Discovering The Determinants of Motivation, Compensation, Workload on Employee Performance

Ester Mawar Siagian[1], Elizabeth[2], Sarah Khairunnisa Budiyanto[3],
Eka Kurnia Saputra[4], H. Machin[5]

Abstract:

Research to test the influence of motivation, compensation, workload on the work performance of CV ABCD employees in Jakarta. This research uses a quantitative method with multiple linear regression analysis. Data were collected using a questionnaire given to all CV ABCD employees in Jakarta. The sampling technique used a census sampling technique with a population of 56 employees. The results of the research show partially and simultaneously the variables of motivation, compensation, workload on the work performance of CV ABCD employees in Jakarta. These findings can be a reference for CV ABCD in Jakarta to improve employee performance which has a good impact on the success of the company.

Keywords: *Motivation, Work, Compensation, Performance, workload*

1. Introduction

In the face of increasingly intense competition, companies are faced with major challenges in managing human resources effectively. One of the key factors that influences organizational success is employee performance (Wahdiniawati et al., 2024). Therefore, it is important to understand the influence of motivation, compensation, and workload on employee performance. This study aims to analyze how motivation, compensation, and workload affect employee performance, using a causality analysis framework to improve human resource management in organizations. In the sense that employee performance is the determination and ability to obey all regulations, carry out, and practice everything that is obeyed with full responsibility, good attitude and behavior in carrying out their daily duties (Souisa et al., 2023). A decision in the general sense is "a decision is the selection of an option from two or more alternative choices" which is a person's decision where he chooses one of several alternative choices available (Ginting 2015). The concept of performance is widely used in studies and practices in the field of management, as one of the vital concepts that determines the movement and development of certain management (Santoso et al., 2021).

[1] *Management, Universitas Sisingamangaraja XII Tapanuli, Indonesia. stermawarsiagian@gmail.com*
[2] *Marketing Mnaagement, Universitas Budi Luhur, DKI Jakarta, Indonesia. elizabeth@budiluhur.ac.id*
[3] *Phsycology, Universitas Jakarta Internasional, Indonesia. sarah.budiyanto@uniji.ac.id*
[4] *Management, STIE Pembangunan Tanjungpinang, Kepulauan Riau, Indonesia. ekakurnia@stie-pembangunan.ac.id*
[5] *Universitas Darul 'Ulum, Indonesia. machinse6@gmail.com*

Employee motivation is a key element that determines the level of engagement and commitment to work (Rahmana & Soliha, 2022). Both intrinsic and extrinsic motivation play a significant role in increasing work enthusiasm and productivity. When employees are motivated, they tend to feel more satisfied and able to make optimal contributions. According to Schiffman - Kanuk (2008) in Ginting (2015), the thing that drives humans to force them to act is motivation which can be described as a driving force within the individual. In addition, compensation functions as an external incentive that is often associated with performance. Adequate compensation is not only a reward for employees' time and effort but also increases their sense of appreciation and loyalty.

However, if compensation does not meet expectations, this can lead to a sense of injustice and demotivation, which ultimately has a negative impact on performance. This study emphasizes the importance of a fair compensation strategy to support employee welfare and prevent the risk of declining performance. According to Santoso & Wulandari (2022), Rukmini (2016), Baskoro et al. (2019), Prasika & Santoso (2021). There is an influence between compensation and employee performance, because compensation encourages effective teamwork.

Another factor that affects performance is workload. High and unbalanced workload can trigger chronic stress, which is a major cause of decreased performance. Employees with excessive workload often feel overwhelmed and have difficulty managing tasks properly, which has the potential to reduce the quality of work results and have a negative impact on mental health.

The causal approach, which highlights the importance of the relationship between elements in a system, allows for an in-depth analysis of motivation, compensation, workload, and performance. Through this approach, the study aims to reveal how these variables interact with each other in the context of the company, and how changes in one element can affect other elements. For example, increasing motivation can help reduce the negative impact of a heavy workload, or adjusting compensation can increase motivation while reducing the risk of decreased performance.

