

The Effect of Interpersonal Communication and Compensation on Employee Performance at PT Family Sejati Abadi, Bandung Regency

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Abstract

The textile industry in Bandung Regency plays a strategic role in supporting the regional economy through employment absorption and export contribution. However, intense competition among textile companies demands continuous improvement in employee performance. PT. Family Sejati Abadi, as one of the textile companies in the region, has experienced a decline in performance over the past five years, reflected in reduced productivity and work quality. This decline is suspected to be influenced by poor interpersonal communication and an unbalanced compensation system that does not fully reflect employee contributions. This study aims to determine the effect of interpersonal communication and compensation on employee performance at PT. Eternal True Family. The research method used is descriptive and verification with a quantitative approach. Data were collected through questionnaires distributed via Google Forms, with responses measured using a Likert scale. Sampling was conducted using a non-probability sampling technique with the Slovin formula to determine the number of respondents. Data analysis included validity and reliability testing, path analysis, and hypothesis testing using SPSS version 25 software. The results show that interpersonal communication and compensation have a significant effect on employee performance, both partially and simultaneously. Effective communication between leaders and employees fosters better understanding and coordination, while fair compensation increases motivation, job satisfaction, and commitment. Therefore, companies need to strengthen two-way communication and ensure equitable compensation systems to optimize employee performance and maintain competitiveness within the dynamic textile industry environment. The findings of this research are expected to serve as a reference for management in formulating policies related to human resource development. Future research could explore other factors such as leadership style, work environment, or organizational culture that may also influence employee performance in the textile industry context.

Keywords: *Interpersonal communication, compensation, employee performance, Textile Industry*

1. Introduction

Textile industry is one of the sector strategic role big in economy national Because its dense nature work oriented exports, as well as capable create field work and produce foreign exchange. This sector No only become bone back for industry manufacturing national, but also plays a role important in support growth economy area and improve welfare community. Bandung Regency is one of the center main growth industry textiles in Indonesia, especially in the Majalaya, Rancaekek, and Dayeuhkolot regions, which are known as area with concentration company textiles the largest in West Java. The existence of industry textiles in the area This has give contribution significant to absorption power work and improvement income public around. However Thus, the potential big owned sector this is also accompanied by with increasing challenges complex. Competition growing business tight, good from company domestically and internationally from abroad, demanding every

company For Keep going increase efficiency , innovation , and quality products to be able to endure in a dynamic global market . Intense competition also demands company For own source Power performing human beings high , committed , and adaptive to change . In the context this , performance employee become factor the key to success success company in reach objective term length .

Optimal employee performance does not only determined by ability technical , but also by various factor organization like communication inter-employee , system compensation , environment work , leadership , and motivation work . One of the factors that are often overlooked However own influence big to performance is interpersonal communication . Effective communication between leaders and employees allows formation connection harmonious work , delivery clear information , as well as solution more problems fast . On the other hand , poor communication can cause misunderstandings , lowering work morale , even cause internal conflict that has an impact negative to productivity . In addition to interpersonal communication , other factors compensation also plays a role important in determine performance employee compensation is form awards given organization to employee on contribution they to achievement objective company . Form compensation can in the form of salary , allowances , bonuses, and non- financial awards like recognition , opportunity career and environment conducive work environment . When employees feel that the compensation they receive accept in accordance with burden work and contributions given , then they tend own level greater motivation and loyalty high . On the other hand , the system compensation that is not fair can cause dissatisfaction , reduce motivation , and ultimately impact negative to performance .

PT. Family Sejati Abadi, as one of the company textiles operating in Bandung Regency , become example real from challenges faced industry this . In five years lastly , the company experience decline visible performance from decline productivity , increasing level absence , as well as decline satisfaction Work employees . Observation results beginning show that one of reason main decline performance the is not enough effectiveness communication between leaders and subordinates , as well as system compensation that has not been capable give justice and satisfaction for employees . Situation This become attention important for management , because performance employee is asset main in guard sustainability business and power competition company . For face problem said , the company need understand How factor interpersonal communication and compensation can influence performance employee in a way empirical . Therefore that , research This done with objective For analyze influence interpersonal communication and compensation to performance employees at PT. Family Sejati Abadi. The approach used in study This is descriptive and verifiable with method quantitative , which allows researchers For describe condition current as well as test connection causal between variables studied .

