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*Corresponding author: Rezky Ratnasari Taufan A, Department of Management, Faculty of Economic and Business, Universitas Muslim Indonesia, Makassar, Indonesia.

E-mail: rezkyratnasari@umi.ac.id

DESCRIPTIVE OF QUANTITATIVE DATA | RESEARCH ARTICLE

The Influence of Motivation and Compensation on Performance Employees: Case Study from Social Service of the City of Makassar, Indonesia

Rezky Ratnasari Taufan A*

* Department of Management, Faculty of Economic and Business, Universitas Muslim Indonesia, Makassar, Indonesia. Email: rezkyratnasari@umi.ac.id

Abstract: This study aims to determine the effect of motivation and compensation on employee performance at the Makassar City Social Service. This study uses questionnaire data sourced from Makassar City Social Service Employees. The method used in this research is multiple regression analysis method using a questionnaire. The population in this study were employees of the Makassar City Social Service and the sample in this study were 79 employees of the Makassar City Social Service selected through the saturated sample method. The results of this study indicate that based on partial tests motivation and compensation have a positive and significant effect on employee performance and based on simultaneous tests motivation and compensation have a positive and significant effect on employee performance.

Keywords: Motivation, Compensation, Employee Performance.

1. INTRODUCTION

Human resources are Human Capital, therefore the implementation of HRM must be linked to the organization's strategy to improve performance, develop corporate culture by applying innovation. The company's function is to mobilize all resources (HR) or internal capabilities to face market interests. HR capabilities are the competitive advantage of the company. Thus, in terms of resources (HR), business strategy is to get maximum added value that can optimize competitive advantage. In supporting the successful achievement of organizational goals, human resources are needed that have abilities, including thinking power and physical power, for this reason, organizations need to select reliable human resources starting from attraction, development, job performance assessment, competence by communicating both verbally and non-verbally supported by proper compensation. The lack of work motivation of honorary employees, as well as the lack of level of compensation for employees is the basis for conducting this research which aims to determine whether work motivation and compensation affect employee performance at the Makassar Social Service Office. One of the factors that can behavior employees to work more enthusiastically and spur high performance is compensation satisfaction.

Compensation is one of the potential tools to motivate employees. Compensation is an important thing that is the main motivation for an employee to do a job. This means that employees use knowledge, expertise, energy, and time not only to devote and devote themselves to the office, but there are other goals, namely expecting rewards or rewards, for the results that have been given. According to Enny (2019) compensation can be defined as a form of reciprocity given to employees as a form of appreciation for their contribution and work to the organization. The compensation can be in the form of direct or indirect financial, and the award can also be indirect. Compensation is not only related to various monetary rewards, but also to the organization's intrinsic goals and rewards such as recognition and promotion opportunities. Meanwhile, according to Handoko, the definition

of compensation is everything that employees receive in return for the work provided by employees. Providing compensation is one of the company's goals in improving their work, employee motivation and satisfaction. The definition of performance in general is the results of work that can be achieved by a person or group of people in an organization, in accordance with the authority and responsibilities of each in an effort to achieve the objectives of the organization concerned legally, not against the law and in accordance with morals and ethics. Performance is basically what employees do or don't do. According to Adhari (2020) employee performance is the result produced by certain job functions or activities in certain jobs during a certain period of time, which shows the quality and quantity of the work. Based on the experts, it can be concluded that motivation is an impetus that exists in an individual that causes the individual to carry out activities or activities in order to achieve certain goals. The phenomenon based on the motivation variable on employee performance at the Makassar Social Service Office is the lack of employee motivation towards their workplace.

Motivation is a drive that makes people act or behave in motivational ways that refer to the cause of a behavior, such as factors that encourage someone to do or not do something. Motivation can be interpreted as the desire to achieve higher status, power and recognition for each individual. Motivation can actually be seen as a basis for achieving success in various aspects of life through increasing ability and willingness. According to Wardan (2020) Motivation is an effort or activity of managers to be able to generate or increase the enthusiasm and work enthusiasm of their workers or employees. Motivation is the work motivation that arises in a person to behave in achieving predetermined goals. Winardi (2016) Motivation is the result of a number of processes that are internal or external to an individual, which cause enthusiasm and persistence in carrying out certain activities. Sinungan (2016) Motivation is a psychological state and human mental attitude that provides energy, encourages activity or movement and leads or channels behavior towards achieving needs that provide satisfaction or reduce imbalance. In general, the definition of performance is the quality and quantity of work that can be achieved by an employee in carrying out his main duties and functions as an employee in accordance with the responsibilities assigned or given to him.

Compensation is often called reward and can be defined as any form of reward given to employees in return for the contributions they make to the company. Compensation as everything that is constituted or considered as a reward (Firmandari, 2014) Likewise, Sinambela (2016) states that compensation is the total of all rewards given to employees in return for the services they provide to the organization. According to Sutrisno (2018) compensation can be defined as equal pay given by the company as a form of appreciating the efforts of employees for giving all their work abilities to the company. Compensation is the payment received by employees for the services they have provided in completing work and have contributed to the company and compensation is one of the main reasons and motivations for employees to work. Research researched by Murtiyoko (2018) states that work motivation variables have a significant effect on employee performance. This means that encouragement makes a person want and be willing to spend all capacity in the form of skills or proficiency, energy and time to improve performance. Compensation variables have a significant effect on employee performance. In this case, compensation is provided adequately, the workforce will be more satisfied and thus their performance will increase. compensation and work motivation variables have a significant effect on employee performance. In this case, it means that to improve employee performance can be done by increasing work motivation and also compensation that is suitable for their work.

