and motivating employees to improve employee performance. Empirical evidence from discipline, motivation, and compensation impacts employee performance, such as Antoniadis & Arian (2019), concluding that entrepreneurial and adaptive abilities have a strong relationship with performance. Supported by Babel'ová et al. (2015) that for evaluating employee performance, the company's ability to modify and improve the workforce performance appraisal system is needed so that it will have a positive impact on employee performance. Likewise, the opinion Bal & Erkan (2019) that the development of the manufacturing industry can encourage economic growth by absorbing a quality workforce in manufacturing in Turkey.

Effect of Compensation on Discipline

Employees always expect rewards for their work (Syamsuddin et al., 2021; Tania et al., 2022). This study shows that the compensation desired by employees in this study is (1) having vacation time for employees is the main requirement for compensation, then (2) health insurance is the number two need, then (3) there is a pension fund to guarantee their welfare later, and (4) finally there is a fixed allowance that they get while working. The choice of employees to have vacation time follows the conditions of those who worked during the

industrial revolution 4.0, where employees of PT. Telekomunikasi Indonesia, Tbk Balikpapan City works with a high level of discipline (especially in complying with other regulations) to meet high employee performance, increasing the company value.

This research proves that compensation directly affects discipline. Employees have complied in carrying out company discipline and provide good performance by providing integrity to the company, such as giving holidays as one of the compensations. This study supports research Maulida (2014) that compensation can maintain employee discipline, if employee compensation is fulfilled, then employee discipline can be maintained and tends to follow the rules made by the company. Supported by Marasabessy & Lo (2020) and Simon S & Kasmir (2021) that compensation and discipline can directly affect employee performance. Empirical studies on compensation affecting discipline have not been studied much.

Effect of Motivation on Discipline

Motivation is closely related to discipline and is needed by employees of PT. Telekomunikasi Indonesia, Tbk City of Balikpapan, who worked during the industrial revolution 4.0. The relationship between motivation is very close to discipline, especially complying with other regulations in the company, so that employee performance increases and can face challenges during the industrial revolution 4.0. Ginting et al. (2022) concluded that compliance with rules has the most substantial relationship with employee performance, and high discipline greatly influences punctuality.

Employees need motivation in fulfilling the need for a relationship with the company, motivation after getting achievements, and motivation for promotion. PT employees Telekomunikasi Indonesia, Tbk Balikpapan City are very motivated to improve relations with the company so that employees can improve their performance. The achievement of company goals through discipline is closely related to employee motivation. The results of this study indicate that motivation influences discipline.

The results of our research support research Afqiah & Diana (2022) that discipline is positively and significantly influenced by motivation. As supported by Jean et al. (2017), companies should improve the relationship between employees and companies to help attract and retain employees and improve optimal performance.

Effect of Compensation on Employee Performance

Simon S & Kasmir (2021) state that compensation can positively and significantly influence employee performance. Simon and Kasmir's statement is supported by Jean et al. (2017) that companies should review the current pension packages, benefits, bonuses, and other incentives to help attract and retain employees in the company and improve optimal performance. Likewise, the opinion Tania et al. (2022) that compensation has a positive and significant effect on employee performance. Compensation can significantly improve employee performance, meaning that the greater the compensation (vacation, health, pension funds, and non-fixed benefits) provided, the employee's performance will also be affected and increase. Holidays are the main compensation expectations, then health, facilities, and non-fixed benefits.

Compensation, such as vacation time and health, can be used as an option in providing compensation. Time off and health affect employee performance, it means employees become a unified whole so that they have the potential and ability. In the end, authority and honesty in work form employee integrity. Regarding the industrial revolution 4.0, employee integrity is needed by PT. Telekomunikasi Indonesia, Tbk City of Balikpapan.

49

Effect of Motivation on Employee Performance

38

Employee performance is influenced by motivation in a positive and significant way on employee performance (Ginting et al., 2022). Following the motivation of employees of PT. Telekomunikasi Indonesia, Tbk Balikpapan City, which is entering the era of the industrial revolution 4.0, requires relationships with superiors, colleagues, and service users of PT Telekomunikasi Indonesia, Tbk.

Employees require relationships, a need for achievement, and a need for power. According to research results, the need for relationships is very relevant to the industrial revolution 4.0, which is very dynamic, so employees really need an increase in relations with companies and society (Marasabessy & Lo, 2020; Simon S & Kasmir, 2021).

