

## EFFECTS OF WORK-FAMILY CONFLICT AND COMPENSATION FOR EMPLOYEE PERFORMANCE MEDIATED BY JOB SATISFACTION ON EMPLOYEES IN THE JABODETABEK REGION

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### Abstract

*This study aims to determine the effect of work-family conflict on job satisfaction, compensation on job satisfaction, and employee performance in employees in the JABODETABEK area. This study uses a quantitative method with the Structural Equation Modeling model and uses the Smartpls software. Data collection techniques using a questionnaire with a sample obtained as many as 132. The results of this study indicate that work family conflict has a negative and significant effect on job satisfaction, compensation has a positive effect on job satisfaction and job satisfaction has a positive and significant effect on employee performance for employees in the JABODETABEK area.*

**Keywords:** work family conflict , compensation , satisfaction work , performance employee

### INTRODUCTION

Employees are an important capital in building a company. The achievements obtained by the company are influenced by the roles played by each employee in it. Without employees, sophisticated technology and operational systems are not enough to make the company achieve its goals, because employees are the main element in driving the technology and operational systems. Companies need employee performance to carry out all activities within it, from strategic planning to evaluation (Sihombing et al. 2018) .

One important problem affecting employee performance is low job satisfaction with the company. There was even a survey conducted of 17,623 employees which resulted that 73% of them were dissatisfied with their jobs. Employee dissatisfaction can be influenced by several factors such as inappropriate salaries, bad relationships with coworkers, and unsupportive external conditions (Britta 2021) . Job satisfaction refers to how much an employee likes his job (Berliana, Siregar, and Dwi Gustian 2018) . An increase in job satisfaction will efficiently reduce the achievement of company goals.

Meanwhile, if the opposite happens, then this can become a threat which will ultimately bring destruction or destruction to the company (Badrianto and Ekhsan 2019) . According to the research results of Berliana, Siregar, and Dwi Gustian (2018) job satisfaction positively impacts

employee performance. However, according to research results Fauziek and Yanuar (2021) job satisfaction does not affect employee performance.

One of the efforts to develop employee capacity and improve performance is using compensation. Compensation is individual because compensation represents the scale of work they do. Compensation is often referred to as a complement which is referred to employees as a reward for the participation they allocate to the company. Compensation must reflect the value of the work. Compensation aims to create an appropriate reward system for employees and the company (Sudiardhita et al. 2018) . According to Ramli ( 2019) there is a significant positive impact between employee performance and job satisfaction. Likewise, according to Mira, Choong, and Thim ( 2019) there is a positive correlation between job satisfaction and employee performance.

Work life and family life sometimes have conflicting demands. Employees often limit their involvement in work or family life to accommodate each party's demands. The amount of time and effort spent working, long working hours and complicated work responsibilities are clear indicators of triggering conflict (Asbari et al. 2020) . According to , work-family conflict negatively affects job satisfaction. However, according to , work-family conflict is significantly correlated with job satisfaction. Jabodetabek is a metropolitan area most in demand by prospective job applicants. According to Nuraini ( 2022) Jabodetabek is one of the areas with the highest UMR (regional minimum wage) value in Indonesia. One of the basics considered in determining the UMR is the development and capabilities possessed by the company ( CNBC Indonesia 2022). The performance that employees produce is one of the most important things in the development that occurs in the company.

## **LITERATURE REVIEW**

### **Employee Performance**

Employee performance Performance is the efficiency achieved by an employee in terms of quantitative and qualitative in carrying out tasks, commensurate with the obligations and contributions that have been determined. Employee performance is in the form of work carried

out by someone when completing obligations allocated based on knowledge, skills, integrity and duration. Performance is influenced by many factors, including motivation, expertise, skills, social security, compensation, and opportunities for advancement (Sudiardhita et al. 2018). According to Berliana, Siregar, and Dwi Gustian (2018) Employee performance is the behavior of employees who meet the requirements, work on a par with their authority and obligations, officially achieve company goals without colliding with the law, and obey morals and manners. As for according , employee performance is personal productivity in carrying out duties as a company employee. The results of employee productivity as a form of contribution made to achieve company goals. There are two types of measuring employee performance. The first is task performance, measuring employee performance through ability to manage work, accuracy in work and knowledge of work. The second is contextual performance, measuring employee performance through how they form social and psychological relationships within the company.

