

The Effect of Training and Compensation on Employee Performance in MSMEs (Food and Beverage Sector in Kebomas District)

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ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh pelatihan dan kompensasi terhadap kinerja karyawan pada UMKM sektor makanan dan minuman di Kecamatan Kebomas. Dalam menghadapi persaingan usaha, peningkatan kualitas sumber daya manusia menjadi hal penting untuk mencapai kinerja optimal. Penelitian ini menggunakan pendekatan kuantitatif asosiatif dengan data primer yang diperoleh melalui kuesioner kepada 149 responden yang dipilih menggunakan teknik purposive sampling. Analisis data dilakukan dengan regresi linier berganda menggunakan SPSS melalui uji validitas, reliabilitas, asumsi klasik, uji t, uji F, dan koefisien determinasi. Hasil penelitian menunjukkan bahwa pelatihan dan kompensasi berpengaruh positif dan signifikan terhadap kinerja karyawan, baik secara parsial maupun simultan. Hal ini menunjukkan bahwa peningkatan kualitas pelatihan serta pemberian kompensasi yang adil mampu meningkatkan kinerja karyawan. Penelitian ini terbatas pada variabel dan objek tertentu sehingga disarankan penelitian selanjutnya memperluas cakupan agar hasil lebih komprehensif.

Kata Kunci: Pelatihan, Kompensasi, Kinerja Karyawan, UMKM.

ABSTRACT

This study aims to analyze the effect of training and compensation on employee performance in MSMEs in the food and beverage sector in Kebomas District. In facing business competition, improving the quality of human resources is crucial to achieve optimal performance. This study uses an associative quantitative approach with primary data obtained through questionnaires to 149 respondents selected using a purposive sampling technique. Data analysis was performed using multiple linear regression using SPSS through validity, reliability, classical assumptions, t-test, F-test, and coefficient of determination tests. The results show that training and compensation have a positive and significant effect on employee performance, both partially and simultaneously. This indicates that improving the quality of training and providing fair compensation can improve employee performance. This study is limited to certain variables and objects, so it is recommended that further research expand the scope for more comprehensive results.

Keywords: Training, Compensation, Employee Performance, MSMEs.

INTRODUCTION

Human resources (HR) are a key factor in determining organizational success, as the quality of HR is more influential than technology in achieving goals, especially in the era of globalization that demands competence and adaptive capabilities (Hasibuan, 2021). On the other hand, the Indonesian economy exhibits dynamic growth influenced by various

sectors, such as industry, trade, and services, which contribute to GDP. Data from the Central Statistics Agency (2022–2024) shows that economic growth fluctuates due to global factors, government policies, investment, and public purchasing power, reflecting the challenges and efforts to maintain stability and sustainable economic development.

The Central Statistics Agency (BPS) released a release showing Indonesia's economic growth trend, which has tended to decline but has remained above 5% for the past three years. In 2022, growth reached 5.31% as a result of post-pandemic recovery, then declined to 5.04% in 2023 due to global pressures such as inflation and the economic slowdown in trading partners. It remained relatively stable at 5.03% in 2024, reflecting national economic resilience through domestic consumption and the role of the productive sector. Overall, this condition demonstrates economic stability despite external dynamics, with a significant contribution from the MSME sector, which contributes around 61% to GDP and absorbs more than 117 million workers, according to data from the Central Statistics Agency and the Ministry of Cooperatives and SMEs (2024).

MSMEs act as the backbone of the economy, driving growth and equitable distribution of prosperity, with employee performance as a key factor in business success that needs to be supported through fair training and compensation.

Previous studies have discussed the importance of training and its positive impact on performance and other outputs in companies, such as Sukaris, (2018), Hidayati et al (2023), Aripriyanto, (2021), Firdaus, & Sukaris, (2022), Sukaris, et al (2025).

The concentration of culinary MSMEs in Kebomas District demonstrates agglomeration in strategic locations with high activity (Arthur O'Sullivan, 2020), which is reinforced by

cluster theory that businesses tend to grow through clustering in certain areas (Edward Glaeser & Joshua Gottlieb, 2019). Despite being drivers of the local economy, MSMEs still face the challenge of low employee performance, necessitating more optimal human resource management.

