

CHAPTER I

INTRODUCTION

1.1 Research Objective Overview

1.1.1 History of Bappedalitbang

Based on Bappedalitbang Kab. Bogor official website (Bappedalitbang, 2020), Bogor District Research and Development Planning Agency (Bappedalitbang) Bogor regency is one of the regional technical institutions in the Bogor Regency Government which was formed based on the Regulation of the Regent (PerBup) of Bogor Regency No. 69 of 2017 on The Position, Organizational Structure, Duties and Functions of the Regional Development Planning, Research and Development Agency. Based on the (Bappedalitbang, 2020) has the main task of assisting the Regent in carrying out the preparation and implementation of regional policies in the field of regional development planning.

Bappedalitbang is led by a Head of Agency responsible to the Regent through the Regional Secretary. In the implementation of its duties and functions, the Head of Bappedalitbang is assisted by the Secretary, head of government and human development, head of economic and natural resources, head of planning, control and evaluation of regional development, head of regional development infrastructure, and head of research and development.

To carry out its basic duties and functions, Bappedalitbang Bogor Regency is supported by human resources apparatus as many as 132 people, consisting of 78 civil servants and 32 contract workers. In addition, assisted by 11 security officers, and 11 janitors. Thus, the human resources owned by Bappedalitbang totaled 132 people. According to (Bappedalitbang, 2020) website they have mission and vision as follow:

Vision:

1. Realizations of quality development planning to realize Bogor regency to become the most advanced district in Indonesia.

Mission:

1. Increase the capacity of human resources planners
2. Improve results for development planning and evaluation products
3. Develop data management and development planning information

1.1.2 Company Logo, Company Name, and Company Location



Figure 1.1

BAPPEDALITBANG KAB. BOGOR LOGO

Source: bappedalitbang.bogorkab.go.id/

According to official website (Bappedalitbang, 2020) The meaning of Bappedalitbang Kab. Bogor Logo symbol as follows:

1. Core Section:

- a. Kujang, a type of traditional Sundanese weapon that is synonymous with Sundanese courage and grandeur in the past. Kujang symbolizes wiraan which means the image of Bogor people who have a fearless nature in enforcing the truth.
- b. Pakujajar, is a symbol of firmness that has always been an echo of tradition for the kingdom of Pajajaran that was once centred in Bogor. This pakujajar symbolizes

steadfastness in maintaining tradition with all its personality and positive values as a tangible manifestation of preserving the culture of the nation.

- c. Harupat, which means sagar/ruyung, as the handle (milk) kujang is a symbol of the attachment of Bogor Regency with the history of the origin of the name Bogor which means Kawung. Harupat also means something strong, sturdy, a symbol of the robustness of bogor people in maintaining their identity.
 - d. You (egg), in which there is a cleaver, harupat, kukujajar and the white color symbolizes the beginning or core of life which is marked by holiness
2. The middle part:
- a. The summit of Mount (Meru), in the middle shows Mount Salak and Mount Pangrango which are geographically both border boundaries of Bogor Regency to the south. The summit of The Mountain symbolizes a high purpose or ideal. Two different mountain peaks depict the steps to their destination or mind.
 - b. The river flow, the two streams that flank you (eggs) symbolize the Ciliwung River and Cisadane flanking Bogor. The river has a philosophical meaning that symbolizes fertility. Ciliwung and Cisadane rivers have strategic significance for agricultural development in Bogor Regency.
 - c. Samasisi Triangle, framing the mountains and rivers that are the life source for the community, means priority. It symbolizes that fertility and natural wealth must be processed and utilized on the basis of virtue values in order to gain benefit.
3. The outside:
- Circle, symbolizes perfection. It means that the struggle of life must be directed towards the perfection of birth and the flawless bathing like a full circle which is a projection of a pattern of the earth in which people live.
4. Meaning of colour:
- a. Black and white, both symbolize the struggle of life; White symbolizes chastity, truth and cleanliness while black symbolizes falsehood or gloom.
 - b. Yellow, a colour of gold, symbolizes glory and greatness.

- c. Green, used as a base colour contains the meaning of fertility. For Sundanese, green means lushed. Blue, is a colour that gives rise to the impression of beauty, Such as blue sea, blue mountain. Therefor blue symbolizes beauty. This symbol means that Bogor as a natural tourism area has a fascinating natural beauty.