Data collection was carried out through distribution questionnaire online using Google Form , with measurement use Likert scale for evaluate perception respondents to communication , compensation , and performance . Decision-making techniques sample use non-probability sampling method with Slovin's formula for determine amount representative respondents from population employees in the company the . Collected data Then analyzed using SPSS version 25, including validity and reliability tests instruments , analysis path analysis , and hypothesis testing For know influence partial and simultaneous between variables free and variable bound . Research results show that interpersonal communication and compensation influential significant to performance employees , good in a way partial and Simultaneous . Open and two - way communication between leaders and employees proven increase understanding to task , speed up settlement problems , and strengthen the sense of togetherness in team. On the other hand , the system fair and transparent compensation give encouragement for employee For Work more active , improving loyalty , as well as lower level rotation power work (*turnover*) .

Findings This confirm that success company No only determined by aspects technological and managerial , but also by how company manage aspect social and psychological in connection work . In the context of industry competitive textiles , building effective communication and providing adequate compensation is an important strategy For create environment productive and sustainable work . Companies need to create culture open communication , where everyone employee own chance For convey ideas, input , and complaint without fear . In addition , the system compensation must designed based on principle fairness , performance , and transparency , so that can fostering

trust and attachment emotional towards the Company. In practical , results study This give implications for management of PT. Family Sejati Abadi and the company textiles others in Bandung Regency to be more notice aspect communication and compensation as an integral part of the improvement strategy performance . Leadership company expected No only focused on results work , but also in the process of interaction social issues that occur in the environment work . Efforts such as training communication interpersonal , coaching participatory leadership , and review return structure compensation need done in a way sustainable For guard balance between interest company and welfare employees . In addition , research this also opens opportunity for study furthermore For study other factors that can influence performance employees , such as motivation , leadership transformational , culture organization , or environment Work physical . With understand various determinant performance in a way comprehensive , company can develop policy source Power more human holistic and adaptive to change dynamics industry . With thus , it can concluded that in face competition industry increasingly textiles strict , company must put man as asset main thing that is needed developed in a way sustainable . Effective interpersonal communication and systems fair compensation No only increase performance individual , but also creates harmony organization that becomes base for growth and power competition term long .

In the context of human resource management, employee performance is a key determinant of organizational success. Optimal performance is not only related to technical skills but also influenced by non-technical factors such as interpersonal communication patterns and the company's compensation policies. Effective interpersonal communication is the foundation for creating harmonious working relationships between leaders and employees. Conversely, intransparent and unbalanced communication often leads to misunderstandings, lowers motivation, and impacts productivity. On the other hand, a fair compensation system that aligns with employee contributions is a key driver of employee morale, loyalty, and satisfaction with the company . aspect non-technical who have influence big to performance is pattern interpersonal communication in the environment work . Effective interpersonal communication become runway formation connection harmonious work between leaders and subordinates , as well as between fellow colleague work . Through open , two- way , and mutual communication appreciate , every individual in organization can understand duties , responsibilities answer , and objective together with more good . Good communication also allows settlement conflict in a way constructive and encouraging collaboration a more solid team . On the other hand , closed communication does not transparent , and not balanced often cause misunderstanding , lowering Spirit work , and hinder current required information For taking decision . As a result , things This can lead to a decline productivity and performance organization in a way overall . On the other hand , the factor compensation also has role strategic in push improvement performance employees . Fair , transparent , and appropriate compensation with contribution employee No only functioning as reward on results work , but also become form confession organization to values and dedication individual . System good compensation capable foster a sense of justice , improve loyalty , as well as grow satisfaction work that ultimately strengthen commitment employee to organization . On the other hand , injustice in giving compensation can triggers frustration , lowers motivation , and improve risk *turnover* employees . Therefore that , synergy between effective interpersonal communication and systems proper compensation become key main in create performance optimal and sustainable employees .

