The Impact of Income Satisfaction and Workload on Employee Performance at PT. PLN (Persero) UP3 Kotabumi, UID Lampung

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Abstract

Employee performance is a critical determinant of organizational success, influenced by various factors including income satisfaction and workload. This study investigates the impact of income satisfaction and workload on employee performance at PT. PLN (Persero) UP3 Kotabumi, UID Lampung. Utilizing a quantitative research design, data were collected through structured questionnaires and interviews from a sample of 200 employees. The findings reveal that income satisfaction positively and significantly affects employee performance, while workload has a negative and significant impact. The results underscore the importance of fair compensation practices and effective workload management to enhance employee performance. These insights provide valuable implications for organizational leaders aiming to improve overall performance and employee well-being.

Keywords: Income Satisfaction, Workload, Employee Performance

Introduction

Employee performance is a crucial factor that directly influences the overall success and sustainability of any organization (Alefari et al., 2020) (Mitrea, 2021). It is widely recognized that the effectiveness and productivity of employees serve as the backbone of organizational growth, competitive advantage, and long-term profitability (Kriekhoff, 2018) (Ye, 2022). Consequently, organizations are continuously seeking innovative strategies to enhance employee performance (A. R. P. Barusman, 2019) (Shahid, 2019). Among these strategies, employee development programs, continuous training, and performance management systems are commonly emphasized (M. Y. S. Barusman, 2018)(Wu, 2023) (Adebanjo et al., 2020). However, beyond these formal strategies, other significant factors such as income satisfaction and workload play pivotal roles in shaping employee performance, yet their effects are not always fully understood or addressed in organizational settings (Tuffaha, 2020) (Mishra et al., 2019).

Income satisfaction, which refers to the degree to which employees feel that their compensation is fair and commensurate with their responsibilities, has been frequently linked to employee motivation, job satisfaction, and performance outcomes (Ali et al., 2023) (Kumari et al., 2020). Employees who perceive their income as satisfactory are more likely to exhibit higher levels of engagement, loyalty, and productivity (Syahreza et al., 2017) (Defrizal et al., 2021). Conversely, dissatisfaction with income can lead to decreased motivation, higher turnover rates, and suboptimal performance (Habiburrahman et al., 2022) (Tanjung & Wahdiniwaty, 2020). Despite its importance, the relationship between income satisfaction and employee performance remains complex and is influenced by various contextual factors (Anwar & Budi, 2018).

Workload, defined as the amount of work assigned to an employee within a specific period, is another critical determinant of performance. An optimal workload can motivate employees, challenge their abilities, and lead to high performance (Barusman & Mihdar, 2015) (Siswanto et al., 2019). However, excessive workload may lead to stress, burnout, and a decline in performance, while an insufficient workload may result in underutilization of employee potential and disengagement (Peng et al., 2021). Balancing workload is therefore essential to maintaining high performance levels, but the interplay between workload and employee performance is often contingent on individual and organizational factors, making it a challenging area for both managers and researchers to fully understand(Meirinawati et al., 2019).

The existing literature has extensively explored the individual impacts of income satisfaction and workload on employee performance across various industries and organizational contexts. However, there is a noticeable gap in research that simultaneously examines these factors within specific organizational settings, particularly in the context of PT. PLN (Persero) UP3 Kotabumi, UID Lampung. As a state-owned enterprise in Indonesia's energy sector, PT. PLN (Persero) operates under unique organizational dynamics, regulatory frameworks, and workforce challenges that may influence how income satisfaction and workload affect employee performance.

This study aims to fill this research gap by conducting an empirical investigation into the effects of income satisfaction and workload on employee performance at PT. PLN (Persero) UP3 Kotabumi, UID Lampung. By analyzing these variables within the context of this specific organization, the research seeks to provide a more nuanced understanding of how income satisfaction and workload interact and contribute to employee performance. The findings of this study will offer valuable insights for organizational leaders and policymakers at PT. PLN (Persero) and similar organizations, helping them to develop more effective strategies to enhance employee performance and overall organizational success.

Materials and Methods

This study employs a quantitative research design to examine the

relationship between income satisfaction, workload, and employee performance. A cross-sectional survey method was utilized to collect data from employees at PT. PLN (Persero) UP3 Kotabumi, UID Lampung. The data collection process involved the use of structured questionnaires and interviews. The questionnaire was carefully designed to measure three main variables: income satisfaction, workload, and employee performance. To ensure reliability and validity, the questionnaire items were adapted from validated scales found in the existing literature.

The study employed a stratified random sampling technique to select participants from various departments within the organization. This approach ensured that the sample was representative of the entire workforce. A total of 200 employees were surveyed, providing a comprehensive overview of the organization's employee dynamics. The collected data were then subjected to multiple regression analysis to test the research hypotheses. The significance of the relationships between the variables was determined using t-tests and F-tests. For data analysis, the statistical software SPSS was employed, allowing for a thorough examination of the connections between income satisfaction, workload, and employee performance.

