

# The Influence of Work Motivation and Compensation on Employee Performance at the Makassar City Investment and One Stop Integrated Services Service (Dpmptsp)

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**Abstract:-** This research aims to examine and analyze the influence of work motivation and compensation on employee performance at the Makassar City Investment and One Stop Integrated Services Service (DPMPTSP). The population in this study were employees of the Makassar City Investment and One Stop Integrated Services Service, while the sample consisted of 59 respondents. This research analysis uses multiple linear regression analysis with the SPSS version 23.00 statistical application program for data processing. The results of this research show that work motivation has a positive and significant effect on employee performance, while compensation has a positive and significant effect on employee performance.

**Keywords:-** Work Motivation, Compensation, Employee Performance.

## I. INTRODUCTION

In the era of globalization and increasingly fierce competition, the public service sector has become a key aspect in encouraging the growth and development of a country. Makassar City Investment and One-Stop Integrated Services Service (DPMPTSP) is a regional government agency responsible for managing and facilitating investment as well as providing licensing and non-licensing services to business actors in Makassar city. DPMPTSP Makassar City was established as part of the Makassar City Government's efforts to create a conducive, efficient and competitive investment environment. This institution plays an important role in supporting economic growth, job creation and improving community welfare. The establishment of DPMPTSP is also in line with the direction central government to speed up the licensing and investment process at the regional level through the One Stop Integrated Service system. DPMPTSP is a government entity that has a significant role in providing integrated services to the community and individuals who plan to invest. The quality of employee performance at DPMPTSP is a determining factor for success in providing efficient, effective and quality services.

In an effort to improve employee performance, there are two main factors that need to be considered, namely work motivation and compensation. Work motivation is the drive or desire that drives a person to work with the intention of achieving certain goals or results. This includes the energy and enthusiasm that influence employee behavior, performance, and dedication in the work environment. Work motivation factors can come from within the individual (internal) or from the external environment, and can influence the level of satisfaction and commitment in work. High work motivation can increase employee productivity and dedication in carrying out their duties. On the other hand, compensation is a form of reward or replacement given to a person or group as remuneration, compensation, or appreciation for the work, contributions, or efforts that have been made. It includes all types of rewards such as salary, allowances, bonuses, incentives and other benefits provided by an organization or employer to employees or other individuals in exchange for their performance and service. The main goal of a compensation system is to motivate, retain, and satisfy individuals to remain productive and engaged in the work environment. Adequate compensation is also important, because good compensation can increase employee satisfaction and influence the level of loyalty as well their attachment to the organization.

Despite the importance of work motivation and compensation in improving employee performance, in the field there are often challenges in managing and improving these two factors effectively. Some employees experience low motivation to work for various reasons such as lack of opportunities for career development, lack of recognition poor performance, or other internal problems. Additionally, inadequate compensation can cause employees to feel unappreciated and negatively impact their morale and performance.

However, this compensation is not a measure of work motivation for employee performance at the one-stop Investment and Integrated Services Service because the punishment and rewards given by a superior in the government sphere must be in accordance with Government Regulation (PP) Number 94 of 2021 concerning Civil Servant Discipline where is the employee? Undisciplined, in

this case, those who lack attendance must be given sanctions as stated in Article 8 paragraph (1) letter a, which are imposed on civil servants who do not fulfill the provisions, including not complying with working hours, so it is necessary to be given a verbal or written warning.

Therefore, this research aims to analyze the influence work motivation and compensation on employee performance in the DPMPSTP environment. By analyzing the relationship between work motivation, compensation and employee performance, it is hoped that this research can provide valuable input for DPMPSTP management in developing policies and strategies that are more effective in improving employee performance.

Apart from that, this research can also provide a significant scientific contribution in the field of Human Resource Management (HRM) and public administration as a reference for further research regarding the influence of motivation and compensation factors on employee performance in the public service sector.

## II. LITERATURE REVIEW

### A. Definition of Work Motivation

Jumantoro et al. (2019) in the Management Research Journal 'Influence Work Discipline, Work Motivation, and Work Environment on Performance Tangerang City DPMPSTP Employees' on page 51 states that motivation can be interpreted as a factor that creates enthusiasm and enthusiasm for a person's work, so that they can work effectively and unite with maximum effort to achieve satisfaction.

Siagian (2017) in the Management Research Journal 'The Influence of Discipline Work, Work Motivation, and Work Environment on the Performance of Tangerang City DPMPSTP Employees' on page 51, states that work motivation can be interpreted as a driving factor that causes organizational members to be willing and willing to direct their abilities, including expertise, skills, energy and time, to carry out various activities that are their responsibilities and fulfill their obligations. Matter This aims to achieve the goals and objectives set by the previous agency.

The conclusion from the understanding put forward by Jumantoro et al. (2019) and Siagian (2017) is that work motivation is a driving factor that creates enthusiasm and enthusiasm at work. This motivation influences organizational members to direct their abilities, skills, energy and time with maximum effort to carry out their responsibilities and obligations. The aim of work motivation is to achieve satisfaction, improve employee performance, and achieve the goals and objectives set by the previous agency or organization. Thus, work motivation has an important role in increasing employee productivity and performance in achieving the desired results.

### B. Definition of Compensation

According to Veithzal's view (2004: 357), compensation is a form rewards given to employees in lieu of donations their contribution to the company. The process of providing compensation is part of the related human resource management function with various types of individual rewards as a form of exchange in carrying out organizational tasks. Overall, a goal Compensation management is to support the achievement of goals and strategy for company success and ensuring balance is maintained internal and external fairness.