Kebomas District was selected based on its high number of MSMEs, reaching 1,490 units, with 236 of them operating in the food and beverage sector (data from the Gresik Regency Trade and Industry Office, 2023–2024), reflecting active business dynamics and intense competition. This condition makes Kebomas a relevant location to study the impact of training and compensation on employee performance, in line with the findings of Sari & Putra (2021) that areas with high MSME density require increased workforce capacity. As a strategic area with growing economic and culinary activities, MSMEs in Kebomas face demands for improved service quality and productivity (Handayani, 2020). However, obstacles remain, such as low discipline, a lack of a performance management system, and limited human resource development. Therefore, efforts to improve performance through training, fair compensation, and a supportive work environment are needed (Wibowo, 2020).

Table 1. Pre-Survey Data on MSME Employee Performance in Kebomas District

No	Statement	Of	%	No	%
1	My work results (food/service) are always up to standard with standard Quality Which determined by MSMEs.	8	80%	2	20%
2	I am able to complete the targeted volume of work every day (Quantity of Work).	9	90%	1	10%
3	I complete tasks (e.g. preparing orders) on time according to the specified schedule.	9	90%	1	10%
4	I try to use raw materials efficiently to avoid waste.	8	80%	2	20%
5	I have a high work ethic and always try to improve my abilities to work better.	10	100%	0	0%

Source: Pre-Survey of Food and Beverage MSMEs in Kebomas District

A pre-survey of 10 culinary MSME employees in Kebomas District showed that most respondents performed well, characterized by their ability to meet quality standards, achieve work targets, complete tasks on time, and exhibit high work motivation. This reflects a high level of productivity and commitment among employees. However, several aspects still need improvement, such as the efficiency of material use and consistent work quality. Therefore, improvements are needed through more targeted training and a fair and motivating compensation system to ensure optimal employee performance.

Several previous studies also showed inconsistent results, where training had a significant effect on productivity, but the impact on final performance was not always felt, especially if the effectiveness of the training was difficult to measure. (*return on training investment*)(Widiantoro & Lumban Gaol 2023) This phenomenon shows that the effectiveness of training program management in MSMEs is still inconsistent, so it is interesting to study the extent to which this program actually encourages employee performance in the field.

Table 2. Pre-Survey Data of MSME Training in Kebomas District

No	Question	Of	%	No	%
1	The training materials provided are very relevant and fit my needs in the kitchen/service.	9	90%	1	10%
2	The training helped me understand hygiene standards. And security food (HACCP) that applies in this MSME.	8	80%	2	20%
3	Training methods (<i>coaching</i> from seniors) easy to understand and practice directly in the workplace	8	80%	2	20%
4	The instructor/trainer has adequate knowledge and is able to answer my questions regarding culinary techniques.	7	70%	3	30%
5	I feel there is a follow-up or evaluation after the training to ensure I can apply the knowledge gained.	7	70%	3	30%

Source: Pre-Survey of Food and Beverage MSMEs in Kebomas District

Based on the results of a pre-survey of 10 culinary MSME employees in Kebomas District, the training implementation was deemed quite good, with 90% of respondents stating that the training material was relevant to work needs, and 80% acknowledged that the training helped understand food hygiene and safety standards and was easy to implement through practical methods. However, there were still shortcomings in the quality of instructors

and suboptimal post-training evaluations. These findings indicate that training plays a significant role in improving skills and productivity, although more structured management is needed. Furthermore, compensation is also a crucial factor influencing employee motivation and performance, so a fair and performance-based compensation system is needed to support improved performance and the sustainability of MSMEs.

