

The Role of Motivation on Performance with Job Satisfaction as a Mediation Variable

I Made Adi Suwandana ¹, Luh Putu Virra Indah Perdanawati ²

^{1,2} Faculty of Economics and Business, Ngurah Rai University Denpasar

ARTICLE INFO

Article history:

Received 18 July 2020
Received in revised form
5 August 2020
Accepted 18 August 2020
Available online 29 August
2020

Keywords:

*Extrinsic, Intrinsic
Motivation, Performance,
Satisfaction*

ABSTRACT

This study aimed to analyze intrinsic motivation and extrinsic motivation on employee job satisfaction and employee performance, the effect of employee job satisfaction on employee performance, the effect of intrinsic motivation and extrinsic motivation on employee performance with employee job satisfaction as a mediating variable at the People's Credit Bank. The population in this study was 687 employees at 13 BPRs. The number of research samples using proportional stratified random sampling method is 175 employees. Hypothesis testing in this study used path analysis. The results of the analysis showed that the influence of intrinsic motivation on employee performance with employee job satisfaction as a mediating variable obtained z count of 3,335 and the influence of extrinsic motivation on employee performance with employee job satisfaction as a mediating variable obtained z count of 3,378. Based on these findings, it can be concluded that there is a positive influence of intrinsic and extrinsic motivation on employee performance with job satisfaction as a mediating variable.

*Corresponding author.

E-mail addresses: suwandana@unr.ac.id¹ (Suwandana), perdanawatiluh46@gmail.com (Indah)

1. Introduction

Denpasar City as the capital of Bali Province has 13 BPR (People's Credit Bank) units. Evaluation of employee performance in BPRs, which is reflected in the Non-Performing Loan ratio, is one of the ways or keys for banks to assess bank performance or not. The highest average NPL ratio in 2018 was 10.69 percent, indicating that the NPL ratio is no longer safe because it is above the Financial Services Authority threshold for BPRs of 10%. This indicates a problem related to employee performance. Employee performance level is determined by how much employee job satisfaction. The average attendance rate of 2-3% per month is still considered good, while the absentee level of 15-20% shows symptoms of very poor employee work discipline. The average employee absentee level in 2018 was 3.10% which was considered high or considered bad, it indicates that employee job satisfaction was low. Based on the observations, it was known that several indicators showed low employee job satisfaction. Lack of work motivation for some employees in completing tasks is because they feel bored with the routine work that is usually carried out especially with excessive workload. It is because leaders rarely provide challenging and interesting jobs so that employees do not have the opportunity to take advantage of their work knowledge and skills. Employee workload that is too high coupled with high competition among employees causes many employees to be less willing to help their colleagues' problems. This condition causes employee performance to be slow.

Performance is the work result in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities assigned to him. Employee performance is very important in the efforts of an organization to achieve its goals, so it is important to pay attention to the factors that determine employee performance (Valentino Anggara & Yadnyana, 2019; Jufrizen, 2017). Intrinsic motivation, extrinsic motivation and employee job satisfaction are independent variables that can affect employee performance (Puspitasari, 2019; Jufrizen, 2017; Ernanto et al., 2015). Job satisfaction describes attitude rather than behavior. The importance of employee job satisfaction can be seen from organizations with more satisfied workers who tend to perform more effectively than organizations with fewer satisfied workers. This job satisfaction attitude is reflected by work morale, discipline and work performance (Puspitasari, 2019; Tadampali et al., 2016). Motivation can be generated by internal factors (intrinsic motivation) or external (extrinsic motivation) depending on where an activity starts (SI & Satrya, 2020; Puspitasari, 2019; Muni et al., 2018).