PT. Family Sejati Abadi is a private company engaged in the textile industry and has been operating for quite some time in the Bandung Regency area. This company focuses on the production of various types of functional textile materials such as mosquito nets, netting, gauze, paranet, and polynet, which are used for household and industrial needs. With the support of continuously developing production technology, PT. Family Sejati Abadi has a competitive advantage in terms of raw material innovation and the ability to adapt products to market needs. However, amidst increasingly fierce competition in the textile industry and increasing consumer demands, the company faces serious challenges in the human resources aspect, particularly related to declining employee performance. Several indicators such as declining productivity, delays in work completion, and weak coordination between departments indicate the need for an evaluation of internal factors, especially in terms of interpersonal communication and the compensation system implemented within the company environment.

Table 1. Employee performance is seen from the production results

of PT. Family Sejati Abadi in 2020-2024.

No	Year	Target	Realization	Category
1	2020	1500 Ton	1420 Ton	Very good
2	2021	1500 Ton	1302 Ton	Good
3	2022	1500 Ton	1298 Ton	Enough
4	2023	1500 Ton	1199 Ton	Not enough
5	2024	1500 Ton	1200 Ton	Not enough

Source: Staff of PT. Family Sejati Abadi (2025)

In recent years, the company has faced challenges in consistently meeting production targets. Initial observations indicate employee complaints regarding ineffective communication between management and subordinates, as well as dissatisfaction with the compensation system, which is perceived as inadequate for the workload. This has resulted in decreased morale, increased absenteeism, and low productivity, which directly impact the company's competitiveness in the market. The show that aspect interpersonal communication and compensation own role important in create performance optimal employees. Communication that is not effective between leaders and subordinates can cause misunderstanding, reducing mutual respect believe, and hinder coordination in implementation task. As a result, the work process become No efficient and objective organization difficult achieved. On the other hand, dissatisfaction to system compensation that is considered No fair or No in accordance with contribution Work cause feeling No appreciated among employees. This is can trigger decline motivation, loyalty, and commitment to company.

If condition the left alone protracted, company potential experience decline performance in a way comprehensive, good from aspect productivity, quality products, as well as stability power work. Therefore that, is necessary evaluation comprehensive to pattern communication implemented by the leadership as well as system applicable compensation to suit with needs and expectations employees. Improvement efforts in two aspects the expected capable increase Spirit work, strengthen connection between individuals in the environment work, and create culture conducive organization for improvement performance company in a way sustainable. Furthermore, companies need to establish a two-way feedback mechanism that allows employees to express their aspirations, ideas, or complaints openly without fear. Through transparent and participatory communication, leaders can gain a deeper understanding of the issues faced by employees, enabling more targeted policies. Furthermore, a review of the compensation system must consider both internal and external equity, ensuring that employees feel their rewards are commensurate with their contributions. When these two factors are aligned, a harmonious, productive work environment is created, oriented toward achieving shared goals.

Formulation of the problem :

1. How is interpersonal communication at PT Family Sejati Abadi?
2. How is the compensation at PT Family Sejati Abadi?
3. How is the performance of employees at PT Family Sejati Abadi?
4. How big is the influence of interpersonal communication and compensation on employee performance at PT. Family Sejati Abadi?

Research purposes :

Based on the identification and formulation of the problems mentioned, the author intends to carry out this research with the aim of knowing and studying:

1. Interpersonal communication at PT Family Sejati Abadi.
2. Compensation at PT Family Sejati Abadi.
3. Employee performance at PT Family Sejati Abadi.
4. The magnitude of the influence of interpersonal communication and Compensation for employee performance at PT. Family Sejati Abadi.

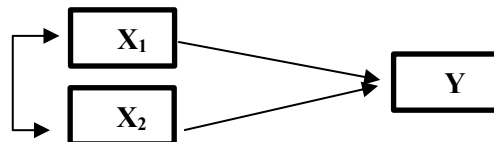
Theoretically, this research is relevant to the human resource management theories proposed by Hasibuan (2016), Mangkunegara (2017), and DeVito (2018), which emphasize that organizational success is determined not only by the availability of capital and technology, but also by the management of human factors. Effective interpersonal communication is believed to strengthen team coordination and collaboration, while fair compensation is one of the main instruments in

motivating employees. Thus, this research contributes to the enrichment of the literature related to performance management and provides practical recommendations for companies in formulating better HR management strategies.

