

# **The Effect of Work Motivation and Compensation on the Performance of Cleaning Management Officers in Cleaning Section Dinas Cipta Karya Karawang District**

**DediMulyadi**

*UniversitasBuanaPerjuanganKarawang*

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## **Abstract**

*Conducting this study aims to determine the effect of work motivation and compensation on employee performance. The research method in this study uses descriptive and quantitative methods. The population of all cleaning officers in the Hygiene section of the CiptaKarya Office of KarawangDistricts is 69 people. Data collection through observation, questionnaires, and interviews, while data analysis used Path analysis. The results obtained in this study. There is a relationship or correlation between work motivation ( $X_1$ ) and compensation ( $X_2$ ) with a correlation coefficient value of 0.529 and has a moderate and unidirectional level of relationship because the value is positive. Furthermore, there is a partial effect of work motivation and compensation on employee performance, where work motivation has a positive effect on employee performance of 0.498. Likewise, Compensation which affects Employee Work Productivity is 0.351. There is also a significant effect simultaneously between work motivation and compensation on employee performance, this can be seen in the coefficient of determination of 0.556 or 55.6%, and the remaining 44.4% is the contribution of other variables ( $\epsilon$ ) scrutinized.*

**Keywords:** *work motivation, compensation, employee performance.*

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## **I. Introduction**

The problem of waste for city and district governments is a crucial problem; it needs fast and accurate handling before it has a worse effect on public health. Therefore, high-performance human resources are needed. Even though it is supported by facilities and infrastructure as well as excessive sources of funds in handling waste, without the support of reliable human resources, it will not solve the problem properly. Organizational demands to acquire, develop and maintain quality human resources are increasingly urgent by the dynamics of the ever-changing environment. The leader must be able to mobilize a team, the work process must be developed, and the human resource process must be the main focus. Changing and increasing the role of the human resource function is essential to support organizational success.

The role of human resources in the organization is regulated by the granting of authority and responsibility. Formulate the authorities and responsibilities that employees must achieve with standards or benchmarks that have been set and agreed upon by employees and superiors to achieve high performance. Increasing the performance of individual employees will drive the performance of human resources as a whole, which in turn will encourage an increase in organizational performance. Employee performance affects how much they contribute to the organization. Performance improvements for both individuals and groups have become the center of attention in efforts to improve organizational performance.

In doing a job, many factors can affect a person's performance. Therefore, an organization that is running successfully and can achieve predetermined goals must be able to accommodate the factors that can drive the performance of its employees. One important factor that greatly influences performance is work motivation which can be seen as an integral part of the personnel administration in the process of coaching, developing and developing human resources in an organization. According to Udai Pareek's (2004: 110) opinion, work motivation is something that causes people to want to work hard because they have a great need for competition and fulfil it.

In addition to providing work motivation to employees, to encourage employee performance to increase, even more, the organization should be able to meet the needs of employees, in this case, the worker's compensation factor, namely the overall arrangement of remuneration for "employers" and "employees" both in the form of money (financial) and indirectly (non-financial).

The Hygiene Section of the CiptaKarya Office of KarawangDistricts as an institution that handles waste problems in KarawangDistricts has performance benchmarks for cleaning management officers

mentioned in the Implementation Guidelines of the Karawang Regent Decree number: 840.1 / Kep.453-Huk / 2009 dated 22 July 2009 which stated that every day the volume of waste that must be transported by each garbage truck is as much as 6 m<sup>3</sup> / trip, where every day the number of trips is at least 2 times and the number of available garbage transportation is 23 units so that the minimum average waste that must be transported per day is as much as 414 m<sup>3</sup>. Based on data in Karawang Districts, there are piles of garbage per day as much as 974.66 tons and that can be transported by trucks every day reaching 484.09 m<sup>3</sup>.

The data shows that based on local regulatory benchmarks the performance of cleaning staff employees has exceeded the target, but based on the results of pre-research through interviews and questionnaires there are still some cleaning officers who sometimes still come late to work, looking less enthusiastic in doing work. And they are not very quick in understanding instructions or tasks given by the leadership. Therefore, the topic of work motivation and compensation, whether it influences employee performance, is an interesting topic to discuss in this study.

