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The Effect of Job Training and Financial Compensation on Employee Performance at PT. PLN (Persero) ULP South Medan

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A B S T R A C T

This research aims to determine the effect of job training and financial compensation on employee performance at PT. PLN (Persero) ULP South Medan. The study employs a quantitative method. The results indicate that the multiple linear regression equation obtained is Y = 1.974 + 0.811X1 + 0.616X2 + e, which shows that job training and financial compensation have a positive and significant effect on employee performance. The t-test results show that job training has a significant effect on employee performance with a t-value greater than the t-table value (6.058 > 2.01954). Similarly, financial compensation also shows a positive and significant effect with a t-value greater than the t-table value (3.228 > 2.01954). The F-test results indicate that the F-value is greater than the F-table value (29.718 > 3.23), which means that job training and financial compensation simultaneously have a significant effect on employee performance. The coefficient of determination (R^2) value of 0.572 or 57.20% indicates that the variables of job training and financial compensation can explain 57.20% of the variation in employee performance, while the remaining 42.80% is influenced by other factors outside the model.

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INTRODUCTION

Human resources are the most vital asset in the organization because they play a role as implementers of the company's policies and operational activities. To be able to survive and compete, companies must be ready to face various challenges. The diverse resources possessed such as capital, methods, and machines will not produce optimal performance without the support of high-performance human resources. This emphasizes that human resources are the main element that must be considered along with all their needs.

Performance reflects the results achieved by an employee in carrying out his duties, which are measured based on certain criteria and relevant to the scope of work undertaken. The success of a company is greatly influenced by employee performance, both positive and negative. Good performance is expected to be able to increase work productivity, so that every responsibility can be completed efficiently. With optimal performance, organizational and individual goals can be more easily achieved. Therefore, it is important to understand the factors that affect employee performance, including job training and financial compensation.

Job training is a systematic process carried out by organizations to provide education or instruction to employees to improve their knowledge, skills, competencies, and behaviors, with the aim of improving performance in the workplace (Suciati & Deswarta, 2024a).

Compensation is a form of reward that an organization gives to employees, both in the form of money and goods, in exchange for their contributions. Employees will be more motivated to carry out their responsibilities if the organization understands and pays attention to their needs, because basically the main purpose of a person to work is to get rewards. On the other hand, if the compensation provided is not commensurate with the workload, employees tend to lose enthusiasm, work not optimally, are slow to respond to tasks, and lack discipline (Putri & Fadili, 2024).

The problem that often arises is low employee performance which results in an increase in technical errors in work. Based on the results of observations and interviews, researchers found that there were various factors that caused employee performance to not be optimal.

THEORETICAL REVIEW

Performance

Employee performance is the result of work that reflects the quality and quantity achieved by human resources in a certain period in accordance with the tasks and responsibilities that have been given (Narpati et al., 2024).

Job Training

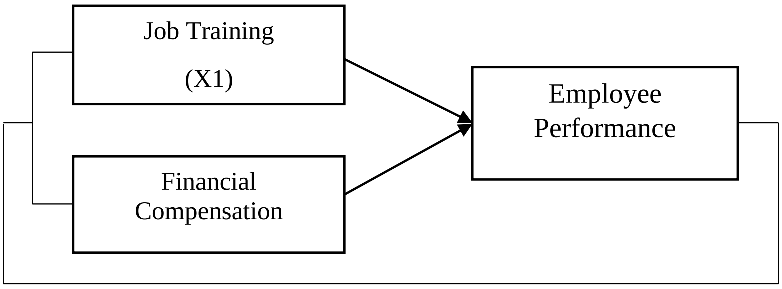
Employee job training is one of the efforts made by the company to provide various benefits in supporting the development of employee capabilities. The training program has a great influence on the company, because the higher the quality of human resources owned by employees, the better the overall quality of the company will be (Ruhiyat et al., 2022).

Financial Compensation

Financial compensation is the form of compensation that is most considered by employees in determining their employment choices. If financial compensation such as salaries, bonuses, and benefits received is not in accordance with expectations, then it can cause job dissatisfaction which results in decreased performance and reduced employee motivation in carrying out tasks from superiors (Wahyudin & Amar, 2023).

Research Models and Hypotheses

Hypothesis development based on exposure to variable concepts and research model drawings.



Source: Data processed by researchers, 2025

Figure 1. Theoretical Framework of Thought

METHODOLOGY

The object of this research is PT. PLN (Persero) ULP South Medan, which is located on Jalan Sakti Lubis No. 20, RW 26, Sitirejo II, Medan Amplas District, Medan City, North Sumatra 20155. The population and sample in this study amounted to 44 employees who worked in the company. This study uses a saturated sampling technique, where all members of the population are used as research samples. The type of research used is quantitative research, with a data collection method through the distribution of questionnaires (questionnaires) to respondents. The data obtained from the results of filling out the questionnaire was then analyzed using SPSS software version 25.