Table 3. Pre-Survey Data on MSME Compensation in Kebomas District

No	Question	Of	%	No	%
1	The basic salary I receive is in line with my responsibilities and working hours.	8	80%	2	20%
2	MSMEs provide additional incentives or bonuses if I achieve work targets (for example, sales targets or minimal errors).	7	70%	3	30%

3	Work facilities provided (eg. kitchen equipment, uniforms) are sufficient to support my work.	7	70%	3	30%
4	I receive adequate non-salary benefits (e.g., meal/transportation allowance).	8	80%	3	30%
5	My boss/owner gives me recognition or appreciation (e.g. praise) when I succeed in delivering good performance.	7	70%	3	30%

Source: Pre-Survey of Food and Beverage MSMEs in Kebomas District

Based on a pre-survey of 10 culinary MSME employees in Kebomas District, the compensation system was deemed quite good, with the majority of respondents providing positive responses. Eighty percent stated that salaries commensurate with responsibilities, 70% received performance-based incentives, and 80% received non-salary benefits. Furthermore, most assessed adequate work facilities and the presence of appreciation from superiors. However, several shortcomings remain, such as discrepancies in salaries for some employees, uneven incentive distribution, and inconsistent appreciation. Therefore, the compensation system needs to be improved to be fairer, more equitable, and able to increase employee motivation and job satisfaction.

Based on the background that the researcher has outlined, the researcher concludes that he will conduct research with the title "The Effect of Training and Compensation on Employee Performance in MSMEs (Food and Beverage Sector in Kebomas District)". This research is expected to contribute to the formulation of effective HR policies to improve employee performance in a sustainable manner.

LITERATURE REVIEW

Employee performance

Employee performance is a crucial indicator in assessing the success of human resource management, including in the MSME sector, as it reflects employees' ability to carry out their duties and responsibilities and their contribution to organizational goals. According to Anwar Prabu Mangkunegara (2021), performance is the result of work, both in terms of quality and quantity, in accordance with assigned responsibilities. Malayu S.P. Hasibuan (2021)

emphasizes that performance also encompasses work efficiency and effectiveness. In the MSME context, employee performance significantly determines productivity, service quality, and business competitiveness. Performance indicators include work quality, quantity, punctuality, self-development, and work enthusiasm or loyalty, which collectively reflect the level of employee success in achieving organizational targets.

Job Training

Training is a planned process aimed at improving employee knowledge, skills, and attitudes so they can perform their jobs effectively. According to Gary Dessler (2020) and Malayu S.P. Hasibuan (2021), training focuses not only on technical skills but also on shaping work behaviors and increasing employee motivation. In the context of MSMEs, particularly in the culinary sector, training plays a crucial role in improving service quality, cleanliness, and work efficiency. Training effectiveness can be measured through program relevance, implementation methods, instructor quality, and post-training evaluation.

Compensation

Compensation is a crucial element in human resource management, contributing to increased employee satisfaction, motivation, and loyalty. According to Gary Dessler (2020), Malayu S.P. Hasibuan (2021), and Robert L. Mathis & John H. Jackson (2020), compensation encompasses all forms of financial and non-financial rewards given to employees for their contributions. In the context of culinary MSMEs, compensation plays a strategic role in increasing productivity

and retaining employees, both through salaries, incentives, and benefits as financial compensation, and through awards, development opportunities, and a comfortable work environment as non-financial compensation. Therefore, a fair and transparent compensation system is essential to encourage optimal employee performance.

Research Hypothesis

Based on the influence between variables, the hypothesis proposed in this study is as follows:

H1: Training is suspected to have an impact on employee performance in MSMEs in Kebomas District.

H2: Compensation is suspected to have an effect on employee performance in MSMEs in Kebomas District.

H3: Training and Compensation are suspected to simultaneously influence Employee Performance in MSMEs in Kebomas District.

METHOD

This research uses a quantitative approach with an associative (causal) approach. According to Sugiyono (2021), quantitative research is a method based on the philosophy of positivism, used to examine specific populations or samples by collecting data through research instruments and analyzing the data statistically to test predetermined hypotheses.

Based on its data sources, this study uses primary data, namely data obtained directly by the researcher through a questionnaire distributed to MSME employees. Therefore, this study as a whole falls into the category of causal associative quantitative research with primary data. cross section, which was analyzed using the Multiple Linear Regression statistical method to test the effect of Training and Compensation on the Performance of MSME Employees in the Food and Beverage Sector in Kebomas District.

