



THE INFLUENCE OF LEADERSHIP AND COMPENSATION ON EMPLOYEE PERFORMANCE AT PT MIDTOU ARYACOM FUTURES

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ABSTRACT

The purpose of this study was to determine the influence of leadership and compensation on the performance of employees of PT Midtou Aryacom Futures.

The research method used in this research is descriptive with a quantitative approach. The population amounted to 35 people, so the sampling technique was used with the saturated sample method and the number of samples obtained in this study were 35 respondents. Data analysis techniques using multiple linear regression.

The results showed that: (1) There is a positive and significant influence of leadership variables on the performance of employees of PT Midtou Aryacom Futures. This is evidenced by the value of $t_{\text{count}} > t_{\text{table}}$, namely $5.541 > 2.037$ with a probability value (significance) = 0.000, which is below 0.005. (2) There is a positive and significant influence of compensation variables on the performance of employees of PT Midtou Aryacom Futures. This is evidenced by the value of $t_{\text{count}} > t_{\text{table}}$, namely $6.930 > 2.037$ with a probability value (significance) = 0.000, which is below 0.005. (3) There is a positive and significant influence of leadership and compensation variables on the performance of employees of PT Midtou Aryacom Futures. This is evidenced by the value of $F_{\text{count}} > F_{\text{table}}$, namely $26.422 > 3.29$ with a probability value (significance) = 0.000, which is below 0.005.

Keywords: *leadership, compensation, performance.*

I. INTRODUCTION

A. Research Background

The success of every company does not escape the role of employees or human resources in carrying out tasks in accordance with their portions. Every company definitely needs human resources who have good quality for the future. Then, of course, the company also wants high enough skills to be able to carry out the tasks given by the company. By having quality human resources, it is expected to be able to issue a fairly active role in company management such as planners, implementers and supervisors for the company. Companies are urged to be able to improve their human resources and must always improve the quality of company management so that they can compete with other companies. If a company already has good enough human resources and its needs have been met, then the performance of its employees will also increase. With the increasing performance of each employee of the company it signals that the company has a good level of performance in human resource management.

PT Midtou Aryacom Futures PT Midtou Aryacom Futures is an independent company engaged in Futures Trading or also called Futures Trading. The company is licensed by the Commodity Futures Trading Supervisory Agency (BAPPEBTI) and is a Member of The Commodity & Derivatives Exchange (ICDX). PT Midtou Aryacom Futures has achieved this success by continuously striving to offer more innovative products using the latest futures trading tools, providing the benefits of mobile online trading using iPad, iPhone, and Android for the convenience of our clients and always improving service levels and offering unparalleled customer service. Based on the vision and mission carried out, this company always puts the customer or client first so that the client feels that this company puts service first so that the cooperation process can continue to run well. With the many clients of PT Midtou Aryacom Futures, PT Midtou Aryacom Futures must give orders continuously to its employees.

Company leaders must be able to give orders to their employees to immediately carry out their duties to client companies. In order to become a company that is given good value by the client company PT Midtou Aryacom Futures, the leadership requires employees to perform well. Therefore, employees are needed who are able to provide the best performance including carrying out work according to directions and orders, being disciplined and on time, always having a high sense of loyalty. Performance has the definition of the results of work achieved by a person based on work results, targets determined during a certain period based on the norms and procedures that apply in the company (Bangun, 2018), in other words, whether or not employee performance is seen from the achievement of targets produced by each employee.

Then the next variable that affects employee performance is compensation. According to Hasibuan & Rahayu (2014) Compensation is all income in the form of money, direct or indirect goods received by employees in return for services provided to the company. Where financial rewards consist of: salary, incentives and bonuses. While non-financial compensation consists of benefits. Compensation is an important factor for employees, this is because

compensation is a reference or motivation in carrying out work or direction from the leader.

