# The influence of compensation and organizational communication toward employees' performance of pt. Cipta baja trimatra jakarta through working motivation

Nuridin, SE, MM

Lecturer at The faculty of Economics, Krisnadwipayana University Jakarta Email: <u>h.nuridin58@gmail.com</u>

**Abstract :** This study aims to determine the influence of compensation, organizational communication and the impact of motivation toward employees' performance at PT. Cipta Baja Trimarta Jakarta. This study uses a saturated sample (Census) with all 100 respondents are PT. Cipta Baja Trimarta Jakarta's employees. Resolving the research problem, the writer uses path analysis as the research design. The results show that direct compensation and organizational communication have a positive and significant influence toward employees' performance. Indirect compensation and organizational communication have a positive and significant effect on employee performance through motivation.

Keywords - Compensation, Organizational Communication, Working Motivation, Employees' Performance.

# I. INTRODUCTION

As a matter of fact, at this current globalization era, the alteration happens so fast, especially within the business world. The Changes in economic conditions and technological developments lead to many companies' restructuring. One important element in the changes is the human role. This situation encourages company management to make a selection of various systems of human resources which leads to organizational goals. The human resources management aims to improve the labor productivity or performance within the organization. To achieve the goal, the company needs to evaluate matters on related issues so it could provide better motivation, passion and working spirit which give a positive contribution to the company.

People would joyfully comply with all applicable rules if their hard work could earn the appropriate remuneration. When they receive reasonable compensation, they will be able to work quietly and diligently, and always try to empower working style to be as good as possible. However, if they feel the compensation is far from adequate, the work undertaken will be disrupted, then they will seek other income outside, which may cause him to be mostly absent. They will also often ask for permission to go out, or use his work as a mean to get supplement income.

Regarding compensation, organizational communication is also a crucial instrument toward company performance. Hence, Communication must be understood within a company. there is a major reason why it is necessary to understand communication within an organization. A strong communication understanding will be a solid guide for each member of the organization since it will build motivation in each member to perform the best for the organization. Similarly, as an organization with a hierarchy (level), it is necessary to have a separate understanding of communication. Company (organization) is a place where both interaction and communication are intertwined. Corporate communications usually consist of company and employees, fellow employees, companies with communities, companies with shareholders, companies with the government, companies with business partners and others. Communication that is connected by means could successfully achieve the company goals.

In addition, giving motivation to employees is a task and obligations of corporate management, especially for Human Resources (HR) division. Therefore, the management should provide strategic steps, such as; providing career opportunities, creating a conducive working environment, forming a good organizational culture and so on. Employees will feel satisfied and stick to their commitments if their values are matched with the company. Thus, the continuously provided motivation and the effective organizational communication are needed to improve employee productivity and performance, but in vice versa, if the two things are not mutually supported, the employees' performance will decrease. Consequently, the company's performance will also move down. PT. Cipta Baja Trimatra is one of the companies in construction services which was established on March 3, 2001, in Jakarta. It takes place at Gading Complex Bukit Indah Block L No. 23, Road Bukit Gading Raya, Kelapa Gading, North Jakarta. PT. Cipta Baja Trimatra also has a manufacturing workshop and storage, warehouse material and construction for working equipments which is located at street Kasir 1 No. 56 Jatiuwung Tangerang City.

As the effort of empowering employees performance, PT. Cipta Baja Trimatra management keeps going on providing more attention to employees interests such as compensation, communication and work motivation. However, the performance of PT. Cipta Baja Trimatra is still not in accordance with what is expected by the management (interview: HR Manager of PT Cipta Baja Trimatra). There are still lacks of concerns in working performance such as frequent delay in work, the work completion delay and the inaccordance result of what is expected by the company. This also strengthened by a weak implementation of reward and punishment systems. Ineffective communication in carrying out the work or the information content gap between the superior and subordinate and between fellow employees of the field with the head office is still a constraint as well. For that reason, it causes the performance to be less effective.