By understanding the influence of motivation, compensation, and workload on employee performance through a causal perspective, companies can design more effective strategies to improve employee well-being while strengthening overall organizational performance. This study is expected to provide important insights for HR managers in formulating fairer policies and creating a supportive work environment, so as to minimize the negative impact on employee and company performance. Research results from Prasika & Santoso, (2021), stated that workload has a negative effect on employee performance.

CV ABCD in Jakarta, is a Home Industry engaged in furniture. Various types of furniture are made from several materials, one example is wooden pallets, iron rods, and iron strips. From these materials, various types of furniture can be made, such as wall shelves and so on. In the manufacturing process, of course, the material undergoes a process to become the desired furniture item. In some processes, one of

these processes is sanding the material. In this process, there is a lot of waste from wood and iron scattered around, making the work environment less comfortable, other consequences can interfere with the activities of workers in the environment. With the educational background of employees, 80% of whom are secondary education, it is interesting to implement / apply whether motivation and work discipline can improve the performance of employees of a company in the garment business sector. It mentions the crucial role of various factors - such as compensation, motivation, and workload in influencing employee performance which are fundamental to achieving organizational goals.

2. Theoretical Background

Employee Motivation and Performance
Intrinsic and extrinsic motivation have a significant influence on job satisfaction and the risk of burnout. Intrinsic motivation, which comes from internal factors such as a sense of achievement and personal satisfaction in work, plays an important role in reducing the risk of burnout. Yasmita & Suherman (2024) revealed that employees who feel satisfied and motivated by their work, for example through personal achievement and a sense of responsibility, tend to be more actively involved and committed to their tasks. This has a positive impact on improving performance, because employees who have intrinsic motivation usually show better resilience. Conversely, a lack of motivation, both intrinsic and extrinsic, can trigger dissatisfaction and high stress, which often have a negative impact on performance. Employees who feel uninspired or under-appreciated tend to experience dissatisfaction and stress that leads to fatigue. Ginting (2016), a person's behavior is the activities of individuals directly involved in the decision-making process in the preparation and determination of these activities. Therefore, creating a work environment that supports intrinsic motivation is an important step to prevent and reduce the impact of declining performance. Good performance is optimal performance according to organizational standards and supports the achievement of organizational goals (Yaqinah & Santoso, 2020). High work motivation improves employee performance (Laksmiari, 2019). Hasmalawati (2018), Dhermawan et al., (2012) stated that motivation does not affect performance. Meanwhile, Santoso & Wulandari (2022), Prasika & Santoso (2021), Hasbullah & Ramli (2021), Prahiawan & Simbolon (2014), Prabu (2016), Yunianti et al. (2019), Afifah & Santoso (2020), there is an influence between motivation and employee performance, because motivation encourages effective teamwork. H1: Work motivation affects employee performance.

Compensation and Employee Performance
Fair and adequate compensation plays a crucial role in improving employee job satisfaction and well-being. Research shows that a mismatch between employee expectations of compensation and the reality received can trigger dissatisfaction, which has the potential to reduce performance. When employees feel that financial rewards are not commensurate with their contributions, work motivation tends to decrease, which has a negative impact on productivity. Conversely, appropriate

compensation adjustments can serve as an effective incentive to increase motivation and mitigate the negative impact on performance. Adequate compensation not only reduces dissatisfaction but also helps create a balance between workload and rewards received. Therefore, companies need to periodically evaluate the compensation structure and make adjustments to align with employee contributions and job demands. Good performance is optimal performance, namely performance that meets organizational standards and supports the achievement of organizational goals (Santoso, 2022). This study emphasizes the importance of a fair compensation strategy to support employee welfare and prevent the risk of declining performance. Santoso & Wulandari (2022), Rukmini (2016), Baskoro et al. (2019), Prasika & Santoso (2021). there is an influence between compensation and employee performance, because compensation encourages effective teamwork. H2: Compensation affects employee performance.