3

This research has similarities with research Siagian et al. (2020) that motivation with indicators of the need for achievement, the need for affiliation, and employee performance is influenced by the need for power. Another empirical study state that employee performance is influenced by motivation in a ve⁵⁶ positive and significant way (Afiqiah & Diana, 2022; Diansyah & Juliani, 2022; Ginting et al., 2022; Maryani et al., 2021; Nainggolan et al., 2022).

14

Effect of Discipline on Employee Performance

Discipline can positively and significantly affect employee performance (Tania et al., 2022). Discipline at work is shown by complying with other regulations in the company, which is the most choice in terms of discipline, obeying time rules, obeying rules of conduct at work, and complying with company regulations.

31

This research showing that compliance with other regulations within a company has a significant effect on employee performance (Arif et al., 2019; Hidayati et al., 2019; Mangkunegara & Waris, 20⁵⁴ Siagian et al., 2020). This means that obeying discipline (other rules in the company) can improve the ⁴⁰formance of employees of PT. Telekomunikasi Indonesia, Tbk City of Balikpapan during the industrial revolution 4.0.

The industrial revolution 4.0 needs employees who can comply with the regulations set by PT. Telekomunikasi Indonesia, Tbk City of Balikpapan, remembering that moving a business requires highly disciplined employees. Previous research shows that time discipline has a strong impact on employee performance (Afiqiah & Diana, 2022; Diansyah & Juliani, 2022; Marasabessy & Lo, 2020; Maryani et al., 2021; Nainggolan et al., 2022; Simon S & Kasmir, 2021).

Mediation Effects of Discipline on Compensation on Employee Performance

Simon and Riyanto (2022) concluded that compensation is proven to provide ⁵⁰nificant results on employee performance. This research supports the research of Jean et al. (2017) that employees strongly agree that the compensation received is in line with the discipline that employees have carried out so that employees will provide even better performance (integrity, drive, commitment, and cooperation). In line with research by Lu & Niu (2022) and Tania et al. (2022) that when employee compensation increases sharply, employees are affected to work even more complex, so employee performance also grows.

5

Jean et al. (2017) also stated that companies should review compensation to help attract and retain employees and improve optimal performance. Overall it can be said that giving compensation (employee's choice is vacation) will increase employee performance through discipline compared to motivation.

Mediation Effects of Discipline on Motivation on Employee Performance

Motivation can fulfill the relationship between employees and parties in the internal company and is strengthened by applying discipline by complying with company regulations at PT. Telekomunikasi Indonesia, Tbk City of Balikpapan, the results of our research support research Afqiah & Diana (2022) that work motivation indirectly have a positive and significant effect on employee performance through work discipline. There is a positive and significant relationship between motivation and discipline and employee performance in integrity (Ginting et al., 2022; Maryani et al., 2021; Siagian et al., 2020). Employee motivation related to the need for good relationships can improve employee performance through discipline.

CONCLUSION

This study concludes that employees can face the challenges of technological change in the digital world. Employees have demonstrated motivation to make relationship needs a priority for them at work. Without a good relationship, it is difficult to answer the challenges in today's digital technology world. The discipline of complying with other regulations in the company shows high employee integrity towards the company and will increase employee performance. The company must be sensitive to the compensation expected by employees, namely the existence of holidays and health benefits, to give the employee appreciation. Thus, the findings of this study can be used as a basis for PT Telekomunikasi Indonesia Tbk Balikpapan to maintain employee performance. Companies need to consider factors such as giving holidays, the relationship between employees and all parties in the internal company, and unwritten company regulations to help increase the integrity of employees' integrity. If these factors can be maximized, the company can help improve employee performance. Future researchers can find other factors that can improve employee performance. Future studies also need to test research in companies with different business fields.