The research location is This research was conducted on Micro, Small, and Medium Enterprises (MSMEs) in the Culinary Sector in Kebomas District. The research will be

conducted in the year 2025. In this study, the population is all employees of MSMEs in the food and beverage sector in Kebomas District, Gresik Regency. Based on data from the Gresik Regency Trade and Industry Office in 2023, there are 236 business units in this sector, so the population of this study is 236 employees who are the objects of study related to training, compensation, and employee performance. This study uses Slovin's formula as the basis for determining the number of Slovin samples (in Sugiyono, 2019:87). Thus, the number of samples used in this study was 149 MSMEs.

The type of data used in this research is quantitative data, namely data in the form of numbers or qualitative data that has been quantified. (scoring) through research instruments such as questionnaires. The data collection technique used is: Questionnaire. The variables in this study are; Training (X_1), Compensation (X_2) and Employee Performance (Y). In this study, all variables were measured using Likert scale.

In this study, data was analyzed using a quantitative approach with the help of a program Statistical Package for the Social Sciences (SPSS) to facilitate data processing and interpretation. Data analysis was carried out through several stages as follows: Descriptive analysis, Data quality test (validity test and reliability test), Classical assumption test (normality test, multicollinearity test, heteroscedasticity test), Multiple linear regression test, Hypothesis test (Partial test/t test, simultaneous test/f test, coefficient of determination/ R^2).

RESULTS AND DISCUSSION

Results

Instrument Test

Table 4. Validity Test

Variables	Question Items	r count	r table	Say. (2-tailed)	Information
Training (X1)	X1.1	0,517	0,160	0,001	Valid
	X1.2	0,640	0,160	0,001	Valid
	X1.3	0,607	0,160	0,001	Valid
	X1.4	0,617	0,160	0,001	Valid
	X1.5	0,564	0,160	0,001	Valid
Compensation (X2)	X2.1	0,564	0,160	0,001	Valid
	X2.2	0,630	0,160	0,001	Valid
	X2.3	0,616	0,160	0,001	Valid
	X2.4	0,716	0,160	0,001	Valid
	X2.5	0,469	0,160	0,001	Valid
Employee Performance (Y)	Y.1	0,445	0,160	0,001	Valid
	Y.2	0,568	0,160	0,001	Valid
	Y.3	0,489	0,160	0,001	Valid
	Y.4	0,633	0,160	0,001	Valid
	Y.5	0,640	0,160	0,001	Valid

Source: Processed data, 2025

This test uses the level of significance 5% or 0.05 with the test criteria proven by the calculation if the calculated r value > r table with a sample size of 149. For samples (n-2) = 149-2 = 147 with a significance rate of 5%. In the table above, the r table value is 0.160. Then it can be concluded that all items of Training (X1), Compensation (X2), and Employee Performance (Y) are declared valid. Thus, all question indicators are declared valid.

Table 5. Reliability Test

Variables	Cronbach's Alpha	Information
Training (X1)	0,726	Reliable
Compensation (X2)	0,733	Reliable
Employee Performance (Y)	0,705	Reliable

Source: Processed data, 2025

In table 5 above, it can be concluded that all variables listed, namely Training, Compensation and Employee Performance,

have a value > 0.60, which means they are suitable for testing the next hypothesis.

Classical Assumption Test

Table 6. Non-Parametric One Sample Kolmogorov-Smirnov Test Results

Value Sig K-S	Ig Value Limit	Information
0,75	0,05	Normal

Source: Processed data, 2025

The table above shows that the K-S sig value is 0.75 > 0.05, which means that the regression model is normally distributed.

Table 7. Multicollinearity Test

Variables	Tolerance	VIF
Training (X1)	0,999	1.001
Compensation (X2)	0,999	1.001

Source: Processed data, 2025

Table 7 above shows that all independent variables in this study have a tolerance value greater than 0.10 and a VIF value less than 10. Therefore, it can be concluded that the model in

this study is free from multicollinearity problems.