## **II. Literature Review**

Every human being has needs (needs, encouragement, intrinsic and extrinsic factors), the emergence of which is highly dependent on individual interests. With this fact, then A. Maslow (Siagian, 1996: 149) created a needs hierarchy theory to answer the level of human needs. Human needs are classified into five hierarchies of needs, namely:

- 1) **Physiological Needs** The manifestation of physiological needs is a basic human need, namely clothing, food, shelter, and individual welfare. This need is seen as the most basic need because without meeting these needs, a person cannot be said to live a normal life.
- 2) **Safety Needs** Security needs must be seen in a broad sense, not only in terms of physical security but also psychological security and fair treatment at work. Because satisfying these needs is mainly related to one's work, it means that security in the physical meaning includes the security of a person in the area of residence, on the way to the workplace, and security at work.
- 3) **Social Needs** Humans are essentially social creatures, unable to meet their own needs and need help from others, so they must interact in meeting those needs.
- 4) **Esteem Needs** Everyone needs recognition of their status by others. The ideal situation is if the prestige arises, it will make one's achievements.
- 5) **Self-Actualization** This means that in a person, there are abilities that need to be developed, so that they can make a significant contribution to the interests of the organization. Through increased workability, they will be more able to satisfy their various needs, and at this level, people tend always to develop themselves and do better.

According to Rivai (2004), compensation is divided into two, namely financial and non-financial compensation as follows:

- 1) **Financial Compensation**  
Kasmir (2016) states that financial compensation is compensation given in the form of money either periodically (weekly, monthly or annually). Monetary compensation consists of two, namely, direct and indirect payment.
  - a) **Direct financial compensation**  
Consists of principal payments (salary, wages), performance payments, incentive payments, commissions, bonuses, profit share, stock options and deferred payments including old-age savings and cumulative shares.
  - b) **Indirect financial compensation**  
Consists of protection which includes insurance, severance pay, children's schools, pensions. Compensation outside working hours includes overtime, holidays, sick leave, maternity leave, while based on facilities includes housing, moving costs, and vehicles.
- 2) **Non-Financial Compensation.**  
Non-financial compensation consists of careers which include security in position, promotion opportunities, recognition of work, new findings, outstanding achievements. In contrast, payment includes being able to praise, be friendly, comfortable in duty, fun and conducive.

In this study, the authors use a performance dimension based on several employee performance indicators, according to Gomes (2003: 134), namely:

- 1) **Quantity of work:** The amount of work done in a specified period.
- 2) **Quality of work:** the quality of work achieved based on terms of suitability and readiness.
- 3) **Job Knowledge:** The breadth of knowledge about work and skills.

- 4) Creativeness: The authenticity of ideas that arise from actions to solve problems that arise.
- 5) Cooperation: willingness to cooperate with other people (fellow members of the organization).
- 6) Dependability: Awareness and trustworthiness in terms of attendance and completion of work on time.
- 7) Initiative: Passion for carrying out new tasks and to enlarge their responsibilities.
- 8) Personal Qualities: Concerning personality, work motivation, hospitality, and personal integrity.

### III. Research Methodology

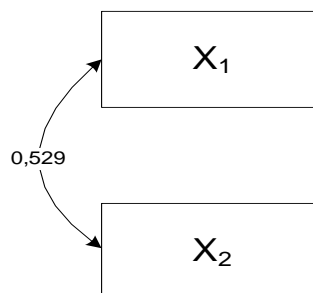
This research uses descriptive and verification research methods. According to Sugiyono (2012: 35), descriptive study is research conducted to determine the value of the independent variable, either one or more (independent) variables without making comparisons or connecting with other variables. Meanwhile, verification research, according to Sugiyono (2010: 3) the research method used for research on specific populations or samples, and statistical data analysis to test predetermined hypotheses. The purpose of a descriptive study is to obtain a systematic description of the effect of work motivation and Compensation as an independent variable and employee performance as the dependent variable. At the same time, the verification aims to test the hypothesis with statistical calculations.

In this study, researchers used three independent variables ( $X_1$  and  $X_2$ ) and one dependent variable ( $Y$ ). According to Sugiyono (2012: 38), research variables are anything in the form that is determined by the researcher to study so that information is obtained about it, then conclusions are drawn. The variable used is  $X_1$  is work motivation, and variable  $X_2$  is compensation, which affects variable  $Y$ , namely employee performance. At the same time, the population is all cleaning officers in the Cleanliness section of the CiptaKarya Office of Karawang Districts, as many as 69 people. Sugiyono (2012: 80) says the population is a generalization area consisting of objects or subjects that have certain qualities and characteristics that are determined by researchers to be studied and then draw conclusions. This study also uses two sources, one primary source and one secondary source. The data collection techniques through interviews, questionnaires and observations and data analysis used Path Analysis.