# **II. THEORETICAL FRAMEWORK**

# 2.1 The Definition of Compensation

Compensation is any income which is directly or indirectly received by employees in the form of money or goods in return for the detention given to the company (Malayu S.P. Hasibuan, 2014: 54). Compensation in the form of money means the salary that is paid with a certain amount of currency to the employees. Compensation in the form of goods means the salary that is paid with goods. For instance; In West Java, the miller rice retained 10% from the milled rice.

Compensation is a term related to financial rewards received by people through their employees fellow with an organization. Generally, the form of financial compensation due to monetary expenditure by the organization. Compensation can be directly provided to employees, or indirectly, where employees receive compensation in a non-monetary forms.

#### 2.2 Compensation Indicator

The compensation indicators according to Hasibuan (2013): 1, Wages/salaries. Wages are usually associated with the hourly salaries rate (the longer the work, the more the payment). Wages are a pay base that is often used for production and maintenance workers. While salary generally applies within weekly, monthly or yearly. 2). Incentives are additional salaries beyond the salary or wages provided by the organization. Incentive programs are tailored to provide additional payments based on productivity, sales, profits or cost-cutting efforts. 3). Benefit is given as additional facilities to the employee such as health insurance, life insurance, companyborne holidays, pension plans and other benefits related to employment. 4). Facilities are enjoyments such as a corporate car, club membership, special parking space.

# 2.3 Kinds of Compensation

The components of the overall payroll program generally grouped into direct, indirect and nonfinancial compensation. 1). Direct financial compensation; (salary and wages), performance payment, incentive payment (bonuses, commissions, profit/profit sharing and share options) and tough payment (savings and share purchase annuities). 2). Indirect financial compensation is; protection programs (health insurance, life insurance, pensions, employment insurance), payment outside working hours (holidays, annual leave and maternity leave) and facilities such as vehicles, office space and parking lots. 3). Non-financial compensation, in the form of works (interesting tasks, challenges, responsibilities, recognition, and sense of accomplishment). Working environment (sound policies, competent supervision, happy relatives, comfortable working environment).

#### 2.4 Compensation Goal

The objectives of compensation policy include 1). Appreciating employee achievement; 2). Ensuring employee salary justice; 3). Retaining employees or reducing employee turnover; 4). Obtaining qualified employees; 5). Cost controlling; 6). Meeting the existing rules (Notoatmodjo, 1998: 67).

# 2.5 Criteria of Compensation System

Irianto (2001: 103) measures the success within compensation system, there is one essential question to be answered: "What should an organization achieve by applying a certain compensation system?" The question underlies the organization in assessing the success of a system with the following criteria: 1). Support the achievement of organizational goals. 2). Support the strategy and organizational structure. 3). Able to retain competent individuals in accordance with the established standard of expertise. 4). Establish a wider spectrum of desired task behavior of all members of the organization. 5). Reflect equity (same-equity) for all members of the organization. 6). Apply law or legislation in a particular jurisdictional area in which the organization is located. 7). Reach all six of the criteria at a cost that is proportional to the internal financial condition. 8). Achieve the above seven criteria in the most cost-effective conditions.

#### 2.6 Definition of Organizational Communication

Communication is a crucial tool for human life as well as within organizational life. In the practice of organizational life, communication activities are very complex interactions involving all elements within the organization. According to Webster in Thoha (2015: 172), the term communication comes from the Latin term (Communicare). Past participle form of communication and communicatus which means a tool to communicate, especially a system of delivery and reception of news such as telephone, radio and so forth. In addition, communication is a process of delivery or notification and acceptance of a description, sign or news through conversation, movement, writing, and others. In addition, Roger in Cangara (2014: 20) defines communication as the process by which an idea is transferred from source to one or more recipients in order to change their behaviors.

Romli (2011: 2) reveals organizational communication as the delivery and acceptance of various messages of the organization within the formal or informal group of an organization. Communication is an important process in organizations, as expressed by Harison & Doerfel in Widiastuti (2010), communication is a key variable that enables one to build relationships within an organization, to interact and share information.

