



Effect of Work Motivation and Compensation on Employee Performance at PT. Vale Indonesia. Tbk. Luwu Timur – South Sulawesi

Ibriansyah¹, Salju², Sapar³

^{1,2,3}Master of Management, University of Muhammadiyah Palopo, Indonesia

Email: ibriansyah@umpalopo.ac.id, salju@umpalopo.ac.id, sapar@umpalopo.ac.id

ARTICLE INFO

ABSTRACT

Article history:

Received: Des 21, 2021

Revised: Jan 20, 2022

Accepted: Feb 03, 2022

Keywords:

Work Motivation,
Compensation,
Employee Performance

The purpose of this study is that researchers want to know the effect of work motivation and compensation on employee performance at PT. Vale Indonesia Tbk. East Luwu-South Sulawesi. This research was conducted at PT. Vale Indonesia Tbk. East Luwu-South Sulawesi. The method used by researchers in this study using quantitative methods. The sample of this study was taken from employees of PT. Vale Indonesia Tbk. East Luwu-South Sulawesi as many as 286 employees obtained using the slovin formula. The data analysis used by the researcher is descriptive data analysis and multiple linear regression data analysis. Based on the calculation results, it is found that work motivation has a positive and significant effect on employee performance with a significant value of $0.000 > 0.05$ and is evidenced by the value of $t \text{ count} > t \text{ table}$, namely $15,658 > 1,968$. Likewise with the Compensation variable which has a positive and significant effect on Employee Performance with a significant value of $0.012 < 0.05$ and is evidenced by the value of $t \text{ count} > t \text{ table}$, namely $2.535 > 1.968$. Therefore, if work motivation and compensation are high, employee performance will increase.

Copyright © 2022 Jurnal Mantik.
All rights reserved.

1. Introduction

PT. Vale Indonesia Tbk is a nickel mining and processing company, located and operating in the Sorowako Block, East Luwu Regency, South Sulawesi Province. In the current era of globalization, companies are required to prepare, anticipate and adapt themselves to the changes that will occur. Likewise with PT. Vale Indonesia Tbk they must prepare strategies to deal with its competitors.

One of the factors that influence the success of a company is the performance of employees at the company. Every company will improve the performance of its employees to achieve the desired company goals. If a company can improve the performance of its employees, then the company will get big profits. Employees who have high performance, the work given by the leadership will be completed quickly, and the possibility of employee transfers can be reduced to a minimum.

Good employee performance can be obtained through work motivation and compensation. Giving motivation to employees is something the company does to support performance and want to work sincerely. Motivation is a force within an individual that will direct the individual to achieve the desired goal, and take voluntary action to achieve a common goal. Compensation also has an influence on employee performance (Fitriah et al., 2020). Compensation is something that employees receive in return from the company they work for for their contribution to the company. In providing fair compensation to employees, superiors need to evaluate their employees (Hidayat, 2015).

The phenomenon of research related to work motivation and compensation on the performance of employees of PT. Vale Indonesia Tbk. East Luwu – South Sulawesi, it was found that the motivation for employees is not optimal, where many employees still do not adhere to the mandate given to them to do a given job and their obligations as employees. This can cause huge losses to the company. In addition to



motivation, the phenomenon of compensation for employee performance is also not optimal, where the compensation provided by the company PT. Vale Indonesia Tbk. East Luwu – South Sulawesi is still unfair and unequal to the work they do. Like old workers who have large compensation or benefits compared to workers who have just started their career for 4 years. But in giving responsibility or work, usually the employees who have worked for 4 years, the company provides more work than workers who have worked for a long time. Problems like this are often felt by workers and result in their performance which will decrease day by day.

2. Method

This study uses qualitative and quantitative analysis methods, where qualitative analysis is used to explain the data obtained in a narrative manner while quantitative analysis is used to calculate data using application programs. Statistical Product and Service Solutions (SPSS). The research was conducted at PT. Vale Indonesia Tbk. East Luwu-South Sulawesi. The population in this study are employees at PT. Vale Indonesia Tbk. East Luwu-South Sulawesi. Population is a group of people who have characteristics and have the opportunity to be selected as samples. While the sample is part or representative of the population to be studied. The number of samples in this study were 286 employees, which were generated from the calculation of the Slovin formula. The data analysis used by the researchers in this study were multiple regression analysis, coefficient of determination (R²), and t-test using the Statistical Product and Service Solutions (SPSS) 21.0 application program.

3. Result and Discussion

3.1 Multiple Linear Regression Analysis

This data analysis was conducted to determine how much influence the variable X (independent) had on the variable Y (dependent). The results of the data analysis can be seen in the table.

