The Influence of Compensation and Communication on Employee Job Satisfaction At PT. Mandala Multifinance TBK. South Rawajitu Branch

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Abstract – This research aims to understand the connection between employee job satisfaction and compensation and communication at PT. Mandala Multifinance Tbk. South Rawajitu Branch on the influence of compensation and communication. By using the saturated method, the research population and sample amounted to 32 samples. This research uses multiple linear regression analysis techniques. Causal associative research is carried out using quantitative methodology. The SPSS 25 analysis program is the data processing tool used. Therefore, the compensation and communication variables have a simultaneous and significant influence. Apart from that, the results of this research show that elements related to compensation and communication have a significant and positive influence on job satisfaction partially, which means that these factors, namely job satisfaction, have a positive influence. Where if compensation and communication are not implemented it will hamper employee performance.

Keywords – Compensation, Communication and Job Satisfaction

I. INTRODUCTION

HR or human resources is the most important component of an organization or business. General management, which includes human resource management, includes organizing, planning and controlling (Zainal, 2015) in (Pertiwi, Y., Efendi, E., Wijaya, A., & Simatupang, 2019). To help achieve goals, effective human resource (HR) management is needed. Employees who meet the qualifications and are able to complete the responsibilities given are needed to achieve company goals. All employees feel satisfied with the company, which keeps them motivated to work. Job satisfaction is very important because it affects other aspects of employee life. For example, unhappy workers will perform less well because they are unable to be influenced or enthusiastic about their work. Likewise, a high level of job happiness will influence the ability to achieve company goals.

Based on the pre-survey, researchers found a phenomenon at PT. Mandala Multifinance Tbk. South Rawajitu Branch, the author found that there were several phenomena related to job satisfaction that were in accordance with the indicators, including: the existence of communication that had not been established well between superiors, colleagues or subordinates which caused misunderstandings in delivery of information or work reports. There are problems that are often found in work such as a lack of time given to complete the work and a lack of coordination. Then there are phenomena related to compensation according to indicators, including: Employees who are still dissatisfied because there are several rights that are not given by the company, such as no overtime pay if employees work outside working hours, employees are also not given definite rewards if employees work beyond targets so that causes employees to lack enthusiasm for work and feel dissatisfied with the results achieved. Thus, the aim of this research is to find out how employee job satisfaction is influenced by communication and compensation. Employees who

meet the qualifications and are able to complete the assigned tasks are needed to achieve organizational goals. To maintain employee motivation, companies must be able to satisfy every employee. Job satisfaction among employees is very important because it influences other factors such as motivation and performance. Unhappy workers will perform less well because they lack motivation and enthusiasm in doing their work.

A. Based on the above phenomenon, the researcher chose the title: The Influence of Compensation and Communication on Employee Job Satisfaction at PT. Mandala Multifinance Tbk. South Rawajitu Branch.

II. THEORETICAL BASIS

According to (Marwansyah, 2016) in (Fahraini, F., & Syarif, 2022) compensation is recognition or reward in the form of money or nonfinancial that is fair and appropriate given to employees as a service contribution in achieving company goals. The giving can be direct or indirect. What workers are paid for the services they perform for the company is known as direct and indirect compensation (Hasibuan, 2019) in (Fahraini, F., & Syarif, 2022). Incentive compensation is a reward based on production. Financial incentives are given to individuals who exceed predetermined benchmarks in their work (Pratama, MT, Oktaviannur, M., & Dunan, 2021). Compensation indicators are broken down into several parts, namely: 1. Distribution of honorarium, salary, commission, bonuses and incentives used in direct compensation. 2. Allocation of allowances, education, insurance and gifts used in indirect compensation (Kasmir, 2016) in (Siregar, E., & Linda, 2022). Short-term levels of executive compensation are not well understood experimentally (Gopalan, R., Milbourn, T., Song, F., & Thakor, 2014). To find an ideal compensation horizon, we developed a new metric for executive pay duration that takes into account the time it takes to receive different portions of pay. (Conroy, SA, Yoon, YJ, Bamberger, PA, Gerhart, B., Gupta, N., Nyberg, AJ, & Sturman, 2015) stated that decisions regarding compensation are one of the most significant decisions made in the world business, and studies in this area can help in decision making.