According to Handoko (2000; 55), compensation is anything given to employees as a reward for their work efforts and to stimulate their enthusiasm to achieve the expected level of work performance. The level of compensation affects lifestyle, social status, and the role played by employees in the organization. Additionally, compensation has a significant impact on drive and productivity Work.

### C. Definition of Performace

The concept of performance can be interpreted in several ways. Wibowo, as quoted by Erri & Fajrin (2018) in the Economic, Social & Humanities Journal 'The Influence of Compensation on Employee Performance in the Human Resources Division at Pt Bhumyamca Sekawan South Jakarta' on page 16, describes performance as a reflection of the results obtained from actions taken in work, as well as referring to action concrete actions carried out and methods used in carrying out tasks. Apart from that, Lestari (2018) in the Economic, Social & Humanities Journal 'The Influence of Compensation on Employee Performance in the Human Resources Division at Pt Bhumyamca Sekawan South Jakarta' on page 16 explains that performance includes real behavior shown by each individual as a work achievement produced by employees according to their role in the company's organizational structure.

Rivai (2005:16) states that the main aspect in determining Performance involves three factors, namely: individual capability, motivation, and environmental conditions. Therefore, to achieve superior performance, individuals must be highly motivated, have appropriate skills, and operate in a work environment that is conducive to their tasks. Each performance achievement usually carries valuable implications for the individual employee, including but not limited to earnings, promotions, rewards return, or better job opportunities. In an effort to improve employee performance, it is important for management to consider the factors that influence this performance.

### III. RESEARCH METHODS

This research has been prepared with the aim of exploring the relationship between variables, so it specifically follows a type of causal research, which seeks to identify cause-and-effect relationships through a particular approach. The variables used in this research include employee performance variables as dependent variables, as well as work motivation and compensation variables as independent variables, in accordance with hypothesis that has been proposed.

The data applied in this research is primary data. Primary data was obtained by distributing questionnaires to employees of the Makassar City Investment and One-Stop Integrated Services Service (DPMPTSP).

### IV. RESULTS AND DISCUSSION

#### A. Influence of Work Motivation (X1) on Employee Performance (Y).

The results of this research state that work motivation has an influence positive and significant on employee performance. This is proven by the tcount value with the ttable value  $df = n - k - 2 = 59 - 2 - 1 = 56$ , then the ttable value is 2,003, (this value can be searched in MsExcel by calculating the formula =TINV(5%;56) then enter). The table above shows the results that the Work Motivation variable with a tcount value greater than ttable (3.818 > 2.003) and a significance level smaller than 0.05 (0.000 < 0.05), so in this hypothesis H0 is rejected and Ha is accepted.

The results of this study indicate that the better the level work motivation, the higher the level of employee performance. Can It is said that employee performance is the result of work that has been achieved by an employee based on the responsibilities that have been given both in terms of quality and quantity in order to achieve the organization's strategic goals, employee satisfaction and contribute to the progress of the organization.

#### B. Effect of Compensation (X2) on Employee Performance (Y).

The results of this study state that compensation has an effect positive and significant on employee performance. This is proven by the tcount value with the ttable value  $df = n - k - 1 = 59 - 2 - 1 = 56$ , then the ttable value is 2,003, (this value can be searched in MsExcel by calculating the formula =TINV(5%;56) then enter). The table above shows the results that the Compensation variable with a tcount value is greater than ttable (2.904 > 2.003) and the significance level is smaller than 0.05 (0.005 < 0.05). then in this hypothesis H0 is rejected and Ha is accepted.

These results indicate that compensation is appropriate and acceptable by employees will improve the performance of employees at the Makassar City Investment and PTSP office. Compensation too contains a relationship of a professional nature where one of the main goals of employees working is to get compensation to meet various needs, while on the agency side they pay employees so that

they can carry out their work as optimally as possible in order to achieve their goals.

### V. CONCLUSION

Based on the results of the analysis and discussion, this research aims to examine the influence of work motivation and compensation on employee performance at the Makassar City Investment and PTSP Service. The respondents in this study were 59 employees. From the results of the analysis and discussion of the proposed hypothesis model, the following conclusions can be drawn:

#### A. Influence of Work Motivation (X1) on Employee Performance (Y)

The results of this research state that work motivation has an influence positive and significant on employee performance. This is proven by the tcount value with the ttable value  $df = n - k - 2 = 59 - 2 - 1 = 56$ , then the ttable value is 2,003, (this value can be searched in MsExcel by calculating the formula =TINV(5%;56) then enter). The table above shows the results that the Work Motivation variable with a tcount value greater than ttable (3.818 > 2.003) and a significant level smaller than 0.05 (0.000 < 0.05), so in this hypothesis H0 is rejected and Ha accepted.

#### B. Effect of Compensation (X2) on Employee Performance (Y)

The results of this research state that compensation has a positive and significant effect on employee performance. This is proven by the tcount value with the ttable value  $df = n - k - 1 = 59 - 2 - 1 = 56$ , then the ttable value is 2,003, (this value can be searched in MsExcel by calculating the formula =TINV(5%;56) then enter). The table above shows the results that the Compensation variable with a tcount value greater than ttable (2.904 > 2.003) and a significant level smaller than 0.05 (0.005 < 0.05). then in this hypothesis H0 is rejected and Ha is accepted.

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