2. Method

2.1 Research design

This research uses descriptive and verification methods with a quantitative approach.



Information:

Y = Dependent variable: Employee Performance

X₁ = Independent variable: Communication Interpersonal

X₂ = Independent variable: Compensation

2.2 Population and Sample Population

According to Sugiyono (2021), a population can be defined as a generalized area encompassing objects or subjects with specific characteristics and qualities determined by the researcher for analysis and conclusions. In this study, the population was 188 employees of PT. Family Sejati Abadi. The sampling method used in this study was *non-probability sampling*, where not all members of the population had an equal opportunity to be selected as a sample. The criteria for respondents who would be sampled in this study were employees at PT. Family Sejati Abadi, Bandung Regency. In this study, this, the population that becomes object study is all over employees who work at PT. Family Sejati Abadi, a company private sector operating in the field industry textiles and is located in Bandung Regency. Based on company data year lastly, the number overall employee reached 188 people, consisting of on various divisions such as part production, warehouse, administration, marketing, to part finance. All employee the play a role important in support production and operational processes company, so that made into as population Because they own relevant characteristics with the variables studied, namely interpersonal communication, compensation, and performance employee.

Population, according to Sugiyono (2019), is a generalization area consisting of on object or subjects who have quality and characteristics certain conditions determined by researchers For studied and then withdrawn in conclusion. With Thus, the population in study This covers all over individuals who become part from system PT. Family Sejati Abadi organization, both those involved direct in the production process and those who support activity administrative. Determination all over employee as population based on considerations that every individuals within organization own contribution to performance company in a way overall and potential influenced by factors communication as well as compensation. However thus, considering amount sufficient population big as well as limitations time, cost, and resources Power research, then researchers No Possible do data collection on all over population in a way comprehensive. Therefore that, done election a number of individuals who are considered can represent population mentioned, which is called sample. According to Arikunto (2014), if amount population more out of 100 people, then researchers can take between 10% to 25% of amount population as samples considered representative, depending on the extent of the research area and the level of homogeneity characteristics population.

In research this technique taking samples used is non-probability sampling, namely something method taking samples where not all member population own equal opportunity For selected become respondents. Selection technique This based on considerations practical, especially Because researchers more focus collecting data on individuals who are considered to understand

best internal company conditions as well as relevant with the problem being studied. Non-probability sampling is often used in study social and management Because allows researchers For choose respondents in a way more selective based on criteria certain appropriate with objective research. According to Sugiyono (2020), non-probability sampling has a number of forms, including *purposive sampling*, *accidental sampling*, and *quota sampling*. In the context of study this, the approach used is purposive sampling, namely election sample based on considerations and criteria certain that have been set previously by researchers. Criteria the made For ensure that respondents truly own relevant knowledge, experience and involvement to variables research. Criteria main respondents in study This is employee still and contracts working at PT. Family Sejati Abadi, both in positions as staff, production operators, and part administration which is direct and No direct involved in the work process company. Selected respondents must have a minimum work period of one year year, with consideration that employees who have Work in range time the has understand pattern communication in the environment company, system applicable compensation, as well as dynamics connection Work between employees. In addition, they are also considered has own enough experience For assess and provide response in a way objective to condition organization.

The author determined the sample size in this study using the Slovin formula, which aims to measure a representative sample size from a population. The Slovin formula is written as follows:

$$n = \frac{N}{(1 + N(e^2))}$$

Where:

n = sample size

N = population size

e = error rate

In this study, the population consisted of 188 employees of PT. Family Sejati Abadi, with a specified error rate of 10% (0.1). Therefore, the number of samples needed to represent the population is now calculated as:

$$\begin{aligned} n &= \frac{188}{(1 + 188(0.1^2))} \\ n &= \frac{188}{2,88} = 65,27 \\ n &= 66 \end{aligned}$$

From the calculations using the Slovin formula above, it can be concluded that the minimum number of samples to be used in this study is 66.