The exchange of information, either directly or indirectly, by written or verbal means, between two or more people is called communication. The reason communication occurs is because the sender and recipient of the message have similarities. To achieve common goals in an organizational environment, effective communication is very important (Dunan, H., & Syahputra, 2023). Implementation and interpretation between units in an organization is referred to as communication (Pauc and Faules, 2015) in (Nuramdhani, D., & Mahanani, 2023). Several indicators used to categorize communication include: 1. Downward communication with the indicator: Superiors inform subordinates about organizational tasks and policies. 2. Upward communication with indicators: Employees notify superiors if there are obstacles encountered during work. 3. Horizontal indicators and communication: Easily collaborate and coordinate between colleagues in carrying out tasks (Pauc and Faules, 2015) in (Nuramdhani, D., & Mahanani, 2023). Meaningful symbols that represent a person's thoughts and feelings as ideas, information, beliefs, hopes, encouragement and guidance are used in the process of communicating with other people to change attitudes, views or behavior. This process can occur directly through face-to-face interaction or indirectly through the media (Afandi, 2018) in (Siregar, E., & Linda, 2022).

Employee responses to problems related to working conditions, cooperation between employees, employee rewards, physical and psychological factors" is the definition of "job satisfaction (Sutrisno, 2016) in (Siregar, E., & Linda, 2022). When assessing the success of an organization, employee satisfaction is very important, especially in the service sector. Increasing employee satisfaction is critical to improving business operations because it increases worker productivity in the long term and helps retain profitable clients (Kurdi, B., Alshurideh, M., & Alnaser, 2020). Job satisfaction is an emotional reaction to various factors that have proven to be complex and individuals' attitudes towards the work they do. When human resources are not satisfied, it results in negative effects such as low productivity, laziness at work, corruption and absenteeism from work (Mega, 2015). The elements stated have an influence on employee job satisfaction (Sutrisno, 2016) in (Siregar, E., & Linda, 2022): 1). Character, expectations, age, and health are examples of individual factors. 2). Family dynamics and employee opinions are examples of social factors; working conditions, job satisfaction and career growth are examples of key aspects related to work. Two criteria are known to influence employee job satisfaction, namely: 1). Compensation 2). Communication.

III. RESEARCH METHOLOGY

In quantitative research, the influence of communication and compensation on job satisfaction is examined using causal associative methodology. Quantitative research is research that emphasizes numbers, while associative causal research is research

that aims to determine the relationship between two or more variables. The research was conducted at PT. Mandala Multifinance Tbk. South Rawajitu Branch. The three variables in this research namely job satisfaction (Y) is the dependent variable, Compensation (X1) and Communication (X2) are the independent variables. All employees of PT. Mandala Multifinance Tbk. The South Rawajitu Branch is the population in the study. This research's saturated sampling sample consisted of 32 people. All participants in this research were workers at PT. Mandala Multifinance Tbk. South Rawajitu Branch.

A statement on a questionnaire is considered valid if it expresses something that the questionnaire wants to measure (Dunan, H., & Prasela, 2021). The primary data source for this research is respondents' responses to surveys about job satisfaction, communication and compensation. A Likert scale with five possible responses, namely strongly disagree, disagree, disagree, agree and strongly agree, was used to assess the questionnaire. The data analysis methods used in this research include validity and reliability tests, multiple linear regression, t test and f test. To find out whether the hypothesis is accepted or not, the t test is used. If t count > t table then the hypothesis can be accepted, and vice versa. If t count < t table then the hypothesis is rejected, the relationship between the independent and dependent variables is confirmed through the application of multiple linear regression analysis. To obtain the results of r count > r table, a validity test is used. This can show that each variable statement item has been considered valid. Then a reliability test is used to achieve a Cronbach's alpha score > 0.6, therefore research can be carried out further and it can be stated that this trial questionnaire is trustworthy and reliable.
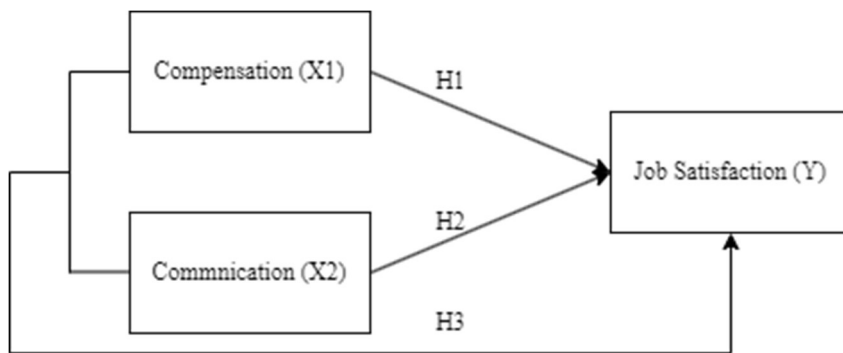
3.1. Framework of Thinking

Fig I. Framework of Thought

3.2. Hypothesis

H1: **Job Satisfaction is positively influenced by Compensation**

H2: **Job Satisfaction is positively influenced by Communication**

H3: **Job Satisfaction is positively influenced by Compensation and Communication**