### **Job satisfaction**

Job satisfaction is an employee's emotional response to work based on aspects of the work environment such as leadership models, policies, strategies, collaborative teams, work atmosphere, and subsidies. Job satisfaction is a psychological response to an employee's responsibility towards the social and physical environment of the workplace (Sudiardhita et al. 2018). According to Asbari et al (2020), job satisfaction is a state of comfort and positive emotions that can be obtained by evaluating an employee's work and work experience. Therefore, job satisfaction is a key factor in determining how employees feel about what happens at work, including motivation, attendance, and performance. Likewise with Permana et al. ( 2021) which states that job satisfaction is not about how good the performance is, but how much they enjoy their work. Job satisfaction can be said to be the result of fulfilling various wants and needs through work. Employees who feel happy and satisfied will like the work environment.

### **Compensation**

Compensation is the various types of benefits provided to employees. Employees receive compensation, which can be in the form of cash, various types of services and many additional

benefits that the company offers. There are two types of compensation, namely intrinsic rewards and extrinsic rewards Effendi et al. (2020). According to Efendi et al (2020), intrinsic rewards are rewards obtained from oneself, such as learning opportunities and career advancement. Meanwhile, extrinsic rewards are awards related to the achievement of certain activities, such as bonuses, promotions, leave and salary increases (Emmanuel and Nwuzor 2021). According to , workers receive compensation in return for their contribution. When providing compensation, the company must ensure that the compensation is good, correct, effective and beneficial. In this case, compensation can be divided into two main categories, the first is direct compensation, which refers to awards given by employers to employees for contributing to business success. Given because it is directly related to the work performed by the employee, this compensation. For example: salary or wages, incentives or bonuses, or benefits. The second is indirect compensation payments to employees in addition to the employee's work not being directly reflected in compensation by the leadership's policy to improve employee welfare. Examples include vacation payments, pensions, medical benefits, and more.

### **Work family conflict**

Work-family conflict is characterized by inter-role conflict that occurs when individuals must deal with competing role pressures from their family and workplace. Two types of work-family conflict differ in direction. the first, conflict involves completing work-related tasks at home. Moreover, secondly, conflicts involve completing tasks related to home work, such as taking emergency leave because of family interests (Ibrahim et al. 2020). According to Morrison et al (2020) work-family conflict is a pressure that comes from work and family because of an imbalance in a person's dividing roles and fulfilling the demands of both. Conflict between work and family has many causes, work stress for example. Work stress has a strong correlation with work-family conflict. this is attributed to several factors: unsupportive family members, long working hours, hard work, excessive workloads, discrimination in the workplace, and inadequate supervisory support.

### **Influence satisfaction Work to performance employee**

Satisfaction Work influence performance employee , so If somebody like to their job \_ will try reach results good performance \_ so that can reach objective company . this \_ supported by results study Carvalho et al. (2020) which produces exists correlation positive significant to satisfaction work and performance employee . Likewise according to (Ramli 2019b) satisfaction Work correlated positive to performance employee .

### **H1: Satisfaction Work influential positive and significant to performance employee**

#### **Effect of work family conflict on satisfaction Work**

According to Sovya Melati and Rizkillah (2022) work-family conflict is not impact to satisfaction Work Because part big wife can balancing inside role \_ family and work It is supported by results research by Deng et al (2018) work-family conflict has an impact negative significant on satisfaction work . Likewise according to Asbari et al (2020) work-family conflict is correlated significant But negative with satisfaction work . Furthermore according to research .

### **H2: Work-family conflict has an effect negative and significant to satisfaction Work**

#### **Influence compensation to satisfaction Work**

Compensation given something company impact on the level satisfaction work . Satisfaction Work triggers employee For contribute more Good again , so performance the company will also increase ( Sudiardhita et al. 2018). this supported by results study Saban et al (2020) compensation have influence positive significant to satisfaction work . Likewise according to Saman's research (2020), enhancement compensation can increase satisfaction work , so influential positive and significant .