Intrinsic motivation is motives that become active or functioned, and do not need to be stimulated from the outside because from within the individual there is already an urge to do something. Extrinsic motivation is active and functioning motives because of external stimuli (Valentino Anggara & Yadnyana, 2019; Sunarti et al., 2016). Employee motivation can increase employee job satisfaction. Employee job satisfaction is used as a mediating variable in this study referring to the results of research which indicate that employee job satisfaction mediates the effect of intrinsic motivation and extrinsic motivation on employee performance. Different results indicate that employee job satisfaction does not mediate the effect of extrinsic motivation on employee performance. Job satisfaction has a direct effect on improving performance where employees who are more satisfied tend to be more effective than companies with less satisfied employees (Saptono, 2014)

There are employee complaints related to intrinsic motivation. Several employees stated that they have worked for a long time but have not been appointed as permanent employees. This can be the cause of low employee motivation so that they are unable to set and achieve realistic goals. It was also known from the results of interviews that some employees felt that the jobs they were given did not provide a challenge according to their abilities and skills. In an effort to improve employee performance, BPR in Denpasar City provides extrinsic motivation in the form of financial compensation and non-financial compensation to each employee. The financial compensation provided consists of salary and benefits. The non-financial compensation policy is the provision of education and training for employees, the provision of opportunities to participate in social activities, the provision of work clothes, the provision of employees who excel and contribute to agencies and provide leave. Leave, provided that: 12 days of annual leave, 1 month of leave for important reasons, for example going outside the region, parents die, children die, maternity leave for 2 months. Based on the results of interviews with several employees, it can be explained that the problem related to extrinsic motivation at BPRs in Denpasar City is the lack of supervisory or supervisory abilities in motivating employee work. Supervision tends to give suggestions and sometimes orders that are not accompanied by practice so that it does not solve the problem but actually disrupts the work process.

Several studies have examined intrinsic and extrinsic motivation. As research conducted by (SI & Satrya, 2020) which stated that the role of intrinsic motivation and psychological empowerment is very important to increase employee creativity at work. Then the research conducted by (Puspitasari, 2019) which stated that spiritual leadership has a significant effect on job satisfaction, intrinsic motivation also has a significant effect on job satisfaction, and organizational commitment has a significant effect on employee job satisfaction. Other research was also conducted by (Hakiem, 2017) which stated that hard work patterns are influenced by intrinsic motivation by 73.1%, hard work patterns are influenced by extrinsic motivation by 46.9%, hard work patterns are influenced by religious motivation through intrinsics. Motivation of 43.3% and hard work patterns influenced by religion through extrinsic motivation by 32.8%.

The difference between this study and previous research is that this study aims to analyze the effect of intrinsic motivation and extrinsic motivation on employee performance with employee job satisfaction as a mediating variable. The theoretical results of this study are expected to become a reference to strengthen the theory of Human Resource Management, and practical for BPR management in identifying variables that can affect employee performance.

2. Methods

This research design or design used a quantitative research approach with an emphasis on theory testing through research variables with numbers and performs data analysis using statistical procedures. This research was conducted at 13 BPRs in Denpasar City, consisting of: PT BPR Bali Dananiaga, PT BPR Bank Desa Sanur, PT BPR Duta Bali, PT BPR Padma, PT BPR Pasar Umum, PT BPR Pedungan, PT BPR Picu Manunggal Sejahtera, PT BPR Pusaka, PT BPR Sari Nadi, PT BPR Sari Sedana, PT BPR Sri Artha Lestari, PT BPR Tata Anjungsari, and PT BPR Pande Artha Dewata.

The total population as respondents in this study was 687 employees at 13 BPRs in Denpasar City. The sample is a portion of the population that is taken as a data source and can represent the entire population. The sampling method in this study used the proporate stratified random sampling method, namely taking samples from members of the population randomly and proportionally, this sampling is carried out if members of the population are heterogeneous. The number of research samples using proportional stratified random sampling method was 175 employees.

Data collection in this study was carried out using the method of observation, documentation study, interviews and questionnaires. Data from the distribution of questionnaires regarding employee performance variables, employee job satisfaction, intrinsic motivation and extrinsic motivation were quantified by giving scores on the answers of each respondent. Each questionnaire answer has a weight or score with a Likert scale as follows: strongly disagree answers are given a score of 1, disagree answers are given a score of 2, fairly agree answers are given a score of 3, agree answers are given a score of 4 and strongly agree answers are given a score of 5. The data were obtained from the research results after tabulation of the data, then before being analyzed, the validity and reliability of the research instruments were tested.