#### 2.7 Factors Influencing Organizational Communication

Pace and Faules (2010: 553) state five important factors that must be considered for effective organizational communication, namely: 1). Quality of Information Media, concerning with publishing, written instructions, reports, e-mails of video conferencing, voice messaging, fax-mail, computer bulletin boards and other media used in organizations. If these factors are considered attractive, appropriate, efficient, and reliable, it is common for employees to declare their pride in the form of organizational output quality. 2). Accessibility of Information, relates to how far information is available to the organization in question are co-workers, subordinates, direct or indirect leadership, rumors, direct supervisors, as well as written information. 3). Dissemination of Information, relates to how far information relates to how far information is disseminated throughout the organization and how to receive information from all parts of the organization. 4). Information Expense, according to Pace and Faules (2010: 498) the burden of information relates to how members of the organization feel that they receive more or less information than they can handle or need to function effectively. 5). The accuracy of Information, relates to how far information and organization about a particular information compared to the actual number of bits of information in an information.

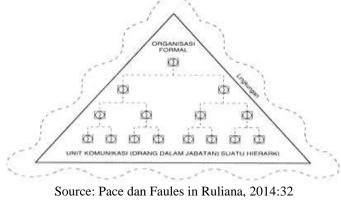


Figure 1. Organizational Communication System

The picture above illustrates the concept of an organizational communication system, a disjointed line illustrating ideas that relationships work naturally, they also show that organizational structures are flexible and may change in response to internal environmental forces and also external. However, the relationship between the offices changed officially based on the statement of the officials of the organization.

#### 2.8 Purpose Of Organizational Communication

According to Liliweri in Ruliana (2014: 26) there are two functions of organizational communications, they are general and specific;

1. General Functions; a). Organizational communication serves to convey or provide information for individuals or groups on how to carry out a job in accordance with its competence. Example: job description. b). Organizational communication serves to sell concepts and ideas as well as opinions and facts. It Includes selling the attitude of the organization and attitude about something that is the subject

of service. Examples: public relations, exhibitions, expo and others. c). Organizational communication works to improve the ability of employees, so they can learn from others (internally), learn about what others think, feel and do about what they "sell" or tell to others about the organization. d). Organizational communication serves to determine what and how the organization divides the job position (chairman -underman), the amount of power and authority and how to utilize number of workers, human resources, machinery, methods and techniques within the organization.

2. Specific Functions; a). Get employees involved in organizational issues then translate them into specific actions under command. b). Make employees create and handle relationships among people for the improvement of organizational products. c). Make employees have the ability to handle and make decisions in an ambiguous and uncertain atmosphere.

#### 2.9 Kinds of Organizational Communication

There are two basic forms of communication are commonly used within the business world, they are verbal and nonverbal communication (Purwanto, 2011: 5).

- Verbal Communication Is one form of communication which is commonly used in the business world to deliver business messages to other parties both in writing and oral. This communication has a regular structure and well organized so that the purpose of delivering business messages can be achieved well. I.e. making introduction letters to a company, making a letter of acceptance or rejection of work, making the contract work to other parties, discuss in a teamwork, briefing and so on. The delivery of business messages can be done in writing and or oral (speech), while the acceptance of business messages can be done through reading and hearing.
- 2. Nonverbal Communication Is a communication using body movements (body language) as a communication tool with others. For example, the behavior that exemplifies non-verbal communication is frowning to indicate being thinking hard, shaking his head to show an attitude of refusal or objection, standing by to show someone is daydreaming, attaching a non smoking symbol to the room which shows that smoking is prohibited, covering mouth with palm for shows a lie and so on.

#### 2.10 The definition of Performance

Ruliana (2014: 143) calls performance as the works resulted both in quality and quantity achieved by an employee in accordance with his/her responsibilities. Dealing with Ruliana, Armstrong and Baron in (Wibowo, 2012: 7), performance is the working result that has strong relations with organizational strategy goals, customer satisfaction and it contributes to the economy. In addition, Sedarmayanti (2011: 260) states that performance is the employees' work, a management process or an organization as a whole, in which the work must be shown concretely and can be measured.

#### 2.11 Factors Influencing Performance

According to Simamora in Mangkunegara (2010: 14), three factors influencing performance, namely: a). Individual factors; consists of ability and expertise, background and demography. b). Psychological factors; consists of attitude, personality, learning and motivation. c). Organizational factors; consists of leadership, rewards, job design structures.

