

# Journal of Economics, Management, Entreprenuer, and Business



| ISSN (Online) <u>2797-1511</u> | ISSN (Print) <u>2797-1503</u> | <u>https://creativecommons.org/licenses/by/4.0/</u> **DOI:** https://doi.org/10.52909/jemeb.v4i2.156

# The Effect of Work Commitment and Compensation on Employee Performance and Work Motivation as Intervention Variables at PT Karsavicta Satya

## Ni Putu Muriyantini<sup>1</sup>, Sukesi<sup>2</sup>

- <sup>1</sup> Universitas Dr. Soetomo Surabaya, Indonesia
- <sup>2</sup> Universitas Dr. Soetomo Surabaya, Indonesia

Corresponding Author: ni.putu.muri@gmail.com 1

**Abstract:** Managing human resources is a challenge in every organization, the existence of human resources plays an important role and asset in carrying out organizational/company activities, in the era of globalization that causes changes and competition in almost all sectors where Sophistication, technology, rapid development of information, availability of capital and adequate materials in the organization will not be able to achieve company goals without being supported by competent human resources, it is not uncommon for us to see many large and small companies/organizations do not have an effective strategy. The purpose of this study is to analyze the Effect of Work Commitment and Compensation on Employee Performance and Work Motivation as Intervening variables at PT Karsavicta Satya. Using Census Sampling where the number of respondents was 112 employees. The results of the study were obtained based on the first assumption model test stating that the critical ratio (t-table) 10.57386 then the significance value of probability (P-value)  $0.000 \square 0.05$ , it was concluded that the test results showed that there was a relationship between Work Commitment and performance that was positive and significant. Based on the first assumption model test stating that the critical ratio (t-table) 9.599647 then the significance value of probability (P-value) 0.000 \( \Bar{\pi} \) 0.05. it was concluded that the test results showed that there was a relationship between Work Compensation and performance that was positive and significant. Based on the first assumption model test stating that the critical ratio (ttable) 3.464937 then the significance value of probability (P-value) 0.002 □ 0.05 it was concluded that the test results showed that there was a relationship between Work Motivation and performance that was positive and significant. Based on the first assumption model test, it states that the critical ratio (t-table) is 4.4775008 and the significance probability value (P-value) is 0.003  $\square$  0.05. It is concluded that the test results indicate that there is a positive and significant relationship between Work Commitment and motivation. Based on the first assumption model test, it states that the critical ratio (t-table) is 5.358838 and the significance probability value (P-value) is 0.003  $\square$  0.05. It is concluded that the test results indicate that there is a positive and significant relationship

between Work Compensation and motivation. Work Compensation has a positive and significant influence on Performance Through Motivation

Keyword: Work Commitment, Work Compensation, Motivation, Performance

## **INTRODUCTION**

have been set by the company. High performance can be formed with the awareness of every company leader to provide support to employees in the form of leadership participation in providing direction regarding the work they do, a comfortable workplace atmosphere, providing appropriate compensation to each employee, creating good work discipline, and effective communication can increase employee enthusiasm in working (Fahraini & Syarif, 2022). Thus, if employees provide good performance for the progress of the organization/company, then the organization's ability to provide appropriate and proper rewards for employees will be very beneficial for employees for the sustainability of the organization/company in the future.

Factors that influence employee performance are compensation factors and work commitment. Every employee who has a high work commitment can certainly be seen from a very strong desire to remain an employee of the company which is marked by the willingness to mobilize all power and efforts for the benefit of the company, have a stronger desire to work and show a high level of participation. In supporting the good performance of each employee, the company strives to direct its employees to be able to achieve the company's predetermined goals.