2.3 Data collection technique

Data collection techniques are intended to obtain relevant, accurate, and reliable information. Data collection techniques are carried out through library research and field research, consisting of observation, interviews, and questionnaires. Data collection techniques are step important in something research, because from this process researchers get relevant, accurate, and accessible information trusted (*reliable*) for answer formulation problems and testing hypothesis that has been set. Collected data must reflect condition actually in the field as well as in accordance with objective research, so that results analysis obtained can accountable in a way scientific. In research about influence interpersonal communication and compensation to performance employee at PT. Family Sejati Abadi, researcher using two types technique data collection, namely study library research and research field (Field Research).

1. Study Library Research

Study literature done with method learn various source relevant written with topic research. The goal is For get runway strong theoretical and conceptual as reference in compile framework thinking and instruments research. Data sources used can in the form of book text, journal scientific, report study previous, thesis, dissertation, and document related official with management source Power human, communication organization, compensation, and performance employees. Through study library, researchers can understand supporting theories variables study as well as identify results findings from study relevant previous ones. With Thus, the activities This help researchers in compile

instrument data collection , especially in formulation indicator variables and arrangement grains questions on the questionnaire .

2. Study Field Research

Study field is activity direct data collection from object of research For get description real about condition empirical research at PT. Family Sejati Abadi. In this research this method study field done through three way , namely observation , interviews , and dissemination questionnaire .

a. Observation (Observation)

Observation done with method observe in a way direct activity work in the environment companies , including interaction inter-employee , pattern communication between leaders and subordinates , as well as atmosphere work that occurs on site production and part administration . Observation objectives This is For obtain descriptive data that describes situation real , and For confirm whether observed behavior and dynamics in accordance with results of collected questionnaire data .

b. Interview

Interview done with a number of the party considered own understanding deep about condition organizations , such as head sections , supervisors, and staff HRD. Interview This semi- structured , where researchers has prepare a list of questions main However still give room for respondents For explain more wide in accordance with experience and views they . Purpose of the interview is For dig more information deep related implementation communication in the environment work , system applicable compensation , as well as constraints that influence performance employee .

c. Questionnaire

Questionnaire technique used as method main quantitative data collection in study this . Instrument questionnaire arranged based on indicator from every variables research , namely interpersonal communication , compensation , and performance employees , with use Likert scale as tool measure . This scale allows respondents give level evaluation to every statement , start from strongly agree to very much not agree . Questionnaire distributed to respondents who have determined previously through purposive sampling technique . In research this , questionnaire shared in a way direct and through online media using Google Forms to simplify the data collection process.

3. Result and Discussion

The influence of interpersonal communication and compensation, both simultaneously and partially, on employee performance at PT. Family Sejati Abadi.

Table 2. Correlation matrix between variables

		Correlations		
		Employee performance	Interpersonal Communication	Compensation
Pearson Correlation	Employee performance	1,000	0.775	0.692
	Interpersonal Communication	0.775	1,000	0.744
	Compensation	0.692	0.744	1,000
Sig. (1-tailed)	Employee performance		0,000	0,000
	Interpersonal Communication	0,000		0,000
	Compensation	0,000	0,000	
N	Employee performance	66	66	66
	Interpersonal Communication	66	66	66

	Compensation	66	66	66
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Source: Processed by researchers, 2025

Based on the following table, it is a correlation matrix between variables which shows the magnitude of the positive relationship between both dependent and independent variables.

Table 3. Results of simultaneous testing of X1 and X2 against Y

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1545,938	2	772,969	53,813	.000 ^b
	Residual	904,925	63	14,364		
	Total	2450,864	65			
a. Dependent Variable: Employee Performance						
b. Predictors: (Constant), Compensation, Interpersonal Communication						

Source: Processed by researchers, 2025

From the table above, it can be seen that the calculated F value is $53.813 > F_{\text{table}}$ of 3.14 with a sig level of $0.000 < 0.05$, so it can be concluded that the results of the simultaneous test are proven or significant.