Based on observations made by the author at PT Midtou Aryacom Futures, it is known that employees are hesitant regarding the provision of salaries that are in accordance with the risk of work and also the responsibilities carried out by employees. Lack of attention from the leadership regarding compensation will lead to feelings of lack of appreciation in every job given by the leadership. Based on observations, it is also known that employees answered that the leader's attitude was good so that employees also became comfortable when working to receive orders from the leader. In addition, it is also found that employees are also serious during working hours because if they get orders or directions to do their work.

In running its business PT Midtou Aryacom Futures always wants to be on time to realize the company's mission, namely optimizing the best service for all customer companies, business partners by improving product quality, timeliness, convenience and security of delivery. That way every employee is required to provide high performance so that every employee also sometimes complains about deliveries (orders from the leadership) that are sudden and not in accordance with working hours. Therefore, with the problems that occur, it is necessary for the company to pay attention to leadership and compensation issues by raising the research theme by choosing the title **"The Influence of Leadership and Compensation on Employee Performance of PT Midtou Aryacom Futures"**.

B. Research Background

Based on the background of the problem, the researcher formulated the problem as follows:

1. Is there a leadership influence on the performance of PT Midtou Aryacom Futures employees?
2. Is there an influence of compensation on the performance of employees of PT Midtou Aryacom Futures?
3. Is there an influence of leadership and compensation on the performance of employees of PT Midtou Aryacom Futures?

C. Research Objectives

The objectives to be achieved in this research are:

1. To determine the influence of leadership on the performance of employees of PT Midtou Aryacom Futures
2. To determine the influence of compensation on the performance of employees of PT Midtou Aryacom Futures.
3. To determine the influence of leadership and compensation on employee performance of PT Midtou Aryacom Futures.

II. LITERATURE REVIEW

A. Management

According to Griffin (2022), management is a series of activities (including planning and decision making, organizing, leading, and controlling) directed at organizational resources (human, financial, physical, and information).

According to Pettinger (2020), management is the process of getting things done through people and some creative and energetic combination of influencee resources. Which can benefit from individual skills and talents related to management within organizations and organizations operating in the surrounding environment.

Based on this opinion, it can be concluded that management is the process of planning, organizing, directing, and controlling resources (such as human, material, and financial) to achieve organizational goals influencee and efficiently. It involves decision-making, risk management, resource allocation, and supervision to ensure that the goals that have been set can be achieved properly. In other words, management plays a role in coordinating various activities in an organization or company to achieve the desired results.

B. Performance Management

Performance management is a communication effort that is carried out continuously and occurs between employees and their superiors, and is carried out in order to achieve the main objectives of the company (Ramdhan, 2022).

Performance management is a comprehensive or holistic process that is largely participatory in nature and has the aim of managing, supervising in the workplace as a systematic and organized approach to managing and rewarding performance by generating and maintaining positive employee management motivation (Tampubolon, 2020).

So it can be concluded that performance management is a process that involves planning, supervising, and developing the performance of individuals, teams, and the organization as a whole. The goal is to ensure that all members of the organization work influencee to achieve the goals that have been set.

C. Performance

Employee performance is the result of employee work seen in the aspects of quality, quantity, work time and cooperation to achieve the goals set by the organization (Sutrisno et al., 2010). Furthermore, Rohmansah (2024) explains that performance is the result of work in quality and quantity achieved by an employee.

Employee performance can be assessed from the quality and quantity of work they can achieve within the period set by the company. The performance of employees will increase if they are actively involved and participate and become part of the team in the process of activities in the organizational unit where they work. With participation, employees know exactly what to do in relation to achieving company goals (Nurdianta, 2024).

Based on the opinions of these experts, it can be concluded that performance refers to the level of influencee or results achieved in

performing an action, job, or activity. In general, performance reflects the extent to which a person or entity (such as an organization, team, or system) has successfully achieved certain predetermined goals or standards.