Table 8. Heteroscedasticity Test Results of Glesjer Test

Variables	Sig Value	Information
Training	0,424	There are no symptoms of heteroscedasticity
Compensation	0,247	There are no symptoms of heteroscedasticity

Source: Processed data, 2025

Table 8 above shows that the significance value of each variable is greater than 0.05, so it can be concluded that there is no heteroscedasticity problem in this study.

Hypothesis Testing

Table 9. Results of Multiple Linear Regression Test Analysis

Variables	Unstandardized Coefficients B
Constant)	11.517
Training (X1)	0,249
Compensation (X2)	0,184

source: Processed data, 2025

Based on table 9 above, an equation can be formulated by entering the results. *Understandardized Coefficients* B in the multiple linear regression model is as follows:

$$Y = 11.517 + 0,249X1 + 0,184X2 +$$

Based on the results of the multiple linear regression equation above, the interpretation of each variable is as follows: 1) Value α constant of 11,517, indicates that if the variables Training (X1), Compensation (X2), on Employee Performance (Y) are considered 0, then Employee Performance (Y) is 11,517. 2) The value of β_1 = Regression coefficient X1 (Training) is 0.249 which means there is a positive relationship between Training (X1) and Employee Performance (Y), the higher the Training, the higher the Employee

Performance. 3) The value of β_2 = Regression coefficient of 0.184 indicates that the Compensation variable (X2) has a positive effect on Employee Performance (Y). This means that every increase in Compensation by one unit will increase Employee Performance by 0.184, assuming other variables are considered constant.

Table 10. T-Test Results

Variables	T Count	T Table	Sig Value
Training	3,444	1,976	0,001
Compensation	2,975	1,976	0,003

Source: Processed data, 2025

Based on table 10 above, the following is an explanation for each variable, by looking at if the calculated $t > t$ table with a significance level of 0.05 then $df = n - k$ or $149 - 3 = 146$ the results obtained for the t table are 1.976 and the significance value is less than 0.05, the following is an explanation for each variable:

Training (X1), Based on the Coefficients table, a significance value of $0.000 < 0.05$ is produced, so it can be concluded that H_0 is rejected and H_1 is accepted. If calculated with the calculated t value with the t table, then the calculated $t >$ from the t table: $(3.444) > (1.976)$ then H_1 is accepted, meaning that the training variable (X1) has a significant effect on employee performance (Y).

Compensation (X2), Based on the Coefficients table, a significance value of $0.000 < 0.05$ is produced, so it can be concluded that H_0 is rejected and H_2 is accepted. If calculated with the calculated t value with the t table, then the calculated $t >$ from the t table: $(2.975) > (1.976)$ then H_2 is accepted, meaning that the Compensation variable (X2) has a significant effect on employee performance (Y).

Table 11. F Test Results

Model	F Count	F Table	Sig Value
Regression	9,995	3,06	0,000

Source: Processed data, 2025

Based on table 11 of the F test results in table 4.9, a significance value of 0.000 is obtained which is smaller than 0.05. by seeing if the calculated $f > f$ table with a significance level of 0.05, then df for the numerator ($N1$) = $k-1 = 3-1 = 2$ and df for the denominator ($N2$) = $n-k = 149-3 = 146$ then the value of the f table is 3.06. So that the calculated f value is $9.995 > 3.06$ and the significance value is $0.000 < 0.05$, it can be concluded that $H3$ is accepted and $H0$ is rejected, which means that training and compensation together have a significant influence on Employee Performance.

Table 12. Results of the Determination Coefficient (R^2) Test

R	R Square	Adjusted R Square
0,347 ^a	0,120	0,108

Source: Processed data, 2025

Based on table 12 above, the Adjusted R Square value in the determination coefficient test (R^2) is 0.108 or 10.8%. This shows that the Training and Compensation variables are able to explain the Employee Performance variable (Y) by 10.8%, while the remaining 89.2% is explained by other variables not included in this study such as work environment, work motivation, etc.

According to (Ghozali, 2021) that value *R Square* A small R-square is common in social research because human performance is influenced by many interrelated factors because social phenomena are complex and influenced by many variables that cannot all be included in a single research model. Therefore, a low R-square does not necessarily indicate that the research model is not good, but rather indicates the limitations of the model in explaining all variations in the data.