Hypothesis testing in this study used path analysis, which was an extension of the application of multiple linear regression analysis to predict causal relationships between variables (casual models) that have been predetermined based on theory. This model is considered usable in a study if the analyzed relationship is a causal relationship with a complex model. In path analysis, there are variables that have a dual role, namely as independent variables in a relationship, but become the dependent variable in another relationship. Variables that have multiple functions are called mediating or intervening variables. The existence of this complex relationship requires an analytical tool capable of describing the system simultaneously. Using path analysis, the direct and indirect effects between variables can be calculated.

3. Results and Discussions

Linearity Assumption Testing

Based on the results of data processing with curve fit, the results of the linearity assumption test can be summarized in Table 1.

Table 1. Linear Relationship Between Variables

<i>Equation</i>	<i>R Square</i>	<i>F</i>	<i>df1</i>	<i>df2</i>	<i>Sig.</i>
$X_1 \rightarrow M$	0.207	45.073	1	173	0.000
$X_2 \rightarrow M$	0.227	50.786	1	173	0.000

$X_1 \rightarrow Y$	0.149	30.207	1	173	0.000
$X_2 \rightarrow Y$	0.195	42.003	1	173	0.000
$M \rightarrow Y$	0.226	50.607	1	173	0.000

Based on Table 1, it can be seen that the relationship is linear between variables. The relationship between intrinsic motivation (X_1) \rightarrow employee job satisfaction (M), the relationship between extrinsic motivation (X_2) \rightarrow employee job satisfaction (M), the relationship between intrinsic motivation (X_1) \rightarrow employee performance (Y), the relationship between extrinsic motivation (X_2) \rightarrow employee performance (Y), the relationship between employee job satisfaction (M) \rightarrow employee performance (Y) with a significance value of $0.000 < \alpha = 0.050$. These results indicate the relationship between variables is linear, because it has a significance value less than 5 percent ($\alpha = 0.050$).

Direct Effect Testing

Table 2. Direct Effect of Research Variables

Variable Relationship	Regression Coefficient		SE	t	Sig.	R ²
	Unstandardized Coefficients	Standardized Coefficients				
$X_1 \rightarrow M$	0.579	0.455	0.086	6.714	0.000	0.207
$X_2 \rightarrow M$	0.638	0.476	0.090	7.126	0.000	0.227
$X_1 \rightarrow Y$	0.193	0.153	0.093	2.070	0.040	0.304
$X_2 \rightarrow Y$	0.315	0.239	0.099	3.186	0.002	
$M \rightarrow Y$	0.288	0.292	0.075	3.812	0.000	

Based on Table 2, three structural equations are obtained. The structural equation 1 is

$$M = \beta_1 X_1 + e_1 \quad (1)$$

Based on the standard regression coefficient and the error term, the structural equation 1 is obtained: $M = 0.455X_1 + 0.891$. The structural equation 2 is:

$$M = \beta_2 X_2 + e_2 \quad (2)$$

Based on the standard regression coefficient and the error term, the structural equation 2 is obtained: $M = 0.476X_2 + 0.879$. The structural equation 3 is:

$$Y = \beta_1 X_1 + \beta_2 X_2 + \beta_3 M + e_3 \quad (3)$$

Based on the standard regression coefficient and the error term, the structural equation 3 is obtained: $Y = 0.153X_1 + 0.239X_2 + 0.292M + 0.834$.

Based on Table 2, it is known that the results of testing the direct effect of each variable. The value of $t = 6.714$ with a probability value (significance) = $0.000 < \alpha = 0.050$, then H_0 is rejected and H_1 is accepted, so that intrinsic motivation has a positive and significant effect on employee job satisfaction at BPR in Denpasar City.

The value of $t = 7,126$ with probability value (significance) = $0,000 < \alpha = 0,050$, then H_0 is rejected and H_2 is accepted, so that extrinsic motivation has a positive and significant effect on employee job satisfaction at BPR in Denpasar City.

The value of $t = 3.812$ with a probability value (significance) = $0.000 < \alpha = 0.050$, then H_0 is rejected and H_3 is accepted, so that employee job satisfaction has a positive and significant effect on employee performance at BPR in Denpasar City. These results indicate a unidirectional influence, meaning that the higher the employee's job satisfaction, the increase in employee performance will be followed. Job satisfaction in carrying out its functions does not stand alone, but is related to performance and levels of reward, influenced by skills, abilities and individual traits (Chandra et al., 2015).