D. Leadership

Leadership is a leader's way of influencing, directing, motivating and supporting efforts that enable others to contribute to the achievement of organizational goals (Priono & Ramdhan, 2023). According to Ridwan (2018) leadership is the way a leader influences the behavior of subordinates, so that they want to cooperate and work productively to achieve organizational goals. Purwanto (2019) explains that leadership style is basically a way of how a leader influences, directs, motivates and controls his subordinates in a certain way, so that his subordinates are able to complete tasks influenceively and efficiently.

Based on the explanation above, the author concludes that leadership is the ability or process to influence, motivate, and direct individuals or groups in achieving set goals. It involves a combination of skills, attitudes, and behaviors used by a leader to influence others to work towards a common vision and goal.

E. Compensation

According to Handoko (1998) Compensation is everything that employees receive in return for their work. This definition implies that compensation as a reward is not only given in the form of money or financial needs. Compensation can be given in several forms, according to employee needs.

As stated by Hasibuan & Rahayu (2014) that compensation is all income in the form of money, direct or indirect goods received by employees in return for services provided to the company.

Furthermore, Ramdhan & Pasaribu (2022) mentions several criteria that can show the success of a company's compensation system, namely: 1) the company manages to retain qualified employees, 2) targets and goals set by the company can be achieved earlier, 3) compliance with existing regulations and laws in the region, 4) increased employee morale and discipline.

Based on this opinion, it can be concluded that compensation refers to all forms of reimbursement or rewards given to employees in return for the work or services they do for the organization or company. Compensation is an important factor in attracting, motivating, and retaining qualified employees in the organization. A good compensation strategy not only follows market practices and applicable regulations, but also matches the company's values and goals in the long term.

III. RESEARCH METHODOLOGY

A. Research Scope

The object of research is the employees of PT Midtou Aryacom Futures located at UOB Plaza Thamrin Nine Lt. 41, Jl. M.H. Thamrin Kav. 8 - 10, Central Jakarta. This research was conducted from January to April 2024. What will be discussed in this study focuses on issues regarding leadership, compensation, and their influence on employee performance at PT Midtou Aryacom Futures.

B. Population and Sample

According to Ramdhan (2021) population is like an organism, while the sample is an integral organ of the population. The sample must be able to represent the characteristics of the entire population. In other words, population and sample are two hails that are interrelated and inseparable. In this study, the population is all employees at PT Midtou Aryacom Futures totaling 35 people. The research conducted is population research because the object to be studied amounts to less than 100, namely 35 employees at PT Midtou Aryacom Futures. If the population is less than 100 it is better to take all so that the research is population research (Arikunto, 2021).

C. Research Type

This research was conducted using quantitative research methods. Quantitative research methods are systematic investigations of a phenomenon by collecting data that can be measured using statistical, mathematical, or computational techniques (Ramdhan, 2021). This research is shown to describe or describe existing phenomena, both natural and human-made. Quantitative Descriptive Research describes its study using a measure of number, or frequency (Sukmadinata, 2019).

This research consists of many forms, both surveys, experiments, correlations, and regressions. This research is intended to test hypotheses using statistical calculations, this research is used to test the influence of leadership (X_1), compensation (X_2) on the performance (Y) under study. By using this research method, it will be known the significant influence between the variables studied so as to produce conclusions that will clarify the description of the object of research.

IV. Research Result

A. The Influence of Leadership on Employee Performance

1. Correlation Coefficient Test

Table 1
Correlation Coefficient Test X_1
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.694 ^a	.482	.466	4.810

a. Predictors: (Constant), LEADERSHIP

b. Dependent Variable: Performance

Source: SPSS Data Processing version 24

Based on the table above, the R number (correlation coefficient) is 0.694. This shows that there is a strong or high relationship between leadership and employee performance at PT Midtou Aryacom Futures.