Workload and Employee Performance
High workload that is not managed well can contribute to an increased risk of decreased performance. When employees face excessive work volume, they tend to experience chronic stress that can lead to fatigue and decreased work performance. Research shows that good workload management, including balanced division of tasks and adequate organizational support, can mitigate the negative impacts of work stress and improve performance. The concept of performance is widely used in studies and practices in the field of management, as one of the vital concepts that determine the movement and development of management (Wibowo & Santoso, 2020). An employee's performance is individual, because each employee has different levels of ability in carrying out their duties (Ulfa et al., 2021). The results of research from Prasika & Santoso, (2021), state that workload has a negative effect on employee performance. H3: Workload affects employee performance

3. Methodology

The study used quantitative methods with multiple regression analysis. In the study using primary data collected from respondents seen from the answers to the CV ABCD employee questionnaire in Jakarta. The study used 58 respondents as samples as well as populations (census techniques). This study was designed using a survey method, while the instrument used was a closed questionnaire with 5 (five) answer choices referring to the Likert scale. Data processing using SPSS 26 which is supported by several tests that must be met. There are 2 variables in this study, namely independent variables and dependent variables. a) Independent Variables, namely: Work Motivation (X1), Compensation (X2), Workload (X3). b) The dependent variable is Employee Performance (Y1).

4. Empirical Findings/Result

Respondent Characteristics
The results of the study show that the majority of CV ABCD employees in Jakarta are men who are of productive age (26-30 years old), which is the age at which a person

has relatively high performance. The number of respondents with the latest education of high school is 56 people (96.6%) and the smallest respondents are D3 Bachelor's degree as many as 2 people (3.4%). From these data it can be seen that the company has more employees with high school education than D3 Bachelor's degree. Respondents with a work period of 1-5 years are 35 people (60.4%), a work period of 6-10 years is 20 people (34.5%) and a work period of 11-15 years is 3 people (5.1%).

Validity test
Obtained from the comparison between the Cronbach's Alpha values for motivation of 0.714, compensation of 0.905, workload of 0.696, while the employee performance variable is 0.748. All variables of motivation, compensation, workload, employee performance have a Cronbach's Alpha value > 0.06, so the research data is reliable and acceptable.

Normality Test
The One Sample Kolmogorov Smirnov test can be used to determine the normal distribution of data. Based on these results, a significance value (2-tailed) of 0.173 > 0.05 is obtained, so the data is normally distributed so it can be used.

Multicollinearity Test
There is no multicollinearity problem in the regression equation between independent variables if VIF < 10 and Tolerance > 10. Based on the results of the analysis, it turns out that all motivation, compensation, and workload variables have VIF values < 10 and tolerance values > 0.10, so there are no symptoms of multicollinearity.

Heteroscedasticity Test
By using the Glejser test, the results of the analysis show that all independent variables, namely: motivation, compensation, workload have a Sig. value > 0.05, so there are no symptoms of heteroscedasticity in this study.

Multiple Linear Regression Analysis

Table 1. Multiple Linear Regression Analysis

Variable	Regression Coef	Sig.
Constanta	-	-
Motivation	0,295	0,000
Kcompensation	0,371	0,001
Workload	- 0,279	0,000

Based on table 1, Equation is formed, namely: $Y = 0,,295X1 + 0,371X2 - 0,279 + e$ Motivation (X1), the coefficient value of the motivation variable is positive at 0,295, which means that an increase in the motivation variable will affect an increase in employee performance.

Compensation (X2), the coefficient value of the compensation variable is positive at 0,371, which means that an increase in the compensation variable will affect an increase in employee performance.

Workload (X3), the coefficient value of the workload variable is negative at -0,279, which means that every increase in the workload variable will affect a decrease in employee performance

F Test
The influence of independent variables on dependent variables can be explained through simultaneous testing, known as the F test, where if the significance value is lower than 0.05, then Ho is rejected and if otherwise then Ho is accepted. Based on the results of the analysis, the significance value of the motivation, compensation and workload variables is lower than 0.05, so that simultaneously the motivation, compensation and workload variables affect employee performance.

t-Test
There is a significant influence of the independent variable on the dependent variable if the probability is <0.05. Conversely, it is said to have no significant effect if it produces a probability > 0.05. Based on the results of the analysis, motivation (X1) has a significance of $0.001 < 0.05$. This means that H1 is accepted, so motivation affects employee performance. Furthermore, compensation (X2) has a significance of $0.000 < 0.05$, indicating that H2 is accepted so that employee performance is influenced by compensation. Likewise, the workload variable has a significance of $0.000 < 0.05$. This means that H3 is accepted so that work load affects employee performance.

