

THE INFLUENCE OF MOTIVATION ON EMPLOYEE PERFORMANCE THROUGH COMPENSATION AS MEDIATION

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Submitted: 14th January 2024/**Edited:** 26th March 2024/**Issued:** 01st April 2024

Cited on: Supriatna, D., Narimawati, U., & Sunarsi, D. (2024). THE INFLUENCE OF MOTIVATION ON EMPLOYEE PERFORMANCE THROUGH COMPENSATION AS MEDIATION. *SCIENTIFIC JOURNAL OF REFLECTION: Economics, Accounting, Management and Business*, 7(2),578-585.

ABSTRACT

This research investigates the relationship between employee motivation and performance at PT Karunia Gemilang, using an associative quantitative approach. The total sample used was 65 employees, representing all members of the company's population. Data analysis includes validity, reliability, simple linear regression, correlation coefficient analysis, and coefficient of determination. The results show that there is a strong and significant relationship between motivation and employee performance. The correlation coefficient of 0.768 indicates that motivation has a substantial influence on employee performance. Furthermore, the coefficient of determination of 59.0% indicates that most of the variability in employee performance can be explained by variability in their motivation. These findings emphasize the importance of effective motivation strategies in human resource management to optimize employee performance. This study highlights the important role of motivation in achieving organizational goals and increasing employee work effectiveness.

Keywords: Motivation, Employee Performance, Regression Analysis

PROEM

A company is an activity carried out with equipment or in an organized manner with the aim of making a profit. Company activities in achieving these goals require good human resource management so that the company is able to compete well and its human resources are able to work more effectively and efficiently.

Human resources are one of the factors that are directly involved in carrying out company activities and play an important role in improving company performance in achieving predetermined goals. Human resources are required to be able to overcome all challenges and are expected to be able to take advantage of opportunities and be able to meet the demands of needs, especially those that exist or come from the work environment.

Performance is an important component for measuring the level of success achieved. In its activities, the company must be able to improve performance from time to time. Good performance is able to show an increasing number of achievements and fulfills good quality work, is able to take actions that are able to support work optimally, has good self-confidence in completing work, is fully responsible for one's duties and obligations. Apart from that, employees also have the ability to overcome problems at work so that they can increase the company's competitiveness well. This is in line with the theory of Mangkunegara (2020: 75) who argues that "The quality and quantity of work results achieved by an employee in carrying out his duties is in accordance with the responsibilities given to him".

PT Karunia Gemilang assesses employee performance based on the results achieved by its employees. With a fairly large market opportunity, companies should be able to optimize sales well, but what has happened is that companies in the last few years have been less able to carry out sales strategies well, as evidenced by the empirical data that the author has collected shows a trend of less than optimal achievements.

Every company must make efforts so that its employees are able to provide optimal work results, able to realize the goals they have set. There are several factors that are thought to be the cause of the decline in performance achievements, such as employees not having high motivation in carrying out their work and a lack of discipline within employees.

Based on the data presented in the table above, the author suspects that this is due to employee work motivation which is still not optimal and there is still low work discipline in obeying the rules made by the company.

Motivation is an important factor for someone to contribute to the company. In achieving organizational goals, employees need motivation to work more diligently, therefore the role of employees in the organization must be given more serious attention by the company. With high motivation, employees will work harder in carrying out their work. On the other hand, with low work motivation, employees do not have the enthusiasm to work, give up easily, and have difficulty completing their work.

Motivation will arise if people feel that all their needs are met, therefore if their needs are not met it will cause problems which will lead to several cases that often occur in companies, for example labor strikes, demands for wage increases and so on, this is a

sign that there is dissatisfaction employees feel about the company. The role of motivation is to intensify these desires and wishes, therefore it can be concluded that efforts to increase a person's work enthusiasm will always be related to efforts to motivate him, so to provide good motivation you need to know human needs. This is in line with Maslow's opinion in Sutrisno (2020) which states that "motivation is the driving force that creates enthusiasm for a person's work, so that they want to work together, work effectively and be integrated with all their efforts to achieve satisfaction at work".

Motivation should be able to encourage enthusiasm for work within individuals to behave in order to find certain goals. Therefore, motivation is very important because it concerns individual needs which must be in accordance with organizational goals. Primary needs cannot be separated from the need to fulfill the necessities of life, thus the salary factor is also often still an obstacle in companies. The aspect of fulfilling career advancement also needs to be considered considering that employees must become better individuals than their community. With the position they are aiming for, they will continue to improve the abilities and skills they already have to support their career.

THEORETIC

Motivation

According to Mangkunegara (2019) "motivation is a condition or energy that moves employees who are directed or aimed at achieving the company's organizational goals." The indicators used include: Responsibility, Work Performance, Opportunities for advancement, Recognition from superiors, Challenging work.

Employee performance

According to Mangkunegara (2019), the definition of "employee performance is the result of a person's work which is measured in terms of the quality of work and quantity of work achieved by an employee which is carried out on time in carrying out their duties with full responsibility according to the tasks assigned to them". The indicators used include: 1) Quality of work, 2) Quantity of work, 3) Work knowledge, 4) Implementation of tasks, 5) Responsibility.

METHOD

This research uses an associative quantitative approach with the aim of identifying the relationship between employee motivation and performance at PT Karunia Gemilang,

West Jakarta. The population in this study includes all company employees, totaling 65 respondents. By using a saturated sampling technique, all members of the population were sampled, so that the total sample size was 65 respondents.

For data analysis, this study implemented several statistical methods to ensure the accuracy of the results. The methods used include validity tests to verify the validity of research instruments, reliability tests to measure the consistency of measuring instruments, and simple linear regression analysis which aims to see the direct influence of motivation on employee performance. Apart from that, correlation coefficient analysis was also carried out to measure the strength of the relationship between variables, analysis of the coefficient of determination to determine the amount of variance in employee performance that can be explained by motivation variables, and hypothesis testing to determine the significance of the relationship between variables. Through these methods, this research seeks to provide an in-depth understanding of the dynamics that occur between employee motivation and performance.