According to Robbins (2008: 260), there are six indicators to measure individual performance, namely:

- 1. Quality; It is measured from employee perceptions of the work quality produced and tasks perfection on employees' skills and abilities.
- 2. Quantity; represents the amount generated units such as the number of units, number of full activity cycles.
- 3. Punctuality; activity level at an intended time, viewed from the point of coordination with the output results and the efficiency of time available for other activities.
- 4. Effectiveness; the usage level (Power, technology, and raw materials), maximized with the intent of the result.
- 5. Independence; Is the level of an employee who will be able to walk the work function.

2.12 The Purpose Of Performance Evaluation

According to Werther and Davis in (Suwatno and Priansa, 2014: 197) performance appraisal has several goals and benefits for companies and employees who assess, among others:

- 1. Performance improvements: Allowing employees and managers taking related action to performance improvement.
- 2. Compensation Adjustment: Allowing decision makers to determine who is eligible for a pay rise or vice versa.
- 3. Placement decision: Determining promotion, transfer and demotion.

- 4. Training and Development: Evaluating training and development needs for employees to be more optimal.
- 5. Career Planning and Development: Determining the type of career and career potential that can be achieved.
- 6. Staffing Process Deficiencies: Affecting employee recruitment procedures.
- 7. Information Inaccuracies and Job Design Errors; Explaining what mistakes have been made in human resource management, especially within Information of job-analysis, job design and information system of human resource management.
- 8. Equal Employment Opportunities: Encouraging the placement decision to be not discriminatory.
- 9. External Challenges: Influencing employees, some of the external factors such as family, personal finance, health, and others.
- 10. Feedback: providing Backlinks for business as well as for the employees themselves.

In addition, The objective of performance evaluation according to Wilkovich in Ruliana (2014: 198) is for tracking the strengths and weaknesses of employees, so the feedback process as a motivator can run well to correct work errors and achievements both in accordance with the performance of each employee. Feedback for employees is information to get guidance and coaching to form the level of work skills and employment efforts employees.

#### 2.13 The definition of working motivation

Motivation comes from the word "movere" in Latin, meaning "to move" or "to move". Motivation in management is shown in general human resources and subordinates in particular. Motivation questioned how to direct the power and potential of subordinates to cooperate productively managed to achieve and realize the goals that have been set. Hani Handoko (2012: 252) reveals that motivation is a state in a person's personality that encourages the desire of individuals to perform certain activities in order to achieve goals. Meanwhile, according to McClelland in Mangkunegara (2013: 94) states motivation is a condition of the soul that encourages a person in achieving maximum achievement.

Motivation existing within a person comes from both inside and outside. Something comes from outside could affect the motivation that comes from inside. According to George and Jones in Anastasia Tania and Sutanto (2013) say that work motivation can be defined as a psychological impulse to someone who determines the direction of a person's direction of behavior in organization, level of effort and persistence or resilience in the face of an obstacle or a problem (level of persistence) so that work motivation can be interpreted as a work morale in the employees who make employees work to achieve corporate goals.

# 2.14 Factors Influencing Working Motivation

As matter of fact, motivation is influenced by the factors encourage someone to do something. Komang Ardana (2009: 31) states two influencing factors toward one's motivation are as follows:

- 1. Individual Characteristics: Interest, attitudes toward self, job and job situations, individual needs ability or competence, knowledge of work, emotions, moods, feelings of beliefs and values.
- 2. Job Factor; divided into 2 parts; a). Environmental Factors Occupation; salary received, company policies, supervision, human relations, work conditions and organizational culture. b). Factors in the job; the nature of the job, the design task or job, the recognition of achievement, level or amount of responsibility given, the progress and progress in the work, the satisfaction of the job.