Determination Coefficient Test
The score obtained by R2 is expected to be higher than 0.5 because the value that should be obtained is between 0 and 1. Based on the results of the analysis, the Adjusted R Square value is 0.798, so the independent variable affects the dependent variable by 80,7 % and the remaining 19,3 % is explained by other variables outside this study.

5. Discussion

First hypothesis: Work motivation has a positive and significant impact on employee performance, as the results of the hypothesis test show a significance level of 0.000 <0.05, so the first hypothesis is accepted. The relationship between work motivation and employee performance shows that both internal and external factors can encourage individuals to show high enthusiasm, commitment, and perseverance in work. Strong motivation increases focus, effort, and dedication to tasks, thereby helping to achieve goals more effectively. Motivated individuals tend to be more resilient in facing challenges, paying attention to detail, and maintaining optimal quality results. In addition, motivation also encourages creativity and initiative, allowing them to propose new ideas and solutions that support work effectiveness and productivity. Motivated employees are more likely to develop their skills, having a positive impact on long-term performance. Therefore, creating motivation through recognition, development opportunities, a supportive work environment, and clear and meaningful goals can significantly improve individual and team performance. High

work motivation improves employee performance (Laksmiari, 2019). Hasmalawati (2018), Dhermawan et al., (2012) stated that motivation has no effect on performance. Meanwhile, according to Santoso & Wulandari (2022), Prasika & Santoso (2021), Hasbullah & Ramli (2021), Prahiawan & Simbolon (2014) and Prabu (2016), Yunianti et al. (2019), Afifah & Santoso (2020), there is an influence between motivation and employee performance, because motivation encourages effective teamwork.

Second hypothesis: There is a positive and significant effect of compensation on employee performance. This is proven by the results of the hypothesis test which has a significance of 0.002 <0.05 so that it is concluded that the second hypothesis is accepted. Compensation has a positive and significant effect on employee performance, as recognized in various management theories and research. Compensation consists of financial compensation and non-financial compensation (Triyani et al. 2017). Fair and adequate compensation can increase employee motivation to work better by meeting their basic needs, thus creating a sense of appreciation and encouragement to achieve more optimal results. Competitive compensation also helps organizations attract and retain the best talent. Employees who feel their compensation is commensurate with their contributions tend to stay longer, reducing turnover rates and recruitment costs. In addition, satisfaction with compensation allows employees to focus on their tasks without being distracted by financial worries, thereby increasing productivity and work quality. Fair compensation also contributes to employee psychological well-being, helping them reduce stress and support performance. Employees who feel appreciated tend to be more proactive, creative, and participate in efforts to increase productivity. However, the relationship between compensation and performance is influenced by other factors, such as the work environment and corporate culture. Therefore, an effective compensation strategy needs to be tailored to the organizational context and employee characteristics to maximize productivity. Compensation that includes salary, benefits, bonuses, or other incentives can increase employee motivation to work harder and smarter in achieving goals. Santoso & Wulandari (2022), Rukmini (2016), Baskoro et al. (2019), Prasika & Santoso (2021). there is an influence between compensation and employee performance, because compensation encourages effective teamwork.

Third hypothesis: The results of the study showed that the workload variable obtained a significance value of 0.000 small 0.05, so this study successfully proved the third hypothesis. The third factor that affects employee performance is workload. Too much workload can cause tension in a person, causing stress. This can be caused by the level of expertise required being too high, the speed of work may be too high, the volume of work may be too much and so on. Providing a workload that is in accordance with the abilities of employees can maximize employee abilities and performance. Therefore, companies must provide work that is in accordance with employee abilities. The results of research by Prasika & Santoso, (2021), state that workload has a negative effect on employee performance

6. Conclusions

From the test results on 3 hypotheses, all were accepted. Hypothesis testing produces (1) motivation has a positive and significant influence on the performance of CV ABCD employees in Jakarta. (2) compensation has a positive and significant influence on the performance of CV ABCD employees in Jakarta. (3) workload has a negative and significant influence on the performance of CV ABCD employees in Jakarta. the Adjusted R Square value is 0.807, so the independent variable affects the dependent variable by 80.7 % and the remaining 19.3 % is explained by other variables outside this study.

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