5. Shield:

- a. The three corners in the shield symbolize the three components that determine the welfare of the people in a region / Country called the "Trinity on Earth" namely society, scholars, scholars and government (Umaro).
- b. The three sides form a shield, symbolizing the three things of faith, science and charity that are the bastions of people's lives. The shield bearing the motto "TEGAR BERIMAN" on the bottom symbolizes a shield and fortress that is able to ensure the safety, peace and comfort of life born and bathin in the form of a strong faith in the One True God.

and furthermore, the Bogor district logo in West Java for the 6th part. The meaning of each the series of words:

- a. PRAYOGA TOHAGA SAYAGA, Prayoga means Utama, Tohaga means Sturdy and strong, Sayaga means ready, ready to stand by. Prayoga Tohaga Sayaga contains the meaning of the establishment and struggle of the people of Bogor Regency should always prioritize strongness, strong on its establishment and struggle and always ready to face various challenges in achieving goals, realizing a just and prosperous society based on Pancasila.
- b. KUTA UDAYA WANGSA, Kuta means City, Udaya means dawn, resurrection or generation, Wangsa means nation or tribe. These three words mean that Bogor Regency with the support of its community should be a power plant and revival center for the development struggle to obtain the progress and prosperity of the nation.
- c. TEGAR BERIMAN, Acronym of Orderly, Fresh, Clean, Beautiful, Independent, Safe and Comfortable. Tegar Beriman describes the condition of the community and the natural environment of the region formed by the behaviour and efforts of its people with a solid foundation of faith. It is also the embodiment of Prayoga Tohaga Sayaga and

Kuta Udaya Wangsa. TEGAR BERIMAN is the motto of fighting Bogor Regency which is determined based on Local Regulation No. 2 of 1995.PT. SANGHYANG DAYAHUSU Located at Jalan Lapangan Tembak Selatan No. 1 RT. 01 RW. 07 Padasuka, Central Cimahi District City of Cimahi, Postal Code 40526.

1.1.3 Organization Structure

Organizational structure of Bappedalitbang Kab Bogor. It has 5 fields and 3 subsections. Each field is led by the head of the field. Each field consists of Governance and Development, Planning control and Evaluation of Regional Development, Economy and Natural Resources, Infrastructure and Regional Development, and Research and Development. The subsection is led by a secretary consisting of sub-sections of programs and reporting, general sub-sections and staffing, and financial sub-sections.

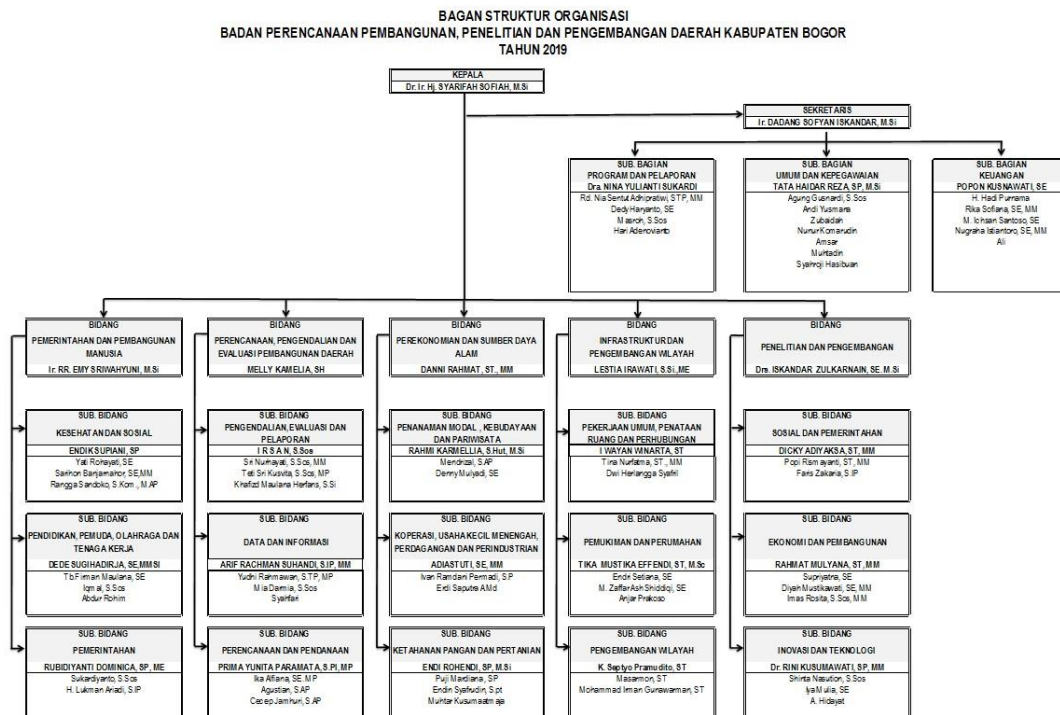


Figure 1.2

Organization Structure of Bappedalitbang Kab. Bogor

Source: Bappedalitbang Kab. Bogor

Development. The subsection is led by a secretary consisting of sub-sections of programs and reporting, general sub-sections and staffing, and financial sub-sections.