TABLE 1
MULTIPLE LINEAR REGRESSION

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.148	.659		4.774	.000
Work Motivation (X1)	.478	.031	.674	15,658	.000
Compensation (X2)	.074	.029	.109	2,535	.012

The resulting regression equation is:

$$P = 0 + \beta_1 X_1 + \beta_2 X_2 + e$$

$$P = 3.148 + 0.478 X_1 + 0.074 X_2 + e$$

Then the regression equation above means that:

- 1). The coefficient value of 3.148 is positive, meaning that if the work motivation and compensation variables are 0 then the employee performance variable will increase by 3.148.
- 2). The work motivation variable has a coefficient value of 0.478, meaning that work motivation has increased by 0.478 and if other variables have a fixed value and increase by 1%, the employee performance variable will increase by 0.478 with other variables accepted.
- 3). The compensation variable has a coefficient of 0.074, which means that compensation has increased by 0.074 and if the other variables are fixed and increased by 1%, the employee performance variable has increased by 0.074 with the assumption that the other variables are acceptable.

3.2 Coefficient of Determination Test (R²)

This data analysis was conducted to determine the value of the independent variable that could explain the dependent variable. The results of data analysis can be seen in the table.

TABLE 2



Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.701	.479	.488	.69079

The results of data processing can be seen that the R Square value is 0.479 or 47.9%, so work motivation and compensation have an influence on employee performance of 0.479. the remaining 52.1% is influenced by other studies.

3.3 T Test

This analysis was conducted to determine whether there is an influence between the variables of work motivation and compensation on employee performance. The results of the data analysis can be seen in the table.

TABLE 3
T TEST

Model	Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
(Constant)	3.148	.659		4.774	.000
Work Motivation (X1)	.478	.031	.674	15,658	.000
Compensation (X2)	.074	.029	.109	2,535	.012

The results of data analysis in the table can be explained:

- 1). The first hypothesis is the work motivation variable (X_1), the results obtained are $t_{count} 15,658 > t_{table} 1,968$. The significant value obtained is $0.000 < 0.05$, meaning that work motivation has a significant effect on employee performance.
- 2). The second hypothesis is compensation (X_2) the results of $t_{count} 2,535 > t_{table} 1,968$. The significant value is $0.012 < 0.05$, meaning that compensation has a significant effect on employee performance.

3.4 The Effect of Work Motivation on Employee Performance at PT. Vale Indonesia Tbk. East Luwu-South Sulawesi

Based on the results of data analysis, the variable work motivation on employee performance variables, t_{count} is 15,658 and t_{table} is 1,968, so $t_{count} > t_{table}$. The significant value is $0.000 < 0.05$. means that work motivation has an influence on employee performance. It can be concluded that if the employee's work motivation is increased, the employee's performance will be better.

The results of this study are in line with research conducted by [18] the title of the research is "The Influence of Work Motivation and Work Discipline on Teacher Performance" where the results of the research work motivation have a positive and significant effect on teacher performance. This research is also in line with research (Hasibuan & Bahri, 2018) which says that work motivation has an influence on performance.

3.5 The Effect of Compensation on Employee Performance at PT. Vale Indonesia Tbk. East Luwu-South Sulawesi

From the data analysis, the compensation variable on employee performance $t_{count} 2,535$ and $t_{table} 1,968$, so $t_{count} > t_{table}$. The significant value is $0.012 < 0.05$. This means that the compensation variable has an influence on employee performance. So it can be concluded that if the compensation is increased, the employee's performance will increase.

This research is in line with research [20] where the research results explain that compensation has a positive and significant effect on employee performance. (Wairooy, 2017) also conducted research that was in line with this study which said that compensation had a positive and significant effect on employee performance. Which means if the compensation given by PT. Vale Indonesia Tbk. Luwu Timur-South Sulawesi to high employees, employee performance will increase.

4. Conclusion

From the results of the analysis produced and discussed, it is concluded that the work motivation variable has a positive and significant influence on the employee performance variable and the compensation variable also has a positive and significant effect on employee performance. So this means that if work motivation and compensation are high, then the performance of employees at PT. Vale Indonesia Tbk. East Luwu-South Sulawesi will continue to increase.