REFERENCES

- Afiah, F. S., & Diana, I. N. (2022). Pengaruh Motivasi Kerja Terhadap Kinerja Pegawai Melalui Disiplin Kerja (Studi Kasus Pada Sekretariat DPRD Kabupaten Situbondo). *E-Mabis: Jurnal Ekonomi Manajemen Dan Bisnis*, 23(2), 1–12.
- Antoniades, N., & Haan, P. (2019). Government capabilities as drivers of performance: path to prosperity. *Heliyon*, 5(2), e01180.
- Apalia, E. A. (2017). Effects of discipline management on employee performance in an organization: The case of county education office human resource department, Turkana County. *International Academic Journal of Human Resource and Business Administration*, 2(3), 1–18.
- Arif, M., Syaifani, P. E., Siswadi, Y., & Jufrizen, J. (2019). Effect of Compensation and Discipline on Employee Performance. *Proceeding UII-ICABE*, 263–276.
- Babel'ová, Z. G., Kučerová, M., & Homokyová, M. (2015). Enterprise performance and workforce performance measurements in industrial enterprises in slovakia. *Procedia Economics and Finance*, 34, 376–381.
- Bagis, F., Darmawan, A., & Hidayah, A. (2020). the Effect of Leadership, Work Disiplin on Employee Performance Trough Organizational Commitment As Mediation Variables. *International Journal of Economics, Business and Accounting Research (IJEBAAR)*, 4(03).
- Bakhtari, A. R., Kumar, V., Waris, M. M., Sanin, C., & Szczerbicki, E. (2020). *Industry 4.0*

- implementation challenges in manufacturing industries: An interpretive structural modelling approach. *Procedia Computer Science*, 176, 2384–2393.
- Bal, H. Ç., & Erkan, Ç. (2019). Industry 4.0 and competitiveness. *Procedia Computer Science*, 158, 625–631.
- Balan, S., Zainudin, Z. N., Ab Jalil, H., & others. (2021). Understanding and Readiness in Facing IR 4.0 Future Skills Transformation among UPM Trainee Counsellors. *Asian Social Science*, 17(11), 1–69.
- Bura, S. T., Brasit, N., & Sumardi, S. (2019). Effect of Work Environment, Work Discipline and Work Motivation on the Performance of the State Civil Apparatus (ASN) in Tana Toraja Regency. *Hasanuddin Journal of Business Strategy*, 1(4), 51–58.
- Cieslak, K., Hamberg, M., & Vural, D. (2021). Executive compensation disclosure, ownership concentration and dual-class firms: An analysis of Swedish data. *Journal of International Accounting, Auditing and Taxation*, 45, 100429.
- Diansyah, D., & Juliani, H. (2022). The Effect of Motivation and Work Discipline on Employee Performance with Self-Efficiency as a Moderating Variable. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 5(2).
- Farisi, S., & Fani, W. M. (2019). Influence of Work Environment and Work Discipline on Employee Performance. *International Conference on Global Education*, 69–81.
- Ferrara, A. R., & Giua, L. (2022). Indirect cost compensation under the EU ETS: A firm-level analysis. *Energy Policy*, 165, 112989.
- Fu, N., Flood, P. C., Rousseau, D. M., & Morris, T. (2021). Resolving the individual helping and objective job performance dilemma: The moderating effect of team reflexivity. *Journal of Business Research*, 129, 236–243.
- Gajek, A., Fabiano, B., Laurent, A., & Jensen, N. (2022). Process safety education of future employee 4.0 in Industry 4.0. *Journal of Loss Prevention in the Process Industries*, 75, 104691.
- Ghozali, I. (2021). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 26*. Badan Penerbit Universitas Diponegoro.
- Ginting, Z., Sadalia, I., & Nazaruddin. (2022). Analysis of the Effect of Motivation and Work Discipline on the Performance of Employees at PT Bank Mandiri Binjai Branch. *International Journal of Research and Review*, 9(7), 558–563. <https://doi.org/10.52403/ijrr.20220760>
- Hadikusuma, S., & Siagian, H. (2022). The influence of IT capability on operational performance through internal and external integration: Evidence from Indonesia. *Organizations and Markets in Emerging Economies*, 13(1), 71–95.
- Hidayat, N., Hubeis, M., Sukmawati, A., & others. (2020). Competency-Based Human Resources Management in the Industry 4.0 Era. *International Journal of Management*, 11(9).
- Hidayati, S. K., Perizade, B., & Widiyanti, M. (2019). Effect of work discipline and work environment to performance of employees. *International Journal of Scientific and Research Publications (IJSRP)*, 9(12), p9643.
- Jean, K. N., Ngui, T. K., & Robert, A. (2017). Effect of compensation strategies on employee performance: A Case Study of Mombasa Cement Limited. *International Journal of Innovative Social Sciences & Humanities Research*, 5(3), 25–42.
- Kamalaldin, A., Linde, L., Sjödin, D., & Parida, V. (2020). Transforming provider-customer relationships in digital servitization: A relational view on digitalization. *Industrial Marketing Management*, 89, 306–325.
- Kumar, R., Sarkar, S., & Dhiman, A. (2019). Determinants of managerial compensation: An