Total Coefficient of Determination

Based on the values of e_1 , e_2 and e_3 , the coefficient of determination can be calculated with the formula:

$$R^2 = 1 - (e_1)^2 - (e_2)^2 - (e_3)^2 \quad (4)$$

The total coefficient of determination is $R^2 = 1 - (0.891)^2 - (0.879)^2 - (0.834)^2$ is 0.427, which means that 42.70 percent of employee performance variations are influenced by variations in intrinsic motivation, extrinsic motivation and employee job satisfaction. While the remaining 57.30 percent is explained by other variables outside the model.

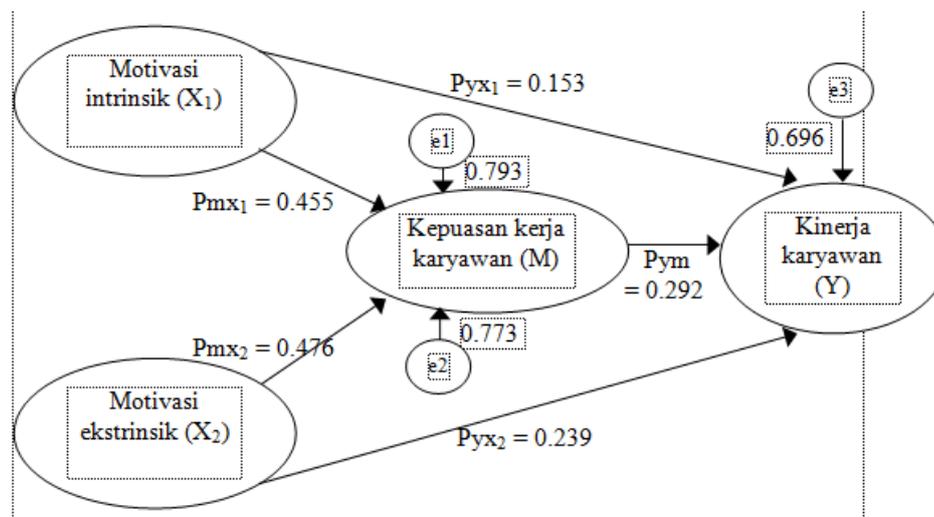


Fig. 1. Path Diagram of the Effect of Intrinsic Motivation and Extrinsic Motivation on Employee Performance through Employee Job Satisfaction

Based on Figure 1, it can be seen that the employee performance variable is influenced by employee job satisfaction with a path coefficient of 0.292, while the influence of intrinsic motivation on employee job satisfaction is 0.455, the effect of extrinsic motivation on employee job satisfaction is 0.476, the influence of intrinsic motivation on employee performance is 0.15 and the influence of extrinsic motivation on employee performance is 0.239.

The results of testing the effect of intrinsic motivation on employee performance with employee job satisfaction as a mediating variable obtained z count of 3,335 which is greater than 1.96 meaning that employee job satisfaction plays a role in mediating the effect of intrinsic motivation on employee performance in the Bank in Denpasar City. It means that increased intrinsic motivation will improve employee performance if it is mediated by the relationship between employee job satisfactions. Intrinsic motivation can improve employee performance through employee job satisfaction, intrinsic motivation has a significant positive effect on employee performance through job satisfaction, and employee job satisfaction mediates the effect of intrinsic reward on employee performance. These results indicate a unidirectional influence, meaning that intrinsic motivation can increase employee job satisfaction, so that the increase in intrinsic motivation, the higher the employee's job satisfaction. An employee will have a good performance, if he has the desires, hopes, needs, goals, goals, intrinsic motivation, and incentives supported by good work skills. So that by motivating and improving the work ability of employees, it can improve employee performance in order to be able to maintain the company and remain in an era of intense competition. This is because employee motivation is an important factor for the progress of the company. Employees with high motivation will produce the best and productive performance, whereas employees with low motivation will have low performance and productivity. A worker who is motivated will do his best to carry out his duties in order to produce high performance and quality results (SI & Satrya, 2020; Muni et al., 2018). Proper and good motivation can increase and foster employee morale, thereby increasing employee morale at work, thereby achieving high employee performance. The results of this study are in line with research conducted by (Puspitasari, 2019) which states that intrinsic motivation has a positive and significant effect on job satisfaction. Then the research conducted by (Muni et al., 2018) which states that intrinsic motivation affects job satisfaction of KJPP NDR employees.