IV. RESULTS AND DISCUSSION

4.1. Validity test

(Riyanto, S., & Hatmawan, 2020) in (Pamungkas, A., Indriati, IH, & Basri, 2022) states that this is a tool for measuring research potential. As a result, it can measure how well the device is carrying out its tasks. The calculated R value > R table is the basis for the criteria for making decisions, and the statement is considered valid. The following is the data for each variable from the validity test results:

<p align="center">**Table I.** Validity Test Results</p>

Variable	Statement Items	R Count	R Table	Information
Compensation (X1)	X1.1	0,537	0.3494	Valid
	X1.2	0,668		Valid
	X1.3	0,570		Valid
	X1.4	0,444		Valid
	X1.5	0,628		Valid
Communication (X2)	X2.1	0,669	0.3494	Valid
	X2.2	0,617		Valid
	X2.3	0,520		Valid
	X2.4	0,610		Valid
	X2.5	0,667		Valid
Job satisfaction (Y)	Y.1	0,620	0.3494	Valid
	Y.2	0,692		Valid
	Y.3	0,457		Valid
	Y.4	0,691		Valid
	Y.5	0,621		Valid

<p align="center">*Resource: SPSS V.25. data analysis, 2024.*</p>

Table I above describes all the items in the statement which are used to get the calculated r results > from r table (0.3494), this proves the validity of each statement item which is expected to compare job satisfaction (Y) the dependent variable with the independent variables Compensation (X1) and Communication (X2).

4.2. Reliability Test

(Riyanto, S., & Hatmawan, 2020) in (Pamungkas, A., Indriati, IH, & Basri, 2022) states, reliability tests assess the accuracy of a measuring instrument when used to check something. In this reliability test, what is meant by index is the value from the Cronbach's Alpha > Alpha table whose statement is considered reliable. The table below displays the reliability test findings for each variable:

<p align="center">**Table II**. Reliability Test Results</p>

Variable	Cronbach's Alpha	Alpha	Realibility
X1	0.858	0,6	Reliable
X2	0.889	0,6	Reliable
Y	0.843	0,6	Reliable

<p align="center">*Resource: SPSS V.25. data analysis, 2024.*</p>

Table II above shows how each statement item in the job satisfaction (Y), communication (X2) and compensation (X1) variables achieved a Cronbach's alpha score in this study which was higher than 0.6. As a result, further research can be carried out and it can be stated that this trial questionnaire is trustworthy and reliable.

4.3. Multiple Linear Regression Analysis Discussion

Multiple linear regression analysis is applied to one dependent variable with more than two independent variables. Therefore, in order to find out the relationship between independent and dependent variables, this method utilizes information from ratio or interval scale data (Arifin, 2017) in (Pamungkas, A., Indriati, IH, & Basri, 2022) Results obtained from reliability tests that is:

Table III. Multiple Linear Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10,073	3,707		2.717	,011
	Compensation (X1)	,590	,195	,627	3,032	,005
	Communication (X2)	,192	,190	,209	1,011	,320

Resource: SPSS V.25. data analysis, 2024.

Regression analysis using the given data produces the following equation: Y= 10.073 + 0.590X1 + 0.192X2

The regression equation above illustrates that:

1. Constant (a)

   From the following calculations, it can be seen that the constant value is 10.073. Basically the data can be interpreted that Compensation (X1) is an independent variable and Communication (X2) has a value of zero (0). As a result, Job Satisfaction as a dependent variable is worth 10,073 units.

2. Compensation Coefficient (X1)

   From the previous equation it is known that the compensation variable (X1) of 0.590 has a positive coefficient X1. Therefore, assuming that other factors must be constant, a one unit decrease in the compensation variable can result in an increase in job satisfaction of as much as 0.590. The unidirectional interaction between the job satisfaction variable (Y) and the compensation variable (X1) can be explained with a positive value. Therefore, an employee's perception of job satisfaction will increase if they receive adequate compensation.

3. Communication Coefficient (X2)

   The coefficient level of the communication variable (X2) of 0.192 has a positive sign according to the equation above. Therefore, job satisfaction (Y) can increase with each decrease in the communication variable (X2). The existence of effective internal communication can develop job satisfaction for employees.

4.4. T Test (Partial)

To evaluate the influence of independent factors, especially communication and compensation, on job satisfaction (dependent variable), this study used the t test and a Cronbach's alpha value of 0.05 (Ghozali., 2018) in (Pamungkas, A., Indriati, IH, & Basri, 2022). The data table below shows the results:

Table IV. *T Test (Partial)*

Variable	Tcount	Table	Sig
Compensation (X1)	3,032	0,683	0,005
Communication (X2)	1,011	0,683	0.320

Resource: SPSS V.25. data analysis, 2025.