1.2 Research Background

Based on Latenda in (2017) The implementation of local government as an integral government of the government system in the context of the Unitary State of the Republic of Indonesia has historically undergone various changes in the management structure of regional government administration which is marked by the improvement of the Law - Law Number 22 Year 1999, which is passed by Law Number 32 Year 2004 concerning regional government. In order for development to be carried out as a whole, directed and integrated, it is necessary to have a sufficiently mature planning that is adjusted to the objectives to be achieved so that what is to be carried out can actually be realized properly.

Based on this, in each autonomous region an agency called the Regional Development Planning Agency (BAPPEDA) is formed as is the case in the city of Bogor. The main duties and functions of BAPPEDA in the city of Bogor must play an active role in carrying out their authority as a non-departmental institution directly under the coordination of the mayor. Internal supervision is at the inspectorate, this is emphasized considering that development in the regional government areas in Bogor City is felt to be not optimal and evenly distributed.

Bappedalitbang of Bogor Regency is a regional planning agency that has the task of drafting a document (draft for the next few years for a region) which will later be given to the regional head. In addition, the Bogor District Bappeda has a function to support government affairs in the planning sector including planning, controlling and evaluating regional development, governance and human development, economy and natural resources, as well as infrastructure and territory, which fall under the authority of the province, carrying out deconcentrating and carrying out tasks assistance in accordance with their respective duties based on the provisions of laws and regulations. In carrying out its duties.

The Corona virus pandemic has a big impact on Indonesia, especially in government agencies. According to the BKD of West Java Province (2020), the government's policy of

implementing Work from Home for ASNs, of course, has a number of basic considerations and references in deciding its policy. However, many factors hinder ASN's performance in this work method. For more than 1 month these ASNs encountered obstacles such as the difficulty of meeting physically as social beings, causing misinformation both in the form of data and work implementation procedures in each agency.

Based on interviews conducted with Bappedalitbang staff In March 2021 that compensation given to civil servants before the pandemic, get some kind of compensation, outside of the basic salary given. For example, remuneration, service operational money, and year-end bonuses. After the covid-19 pandemic, compensation beyond basic salary was abolished. The compensations are allocated to counter the covid-19 pandemic outbreak. Which, due to reduced bonuses and compensation, will affect the performance of employees.

In an organization, humans are the most important element. Without human role, the organization will not run despite various factors needed it was available. Human Resources are the activator and determining the course of an organization. Therefore, organizations should provide positive direction for the achievement of organizational goals.

According to Osibanjo in (2016) The concept of HRM underpins the human side of the management and enterprises and employees' relations with their organizations and its purpose is to ensure that the workforce of companies are effectively and efficiently utilized in a way that the employer obtains the greatest possible benefits from their abilities and similarly, the employees obtain both material and psychological rewards from the services rendered.

As for employee performance, companies can evaluate the performance of their employees, so that it becomes a standard for regional office to assess employee performance. The following table shows Bappedalitbang Kab Bogor employee performance:

Table 1.1
Employee Performance Criteria

Range Value (%)	The Value of Achievement	Description
>80	P1	Very Good
>70 - <80	P2	Good
>60 - <70	P3	Ordinary
>50 - <60	P4	Bad
<50	P5	Very Bad

Based on the table above it can be seen that the employee criteria are divided based on range value in percent (%), the value achievement and as well it gives description. The employee performance at Bappedalitbang were categorized very bad if the value is in category P5 which score lower than 50, the employee performance in value category P4 is known as Bad where employee performance is above 50 and below 60, following with value P3 is categorized Ordinary employee performance with value above 60 and below 70, and P2 which is known as Good category when the value is above 70 and below 80 and lastly is P1 is in very good category when employee performance value is above 80, this data is based on the survey conducted by the author with staff at Bappedalitbang on early March 2021. (Bappedalitbang, 2020)