### **H3: Compensation influential positive and significant to satisfaction Work**

## **METHODS**

This study used a quantitative method by collecting data through online questionnaires for employees in the JABODETABEK area with a sample of 1 32 . This study adheres to the Structural Equation Modeling (SEM) model and data processing through SMARTPLS 4.0 software with several evaluation stages as follows:

### **1. Evaluation of the Outer Model**

## 2. Evaluation of the Inner Model

### RESULTS AND DISCUSSION

#### Outer Model Evaluation

##### *Convergent Validity*

**Table 1. Loading Factor**

	Employee performance	job satisfaction	compensation	wfc
k. j1		0.775		
k. j2		0.704		
k. j3		0.713		
k.k2	0.748			
k.k3	0.711			
k1			0.818	
k2			0.804	
wfc1				0.870
wfc2				0.744
wfc3				0.764
k. k1	0.732			

The loading factor value can meet the criteria if it is more than 0.7. In testing the data, there was an indicator deletion in K3 because the resulting value was 0.685 below 0.7. So, after re-testing the data results in table 1 it states that all indicators meet the criteria because they have a value of more than 0.7. This means that the indicator is feasible to continue in the next test.

##### *Discriminant Validity (Cross Loading)*

**Table 2. Cross Loading**

	Employee performance	job satisfaction	compensation	wfc
k. j1	0.258	0.775	0.488	0.279
k. j2	0.275	0.704	0.331	0.382
k. j3	0.327	0.713	0.391	0.406
k.k2	0.748	0.321	0.229	0.493
k.k3	0.711	0.177	0.235	0.217
k1	0.204	0.456	0.818	0.331
k2	0.327	0.442	0.804	0.271
wfc1	0.589	0.475	0.404	0.870

wfc2	0.403	0.309	0.155	0.744
wfc3	0.469	0.350	0.283	0.764
k. k1	0.732	0.319	0.252	0.558

*Discriminant validity value Cross loading* can be said to meet the criteria if the value of the variable in question exceeds the other variables. From the results of testing the data in table 3, all indicators have met the criteria because the value of the variable in question is greater than the other variables. This means that all indicators have met good criteria in compiling research variables.

### **Construct Reliability**

**Table 3. Construct Reliability**

	Average variance extracted (AVE)
Employee performance	0.534
job satisfaction	0.535
compensation	0.658
wfc	0.631

*AVE* value can be said to meet the criteria if it is more than 0.5. The results in table 2 state that all variables have met the *construct reliability criteria* because it is more than 0.5 with the resulting *AVE value* job satisfaction 0.535, employee performance 0.534, compensation 0.685 and *work family conflict* 0.631.

### **Composite Reliability**

**Table 4. Composite Reliability**

	Composite reliability (rho_c)
Employee performance	0.774
job satisfaction	0.775
compensation	0.794
wfc	0.836

*Composite Reliability* value can meet the criteria if the resulting value exceeds 0.70. From the results of testing the data in table 4, it can be stated that all variables fulfill the criteria or *are reliable* because the value generated by each variable is more than 0.70, namely job satisfaction 0.774, employee performance 0.775, compensation 0.794 and *work family conflict* 0.836.

## Evaluation of the Inner Model

### *R Square*

**Table 5. *R Square***

	R-square	R-square adjusted
employee performance	0.155	0.149
job satisfaction	0.399	0.390

The *R Square value* of job satisfaction is 0.390, meaning that job satisfaction is 39% influenced by compensation and *work family conflict*, while 61% is influenced by other factors outside the variables studied. The *R Square* value of employee performance is 0.155 meaning that employee performance is 15.5% influenced by job satisfaction, while 84.5% is influenced by other factors outside the variables studied.

### *Q<sup>2</sup> Square*

**Table 6. *Q<sup>2</sup>***

	Q <sup>2</sup> predict
k.k2	0.114
k.k3	0.053
k. k1	0.127
k. j1	0.192
k. j2	0.150
k. j3	0.199

The Q2 value can be said to show predictive relevance if the resulting value is more than 0, if the resulting value is less than 0, it indicates that the model lacks predictive relevance. From the results of testing the data in table 7, all values show predictive relevance because it is more than 0.

### *F<sup>2</sup> Square*

**Table 7. *F<sup>2</sup>***

	Employee performance	job satisfaction	compensation	wfc
Employee performance				
job satisfaction	0.184			
compensation		0.268		
wfc		0.153		



The resulting value in table 7 can be stated to meet the criteria because it is more than 0.02, that is,

1. Job Satisfaction on Employee Performance produces a value of 0.184
2. Compensation for Job Satisfaction produces a value of 0.268
3. *Work Family Conflict* on Job Satisfaction produces 0.153

### **Path Coefficients**

**Table 8. Path Coefficients**

The value of *the path coefficients* can be said to have fulfilled the criteria and the relationship between the two variables has a significant effect if the value produced by *the T statistic* is more than 1.96 and the value produced by *the P values* is less than 0.5.