### IV. Result

#### Relationship Between Independent Variables

In path analysis, the relationship between the independent variables which have a meaningful relationship can be calculated the amount of direct or indirect influence. For the indirect effect, it is the product of the path coefficient and its correlation coefficient. Therefore, the respective coefficient values between the independent variables are calculated first. For more details, the relationship between the two independent variables can be explained as follows:



**Figure 1:** the relationship between the independent variables

The criteria for assessing the correlation, according to Sugiyono (2006: 216) are:

**Table 1** Correlation Assessment Criteria

Coefficient Interval	Relationship Level
0.00 – 0.199	Very low
0.20 – 0.399	Low
0.40 – 0.599	Moderate
0.60 – 0.799	Strong
0.80 – 1.000	Very strong

Based on the assessment criteria and the results of the correlation analysis from table 4.43, the correlation coefficient between the independent variables is obtained, namely the relationship between the work

motivation variable ( $X_1$ ) and compensation ( $X_2$ ), the value is 0.529, which means that it has a moderate and unidirectional level of relationship because the cost is positive.

The Influence of Independent Variables (X) with Bound Variables (Y).

Partial Influence of X on Variable Y.

The partial effect of variable X, namely work motivation and compensation to variable Y, namely employee performance can be described as shown in Figure 2 below:

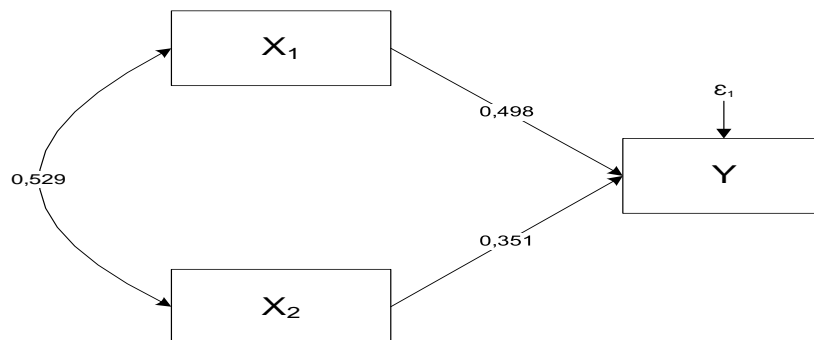


Figure 2: Partial Effect of Independent Variable (X) on the Bound Variable (Y).

Based on the picture above, we can explain the amount of the associative degree or the path coefficient of each independent variable on the dependent variable. For details, see the table below:

Table 2 Path Coefficient

Variable	Path Coefficient
Work motivation	0,498
Compensation	0,351

Table 2 shows that work motivation has the highest path coefficient compared to the compensation variable.

From this table, the path equation can be obtained, namely:

$$Y = 0,498X_1 + 0,351X_2 + \varepsilon$$

Where

Y = employee performance

$X_1$  = Work Motivation

$X_2$  = Compensation

$\varepsilon$  = Effect of other variables

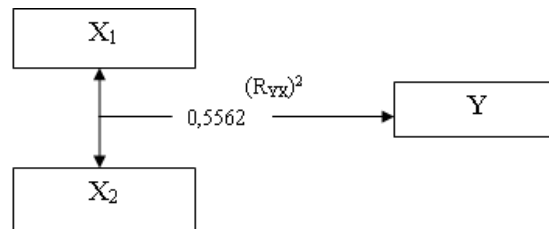
From the above equation it can be interpreted that:

1. There is an associative relationship between work motivation and employee performance, the amount is 0.498 ( $\rho_{YX1}$ ).
2. There is an associative relationship between compensation and employee performance, the amount is 0.351 ( $\rho_{YX2}$ ).

The Simultaneous Effect of Variable X on Variable Y.

The direct and indirect effects simultaneously of work motivation ( $X_1$ ) and compensation ( $X_2$ ) variables on employee performance (Y) are as follows:

1. Magnitude of Direct Effect
  - a. The direct influence of work motivation ( $X_1$ ) on employee performance (Y) is 24.8% ( $\rho^2_{YX1}$ )
  - b. The direct effect of variable compensation ( $X_2$ ) on employee performance (Y) is 12.32% ( $\rho^2_{YX2}$ )
2. Magnitude of Indirect Effect
  - a. The total indirect effect of work motivation ( $X_1$ ) on employee performance (Y) is 9.25%.
  - b. The total indirect effect of the compensation variable ( $X_2$ ) on employee performance (Y) is 9.25%.
  - c. The total effect of the independent variables: work motivation ( $X_1$ ) and compensation ( $X_2$ ) on employee performance (Y) is expressed by the amount of the coefficient of determination ( $R^2_{YX}$ ) 2 of 55.62% while the influence of other variables outside the model is 44.38. %.