In this study, the research instrument can be seen in the following table:

Table 1. Variable Operational Definition

Variable	Variable Definition	Indicators	Scale Size
Training Work (X1)	Employee job training is one of the company's goals which provides many benefits to help develop for its employees. (Ruhiyat et al., 2022)	1. Training Objectives 2. Material 3. Methods used 4. Participant Qualifications 5. Trainer Qualifications (Suciati & Deswarta, 2024b)	Likert

Financial Compensation (X2)	Financial compensation is compensation given to labor in the form of money directly or indirectly within a certain period. (Adiyanti & Nugraha, 2023)	1. Salary 2. Incentive 3. Allowance (Nickko Ronalddo & Amalina Rizqi, 2024)	Likert
Employee Performance (Y)	Employee performance is the result of an employee's work in performing his duties with the responsibilities that have been given to him at a certain period of time. (Fitriani et al., 2024)	1. Quality (quality) 2. Quantity (quantity) 3. Time (Time Frame) 4. Cost Suppression 5. Supervision 6. Employee Relations (EKA WIJAYA & Fauji, 2021)	Likert

Source: Data processed by researchers, 2025

RESULTS

Data Analysis

Data Normality Test

Table 2. Data Normality Test

N		44
Normal Parameters, b	Mean	.0000000
	Std. Deviation	5.78284464
Most Extreme Differences	Absolute	.077
	Positive	.054
	Negative	-.077
Test Statistic		.077
Asymp. Sig. (2-tailed)		.200c,d

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

Source: Data processed by researchers with SPSS ver 25, year 2025

Based on the table above, it can be seen that a significant value of 0.200 means that the significant value is 0.200>0.05, it can be said that the distribution data is normal.

Multicollinearity Test

Table 3. Multicollinearity Test

Type		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	T	Sig.	Tolerance	VIVID
1	(Constant)	1.974	5.717		.345	.732		
	Job Training	.811	.134	.622	6.058	.000	.946	1.057
	Financial Compensation	.616	.191	.331	3.228	.002	.946	1.057

a. Dependent Variable: Employee Performance

Source: Data processed by researchers with SPSS ver 25, year 2025

Based on the results of data processing in the table above, it is known that the VIF values and tolerances of all variables in this study do not show any symptoms of multicollinearity. This can be seen from the VIF value of each variable which is below 10 and the tolerance value which is much greater than 0.01. Thus, it can be concluded that in this regression model there is no problem of multicollinearity between free variables.

Statistical Test Results
Multiple Linear Regression Analysis

Table 4. Multiple Linear Regression Test Results

Type		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	T	Sig.	Tolerance	VID
1	(Constant)	1.974	5.717		.345	.732		
	Job Training	.811	.134	.622	6.058	.000	.946	1.0
	Financial Compensation	.616	.191	.331	3.228	.002	.946	1.0

a. Dependent Variable: Employee Performance

Source: Data processed by researchers with SPSS ver 25, year 2025

The results can be seen in the following description:

1. The constant of 1.974 shows that if the variables of education level and work experience are considered non-existent (value 0), then employee performance still has a value of 1.974 units. This means that there are other factors outside of the model that still contribute to employee performance.
2. The regression coefficient of the job training variable (X1) of 0.811 shows a positive influence on employee performance. This means that every time there is an increase in job training by one unit, employee performance will increase by 0.811 units, assuming other variables are fixed.
3. The regression coefficient of the financial compensation variable (X2) of 0.616 shows a positive influence on employee performance. This means that every

time there is an increase in financial compensation by one unit, employee performance will increase by 0.616 units, assuming other variables remain the same.

Partial test (t-test)

Table 5. Partial Test Results (t-test)

Type		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	T	Sig.	Tolerance	VIVI D
1	(Constant)	1.974	5.717		.345	.732		
	Job Training	.811	.134	.622	6.058	.000	.946	1.057
	Financial Compensation	.616	.191	.331	3.228	.002	.946	1.057

a. Dependent Variable: Employee Performance

Source: Data processed by researchers with SPSS ver 25, year 2025

Based on the table above, the following results were obtained:

a. The significance value for the job training variable was 0.000, smaller than alpha 5% (0.05) or tcalcul>ttable (6.058>2.01954) (n-k=44-3=41). Based on these results, Ha_1 was accepted and H01 was rejected, which means that partially the variables of job training had a positive and significant effect on employee performance at PT. PLN (Persero) ULP South Medan. In other words, the higher the job training, the higher the performance produced by the employee.

b. The significance value for the financial compensation variable was 0.002, smaller than the alpha 5% (0.05), but the value of the tcal>ttable (3.228>2.01954) (n-k=44-3=41). Based on these results, Ha_2 was accepted and H02 was rejected, which means that partially the financial compensation variable had a positive and significant effect on employee performance at PT. PLN (Persero) ULP South Medan. In other words, the longer the financial compensation, the higher the performance produced by the employee.