	T statistics ( O/STDEV )	P values
job satisfaction -> Employee Performance	3,749	0.000
compensation -> job satisfaction	5,917	0.000
wfc -> job satisfaction	3,283	0.001

- a. H1 or the first hypothesis is accepted, because job satisfaction has a positive and significant effect with a *T statistics value* of 3,749, more than 1.96 and a P Value of 0.000, less than 0.5.
- b. H2 or the second hypothesis is accepted, because *work family conflict* has a negative and significant effect with a *T statistics value* of 3,283, more than 1.96 and a P Value of 0.000, less than 0.5.
- c. H3 or the third hypothesis is accepted, because compensation has a positive and significant effect with a *T statistics value* of 3,283, more than 1.96 and a P Value of 0.001, less than 0.5.

## **DISCUSSION**

### **Job satisfaction has a positive and significant effect on employee performance**

Based on the data test results in this study, it resulted in a positive and significant relationship between job satisfaction and employee performance for employees in the JABODETABEK area. Employees who are satisfied with their jobs will improve their performance

so that their work is better. Employee satisfaction is not only about the work they have completed, but satisfaction with the workplace environment such as good and supportive co-workers, fair bosses who can guide employees to develop their abilities and skills, and promotion opportunities given to employees. so that there is a clear career path for the future.

This is supported by previous studies which stated that there was a positive and significant influence between job satisfaction on employee performance, namely Berliana, Siregar, and Dwi Gustian (2018) stated that job satisfaction affects employee performance, so that if someone is happy with their job, they will trying to achieve good performance results to achieve company goals. Likewise, Badrianto and Ekhsan (2019) found that job satisfaction correlates positively with employee performance.

#### ***Work family conflict has a negative and significant effect on job satisfaction***

Based on the data test results in this study, it resulted in a negative and significant effect of *work-family conflict* on job satisfaction of employees in the JABODETABEK area. Employees who experience conflict between work and family tend to be less satisfied with their jobs. The demands made by the family are the main trigger for stress on employees. The stress experienced by employees has a negative impact because employees cannot maximize their performance results. So that employees are dissatisfied with what they do and what they produce. So increasing the conflict that occurs between work and family will reduce the level of job satisfaction in employees.

This is supported by previous studies which stated that work-family conflict had a negative and significant effect *on job satisfaction*. Diana, Eliyana, and Pradana (2020) stated that *work-family conflict had a negative and significant effect on relationship to job satisfaction*. Likewise with Nur, Zain, and Setiawati (2019) *work family conflict* has a negative and significant effect on job satisfaction.

#### ***Compensation has a positive and significant effect on job satisfaction***

Based on the data test results in this study, it resulted in a positive and significant influence between compensation and job satisfaction for employees in the JABODETABEK area. This states that the provision of compensation can increase job satisfaction on employees.

Compensation provided by the company is not just salary or wages. Based on the indicators selected to measure the variables in this study, providing bonuses and insurance guarantees is an important element of compensation to increase employees' job satisfaction. Employees feel satisfied with what they produce by giving bonuses as a form of company appreciation for employees. So that it becomes a trigger for employees to improve their performance to be even better. Likewise, having an insurance guarantee gives employees a sense of security, so they do not have to think about emergencies that will happen because of this insurance guarantee. The sense of security employees feel is one of the factors employees feel satisfied with their work.

This is supported by previous studies which state that compensation has a positive and significant effect on job satisfaction, namely, Saban et al. (2020) which states that compensation has a significant positive effect on job satisfaction. Likewise according to Saman (2020) Compensation has a large positive impact on employee performance. This shows that an increase in compensation can increase job satisfaction.

## CONCLUSION

Based on the research results on the data test that has been described, it can be concluded as follows:

1. Job satisfaction has a positive and significant effect on employee performance in the JABODETABEK area, so an increase in job satisfaction will improve employee performance.
2. Work family conflict has a negative and significant effect on employee performance in employees in the JABODETABEK area, so work family conflict does not affect satisfaction
3. Compensation has a positive and significant impact on employees' job satisfaction in the JABODETABEK area, so an increase in compensation will increase job satisfaction.

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