Discussion

The Impact of Training on Employee Performance

Based on the test results shows that job training has a significant influence on employee

performance. This can be seen from the value count of 8,610 which is greater than table 1.976 and a significance value of 0.000, which is below 0.05. Thus, it can be concluded that job training plays a significant role in improving employee performance. This can be seen from the Adjusted R Square value of 10.8%, which indicates that employee performance is influenced by training and compensation variables by 10.8%, while the remaining 89.2% is influenced by other factors outside the variables examined in this study.

Although job training is proven to have a significant effect, the coefficient of determination (R Square) obtained is relatively small. This condition indicates that employee performance is not only influenced by job training, but also by other factors outside the research model. (Ghozali, 2021) states that the value *R Square* A small R-square is common in social research because human performance is influenced by many interrelated factors because social phenomena are complex and influenced by many variables that cannot all be included in a single research model. Therefore, a low R-square does not necessarily indicate that the research model is not good, but rather indicates the limitations of the model in explaining all variations in the data.

This influence indicates that job training helps employees improve their work skills in accordance with their assigned tasks and responsibilities. Training tailored to job requirements enables employees to better understand work processes, work more effectively, and achieve set targets. This aligns with Human Capital Theory (Human Capital Theory) who views training as an investment to improve the quality of human resources.

Job training is a systematic process aimed at improving employee knowledge and skills so they can perform optimally (Wright, 2021). Various studies have shown that training has a positive and significant impact on employee performance because it can improve competence, effectiveness, and work efficiency (Becker, 2020). The results of this study also

align with findings (Kurniawan & Susanto, 2021) and (Jansen et al., 2023), which confirm that training tailored to job requirements can improve work capabilities (work ability) so that employee performance becomes better and more sustainable.

Performance improvement through training occurs due to improvements in aspects of knowledge, skills and work attitudes (knowledge, skills, and attitude) employees (Desler, 2020). In the culinary sector of MSMEs, training helps reduce errors, increase service speed, and maintain product quality. Furthermore, training programs provided by relevant agencies such as the Department of Trade and Industry are practical and applicable, making them easy to implement in daily work. Therefore, targeted training has proven to be a crucial factor in improving employee productivity and performance.

The Effect of Compensation on Performance

Based on the test results, the compensation variable is proven to have a significant effect on employee performance. This can be seen from the value count of 7,439 which is greater than table 1.976 and a significance value of 0.000, which is below 0.05. Thus, the hypothesis that compensation influences employee performance can be accepted. This can be seen from the value Adjusted R Square. The resulting value was 10.8%, which shows that employee performance is influenced by training and compensation variables by 10.8%, while the remaining 89.2% is influenced by other factors outside the variables studied in this study.

Although compensation is proven to have a significant effect, the coefficient of determination (R Square) in this study is relatively small. This indicates that employee performance is not only influenced by compensation, but also by other factors outside the research model. (Ghozali, 2021) states that the value R Square. A small R-square is common in social research because human performance is influenced by many interrelated factors because social phenomena are complex and

influenced by many variables that cannot all be included in a single research model. Therefore, a low R-square does not necessarily indicate that the research model is not good, but rather indicates the limitations of the model in explaining all variations in the data.

The effect of compensation on employee performance can be explained through Expectancy Theory (Expectancy Theory) proposed by (Victor Vroom, 2017). This theory explains that employees will be motivated to perform better if they believe that their efforts and performance will result in appropriate rewards. In this study, compensation is a crucial factor that strengthens employees' belief that high performance will be appropriately rewarded. Compensation that is provided fairly and in accordance with contributions makes employees more motivated to work in a disciplined and responsible manner, thus directly impacting performance improvement.

Compensation, such as basic salary, bonuses, incentives, allowances, and awards, has been proven to increase employee productivity and work quality (Mangkunegara, 2021). This study's findings align with those of (Nazara et al., 2025), (Siswandi & Elisabeth, 2023), and (Sumarni et al., 2024), which show that compensation has a positive and significant impact on employee performance, both directly and through increased job satisfaction. Furthermore, compensation is also related to meeting employees' economic needs and well-being, thus providing a sense of security and comfort at work. Therefore, fair and transparent compensation can increase work motivation based on these components: expectancy, instrumentality, and valence, which ultimately encourages optimal improvement in employee performance.