Table 4. Coefficients Table

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9,320	2,134		4,367	0,000
	Interpersonal Communication	0.646	0.127	0.584	5,098	0,000
	Compensation	0.496	0.220	0.258	2,252	0.028
a. Dependent Variable: Employee Performance						

Source: Processed by researchers, 2025

As in the table above, it can be seen that interpersonal communication dominantly influences employee performance with a path coefficient of 0.584 with a calculated T of 5.098 with a T table value at a significance level of 0.05 so that the T table is 1.669 and both variables are proven to influence employee performance. As seen in the image below:

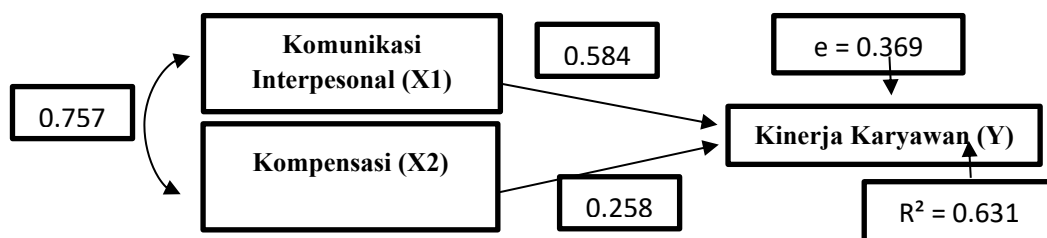


Figure 1. Causal Diagram Between Interpersonal Communication (X1), Compensation (X2) and Employee Performance (Y)

Table 5. Direct and Indirect Effects of Interpersonal Communication on Employee Performance

Variables	Interpretation of Path Analysis	Calculation	The magnitude of the influence
Interpersonal communication	Direct influence	0.584 ²	0.341056
	Indirect influence	0.584 x 0.258 x 0.744	0.112099
Total influence			0.453155

Source: Processed by researchers, 2025

From the table above, it can be seen that the contribution of interpersonal communication to employee performance directly is 0.341056 or 34.1% with a calculated T coefficient of 5.098, while for the T_{table} value at a significance level of 0.05, so that the T_{table} is 1.669, because the calculated T value > T_{table} and indirectly through the compensation variable is 0.112099 or 11.2%. While the contribution of interpersonal communication to employee performance as a whole reaches 45.31%, it can be concluded that interpersonal communication has a significant direct effect on employee performance.

Table 6. Direct and Indirect Effects of Compensation on Employee Performance

Variables	Interpretation of Path Analysis	Calculation	The magnitude of the influence
Compensation	Direct influence	0.258 ²	0.066564
	Indirect influence	0.584 x 0.258 x 0.744	0.112099
Total influence			0.178663

Source: Processed by researchers, 2025

From the table above, it can be seen that the contribution of compensation to employee performance directly is 0.066564 or 6.65% with a calculated T coefficient of 0.258, while for the T_{table} value at a significance level of 0.05, so that the T_{table} is 1.669, because the calculated T value > T_{table} and indirectly through the interpersonal communication variable of 0.112099 or 11.2%. While the contribution of interpersonal communication to employee performance as a whole reaches 17.86%, it can be concluded that significant compensation has a direct effect on employee performance.

Table 7. Model Summary Table

Model Summary				
Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	.794 ^a	0.631	0.619	3.78997
a. Predictors: (Constant), Compensation, Interpersonal Communication				

Source: Processed by researchers, 2025

Table The Influence of Variables X1 and X2 on Y and Influences Outside of Variables X1 and X2

	Path coefficient	Direct influence	Indirect influence		Subtotal influence
			X1	X2	
Interpersonal communication (X1)	0.584	0.341056	-	0.112099	0.453155
Compensation (X2)	0.258	0.066564	0.112099	-	0.178663
Total influence					0.631

The influence of other variables (<i>e</i>)	0.369
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Source: Processed by researchers, 2025

The test results show that interpersonal communication and compensation influence employee performance at PT. Family Sejati Abadi, Bandung Regency, by 63.1%, while the remaining 36.9% is influenced by other factors not examined by the author. However, when viewed partially, interpersonal communication has a dominant influence on employee performance rather than compensation.