The existence of various programs carried out by PT Karsavicta Satya to spur employee work commitment, of course, each employee will receive financial and non-financial compensation such as job promotions, and various facilities. Compensation is also very important for the continuity of the company, the amount of compensation given is a measuring factor for the results achieved by employees. Compensation is divided into two, namely financial compensation and non-financial compensation. With the provision of satisfactory compensation, it will certainly create a high work commitment in working for the continuity of the company. Not only financial compensation factors need to be considered but non-financial compensation can also affect the employee's work commitment itself. With competence including attitudes, motives, value systems, knowledge and skills where competence will direct behavior, while behavior will produce performance. Providing motivation to employees is a form of encouragement that can be done by leaders to employees or even between co-workers. This motivation is given to provide encouragement for all employees without exception to be able to improve more optimal performance. Motivation is basically a process of trying influence someone to do something we want.

Of the many factors that affect employee performance, researchers only use the four factors described above for this study. The purpose of this study is to analyze the Influence of Work Commitment and Compensation on Employee Performance and Work Motivation as Intervening Variables at PT Karsavicta Satya.

## **METHOD**

This type of research is quantitative research. This research is an observational study conducted on a number of objects according to their actual conditions, without any interval from the researcher. This research design uses a cross-sectional method approach. With a population of 112 people. The census sampling technique means that all populations are used as samples in the study.

# **RESULTS AND DISCUSSION**

Based on the research results, it was found:

Umur	Jumlah	Presentase
(Tahun)	Responden	(%)
21-30	24	21
31-40	38	34
41-50	30	27
51-55	20	18
Total	112	100%

### **Research Data Source**

Based on the table above, it can be seen that the largest age of respondents is 31-40 years old, 38 people or 34%, then 41-50 years old, 30 people or 27%, 21-30 years old, 24 people or 21% and 51-58 years old, 20 people or 18%.

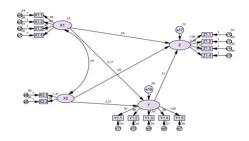
Gender in general can make a difference in a person's behavior. The presentation of respondent data based on gender is as follows:

Respondent Gender

Jenis	Jumlah	Presentase
Kelamin	Responden	(%)
Laki-laki	98	87%
Perempuan	14	13%
Total	112	100%

Source: Data from Karsavicta Satya Office

Based on the table above, it can be seen that the majority of respondents were male, namely 98 people or 87% compared to females, which amounted to 14 people or 13%.



			Estimate	S.E.	C.R.	P	Label
Y	<	X1	3,1661055	6,6305764	4,4775008	,0030056	
Y	<	X2	3,2716815	9,1174293	5,3588382	,0030162	
Z	<	X1	,4371333	,7617299	10,5738692	***	
Z	<	X2	,8162905	1,3612835	9,5996476	***	
Z	<	Y	,5141461	,3509680	3,4649374	,0029380	
X1.4	· <	X1	1,0000000				
X1.3	<	X1	,9710930	,0905239	10,7274769	***	
X1.2	<	X1	,8333088	,0826990	10,0764067	***	
X1.1	<	X1	,9338123	,0862010	10,8329640	***	
X2.2	<	X2	1,0000000				
X2.1	<	X2	1,3094426	,1458279	8,9793707	***	
Y1.5	<	Y	1,0000000				
Y1.4	· <	Y	,8910838	,0816158	10,9180245	***	
Y1.3	<	Y	1,0204238	,0906514	11,2565746	***	

	Estimate	S.E.	C.R.	P	Label
Y1.2 < Y	,9792800	,0889904	11,0043327	***	
Y1.1 < Y	,9698481	,0963532	10,0655499	***	
Z1.1 < Z	1,0000000				
Z1.2 < Z	2,3612545	,4613695	5,1179255	***	
Z1.3 < Z	2,3213866	,4559325	5,0915132	***	
Z1.4 < Z	2,3480832	,4693432	5,0029136	***	

#### DISCUSSION

Hypothesis 1 (first) is that Work Commitment has an influence on Performance. Assumption testing states that the value of estimate regression weights is 0.437133, standard error 0.1761729, critical ratio (t-table) 10.57386 then the significance value of probability (P-value)  $0.000 \square 0.05$ . So it can be concluded that the test results show that there is a relationship between Work Commitment and performance is positive and significant. Thus it can be said that the hypothesis of Work commitment has a positive and significant influence on performance, accepted.