The Influence of Training and Compensation on Employee Performance

Based on the results of simultaneous testing using the test F Compensation and job training together have been shown to have a significant impact on employee performance. This is

indicated by the valueF count of 9.995 which is greater than the valueF table of 3.06, and a significance value of 0.000, which is smaller than the 0.05 significance level. These results indicate that the regression model used in this study is feasible and able to explain the relationship between the independent and dependent variables.

Test resultsF This shows that employee performance is jointly influenced by compensation and job training. Compensation plays a role in increasing employee motivation and work enthusiasm through the provision of fair and appropriate rewards, while job training plays a role in improving employee abilities, skills, and work attitudes so they can carry out tasks more effectively and efficiently. When these two factors are implemented simultaneously, employee performance can be optimally improved.

Although training and compensation are proven to have a significant effect, the coefficient of determination (R Square) obtained is relatively small. This condition indicates that employee performance is not only influenced by job training, but also by other factors outside the research model. (Ghozali, 2021) states that the valueR Square Small differences are common in social research because human performance is influenced by many interrelated factors because social phenomena are complex and influenced by many variables that cannot all be included in a single research model. Therefore,R Square A low F-value does not necessarily indicate that the research model is not good, but rather indicates the limitations of the model in explaining all data variations.

The findings of this study align with several previous studies showing that job training and compensation simultaneously have a significant effect on employee performance. Research (William & Khoiri, 2022) states that these two variables, together, can improve employee performance. Similar results were also found in research (Nurul et al., 2025), which stated that compensation and job training

significantly influence employee performance. Furthermore, research (Darmadi et al., 2022) shows that compensation and training influence employee performance both partially and simultaneously. The similarity of these research findings confirms that managing compensation and training together is a crucial factor in improving employee performance.

This result is supported by the Expectancy Theory (Expectancy Theory) and Human Capital Theory (Human Capital Theory). Expectancy Theory explains that compensation encourages employees to work better because of the expectation of receiving rewards, while Human Capital Theory views training as an investment that improves the quality of human resources (Victor Vroom, 2017:33). The simultaneous application of these two theories shows that motivation and work ability are two main aspects in improving employee performance.

Thus, it can be concluded that compensation and job training are simultaneously important factors influencing employee performance. This finding confirms that efforts to improve employee performance will be more effective if organizations are able to manage employee well-being and competency development in a balanced and sustainable manner.

CONCLUSSION

Based on the results of research on Training and Compensation for Employee Performance in MSMEs (Food and Beverage Sector in Kebomas District), it can be concluded that: Training has a positive and significant impact on employee performance in MSMEs (the Food and Beverage Sector in Kebomas District). The training provided improves employee skills and job understanding. With appropriate training, employees can perform their duties better, resulting in more effective and productive performance. Compensation has a positive and significant impact on employee performance in MSMEs (the Food and Beverage Sector in Kebomas District). Providing adequate and fair

compensation can increase employee motivation. This encourages employees to work more optimally and responsibly in completing their tasks. Training and compensation simultaneously influence the performance of MSME employees. Together, training and compensation influence the performance of MSME employees. Employee performance will improve if appropriate training is supported by adequate compensation. These two factors complement each other in improving the productivity and performance of MSME employees. Based on the research results, the suggestions that can be given are that MSMEs are expected to improve the implementation of planned and sustainable job training by adjusting job needs, such as technical skills, customer service, and work efficiency, and still paying attention to a fair and appropriate compensation system both in financial and non-financial forms such as awards, work flexibility, and self-development opportunities to improve employee motivation and performance. In addition, for further researchers it is recommended to add other variables such as work motivation, job satisfaction, work environment, and leadership, as well as using more diverse research methods such as qualitative approaches or longitudinal studies and expanding research objects to various MSME sectors so that research results become more comprehensive and in-depth.

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