Table 1.2
Employee Performance in Bappedalitbang Kab Bogor

Rating Criteria	Years					
	Jan-Jun 2019	Percentage (%)	Jul-Dec 2019	Percentage (%)	Jan-Jun 2020	Percentage (%)
	Total 78 Employee		Total 78 Employee		Total 78 Employee	
Very Good (P1)	0	0%	0	0%	0	0%
Good (P2)	44	56%	38	49%	32	41%
Ordinary (P3)	21	27%	19	24%	21	27%
Bad (P4)	13	17%	21	27%	25	32%
Very Bad (P5)	0	0%	0	0%	0	0%

Source: Bappedalitbang Kab Bogor

The table above showed the employee performance at Bappedalitbang Kab. Bogor from 2019 to 2020. As its shown that the employee in Very Good category is 0% from over all employee, then there are 44 Employee in good category which is 56%, following in ordinary category there are 21 employees with value 27% from total employee, and 13 employee which is 17% in Bad category but no employees are in very bad category. This performance indicated that the employees did not get best performance as no employee at all in very good category.

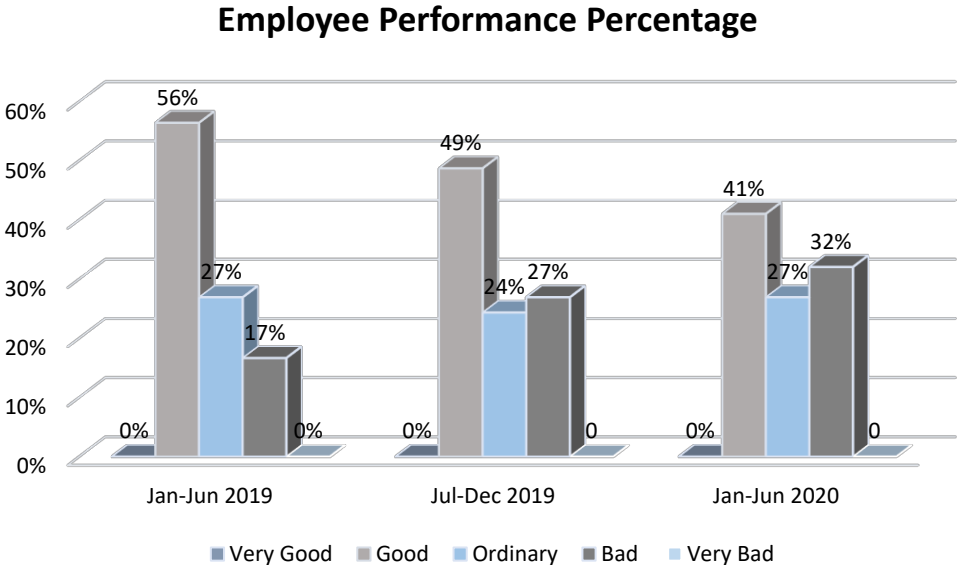


Figure 1.3

Employee Performance Figure in Bappedalitbang Kab Bogor

Based on figure 1.3 above, explained the employee’s performance from 2019 to 2020, we divide into three period. In 2019 January- June, the number of employees in the very good category was 0%, good 56%, ordinary 27%, bad .17%, and very bad 0%. Then in 2019 July-December, the number of employees in the very good category was 0%, good 49%, ordinary 24%, bad 27%, and very bad 0%. Then in 2020 January - June there was a decrease in good, but increase in ordinary and bad, the number of employees in the very good category was still 0%, good 41%, ordinary 27%, bad 32%, and very bad 0%. Based on the figure above, it

can be concluded that from 2019 to 2020 employee performance has decreased, and the score between good performance and fair performance is low.

Thus, it can be ignored that there will be fluctuations in the realization of employee performance results from 2019 to 2020. From the summary of employee performance evaluations, Bappedalitbang Kab Bogor didn't want to be confused. The regional office hopes that the performance of its employees will increase from year to year.

The factors that affect performance according to (Siagian, 2016) state that employee performance is influenced by several factors, namely: compensation, work environment, organizational culture, leadership and work motivation, work discipline and other factors.

In accordance Rizqi Ameliawati Dan Rini Nugrahen (2015) Performance in an organization is carried out by all human resources in the organization, both leadership and workers. Many factors can affect human resources in carrying out their performance. Performance can be seen as both a process and a result of work. Performance is a process of how work takes place to achieve work. However, the results of the work itself also show performance.

Furthermore, According to Ameliawati research result in (2015) states that performance is the result or success rate of a person or the whole during a certain period in carrying out a task compared to various possibilities, such as standards of work, targets or targets or criteria that have been predetermined and have been mutually agreed upon.