- empirical exploration. *IIMB Management Review*, 31(2), 105–115.
- Lu, C., & Niu, Y. (2022). Do companies compare employees' salaries? Evidence from stated-owned enterprise group. *China Journal of Accounting Research*, 15(3), 100252.
- Mangkunegara, A. P., & Waris, A. (2015). Effect of training, competence and discipline on employee performance in company (case study in PT. Asuransi Bangun Askrida). *Procedia-Social and Behavioral Sciences*, 211, 1240–1251.
- Marasabessy, F. D., & Lo, S. J. (2020). Effects of Work Discipline, Work Motivation and Compensation on Employees Performance at Sekretariat Direktorat Jenderal Perhubungan Udara. *International Journal of Innovative Science and Research Technology*, 5(6), 605–609.
- Maryani, Y., Entang, M., & Tukiran, M. (2021). The relationship between work motivation, work discipline and employee performance at the Regional Secretariat of Bogor City. *International Journal of Social and Management Studies*, 2(2), 1–16.
- Maulida, L. (2014). PENGARUH PEMBERIAN KOMPENSASI DAN PENGAWASAN TERHADAP DISIPLIN KERJA KARYAWAN PADA PT. TRANSOCEAN INDONE. *Jurnal Manajemen (JIM-MNJ)*, 1(1).
- Nainggolan, D., Trang, I., & Sendow, G. M. (2022). Academic Journal of Digital Economics and Stability Performance Advantages , Work Motivation , Work Discipline , and Their Effect on Employee Performance during the Covid-19 Pandemic (Case Study in the Environment of the Assistant Bureau I Setda of North Sulawesi Province) *Academic Journal of Digital Economics and Stability*. 19(c), 27–43.
- Njoroge, S. W., Kwasira, J., Wambui Njoroge, S., & Kwasira, J. (2015). Influence of compensation and reward on performance of employees at Nakuru County Government. *IOSR Journal of Business and Management*, 17(11), 87–93.
- Omollo, P. A., & Oloko, M. A. (2015). Effect of motivation on employee performance of commercial banks in Kenya: A case study of Kenya Commercial Bank in Migori County. *International Journal of Human Resource Studies*, 5(2), 87–103.
- Pella, M. D. A. (2021). HCM 4.0. Peta Jalan Upgrade Sistem Manajemen SDM Masa Depan. *Kagama Human Capital*.
- Saad, D. D. M. Z. bin S. (2018). Impact of Employee Motivation on Work Performance. *International Journal of Scientific and Research Publications (IJSRP)*, 8(3), 295–308. <https://doi.org/10.29322/ijsrp.8.3.2018.p7544>
- Sardjana, E., Sudarmo, S., & Suharto, D. G. (2019). The effect of remuneration, work discipline, motivation on performance. *International Journal of Multicultural and Multireligious Understanding*, 5(6), 136–150.
- Shashidhara, S., & Erez, Y. (2021). Reward motivation increases univariate activity but has limited effect on coding of task-relevant information across the frontoparietal cortex. *Neuropsychologia*, 160, 107981.
- Siagian, M. V. S., Rini, E. S., & Iskandarini. (2020). The Effect of Work Motivation, Work Environment and Work Discipline on Employee Performance at PT Sucofindo Gatot Subroto Medan Branch. *International Journal of Research and Review*, 7(12), 146–151. https://www.ijrrjournal.com/IJRR_Vol.7_Issue.12_Dec2020/Abstract_IJRR0022.html
- Sievers, F., Reil, H., Rimbeck, M., Stumpf-Wollersheim, J., & Leyer, M. (2021). Empowering employees in industrial organizations with IoT in their daily operations. *Computers in Industry*, 129, 103445.
- Simatupang, A., & Saroyeni, P. (2018). The effect of discipline, motivation and commitment to employee performance. *IOSR Journal of Business and Management (IOSR-JBM)*, 20(6), 31–37.