Interpersonal Communication Influences Employee Performance

Based on the results of data processing using SPSS 25, it shows that the influence of interpersonal communication on employee performance at PT. Family Sejati Abadi, Bandung Regency has a positive effect with a value of 0.584 and the results of the t-test obtained a calculated t_{count} of 5.098, the level of significance ($\alpha = 0.05$) for a two-tailed test, df or dk = number of observation data - variable = $66 - 2 = 64$ so that the t_{table} is 1.669. This shows that the $\text{calculated } t\text{-value} \geq t_{\text{table}}$. It can be concluded that H_0 is rejected and H_1 is accepted, meaning that it is proven that there is a significant influence between Interpersonal Communication (X_1) and Employee Performance (Y) partially.

Interpersonal communication influences employee performance at PT. Family Sejati Abadi because effective communication contributes to creating a supportive work environment, where employees feel heard, appreciated, and receive the information they need to perform well. This study, in line with previous research by (Fauzobihi & Saadah, 2022), shows that interpersonal communication has a positive and significant effect on employee performance. These results are relevant to the findings of this ongoing study.

Compensation affects employee performance

Based on the results of data processing using SPSS 25, it shows that the effect of compensation on employee performance shows a positive effect with a value of 0.258 and a $\text{calculated } t_{\text{result}}$ of 2.252, the level of significance ($\alpha = 0.05$) for a two-tailed test, df or dk = number of observation data - variable = $66 - 2 = 64$ so that the t_{table} is 1.669. This shows that the $\text{calculated } t\text{ value} \geq t_{\text{table}}$ so it can be concluded that H_0 is rejected H_1 is accepted. This means that the compensation variable has an influence on employee performance at PT. Family Sejati Abadi, Bandung Regency. However, based on the significance level of 0.028 and the probability value of 0.05. This shows that the t test value < 0.05 so it can be concluded that H_0 is rejected and H_1 is accepted. This means that there is a significant influence between compensation (X_2) on the Employee Performance Variable (Y).

According to (Krisna et al., 2019), compensation is the overall arrangement of rewards for employees and managers, both financial and in-kind, received by each employee. Compensation is a factor that directly or indirectly influences employee performance. Therefore, the provision of compensation to employees deserves special attention from agency management to maintain employee motivation and improve employee performance.

Fair and competitive compensation can increase employee satisfaction with their jobs. Employees who are satisfied with their compensation tend to have a more positive attitude towards their jobs, feel valued by the company, and are more motivated to achieve performance targets. This satisfaction also fosters loyalty, which makes employees more focused on achieving better results. This research aligns with research conducted by (Ikhasan & Irmawati, 2024) which states that compensation has a positive and significant effect on employee performance. Compensation is arrangement overall about giving reply service to employees and managers, both in the form of reward financial and non-financial like goods and services received by each employee compensation has an important meaning in system management source Power humans, because be one of factor main thing that can influence tall low performance employees. In modern organizations, compensation No only seen as form award on contribution work, but also as a strategy for build commitment, improve motivation, and maintaining qualified employees to remain is at in company. Therefore that, the system compensation need designed in a way fair, transparent and competitive in order to be able to create balance between interest company and needs employee

Compensation provided company can differentiated into two types main, namely compensation financial and compensation non-financial. Compensation financial covers wages principal, allowances, bonuses, incentives and facilities welfare others who have mark monetary directly. Meanwhile that, compensation non-financial covering non-material awards such as confession on achievement, opportunity development career, environment comfortable work, as well as connection good job between leaders and subordinates. Both own role each other complete in motivating employee For Work more optimal. As example, although a employee accept sufficient salary high, if He feel No get award or chance develop, then satisfaction his work Can decline, which ultimately impact to productivity. According to theory Maslow's needs, adequate compensation can help fulfil various levels need individual, starting from need physiological until actualization themselves. Employees who receive wages Enough will can fulfil need base like food and place stay. However, when need base has fulfilled, factors compensation non-financial like recognition, a sense of appreciation, and opportunity development self become more dominant in push performance. With Thus, the system good compensation must capable accommodate various need so that it can create satisfaction and loyalty Work.