The results of testing the effect of extrinsic motivation on employee performance with employee job satisfaction as a mediating variable obtained z count of 3.378 which is greater than 1.96 meaning that employee job satisfaction plays a role in mediating the effect of extrinsic motivation on employee performance in rural areas. Bank in Denpasar City. This means that an increase in extrinsic motivation will increase employee performance if it is mediated by the relationship between employee job satisfactions. These results indicate a unidirectional influence, meaning that extrinsic motivation can increase employee job satisfaction, so that the increase in extrinsic motivation, the higher the employee's job satisfaction. This is because extrinsic motivation is a work drive that comes from outside the worker as an individual in the form of a condition that requires him to carry out the job optimally (Muni et al., 2018). If the company

provides insufficient working conditions, wages, benefits or work safety, then it will have difficulty attracting good employees and turnover and absenteeism will increase. If the working conditions and hygiene are good enough, this situation can create satisfaction for employees (Valentino Anggara & Yadhnyana, 2019; Muni et al., 2018; Perwita et al., 2015). This research is in line with the research conducted by (Muni et al., 2018) which states that extrinsic motivation has a positive effect on job satisfaction of KJPP NDR employees. Then the research conducted by (Perwita et al., 2015) which states that extrinsic motivation factors on performance indicate that extrinsic motivation and hygiene factors both affect employee performance.

Several studies have examined intrinsic and extrinsic motivation. As research conducted by (SI & Satrya, 2020) which states that the role of intrinsic motivation and psychological empowerment is very important to increase employee creativity at work. Then the research conducted by (Puspitasari, 2019) which states that spiritual leadership has a significant effect on job satisfaction, intrinsic motivation also has a significant effect on job satisfaction, and organizational commitment has a significant effect on employee job satisfaction. Other research was also conducted by (Hakiem, 2017) which states that hard work patterns are influenced by intrinsic motivation by 73,1%, hard work patterns are influenced by extrinsic motivation by 46,9%, hard work patterns are influenced by religious motivation through intrinsics. motivation of 43,3% and hard work patterns influenced by religion through extrinsic motivation by 32,8%. The difference between this study and previous research is that this study aims to analyze the effect of intrinsic motivation and extrinsic motivation on employee performance with employee job satisfaction as a mediating variable.

4. Conclusion

Based on the results of the analysis and discussion, it is concluded that the first hypothesis is accepted, intrinsic motivation has a positive and significant effect on employee job satisfaction at the People's Credit Bank in Denpasar City. The second hypothesis is accepted, extrinsic motivation has a positive and significant effect on employee job satisfaction at Bank Perkreditan Rakyat in Denpasar City. The third hypothesis is accepted, intrinsic motivation has a positive and significant effect on employee performance at the People's Credit Bank in Denpasar City. The fourth hypothesis is accepted, extrinsic motivation has a positive and significant effect on employee performance at the People's Credit Bank in Denpasar City. The fifth hypothesis is accepted, employee job satisfaction has a positive and significant effect on employee performance at the People's Credit Bank in Denpasar City. The sixth hypothesis is accepted, employee job satisfaction plays a role in mediating the influence of intrinsic motivation on employee performance at the People's Credit Bank in Denpasar City. The seventh hypothesis is accepted, employee job satisfaction plays a role in mediating the influence of extrinsic motivation on employee performance at the People's Credit Bank in Denpasar City.