- Simon, S. O., & Riyanto, S. (2022). the Effect of Leadership Style and Work Environment on Employee Performance. *Journal of Resources Development and Management*, 9(06), 59–61. <https://doi.org/10.7176/jrdm/82-04>
- Simon S, O., & Kasmir. (2021). Effect of Compensation, Work Motivation and Work Discipline on Employee Performance of Zulu Alpha Papa Company. *International Journal of Current Science Research and Review*, 04(07), 821–832. <https://doi.org/10.47191/ijcsrr/v4-i7-25>
- Sulila, I. (2020). The effect of discipline and work motivation on employee performance, *BTPN Gorontalo. ARTIKEL*, 1(4666).
- Syamsuddin, R. A., Pratama, A., Sunarsi, D., Affandi, A., Rifuddin, B., & Mujahidin, M. (2021). The Effect of Compensation and Work Discipline on Employee Performance with Work Motivation as an Intervening Variable. *Kontigensi: Jurnal Ilmiah Manajemen*, 9(1), 89–94.
- Tania, K. C., Nazmi, H., & Manik, H. S. (2022). Analysis of Effect of Work Discipline, Compensation, and Work Culture on Employee Performance at PT Hannochs Medan. *International Journal of Research and Review*, 9(6), 437–441. <https://doi.org/10.52403/ijrr.20220646>

Manuscript 2

ORIGINALITY REPORT

18%

SIMILARITY INDEX

16%

INTERNET SOURCES

11%

PUBLICATIONS

3%

STUDENT PAPERS

PRIMARY SOURCES

1

rjoas.com

Internet Source

1%

2

jurnal.narotama.ac.id

Internet Source

1%

3

Pande Nyoman Pradnya Ananta Wisesa, Putu Kepramareni, I Wayan Widnyana. "The Effect of Work Discipline and Communication on Work Motivation and Performance of Agricultural Officer of Denpasar City, Indonesia", European Journal of Business and Management Research, 2022

Publication

1%

4

link.springer.com

Internet Source

1%

5

www.coursehero.com

Internet Source

1%

6

jurnal.stie-aas.ac.id

Internet Source

1%

7

koreascience.or.kr

Internet Source

<1%

8

so06.tci-thaijo.org

Internet Source

<1 %

9

Muhammad Yani. "Effect Of Compensation, Environment and Leadership Style On Employee Spirit and Performance Through Motivation", JBMP (Jurnal Bisnis, Manajemen dan Perbankan), 2021

Publication

<1 %

10

Setyo Riyanto, Endri Endri, Novita Herlisha. "Effect of work motivation and job satisfaction on employee performance: Mediating role of employee engagement", Problems and Perspectives in Management, 2021

Publication

<1 %

11

www.ashwinanokha.com

Internet Source

<1 %

12

www.jatit.org

Internet Source

<1 %

13

Submitted to Badan PPSDM Kesehatan Kementerian Kesehatan

Student Paper

<1 %

14

ejournal.undiksha.ac.id

Internet Source

<1 %

15

jurnal.dim-unpas.web.id

Internet Source

<1 %

16	"SCSE 2022 Conference Proceedings", 2022 International Research Conference on Smart Computing and Systems Engineering (SCSE), 2022 Publication	<1 %
17	Submitted to Harare Institute of Technology Student Paper	<1 %
18	www.ieomsociety.org Internet Source	<1 %
19	Submitted to Sriwijaya University Student Paper	<1 %
20	Tri Sulkarnain Ahmad, Srifatmawati Ahmad, Afriyani Afriyani. "Entrepreneurial commitment, entrepreneurial competence, towards business performance through business competitiveness development", JPPI (Jurnal Penelitian Pendidikan Indonesia), 2022 Publication	<1 %
21	journal.sinergicendikia.com Internet Source	<1 %
22	jurnal.ceredindonesia.or.id Internet Source	<1 %
23	publikasi.mercubuana.ac.id Internet Source	<1 %
24	ft.unj.ac.id Internet Source	<1 %

25	rspublication.com Internet Source	<1 %
26	Achmad Masfi, Moses Glorino Rumambo Pandin. "EFFORT TO ACHIEVE QUALITY JOB THROUGH INCREASING NURSE PERFORMANCE MOTIVATION", Cold Spring Harbor Laboratory, 2022 Publication	<1 %
27	Ika Kartika, Saep Saepudin, Yanti Hasbian Setiawati, Iim Suryahim. "The Effect of Improving Spiritual Quotient and Emotional Quotient on Mental Health in Sya'ban Month at The Pandemic Covid 19 in Jakarta, Indonesia", Jurnal Dirosah Islamiyah, 2022 Publication	<1 %
28	www.enrichment.iocspublisher.org Internet Source	<1 %
29	academic-accelerator.com Internet Source	<1 %
30	repo.iainbatusangkar.ac.id Internet Source	<1 %
31	repository.uinmataram.ac.id Internet Source	<1 %
32	www.researchgate.net Internet Source	<1 %