Compensation is also closely related relation with theory justice (equity theory) put forward by Adams. In theory This explained that employee will feel motivated if they feel existence justice between the contributions they make give and the rewards they receive accept compared to with colleague Work others. If the employee feel that they get compensation that is not worth it with burden Work or not quite enough the responsibility that is carried, then will arise feeling No potential fairness lower motivation work and performance in a way overall. Therefore that, the company must always ensure that system compensation applied can reflect justice, good internally between positions and in a way external with compare standard industry similar.

In practice, many company Still face constraint in determine structure effective compensation. Some of them Not yet own system evaluation clear position, so that distribution wages or allowance No reflect not quite enough answer job. In addition, the differences are too big between wages employee new and old employees, or between staff and managers, can cause jealousy disturbing social harmony connection work. Conditions like This can impact negative on climate organization and lower motivation work. Therefore, management must apply policy transparent compensation, based on achievements, as well as in a way periodically do evaluation to level satisfaction employee to system existing rewards.

Effective compensation No only functioning as tool motivation, but also be a retention strategy employees. In the labor market conditions increasing work competitive, company need give attractive compensation for employees potential No move to other companies. Thus, offering attractive and competitive compensation can foster satisfaction and loyalty to the company. Employees who feel valued through a fair compensation system tend to stay longer, work with high enthusiasm, and are committed to contributing maximally to achieving organizational goals.

Interpersonal Communication and Compensation Influence Employee Performance

The results of statistical testing using SPSS 25 F test results obtained the calculation $F_{hitung} = 53.813$, significant level ($\alpha = 0.05$) with dfl as the numerator ($N1 = k - 1$ ($2 - 1 = 1$)) for the denominator ($N2 = n - k$ ($66 - 2 = 64$)). So that it is obtained $F_{tabel} = 3.14$. This shows $F_{hitung} > F_{tabel}$, ($53.813 > 3.14$) then H_0 is rejected and H_1 is accepted, meaning that there is a significant influence between interpersonal communication and compensation. Based on the results of the statistical test, it can be concluded that interpersonal communication and compensation have a significant influence simultaneously on employee performance at PT. Family Sejati Abadi, Bandung Regency. This research is in line with previous research conducted by (Syahputra Jaya, 2024) that interpersonal communication and compensation have an effect on employee performance, this is evidenced by the calculated F value of $53.813 > F_{table} 3.29$ and the F sig value of $0.000 < 0.05$.

4. Conclusion

Based on the research that has been conducted regarding "The Influence of Interpersonal Communication and Compensation on Employee Performance at PT. Family Sejati Abadi, Bandung

Regency". This research was conducted to determine how far big influence communication interpersonal And compensation to Employee performance at PT. Family Sejati Abadi, Bandung Regency. Therefore, based on the answers to the problem formulation, analysis results, and discussion, the following conclusions can be drawn:

- a. Interpersonal communication influences employee performance at PT. Family Sejati Abadi, Bandung Regency. These results align with DeVito's (2018) opinion, which emphasizes that interpersonal communication characterized by openness, empathy, a positive attitude, and equality can strengthen work relationships, enhance cooperation, and create a productive work environment. Effective communication makes it easier for employees to understand instructions, fosters a sense of community, and motivates them to improve their performance.
- b. Compensation influences employee performance at PT. Family Sejati Abadi, Bandung Regency . Findings This support view Hasibuan (2016) that compensation is reply services provided company to employee on contribution they . Fair and appropriate compensation can push satisfaction work , maintain motivation , as well as increase discipline work . This is also in line with Edison (2019) who emphasized that compensation functioning as tool allocation source power and motivation employees so that their performance is optimal.
- c. Interpersonal communication and compensation simultaneously influence employee performance at PT. Family Sejati Abadi, Bandung Regency. These results reinforce Mangkunegara's (2017) view that performance is a result of work influenced by ability, motivation, and job opportunities. The combination of good interpersonal communication and appropriate compensation can create a conducive work climate, increase work enthusiasm, and produce optimal employee performance to support the company's competitiveness.

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