2. RESEARCH DESIGN AND METHOD

The approach used in this research is a quantitative approach. Quantitative research is a process of finding knowledge that uses data in the form of numbers as a means of analyzing information about what you want to know. (Kasiram (2008). This research was conducted by the author with the aim of testing the hypothesis regarding the effect of motivation and compensation on employee performance at the Makassar Social Service Office. The population in this study is the number of

employees in the Social Service Office in Makassar as many as 79 civil servants. The sample object is part of the number and characteristics possessed by the population. The total population available is 79 people where the method used is the saturated sample method, the saturated sample method according to Sugiyono is a sampling technique when all populations are used as samples.

3. RESULT AND DISCUSSION

The following is the evaluation and interpretation of the multiple regression model.

Table 1. Multiple Regression Analysis Test Results

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------------|-----------------------------|-----------|---------------------------|-------|------|
| | | B | Std.Error | Beta | | |
| 1 | (Constant) | .782 | .228 | | 3.431 | .001 |
| | X1 | .363 | .095 | .422 | 3.807 | .000 |
| | X2 | .445 | .106 | .464 | 4.186 | .000 |

3.1. Partial Test (t-test)

Partial tests are used to determine whether the independent variable (X) has a significant effect on the dependent variable (Y). Testing is done with a significance level of 0.05. From Table 1, the significance level of the independent variable on the dependent variable is known. The following will explain partially the effect of each variable in the study. Based on the partial test results, it is known that motivation has a positive effect on employee performance which shows a t-count of 3.807 which shows that the direction of the coefficient is positive, while the location probability of $0.000 < 0.05$ causes H_1 to be accepted. This means that motivation has a positive and significant effect on employee performance. The test results of the effect of compensation (X2) on employee performance. Based on the partial test results, it is known that compensation has a positive effect on employee performance which shows a t-count of 4.186 which indicates that the direction of the coefficient is positive, while the probability of work discipline is $0.000 < 0.05$ causing H_2 to be accepted. This means that compensation has a positive and significant effect on employee performance.

3.2. F Statistical Test

The F statistical test basically shows whether all independent or independent variables included in the model have a joint influence on the dependent variable. The F test measures the ability of the independent variables, namely motivation and compensation in explaining the variation in the dependent variable, namely employee performance. The test results for the F test (simultaneous) are as follows:

Table 2. F Test Results

| ANOVA ^a | | | | | | |
|-----------------------------------|------------|----------------|----|-------------|--------|-------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 11.322 | 2 | 5.661 | 97.510 | .000b |
| | Residuals | 4.412 | 76 | .058 | | |
| | Total | 15.734 | 78 | | | |
| a. Dependent Variable: Y | | | | | | |
| b. Predictors: (Constant), X2, X1 | | | | | | |

Based on the results of data processing in Table 2, it shows that from the F test, the calculated F value is 97,510 with a significance value of 0.000 or smaller than the probability value (p-value) of 0.05 ($0.000 < 0.05$). The results of hypothesis testing show that the effect of motivation and compensation together (simultaneously) has a significant effect on employee performance, this proves that H_3 is accepted.

This study discusses the effect of motivation (X1) and compensation on Employee Performance (Y). Based on the work motivation variable in employees at the Makassar City Social Service Office, it is said to be very good. The results of the study obtained a significance value for the work motivation variable of 0.000, this shows that the significance value is smaller than 0.05 or 0.000 < 0.05, it can be concluded that if the significance value is smaller than the *probability* value, the work motivation variable has a positive and significant effect. The motivation variable in this study uses five indicators, the first is responsibility, the second is appreciation, the third is development, the fourth is successful achievement and the last is the work itself. The results of this study are in line with research conducted by Herry Krisnandi (2018) Finding that the Effect of Democratic Leadership Style, Intrinsic Motivation and Work Discipline has a positive and significant effect on Employee Performance at PT. Pangansari Utama Food Industry East Jakarta and Kariyamin, Nasir Hamzah and Niniek Lantara (2020) The results of the analysis show that simultaneously motivation, competence, and work environment affect employee performance and partially the dominant effect on employee performance is motivation. The effect of compensation on employee performance. Based on the results of the analysis, compensation has a positive effect on employee performance. This result shows that the right compensation received by employees will increase employee performance at the Makassar City Trade Office. This is in line with research conducted by warsidi (2014) which explains that compensation has a positive and significant effect on performance. Compensation also contains a professional relationship where one of the main objectives of employees working is to get rewards to meet various needs, while on the side of the office they pay employees so that employees can carry out work in accordance with the wishes and expectations of the company with the main objective of being able to advance the company's business with the main objective of being able to advance the company's business.

Malayu S.P Hasibuan (2002) says that the purpose of providing compensation, among others, is for employee job satisfaction which will maintain the stability of the employees themselves so as to reduce the turn-over rate. In addition, employees will also avoid the influence of labor unions and ultimately only concentrate on their work. Here it can be seen that by providing compensation that is more appropriate and accepted by employees because it is in accordance with the energy and abilities spent and appreciates the hard work of employees, employees will be more professional by working seriously and making various efforts in order to achieve better work results so that their performance can be further improved.

4. CONCLUSIONS

Based on the results of the study, it can be concluded that motivation and compensation partially and simultaneously have a positive and significant influence on employee performance at the Makassar City Social Service. This is evidenced by the significance value in the t test for the motivation and compensation variables which are each smaller than 0.05, as well as the results of the F test which shows a significant simultaneous effect of the two variables on employee performance. Providing the right motivation and compensation can improve employee performance, so they are more motivated and perform optimally. These results are in line with previous studies which show that motivation and compensation are important factors in improving employee performance and achieving organizational goals.

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