33

Meiryani Meiryani, Kanaya Regina Aprilia, Dezie Leonarda Warganegara, Yanti Yanti. "Challenges of the Accounting Profession in the Era of the Industrial Revolution 4.0", 2022 8th International Conference on E-business and Mobile Commerce, 2022

Publication

<1 %

34

Najameddin Sadeg Tumi, Ali Nawari Hasan, Jamshed Khalid. "Impact of Compensation, Job Enrichment and Enlargement, and Training on Employee Motivation", Business Perspectives and Research, 2021

Publication

<1 %

35

Sofiyan Sofiyan, Titien Agustina, Rumiris Siahaan, Sudung Simatupang, Acai Sudirman. "Testing the Relationship between Employee Engagement and Employee Performance: The Urgency of Self Efficacy and Organizational Justice as Predictors", KnE Social Sciences, 2022

Publication

<1 %

36

academic.oup.com

Internet Source

<1 %

37

asrjetsjournal.org

Internet Source

<1 %

38

bircu-journal.com

Internet Source

<1 %

39	dspace.uui.ac.id Internet Source	<1 %
40	ejournal.unp.ac.id Internet Source	<1 %
41	jurnal.uui.ac.id Internet Source	<1 %
42	mostwiedzy.pl Internet Source	<1 %
43	repository.poltekkes-denpasar.ac.id Internet Source	<1 %
44	www.rsisinternational.org Internet Source	<1 %
45	ejournal.aibpm.org Internet Source	<1 %
46	ijisrt.com Internet Source	<1 %
47	repository.untag-sby.ac.id Internet Source	<1 %
48	Ade Septiarisna Warindra, Djoko Soelistya, Eva Desembrianita. "THE INFLUENCE OF INDIVIDUAL CHARACTERISTICS ON EMPLOYEE ENGAGEMENT: LEADERSHIP STYLE AS AN INTERVENING VARIABLE", Journal Universitas Muhammadiyah Gresik Engineering, Social	<1 %

Science, and Health International Conference (UMGESHC), 2021

Publication

49

Amy Nurhuda, Wulan Purnamasari, Nico Irawan, Fitri Nurhidayati et al. "Effect of Transformational Leadership Style, Work-Discipline, Work Environment on Employee Motivation and Performance", Journal of Physics: Conference Series, 2019

Publication

<1 %

50

Mohand Tuffaha. "Adoption Factors of Artificial intelligence in Human Resource Management", Universitat Politecnica de Valencia, 2022

Publication

<1 %

51

cris.vtt.fi

Internet Source

<1 %

52

eudl.eu

Internet Source

<1 %

53

ir.uitm.edu.my

Internet Source

<1 %

54

journal.pancabudi.ac.id

Internet Source

<1 %

55

jurnal.untag-sby.ac.id

Internet Source

<1 %

56

www.frontiersin.org

Internet Source

<1 %

57

www.ijicc.net

Internet Source

<1 %

58

www.ijtsrd.com

Internet Source

<1 %

59

Bayu Indra Setia, Tjutju Yuniarsih, Mohammad Fakry Gaffar, Edi Suryadi, Azhar Affandi, Tatik Rohmawati. "Job satisfaction as a mediator in improving employee performance through talent and knowledge management", Journal of Eastern European and Central Asian Research (JEECAR), 2022

Publication

<1 %

60

Herman Sjahrudin, Pandu Adi Cakranegara, Rezky Nurbakti, Uli Wildan Nuryanto, Joni Prihatin. "The Influence of Work Motivation, Employee Placement, and Competency Development on Achieving Production Target In the Blow Moulding Industry", Quantitative Economics and Management Studies, 2022

Publication

<1 %

61

Paramitha Rakhmawati, Eko Budi Satoto, Ni Nyoman Putu Martini. "The Influence of the Work Environment and Competency on Performance Through Organizational Commitments as Intervening Variables (Study

<1 %

on the Poverty Reduction Coordination Team
Bapedda Bondowoso Regency)", International
Journal of Management Science and
Information Technology, 2022

Publication

62

Rahmad Hartono, Efendi Efendi, Ety Nurwati.
"The Effect of Compensation and Motivation
on Employee Performance with Job
Satisfaction as Intervening Variables at Hotel
XYZ, in Jakarta", Majalah Ilmiah Bijak, 2021

Publication

<1 %

63

ir.unimas.my

Internet Source

<1 %

Exclude quotes On

Exclude matches Off

Exclude bibliography On