2. Determination Coefficient Test

Based on table 1, the R^2 (R Square) value is 0.482. This shows that 48.2% of leadership has contributed to the influence on the performance of PT Midtou Aryacom Futures employees, while the remaining 51.8% is influenced by other variables not examined in this study.

3. Hypothesis Test

Table 2
Regression Test
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	11.909	5.074		2.347	.025
LEADERSHIP	.662	.119	.694	5.541	.000

a. Dependent Variable: Performance

Source: SPSS Data Processing version 24

Based on the table above, the simple linear regression equation is as follows: $Y = 11.909 + 0.662 X_1$, can be explained as follows:

- The intercept constant value of 11.909 is a constant (a). Stating that if $X = 0$, then the value of $\hat{Y} = 11.909$.
- The regression coefficient value of the leadership variable on performance is 0.662. This means that if leadership increases by 1 unit, it will increase performance by 0.662.

The hypothesis in this study was tested using the t test. If you pay attention to the results of the table above, the tcount value for the leadership variable (X_1) on Employee Performance (Y) is 5.541, while the t_{table} value for $n = 35$ is 2.037. So because the value of $t_{count} > t_{table}$, namely $5.541 > 2.037$. The probability value (significance) = 0.000, which is below 0.05.

Thus H_a is accepted, it can be concluded that there is a positive and significant influence of leadership variables (X_1) on the performance of employees of PT Midtou Aryacom Futures.

B. The Influence of Compensation on Employee Performance

1. Correlation Coefficient Test

Table 3
Correlation Coefficient Test X_2
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.770 ^a	.593	.580	4.265

a. Predictors: (Constant), COMPENSATION

b. Dependent Variable: Performance

Source: SPSS Data Processing version 24

Based on the table above, the R number (correlation coefficient) is 0.700. This shows that there is a strong or high relationship between compensation and employee performance at PT Midtou Aryacom Futures.

2. Determination Coefficient Test

Based on table 3, the R^2 (R Square) value is 0.593. This shows that 40.7% of compensation has contributed to the influence on the performance of employees of PT Midtou Aryacom Futures, while the remaining 34.3% is influenced by other variables not examined in this study.

3. Hypothesis Test

Table 4
Regression Test
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	15.917	3.501		4.547	.000
COMPENSATION	.607	.088	.770	6.930	.000

a. Dependent Variable: PERFORMANCE

Source: SPSS Data Processing version 24

Based on the table above, the simple linear regression equation is as follows: $Y = 15.917 + 0.607 X_2$, can be explained as follows:

- The intercept constant value of 15.917 is a constant (a). Stating that if $X = 0$, then the value of $\hat{Y} = 15.917$.
- The regression coefficient value of the compensation variable on performance is 0.607. This means that if compensation increases by 1 unit, it will increase performance by 0.607.

The hypothesis in this study was tested using the t test. If you pay attention to the results of the table above, the tcount value for the compensation variable (X_2) on Employee Performance (Y) is 6.930, while the ttable value for $n = 35$ is 2.037. So because the value of $t_{count} > t_{table}$, namely $6.930 > 2.037$. The probability value (significance) = 0.000, which is below 0.050.

Thus H_a is accepted, it can be concluded that there is a positive and significant influence of the compensation variable (X_2) on the performance of employees of PT Midtou Aryacom Futures.

C. The Influence of Leadership and Compensation on Employee Performance

1. Correlation Coefficient Test

Table 5
Correlation Coefficient Test X_2
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.789 ^a	.623	.599	4.168

a. Predictors: (Constant), COMPENSATION, LEADERSHIP

b. Dependent Variable: Performance

Source: SPSS Data Processing version 24

Based on the table above, the R number (correlation coefficient) is 0.789. This shows that there is a strong or high relationship between leadership and compensation on the performance of PT Midtou Aryacom Futures employees.

2. Determination Coefficient Test

Based on table 5 obtained R^2 (R Square) value of 0.658. This shows that 62.3% of leadership and compensation have contributed to the influence on the performance of PT Midtou Aryacom Futures employees, while the remaining 37.7% is influenced by other variables not examined in this study.