Simultaneous Test (F Test)

Table 6. Simultaneous Test Results (F Test)

Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2084.570	2	1042.285	29.718	.000b
	Residual	1437.976	41	35.073		
	Total	3522.545	43			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Financial Compensation, Job Training

Source: Data processed by researchers with SPSS ver 25, year 2025

In the results of the regression test in this study, a significance value of 0.000 was known. Where it is required that the significance value of F is less than

5% or 0.05 or the value of Fcal = 29.718>F_{table} 3.23 (df1=k-1 = 3-1=2) while (df2 = n-k = 44-3=41). Based on the results obtained by accepting Ha_3 , H03 was rejected for the variables of job training and financial compensation. Thus, it can be concluded that all independent variables, namely job training and financial compensation, have a positive and specific effect on employee performance at PT. PLN (Persero) ULP South Medan..

Determination Coefficient Test (R Square)

Table 7. Determination Coefficient Test Results (R Square)

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.769a	.592	.572	5.922
a. Predictors: (Constant), Financial Compensation, Job Training				
b. Dependent Variable: Employee Performance				

Source: Data processed by researchers with SPSS ver 25, year 2025

Based on Table IV.17 it is obtained:

1. The correlation regression value is 0.769, which means that together job training and financial compensation for employee performance have contributed to a close and positive level.
2. For more than one independent variable, use adjusted R *Square*. Where the value (R2) is 0.572 (57.20%). So it can be said that 57.20% of the variation of independent variables, namely job training and financial compensation, in this model can explain employee performance while the remaining 42.80% is influenced by other variables outside the model.
3. *Standard Error Of The Estimated* is a measure of prediction error. *Standard Error Of The Estimated* is called standard deviation. In this study, the score was 5.992. The smaller the standard deviation means the better the model.

DISCUSSION

The Effect of Job Training on Employee Performance at PT. PLN (Persero) ULP South Medan

Based on the results of the t-test, the variable of job training obtained (0.000) was smaller than that of alpha 5% (0.05) or tcalcul>ttable (6.058>2.01954). So it can be concluded that there is a significant influence of job training on employee performance. The results of this study are in line with previous research that became a reference for researchers entitled The Influence of Training, Financial Compensation, Leadership Style and Motivation on Employee Performance. The results of the study show that job training has a significant effect on employee performance by getting a Sig value of 0.000>Sig 0.05. It can be concluded that job training has a partial and significant effect on employee performance. (Ginanjar, 2022)

The Effect of Financial Compensation on Employee Performance at PT. PLN (Persero) ULP South Medan

Based on the results of the t-test, the variable financial compensation (0.002) was smaller than that of alpha (5%) or tcal = tcalculus>ttable (3.228>2.01954). Based on the results obtained, accepting Ha2 rejected H02 for the financial compensation variable. Thus, partially that the financial compensation variable has a positive and significant effect on employee performance at PT. PLN (Persero) ULP South Medan. The results of this study are in line with the previous research which became a reference for researchers conducted by with the title The Influence of Training, Financial Compensation, Leadership Style and Work Motivation on the Performance of PT. Financing of Bank Arta Leksana Purwokerto concluded that there is a partial and significant influence between financial compensation on the performance of employees of PT. Financing of Bank Arta Leksana Purwokerto. (Ni'mah et al., 2022)

The Effect of Job Training and Financial Compensation on Employee Performance at PT. PLN (Persero) ULP South Medan

Based on the results of simultaneous tests (F test) in multiple linear analysis in this study, a significance value of 0.000 is known. Where it is required that the significance value of F is less than 5% or 0.05 or the value of Fcal = 29.718>Ftable 3.23. Based on the results obtained, receiving Ha3 rejected H03 for the variables of job training and financial compensation. Thus, it can be concluded that all independent variables, namely job training and financial compensation, have a positive and specific effect on employee performance at PT. PLN (Persero) ULP South Medan. The results of this study are strengthened by the results of previous research which became a reference for researchers in conducting research conducted by the entitled The Influence of the Influence of Job Training, Financial Compensation and Career Development on Employee Performance. (Suwidia et al., 2023)

CONCLUSIONS AND RECOMMENDATIONS

The results of the analysis can be concluded that there is an influence between job training and financial compensation on employee performance at PT. PLN (Persero) ULP South Medan. For PT. PLN (Persero) ULP South Medan is recommended so that the performance of employees at PT. PLN (Persero) ULP South Medan is maximum, the company must further improve job training so that employees can provide quality and work in accordance with the expectations of the company itself, preferably financial compensation at PT. PLN (Persero) ULP South Medan must be in accordance with the reciprocity of services so that the results of employee performance are even better and to the next researcher should study more deeply what problems will be used as research in order to better understand what will be discussed through references from books or from previous research whose discussions resemble both variables and research methods.

FURTHER STUDY

Future researchers are encouraged to expand this study by including additional variables that may influence employee performance, such as work environment, leadership style, motivation, or organizational culture. Moreover, it is recommended to conduct comparative studies across different branches or companies within the energy sector to gain a broader understanding of the factors affecting employee performance. Using mixed methods or longitudinal data collection may also provide deeper insights into how job training and financial compensation contribute to sustained employee productivity and organizational success.

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