Results and Discuussion
Descriptive Statistics
The descriptive statistics provide an overview of the key variables in this study—income satisfaction, workload, and employee performance—among the employees of PT. PLN (Persero) UP3 Kotabumi, UID Lampung. The results indicate that the majority of employees reported a moderate level of satisfaction with their income, suggesting that while they do not feel entirely dissatisfied, there is still significant room for improvement in how they perceive their compensation. Similarly, the data revealed that employees experienced a moderate level of workload, implying that while their workload is manageable, it may still impose some degree of stress or pressure. The average performance score among employees was also found to be moderate, which highlights potential opportunities for enhancing overall employee performance within the organization. These descriptive findings set the stage for a deeper exploration of the relationships between income satisfaction, workload, and employee performance.

Hypothesis Testing
The study employed multiple regression analysis to examine the impact of income satisfaction and workload on employee performance. The regression analysis results are presented in Table 1 below.

Table 1: Regression Analysis Results

Variable	Coefficient (β)	t-value	p-value
Income Satisfaction (X1)	0.45	5.67	<0.001
Workload (X2)	-0.30	-4.12	<0.001
Constant	2.50	3.45	<0.001

Source: Data Process, 2022

The coefficients, t-values, and p-values in Table 1 offer insight into the strength and significance of the relationships between the independent variables (income satisfaction and workload) and the dependent variable (employee performance). The results show that income satisfaction (X1) has a positive and statistically significant effect on employee performance ($\beta = 0.45$, $t = 5.67$, $p < 0.001$). This suggests that as employees' satisfaction with their income increases, their performance also tends to improve. This finding aligns with existing research that links higher income satisfaction to increased motivation, job satisfaction, and, consequently, better performance outcomes.

On the other hand, the analysis reveals that workload (X2) has a negative and statistically significant impact on employee performance ($\beta = -0.30$, $t = -4.12$, $p < 0.001$). This indicates that higher levels of workload are associated with a decline in employee performance. The negative coefficient suggests that as workload increases, employees may experience stress, fatigue, and burnout, which can detract from their ability to perform effectively. These results underscore the importance of managing employee workload to ensure that it remains at an optimal level that supports, rather than hinders, performance.

Interpretation of Results

The results of this study provide valuable insights into how income satisfaction and workload independently and collectively influence employee performance at PT. PLN (Persero) UP3 Kotabumi, UID Lampung. The positive and significant relationship between income satisfaction and employee performance highlights the critical role that fair and adequate compensation plays in motivating employees and enhancing their performance. Employees who perceive their income as fair and reflective of their contributions are more likely to be motivated, engaged, and committed to achieving organizational goals. This finding suggests that organizations should prioritize the development of compensation policies that are transparent, competitive, and aligned with employee expectations to foster higher levels of performance.

Conversely, the negative impact of workload on employee performance underscores the detrimental effects that excessive or poorly managed workload can have on employees. High workloads can lead to increased stress, burnout, and a sense of being overwhelmed, all of which can significantly impair an employee's ability to perform at their best. This finding emphasizes the need for organizations to implement effective workload management strategies, such as task delegation, flexible work arrangements, and employee support programs, to maintain a healthy work-life balance and sustain high levels of performance.

Discussion

The simultaneous examination of income satisfaction and workload in this study provides a more comprehensive understanding of their combined effects on employee performance. By considering these factors together, the research offers a

more holistic view of the challenges and opportunities that organizations face in optimizing employee performance. The positive impact of income satisfaction reinforces the importance of fair and transparent compensation systems as a key driver of employee performance. This finding suggests that organizations like PT. PLN (Persero) should regularly review and adjust their compensation policies to ensure they remain competitive and aligned with industry standards.

On the other hand, the negative impact of workload on employee performance highlights the critical need for effective workload management. Organizations must recognize that while workload can serve as a motivator when it is manageable, excessive workloads can have the opposite effect, leading to decreased performance and increased turnover. To address this issue, organizations should consider implementing strategies such as workload distribution, time management training, and employee wellness programs to help employees manage their workloads more effectively and maintain high performance levels.

The findings of this study contribute to the existing literature by providing empirical evidence from the specific organizational context of PT. PLN (Persero) UP3 Kotabumi, UID Lampung. This context-specific insight enhances the generalizability of the results and offers practical implications for managers and policymakers within PT. PLN (Persero) and similar organizations. By understanding the dynamics between income satisfaction, workload, and employee performance, organizational leaders can make more informed decisions that promote employee well-being and drive organizational success.

Conclusion

This study explored the relationships between income satisfaction, workload, and employee performance within the context of PT. PLN (Persero) UP3 Kotabumi, UID Lampung. The findings revealed that income satisfaction has a positive and significant impact on employee performance, highlighting the importance of fair and competitive compensation in motivating employees and enhancing their productivity. Conversely, the study also found that workload negatively affects employee performance, indicating that excessive or poorly managed workloads can lead to stress and burnout, ultimately impairing performance.

These results underscore the critical role that both income satisfaction and workload management play in shaping employee performance. For organizations like PT. PLN (Persero), it is essential to develop and implement strategies that ensure fair compensation and effectively manage workload to optimize employee well-being and performance. By addressing these factors, organizations can foster a more motivated, engaged, and productive workforce, contributing to their overall success and sustainability.

The study contributes to the existing body of literature by providing empirical evidence from a specific organizational setting, enhancing the generalizability of the findings. It also offers practical insights for managers and

policymakers, emphasizing the need for a balanced approach to compensation and workload management to maintain high levels of employee performance. Future research could further explore these relationships in different organizational contexts or investigate additional variables that may influence the dynamics between income satisfaction, workload, and employee performance.

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