3. Hypothesis Test

Table 6
Regression Test
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	11.500	4.398	
LEADERSHIP	.252	.157	.264
COMPENSATION	.450	.130	.571

a. Dependent Variable: Performance

Source: SPSS Data Processing version 24

Based on the table above, the simple linear regression equation is as follows: $Y = 11.500 + 0.252 X_1 + 0.450 X_2$, can be explained as follows:

- The intercept constant value of 11.500 is a constant (a). Stating that if $X = 0$, then the value of $\hat{Y} = 11.500$.
- The regression coefficient value of the leadership variable on performance is 0.252, meaning that if the leadership variable increases by 1 unit, employee performance will experience a binding of 0.252. Assuming other variables are constant.
- The regression coefficient value of the compensation variable on performance is 0.450, meaning that if the compensation variable increases by 1 unit, employee performance will increase by 0.450. Assuming other variables are fixed.

Table 7
Regression Test

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	917.989	2	458.995	26.422	.000 ^b
Residual	555.896	32	17.372		
Total	1473.886	34			

a. Dependent Variable: PERFORMANCE

b. Predictors: (Constant), COMPENSATION, LEADERSHIP

Source: SPSS Data Processing version 24

The hypothesis in this study was tested using the F test. If you pay attention to the results of the table above, the F_{count} value for the leadership (X₁) and compensation (X₂) variables on employee performance (Y) is 26.422, while the F_{table} value for n = 35 is 3.29. So because the F_{count} > F_{table} value, namely 26.422 > 3.29. The probability value (significance) = 0.000, which is below 0.050.

Thus H_a is accepted, it can be concluded that there is a positive and significant influence of leadership variables (X₁) and compensation (X₂) on the performance of employees of PT Midtou Aryacom Futures.

V. CLOSURE

A. Conclusion

Based on the results of data processing and analysis of research results to answer research questions, it can be concluded as follows:

1. Leadership (X_1) has a positive and significant effect on employee performance at PT Midtou Aryacom Futures, with a $t_{count} > t_{table}$ value ($5.541 > 2.037$), with a probability value (significance) of $0.000 < 0.005$, it can be concluded that leadership (X_1) partially has a positive and significant effect on the performance of employees of PT Midtou Aryacom Futures.
2. Compensation (X_2) has a positive and significant effect on employee performance at PT Midtou Aryacom Futures, with a $t_{count} > t_{table}$ value ($6.930 > 2.037$), with a probability value (significance) of $0.000 < 0.005$, it can be concluded that compensation (X_2) partially has a positive and significant effect on the performance of employees of PT Midtou Aryacom Futures.
3. Leadership (X_1) and compensation (X_2) have a positive and significant effect on employee performance at PT Midtou Aryacom Futures, with a value of $F_{hitung} > F_{table}$ ($26.422 > 3.29$), with a probability value (significance) of $0.000 < 0.005$, it can be concluded that leadership (X_1) and compensation (X_2) together have a positive and significant effect on the performance of employees of PT Midtou Aryacom Futures.

B. Suggestion

From the conclusions obtained in this study, to be able to maintain and improve compensation, leadership, and employee performance, the authors provide suggestions to the company as follows:

1. The increase in compensation greatly affects employee performance. With increasing compensation, employee performance will increase. With the right and fair compensation provided by the company, employee performance will increase. Therefore, it is hoped that the company management will be able to strive for a good compensation system by involving employees in making decisions on benefits, as well as determining and determining the period when these benefits can be received by employees.
2. Leaders at PT Midtou Aryacom Futures in leading their subordinates prioritize leadership traits and habits or actions that reflect a good boss and superiors have good emotions and rely on character in influencing their employees, but superiors have a personality that needs to be improved because the personality of a good boss can be an example to his subordinates.

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