According to Siagian (2017) in Ameliawati (2015) that employee performance is influenced by several factors, namely: salary, work environment, organizational culture, leadership, and motivation, work discipline, job satisfaction, communication and other factors. In this study the variables used were leadership, work environment, and compensation.

The author uses a pre survey question to find out if variable X is used in this thesis. To find out which factors affect variable Y (performance). The authors sampled 20 respondents out of 78 respondents to find out what variable X affects variable Y

Based on questionnaire conducted on October 19 2020, the author made questionnaire in the form of 3 questions to find out if variable X affects variable Y (performance). After

getting the results of respondent on questionnaire disseminated through google form, then get result percentage below.

Table 1.4
Pre – Survey Questionnaire

No.	Factors	Respondents	Percentage
1	Compensation	20	70%
2	Motivation	20	15%
3	Environment	20	0%
4	Leadership	20	15%

Source: Primary Data has been Processed

Based on the results of the questionnaire. interview that has been done by the author, the result is that the majority choose compensation as the main factor that affects the performance employees of Bappedalitbang Kab Bogor with a yield of 70%, followed by Motivation 15%, Environment 0%, and leadership 15%.

Recording to the interviews conducted on Bappedalitbang staffing department in Bogor, compensation obtained by employees in Bappedalitbang in the form of Wages, Salary, Bonus / THR, Insurance Program, Retirement Program, and Payment Not in Work.

To support existing phenomena, the author conducted a preliminary study to find out what factors influence the performance of employees Bappedalitbang Kab Bogor. The author conducted preliminary study by distributing the questionnaires motivation dimensions to 15 person which it all employees of Bappedalitbang Kab Bogor. Here are the results obtained from preliminary study that has been spread.

Table 1.5
Recapitulation Questionnaire Preliminary Study Compensation Dimension

No.	Compensation Dimension	Scale	Description
1	Direct Financial Compensation	3,45	Quite Influential
2	Indirect Financial Compensation	3,7	Influential

Source: Primary Data has been Processed

The author made a questionnaire question about direct compensation and indirect compensation that was distributed to 20 respondents out of a total of 78 respondents to find out what type of compensation has a greater influence for employees Bappedalitbang Kab. Bogor. The answers used in this form use a Likert scale, with a scale of 1-5. From the results of questionnaire given, resulting in an average number of 20 respondents out of 78 respondents argue that indirect financial compensation is more influential than direct financial compensation.

Based on the results of the questionnaire's unistructural interview that has been done by the author, the result is for the Direct financial Compensation dimension get 3.45 this state quite influential and for indirect financial compensation dimension get 3,7 this state influential for the performance of Bappedalitbang Kab Bogor employees.

Based on the results of the pre-survey above, the direct compensation felt by employees was sufficient, but they hope for better compensation in the future. This also applies to indirect compensation where the results of the compensation provided by the company are sufficient. So that it is one of the causes of the decline in employee performance

This research is supported by the result of previous research conducted in PT Jaeil Indonesia in 2019 by (Dwiyanto, Purnamasari, & Tukini, 2019). this study state So that the performance of employees of the production section of PT. Jaeil Indonesia is good and improving, so it is recommended that companies continue to pay attention to their employees by increasing the compensation of their employees such as providing salaries according to the UMR each year, providing family allowances, and being able to provide salaries according to the specified work load and time.

So that the performance of employees continues to increase and of course they can provide maximum profit for the company. This is based on research results states that compensation affects the performance of employees of the production division of PT. Jaeil Indonesia.

This research is supported by the result of previous research conducted in (Aker & Hussain, 2016) compensation (CN) has a significant effect on job performance (JP). The quantitative analysis demonstrated that there is a strong and positive relationship between

compensation and job performance. The study has both, theoretical and practical implications for the garment organizations as well as other sectors too. Limitations and future directions for this study are also discussed.

The findings of the study supported that there is a strong and significant effect of Compensation (including PBCNP, MBCNP, OBCNP, CBCNP and EBCNP) and Job Performance perceived by the respondents of garment organizations. The major objective of this study is to investigate the effect of compensation (CN) on job performance (JP) at readymade garments (RMGs) and the predicted hypothesis states that there is a positive relationship between compensation and Job performance measured by the respondents' perception.

The description above explains if the compensation has a good effect on employee performance in Bappedalitbang Kab Bogor. When the government agencies have a good compensation, the employee performance will improve. The benefits will be earned by both sides. The employee will be passion to work to achieve the goals of the Bappedalitbang Kab Bogor.