Hypothesis 2 (second) is that Work Compensation has an influence on Performance. Assumption testing states that the value of estimate regression weights is 0.8162905, standard error 1.3612835, critical ratio (t-table) 9.599647 then the significance value of probability (P-value)  $0.000 \square 0.05$ . Thus it can be concluded that the test results show that there is a positive and significant relationship between Work Compensation and performance. Thus it can be said that the hypothesis of Work Compensation has a positive and significant influence on performance, accepted.

Hypothesis 3 (third) namely Work Motivation has an influence on Performance. The assumption test states that the value of the estimate regression weights is 0.5141461, the standard error is 0.3509680, the critical ratio (t-table) is 3.464937 then the significance value of the probability (P-value) is  $0.002 \,\square\,0.05$ . Thus it can be concluded that the test results show that there is a positive and significant relationship between Work Motivation and performance. Thus it can be said that the hypothesis of Work Motivation has a positive and significant influence on performance, accepted.

Hypothesis 4 (fourth) namely Work Commitment has an influence on Motivation. The assumption test states that the value of the estimate regression weights is 3.31661055, the standard error is 6.630574, the critical ratio (t-table) is 4.4775008 and the significance value of the probability (P-value) is  $0.003 \square 0.05$ . So it can be concluded that the test results show that there is a relationship between Work Commitment and motivation is positive and significant. Thus it can be said that the hypothesis of Work Commitment has a positive and significant influence on motivation, accepted.

Hypothesis 5 (fifth) namely Work Compensation has an influence on Motivation. The assumption test states that the value of the estimate regression weights is 3.2716815, the standard error is 9.117429, the critical ratio (t-table) is 5.358838 and the significance value of the probability (P-value) is  $0.003 \, \Box \, 0.05$ . So it can be concluded that the test results show that there is a relationship between Work Compensation and motivation is positive and significant. Thus it can be said that the hypothesis of Work Compensation has a positive and significant influence on motivation, accepted.

Hypothesis 6 (sixth) namely Work Commitment has an influence on Performance through Motivation. Testing the assumption that the value of the estimate regression weights is 0.437133, the standard error is 0.761729, the critical ratio (t-table) is 10.57386 then the significance value of the probability (P-value) is 0.000  $\square$  0.05. So it can be concluded that the test results show that there is a relationship between Work Commitment and Performance through Motivation is positive and

significant. Thus it can be said that the hypothesis of Work Commitment has a positive and significant influence on performance through motivation, accepted.

Hypothesis 7 (seventh) namely Work Compensation has an influence on Performance Through Motivation. Testing the assumption of the estimated regression weights value is 3.2716815, standard error 9.117429, critical ratio (t-table) 5.358838 then the significance value of probability (P-value) 0.003 □ 0.05. So it can be concluded that the test results show that there is a relationship between Work Compensation and Performance Through Motivation s positive and significant. Thus it can be said that the Work Compensation hypothesis has an influence on Performance Through Motivation positively and significantly, accepted.

## **CONCLUSION**

- 1 The Work Commitment Hypothesis has a positive and significant influence on performance, accepted.
- 2 The Work Compensation Hypothesis has a positive and significant influence on performance, accepted.
- 3 The Work Motivation Hypothesis has a positive and significant influence on performance, accepted.
- 4 The Work Commitment Hypothesis has a positive and significant influence on motivation, accepted.
- 5 The Work Compensation Hypothesis has a positive and significant influence on motivation, accepted.
- 6 There is an Influence of Work Commitment on Employee Performance at the PT Karsavicta Satya Office Through Motivation as an Intervening Variable.

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