5. References

- [1] W. Fitriah, E. Putri, and G. Herudiansyah, "Pengaruh KOMPensasi dan Rebranding JABatan Generasi Milenial Terhadap Kinerja Karyawan PT Kereta Api Indonesia (Persero) Divisi Regional III Palembang," *Jurna Adminika*, vol. 6, no. 1, pp. 117–134, 2020.
- [2] R. Hidayat, "Performance Appraisal sebagai Alat Pengukuran Kepuasan Kerja Karyawan," *J. Ilman*, vol. 3, no. 1, pp. 1–8, 2015.
- [3] N. Ardian, "Pengaruh Insentif Berbasis Kinerja, Motivasi Kerja, dan Kemampuan Kerja Terhadap Prestasi Kerja Pegawai UNPAB," *J. Kaji. Ekon. dan Kebijakan. Publik*, vol. 4, no. 2, pp. 119–132, 2019.
- [4] R. K. Alhassan, N. Spieker, P. van Ostenberg, A. Ogink, E. Nketiah-Amponsah, and T. F. R. de Wit, "Association Between Health Worker Motivation and Healthcare Quality Efforts in Ghana," *Sage Publ.*, vol. 11, no. 37, pp. 1–11, 2013.
- [5] Kondalkar. V.G., *Organizational Behaviour*. New Age Internasional (P) Ltd : Publisher. 2007.
- [6] P. L. B. G, and S. R.M., *Motivation and Work Behavior*. New York, NY : McGraw-Hill/Irwin. 2002.
- [7] T. Batova, "Work Motivation in the Rhetoric of Component Content Management," *J. Business Tech. Commucation*, pp. 1–39, 2018, doi: 10.1177/1050651918762030.
- [8] N. Firmandari, "Pengaruh Kompensasi Terhadap Kinerja Karyawan Dengan Motivasi Kerja Sebagai Variabel Moderasi (Studi Pada Bank Syariah Mandiri Kantor Cabang Yogyakarta)," *J. Ekon. dan Bisnis Islam*, vol. IX, no. 1, pp. 25–34, 2014.
- [9] H. Nawawi, *MANajemen Sumber Daya Manusia Untuk Bisnis yang Kompetitif.*, Yogyakarta. 2003.
- [10] M. Arifin, "Pengaruh Kompensasi dan Kepuasan Kerja Terhadap Kinerja (Studi terhadap Fakultas Keguruan dan Ilmu Pendidikan Universitas Muhammadiyah Sumatera Utara)," *J. EduTech*, vol. 3, no. 2, pp. 87–98, 2017.
- [11] M. Irfan, O. K. Bhatti, and Malik, "Impact of Compensation on Inclusive Organizations," *Compens. Benefits Rev.*, vol. 53, no. 3, pp. 103–129, 2021, doi: 10.1177/0886368720971922.
- [12] Salju and M. Makmur, "Pengaruh Motivasi dan Komitmen Karyawan Terhadap Prestasi Kerja Pada PT. Marina Putra Indonesia Perwakilan Kabupaten Luwu Utara," *J. Bisnis dan Kewirausahaan*, vol. 7, no. 4, pp. 468–477, 2016.
- [13] M. E. Supatmi, U. Nirman, and H. N. Utami, "Pengaruh Pelatihan, Kompensasi Terhadap Kepuasan Kerja Karyawan dan Kinerja Karyawan," *J. Provit*, vol. 7, no. 1, pp. 25–37, 2013.
- [14] A. Setiawan, "Pengaruh Disiplin Kerja dan Motivasi Terhadap Kinerja Karyawan pada Rumah Sakit Umum Daerah Kanjuruhan Malang," *J. Ilmu Manaj.*, vol. 1, no. 4, pp. 1245–1253, 2013.
- [15] M. H. Fikri and L. Nasution, "Pengaruh Kepemimpinan Kepala Sekolah Terhadap Efektivitas Sekolah Di SMA Negeri 2 Medan," *J. Penelit. Pendidik. Sos. Hum.*, vol. 3, no. 2, pp. 389–395, 2018.
- [16] R. N. Ichsan and L. Nasution, "The Determine of Organizational Culture and Job Promotion on Employee Performance at PT . Taspen Kantor Cabang Utama Medan," *J. Educ. Hum. Soc. Sci.*, vol. 3, no. 2, pp. 459–466, 2020.
- [17] Aisyah, M. Risal, and M. Kasran, "Pengaruh Pengembangan Karir Dan Motivasi Terhadap Kinerja Karyawan Pada Perusahaan Air Minum Tirta Mangkaluku Kota Palopo," *J. Manaj. STIE Muhammadiyah Palopo*, vol. 5, no. 1, pp. 17–24, 2019, doi: 10.35906/jm001.v5i1.343.
- [18] A. Alhusaini, M. Kristiawan, and S. Eddy, "Pengaruh Motivasi Kerja dan Disiplin Kerja Terhadap Kinerja Guru," *J. Pendidiksn Tambusai*, vol. 4, no. 3, pp. 2166–2172, 2020.
- [19] S. M. Hasibuan and S. Bahri, "Pengaruh Kepemimpinan, Lingkungan Kerja dan Motivasi Kerja Terhadap Kinerja," *J. Ilm. Magister Manaj.*, vol. 1, no. 1, pp. 71–80, 2018.
- [20] R. Kasenda, "Kompensasi dan Motivasi Pengaruhnya Terhadap Kinerja Karyawan pada PT. Bangun Wenang Beverages Company Manado," *J. EMBA*, vol. 1, no. 3, pp. 853–859, 2013.
- [21] A. Wairooy, "Pengaruh Disiplin Kerja dan Kompensasi Terhadap Kinerja Karyawan pada PT . Pertamina (Persero), Tbk . Pemasaran Region VII Makassar," *J. Pemikir. Ilm. dan Pendidik. Adm. Perkantoran*, vol. 4, no. 1, pp. 16–24, 2017.