References

- Chandra, D. O., Hubeis, A. V. S., & Sukandar, D. (2015). Kepuasan Kerja Generasi X Dan Generasi Y Terhadap Komitmen Kerja Di Bank Mandiri Palembang. *Jurnal Aplikasi Bisnis Dan Manajemen*, 3(1), 12–22. <https://doi.org/10.17358/jabm.3.1.12>
- Ernanto, B., Baga, L. M., & Sunarti, E. (2015). Pengaruh Faktor Demografi, Budaya Perusahaan, Motivasi Kerja Terhadap Kinerja Karyawan di PT. Rekrayasa Industri. *Jurnal Aplikasi Bisnis Dan Manajemen*, 1(1), 1–11. <https://doi.org/10.17358/jabm.1.1.1>
- Hakiem, A. A. F. (2017). Model Peningkatan Pola Kerja Keras Melalui Religiosity, Motivasi Intrinsik dan Motivasi Ekstrinsik (Pada PT. Bank Muamalat Indonesia Cabang Kudus). *Jurnal Ekonomi Dan Bisnis*, 18(2), 136–148. <https://doi.org/https://doi.org/10.30659/ekobis.18.2.136-148>
- Jufrizen, J. (2017). Efek Mediasi Kepuasan Kerja Pada Pengaruh Kompensasi Terhadap Kinerja Karyawan. *Jurnal Ilmiah Manajemen Dan Bisnis*, 17(01), 34–53. <https://doi.org/https://doi.org/10.30596/jimb.v17i1.1209>
- Muni, A., Nurhayati, T., & Widhiastuti, H. (2018). Analisa Pengaruh Pengembangan Karir Dan Motivasi Ekstrinsik, Motivasi Intrinsik Terhadap Kinerja Sdm Dengan Kepuasan Kerja Sebagai Variabel Intervening. *Jurnal Riset Ekonomi Dan Bisnis*, 11(3), 261. <https://doi.org/10.26623/jreb.v11i3.1146>
- Perwita, A. D., Nurmawati, R., & Affandi, J. (2015). Pengaruh Faktor-Faktor Motivasi Terhadap Kinerja Pegawai Di PT. Bank BNI Syariah Kantor Cabang Jakarta Barat Dan Bogor. *Jurnal Aplikasi Bisnis Dan Manajemen*, 3(1), 102–112. <https://doi.org/10.17358/jabm.3.1.102>

- Puspitasari, S. (2019). Pengaruh Kepemimpinan Spiritual Terhadap Kepuasan Kerja Karyawan Melalui Motivasi Intrinsik Dan Komitmen Organisasi (Studi Kasus Rumah Sakit Islam Sultan Agung, Semarang). *Jurnal Ekonomi Dan Bisnis*, 20(1), 73. <https://doi.org/10.30659/ekobis.20.1.73-84>
- Saptono, E. (2014). Kajian Kepemimpinan Transformasional, Komitmen Karyawan, Motivasi, Kepuasan Kerja, dan Kinerja Karyawan. *Trikonomika*, 13(1), 21-48. <https://doi.org/10.1017/CBO9781107415324.004>
- SI, M. F., & Satrya, A. (2020). Efek Mediasi Leader Member Exchange, Motivasi Intrinsik Dan Pemberdayaan Psikologis Pada Pengaruh Ethical Leadership Terhadap Kreativitas Aparatur Sipil Negara. *Jurnal Ilmiah Manajemen*, 10(1). <https://doi.org/10.1017/CBO9781107415324.004>
- Sunarti, S., Rahmawati, S., & Wardani, S. (2016). Pengembangan game petualangan “si bolang” sebagai media pembelajaran tematik untuk meningkatkan motivasi dan prestasi belajar siswa kelas V sekolah dasar. *Jurnal Cakrawala Pendidikan*, 1(1), 58-68. <https://doi.org/10.21831/cp.v1i1.8365>
- Tadampali, A. C. T., Hadi, A., & Salam, R. (2016). Pengaruh Iklim Organisasi Terhadap Turnover Intention Melalui Kepuasan Kerja Sebagai Variabel Intervening Pada PT. Bank Sulselbar. *Jurnal Ilmiah Ilmu Administrasi Publik*, 6(2), 35. <https://doi.org/10.26858/jiap.v6i2.2479>
- Valentino Anggara, W. P., & Yadnyana, I. K. (2019). Pengaruh Kompetensi Karyawan, Motivasi Kerja, Dan Kepuasan Kerja Terhadap Kinerja Sistem Informasi Akuntansi Di LPD. *E-Jurnal Akuntansi*, 28(2), 1580. <https://doi.org/10.24843/eja.2019.v28.i02.p29>