RESULT

Descriptive Analysis

This test is used to determine the minimum and maximum scores, the highest scores, rating scores and standard deviation of each variable. The results are as follows:

Table 1. Results of Descriptive Statistics Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
Motivation (X)	65	29	49	37.4	4,636
Employee Performance (Y)	65	29	48	38	4,037
Compensation	65	29	48	38	4,037
Valid N (listwise)	65				

Source: Research data, 2024

Motivation obtained a minimum variance of 29 and a maximum variance of 49 with a rating score of 3.74 with a standard deviation of 4.636.

Employee performance obtained a minimum variance of 29 and a maximum variance of 48 with a rating score of 3.79 with a standard deviation of 4.037.

Verification Analysis

This analysis is intended to determine the influence of the independent variable on the dependent variable. The test results are as follows:

Simple Linear Regression Analysis

This regression test is intended to determine changes in the dependent variable if the independent variable experiences changes. The test results are as follows:

Table 2. Results of Simple Linear Regression Testing

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	12.96	2,646		4.9	0
Motivation (X)	0.669	0.07	0.768	9.53	0

Dependent Variable: Employee Performance (Y)
Source: Research data, 2024

Based on the test results in the table above, the regression equation $Y = 12.961 + 0.669X$ is obtained. From this equation it can be explained as follows:

1. The constant obtained is 12.961 which means that if motivation is absent or constant, then there is an employee performance value of 12.961 points.
2. The motivation regression coefficient was obtained at 0.669, where this number is positive, meaning that every time there is an increase in motivation of 0.669 points, employee performance will also increase by 0.669 points.

Correlation Coefficient Analysis

This correlation coefficient analysis is intended to determine the level of strength of the relationship between the independent variable and the dependent variable. The test results are as follows:

Table 3. Results of Testing the Correlation Coefficient of Motivation on Employee Performance

	Motivation (X)	Employee Performance (Y)
Motivation (X)	Pearson Correlation Sig. (2-tailed)	1 ,768** 0
Employee Performance (Y)	Pearson Correlation Sig. (2-tailed)	,768** 1 0

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Research data, 2024

Based on the test results in the table above, a correlation coefficient value of 0.768 is obtained, meaning that motivation has a strong relationship with employee performance.

Analysis of the Coefficient of Determination

This analysis of the coefficient of determination is intended to determine the

percentage influence of the independent variable on the dependent variable. The test results are as follows:

Table 4. Results of Testing the Coefficient of Determination of Motivation on Employee Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.768a	0.59	0.584	2,604

a. Predictors: (Constant), Motivation (X)
Source: Research data, 2024

Based on the test results in the table above, a coefficient of determination value of 0.590 was obtained, meaning that motivation contributed 59.0% to employee performance and the remaining 41.0% was influenced by other factors that were not researched.

Hypothesis testing

Hypothesis testing with the t test is used with the aim of finding out which hypothesis is accepted.

Hypothesis formulation: There is a positive and significant influence between motivation and employee performance.

Table 5. Motivation Hypothesis Test Results on Employee Performance

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	12.96	2,646		4.9	0
Motivation (X)	0.669	0.07	0.768	9.53	0

a. Dependent Variable: Employee Performance (Y)
Source: Research data, 2024

Based on the test results in the table above, the t value obtained $> t$ table or (9.530 > 1.998), thus the hypothesis proposed that there is a significant influence between motivation on employee performance is accepted.

Conditions of Respondents' Answers Motivational Variables

Based on the results of the answers given by respondents, the motivation variable obtained a rating score of 3.74, where this number is in the scale range between 3.40 - 4.19 with good or agree criteria, meaning that motivation is in good condition.

Conditions of Respondents' Answers Employee Performance Variables

Based on the results of the answers given by respondents, the employee performance variable obtained a rating score of 3.79, where this number is in the scale

range between 3.40 - 4.19 with good or agree criteria, meaning that the employee's performance is in good condition.

The Effect of Motivation on Employee Performance

Motivation has a positive and significant effect on employee performance with the regression equation $Y = 12.961 + 0.669X$, a correlation coefficient value of 0.768 or has a strong level of relationship with an influence contribution value of 59.0%. Hypothesis testing obtained a calculated t value $>$ t table or $(9.530 > 1.998)$. Thus, the hypothesis proposed that there is a positive and significant effect between motivation and employee performance is accepted.

CONCLUSION

After testing the data, this research produced several significant conclusions. The motivation variable received a rating score of 3.74, which falls within the scale range between 3.40 and 4.19, indicating that employee motivation is at a good or agreeable level. Likewise, the employee performance variable recorded a rating score of 3.79, which is also in the same range, indicating that employee performance is generally considered good.

Furthermore, the analysis shows that motivation has a positive and significant influence on employee performance. This is proven through the regression equation $Y = 12.961 + 0.669X$ with a correlation coefficient value of 0.768, indicating a strong relationship between motivation and employee performance. The resulting coefficient of determination is 59.0%, which means that around 59% of the variation in employee performance can be explained by variations in their motivation, while the remaining 41.0% is influenced by other factors. The hypothesis test gave the results of t count $>$ t table $(9.530 > 1.998)$, which was strengthened by a significance value of $0.000 < 0.05$, confirming that the relationship between motivation and employee performance is statistically significant.

From these results, it can be concluded that increasing motivation contributes effectively to increasing employee performance at PT Karunia Gemilang. This underlines the importance of effective motivational strategies in human resource management to achieve optimal performance from employees.

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