Every individual who works in a company has a desire to get a salary that matches his expectations. If employees get a salary that matches their expectations, they will be more enthusiastic at work. Compensation satisfaction is one of the determinants of employee performance because it can affect employee behaviours to work more enthusiastically and spur high performance

Compensation is one of the potential tools to motivate employee work. Correctly given compensation will affect employees to be more satisfied and motivated to achieve organizational goals. Compensation is usually given to attract qualified and qualified employees in the organization, encourage employees to excel, retain productive and quality employees to remain loyal, ensure fairness, control costs, follow the rule of law, increase administrative efficiency, and improve employee performance. Compensation is all income in the form of money, directly and indirect received by employee in return for services provided to companies. (Sutoro, 2019)

In general, employees expect that the compensation they receive reflects a contribution to their work. In addition, the compensation set by the company is often considered not meeting employee expectations because the workload may be greater than the compensation received. This condition will have an impact on decreasing work motivation so that the work results are not satisfactory. Providing increasingly compensation

Good is expected to spur employee morale so that it contributes to improving employee performance. If employees perceive compensation as inadequate, work performance, work motivation, and employee job satisfaction will decrease dramatically. Without compensation, further needs cannot function according to Maslow's motivational principle that higher needs can only function if lower needs have been met.

Based on the description, the author is interested in examining the relationship between Compensation with employee performance by titles:

“THE EFFECT OF COMPENSATION TOWARDS EMPLOYEES’ PERFORMANCE AT BAPPEDALITBANG KABUPATEN BOGOR”

1.2 Problem Formulation

Human resources are the most important aspect of the company, human resources within the company as the driving wheel of the company to compete with other companies. With good human resource management allows the company to continue to grow and innovate for the sake of the company's progress. Therefore, one of the main factors in good human resource management is the performance of the employee. The company's goodness can be judged by employee performance.

Without job satisfaction, the above will not happen. One of the triggers for employee performance is compensation. policies that employees feel are lacking when compensating will lead to employee decreasing the performance. Bappedalitbang Kab Bogor is a regional technical institution formed based on the regent's regulations. quoted from an interview conducted with Bappedalitbang Kab Bogor Employees. there is decreasing performance of employees who earn salaries so that it will affect the performance of the employee itself.

Based on background, the research question of the problem is:

1. How is the compensation in Bappedalitbang Kab Bogor?
2. How is the Employee Performance in Bappedalitbang Kab Bogor?
3. How much is the influence of compensation on Employee Performance in Bappedalitbang Kab Bogor?

1.3 Research Objective

A study conducted certainly has several objectives. The research is done:

- a. to determine the level of compensation in Bappedalitbang Kab Bogor employees
- b. to find out the level of Employee Performance of Bappedalitbang Kab Bogor employees
- c. to determine the effect of compensation on the job satisfaction of Bappedalitbang Kab Bogor employees

1.4 Research Benefit

1.4.1 Theoretical Aspect

- a. Author

This paper is a requirement in Research Methodology subject of International ICT Business.

- b. Educational Institution

This research will give the information for students to understand about the effect of human resource performance toward company improvement factors.

- c. Writer

The writer can also have a benefit from this paper on how to understand the company. In the future writer could make a deeper and better analysis of this paper and implement this to everyone who needs it.

1.4.2 Practical Aspect

For the company's own point of view, it is recommended that by doing this research, can obtain positive feedback, suggestions, and recommendations and can build the company and can improve employee performance.

1.5 Systematically Writing

a. CHAPTER I PRELIMINARY

In this chapter contains the background of the issues that reveal the phenomenon of the impact of motivation programs on employee performance, the reasons for the selection of topics, and the reasons for selection of research sites. Furthermore, this section also describes the formulation of problems, objectives and research and systematics writing.

b. CHAPTER II LITERATURE REVIEW

In this chapter contains descriptions of literature review theories underlie and support problem-solving, the frame of thought, research hypotheses, and scope of research.

c. CHAPTER III RESEARCH METHODOLOGY

In this chapter contains a description of research methods, namely the type of research, operational variables, population, and samples. Types and techniques of data collection, measurement scale, validity, and reliability test, and data analysis.

d. CHAPTER IV RESEARCH RESULTS AND DISCUSSION

In this chapter will be explained about the results of research and discussion of the characteristics of respondents, research results, and discussion of research results.

e. CHAPTER V CONCLUSIONS AND SUGGESTION

In this chapter is explained about the conclusions of the results of research that is accompanied by recommendations/suggestions for the companies studied.