Based on the T test results above, the following results can be obtained:

1. Testing the first hypothesis (H1)

With a regression coefficient value of 3.032 > 0.683, the compensation variable was tested and the results were positive, as seen in the table above. Compensation has a positive influence on job satisfaction at a significant level of 0.005 <0.05. It can be concluded that H1 is accepted and H0 is not accepted. As a result, compensation may have a big influence on how happy employees are with their jobs at PT. Mandala Multifinance Tbk South Rawajitu Branch. This research supports the theory (Kasmir, 2016) in (Siregar, E., & Linda, 2022) which states that compensation is defined as financial and non-financial rewards given by employers to their employees. This means that all participating employees will receive compensation from the company. Compensation is a company's way of saying thank you for all the hard work employees have put into working for the company.

2. Testing the second hypothesis (H2)

With a regression coefficient value of 1.011 > 0.683, the communication variable was tested and the results were positive, as seen in the table above. As a result, communication and job satisfaction have a positive significance of 0.320 > 0.05. It can be concluded that H2 is accepted and H0 is not accepted. As a result, communication may have an effect on how happy employees are with their work at PT. Mandala Multifinance Tbk. South Rawajitu Branch. This research supports the theory (Afandi, 2018) in (Siregar, E., & Linda, 2022) which states that communication is defined as meaningful symbols that represent a person's thoughts and feelings as ideas, information, beliefs, hopes, encouragement and guidance used in the process. communicate with other people to change attitudes, views or behavior. This process can occur directly through face-to-face interaction or indirectly through the media.

4.5. F Test (Simultaneous)

This research uses the f test to find out how two independent factors, namely compensation and communication, influence job satisfaction simultaneously (Ghozali, 2018) in (Pamungkas, A., Indriati, IH, & Basri, 2022). The following f test table below displays the findings:

Table V. *F Test (Simultaneous)*

ANOVAa						
Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	704.494	2	352.247	28.260	,000b
	Residual	361.475	29	12.465		
	Total	1.065.969	31			
a. Dependent Variable: Customer Satisfaction (y)						
b. Predictors: (Constant), Product Variety (X2), Customer Value (X1)						

Resource: SPSS V.25. data analysis, 2024.

Using the available data, the F test results obtained Fcount (28.260) > Ftable (3.32). A significance limit of 0.000 < 0.05 was applied. So it can be said that both independent factors have quite a large and positive influence on employee job satisfaction, namely compensation and communication at the same time at PT. Mandala Multifinance Tbk. South Rawajitu Branch.

V. CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusion

Based on research findings, there is quite a large influence of these factors on employee job satisfaction at PT. Mandala Multifinance Tbk. South Rawajitu Branch, employee job satisfaction is positively and significantly influenced by compensation, employee job satisfaction is positively influenced by communication, employee job satisfaction is simultaneously and significantly influenced by compensation and communication.

5.2. Recommendations

For Companies

Based on the research findings above regarding the impact of PT. Employee Job Satisfaction. Mandala Multifinance Tbk. South Rawajitu Branch regarding Compensation and Communication, researchers provide suggestions as input for consideration:

a. PT. Mandala Multifinance Tbk. South Rawajitu Branch must pay attention to the provision of compensation, the communication process received by PT employees. Mandala Multifinance Tbk. South Rawajitu Branch. So that employee job satisfaction can be achieved so that employees can contribute enthusiastically and well, which is expected to help improve the development of PT. Mandala Multifinance Tbk. South Rawajitu Branch.

b. Based on the compensation variable, it would be better if PT. Mandala Multifinance Tbk. The South Rawajitu Branch must provide improvements in the compensation system. One of them is the provision of overtime wages which must be given according to the work done. When wages can run smoothly, employees will be more satisfied and enthusiastic about carrying out their work.

c. Based on the communication variable, PT. Mandala Multifinance Tbk. The South Rawajitu Branch must pay attention to communication so that it can run well, and can be improved regarding monitoring of communication that occurs between employees. So that employee job satisfaction can continue to be maintained which comes from good communication.

For Workers

Based on the research findings above, the researcher provides recommendations for employees to use as input. Employees should be brave in expressing their opinions if they experience obstacles such as providing compensation and communication.

For Further Researchers

Future researchers can utilize this work as a basis or reference if they wish to have similarities in their own research. Therefore, researchers suggest that elements that might later influence job satisfaction can be investigated by future researchers. It is also recommended for future researchers to have access to dimensions, indicators and theoretical references related to this research to support it.

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