**Figure 3.** The simultaneous effect of Variables  $X_1$  and  $X_2$  on Variable  $Y$

For more details, it can be seen in the table below:

**Table: 3** Direct and Indirect Effects of Variables  $X$  and  $Y$

Variable	Direct Influence to Y	Indirect Influence		Total Indirect Effect	Total Influence
		$X_1$	$X_2$		
$X_1$	0,2480	-	0,0925	0,0925	<b>0,3405</b>
$X_2$	0,1232	0,0925	-	0,0925	<b>0,2157</b>
<b>Total Influence</b>					<b>0,5562</b>

Based on table 3 above, it can explain that the magnitude of the influence of each of the variables  $X_1$  and  $X_2$  is as follows:

1. The magnitude of the partial influence of the work motivation variable ( $X_1$ ) Agree that the direct or indirect effect on employee performance ( $Y$ ) is 34.05%.
2. The magnitude of the partial influence of the compensation variable ( $X_2$ ) Agree that the direct or indirect effect on employee performance ( $Y$ ) is 21.57%.

Hypothesis Testing Influence Partially Variables  $X_1$  and  $X_2$  Against  $Y$

The results of statistical tests on the effect of the independent variables ( $X_1, X_2$ ) on the dependent variable ( $Y$ ) using the hypothesis:

Ho:  $\rho_{YX_i} = 0 \rightarrow$  there is no partial influence of the independent variable ( $X_i$ ) on the dependent variable  $Y$ .

H1:  $\rho_{YX_i} \neq 0 \rightarrow$  there is a partial effect of the independent variable ( $X_i$ ) on the dependent variable  $Y$ .

With the test criteria: Reject Ho if Sig.  $< \alpha$  or  $t_{count} > t_{table}$

**Table 4** Result of partial path analysis

Structural	Path Coefficient	T	Sig.	Conclusion
$\rho_{YX_1}$	0,498	5,158	0,000	Ho rejected, there is a significant effect
$\rho_{YX_2}$	0,351	3,636	0,001	Ho rejected, there is a significant effect

From table 4, the following results are obtained:

- a. For the partial effect of work motivation ( $X_1$ ) on employee performance ( $Y$ ), the value of  $t_{count}$  (5.158)  $> t_{table}$  (1.997) and the value of Sig. (0,000)  $< \alpha$  (0.05) then Ho is rejected. Thus, it can be concluded that work motivation partially has a significant effect on employee performance.
- b. For the partial effect of compensation ( $X_2$ ) on employee performance ( $Y$ ), the value of  $t_{count}$  (3.636)  $> t_{table}$  (1.997) and the value of Sig. (0.001)  $< \alpha$  (0.05) then Ho is rejected. Thus, it can be concluded that compensation partially has a significant effect on employee performance.

Testing the Simultaneous Influence of Variables  $X_1$  and  $X_2$  Against  $Y$

The results of statistical tests of the effect of work motivation and compensation simultaneously on employee performance using the following hypothesis:

Ho:  $\rho_{YX_1} = \rho_{YX_2} = 0 \rightarrow$  There is no concurrent effect of the independent variable  $X$  on the dependent variable  $Y$

H1:  $\rho_{YX_1} \neq \rho_{YX_2} \neq 0 \rightarrow$  There is a simultaneous influence from the independent variable  $X$  on the dependent variable  $Y$ .

With the test criteria: Reject Ho if Sig. < $\alpha$  or  $F_{count} > F_{table}$ .

**Table 5** The simultaneous effect of variable X on Y

Model	F-count	Sig.	Conclusion
$\rho_{yx}$	41,422	0,000	Ho is rejected, there is a significant effect

Table 4.47 above shows that  $F_{count}$  is 41.422 greater than  $F_{table}$  (3.136) and the Sig. amounting to 0,000 which is smaller than  $\alpha$  (0.05). Thus, Ho is rejected, so it can be concluded that work motivation (X1) and compensation (X2) simultaneously have a significant effect on employee performance (Y).

## V. Conclusion

1. The relationship between the independent variables, namely between  $X_1$  and  $X_2$ , shows a correlation of 0.529, this indicates that between work motivation and compensation in the Regional Secretariat of Karawang Districts has a moderate relationship, meaning that work motivation has not been optimal to encourage the implementation of education and training.
2. Partial effect between variables  $X_1$  and Y is 0.498 and between  $X_2$  and Y is 0.351. This shows that the work motivation variable contributes more to employee performance than the compensation variable. This means that the real conditions of the employees in the Regional Secretariat of Karawang Districts, pay more attention to the behavior and orders of the leadership to carry out their duties compared to the results of the compensation they are following.
3. The direct and indirect effect between work motivation and compensation variables with employee performance is 0.556. This means that there is an influence of 55.6% between work motivation and compensation with employee performance. This is by the real conditions of employees in the Regional Secretariat of Kab. Karawang that other variables affect the performance of 44.4% by other variables that are not examined in this study.

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