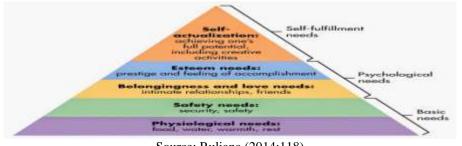
According to Maslow in Hasibuan (2014), the motivation of employees is influenced by physical needs, the need for security and safety, social needs, self-esteem needs and self-actualization needs. These needs factor is reduced into some indicators knowing work motivation namely:

- 1. Physiological (Physical) Needs; Shown with the provision of proper salary to employees, giving bonuses, food allowance, transportation money, housing facilities and so forth.
- 2. Security, Health, and Safety: Shown with security, health and safety facilities such as social security, pension funds, health insurance and safety equipment.
- 3. Social: Shown by interacting with others, among others by establishing a harmonious working relationship, the need to be accepted in the group and the need to love and be loved.
- 4. Self-Appreciation: Shown with recognition and rewards based on ability, namely the need to be respected and appreciated by other employees and leaders of their work performance.
- 5. Self-actualization: shown with an interesting and challenging nature of work, where the employee will exert his skills, abilities, skills, and potential. Within fulfillment of this requirement can be done by a company by organizing education and training.

#### 2.15 Theories of Working motivation

Motivation theory can be grouped into; Satisfaction Theory and motivational press theory, Sutrisno, (2009).

Satisfaction Theory; This theory is based on the factors of individual needs and satisfaction that cause to act and behave in a certain way. As for some figures who pioneered the theory of satisfaction is as follows: first; F.W. Taylor with conventional motivational theory, F.W. Taylor focuses his theory on the assumption that the desire for the fulfillment of his needs that cause people to work hard for someone will want or do not want to do because of the presence or absence of rewards to be gained in question. second; Abraham H. Maslow with hierarchical theory, Maslow argues that humans have five levels or a hierarchy of needs: a). Physiological needs such as clothing, food, boards, b). The need for security, not only in the physical sense but also the mental and intellectual, c). Social needs or affiliation with others include the need for feelings of acceptance by others in the environment, the need for feelings of respect because everyone feels important, d). The need for Prestige is generally reflected in the various status symbols. The higher the status and position of a person in the organization, the higher the need for self-confession in question, e); The need for self-actualization in the sense that there is an opportunity for a person to develop the potential within him that turns into real ability. To meet the needs of this peak is usually a person acting on his own consciousness. In addition, David McClelland with the theory of achievement motivation; According to this theory, there are three basic components that can be used to motivate working people: need for achievement (need for achievement), need for affiliation (need for affiliation), need for power (need to master).



Source: Ruliana (2014:118) Figure 2. Motivation Theory of Hierarchy Abraham Maslow

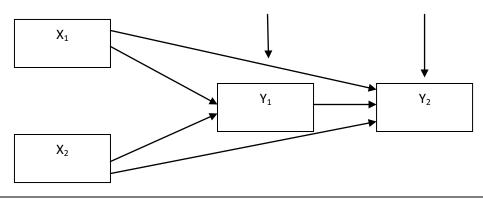
Process Motivation Theory, Process theories try to answer the question on how to strengthen, direct, maintain and stop individual behavior so that every individual work hard in accordance with the desire of company management. As for some theories of process motivation, among others:

Ruliana (2014: 175), Motivation theory which is commonly used to explain the source of motivation classified into two:

Intrinsic Motivation: Intrinsic motivation is inherent in the learning situations and meets pupil-needs and purpose. That is why intrinsic motivation also be said as a form of motivation in which activity begins and is passed on based on an inner impulse and is absolutely related to its learning activities.

Extrinsic Motivation: Extrinsic motivation is active and functioning because of the stimulus from the outside. Extrinsic motivation can also be said to be a form of motivation in which activity begins and is transmitted based on an outside impulse that is not related to itself.

# **III. RESEARCH DESIGN**



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This type of research is a causal research that analyzes the causal relationship (influence) between variables in the study. The approach used in the research is a quantitative approach based on statistical and empirical data. Its population is PT. Cipta Baja Trimatra Jakarta with the number of 100 employees as respondents. In this study using, the sampling technique is saturated. Data collection techniques used are questionnaires. The instrument testing technique used is the validity and reliability test, the data analysis technique used is path analysis (path analysis), using the mediation of motivation variable, where the compensation variable and the communication of the organization have direct impact on the employees' performance and the compensation and communication variable of the organization have no direct effect or mediation of motivational variables on employee performance.

# IV. ANALYTICAL RESULTS

#### 4.1 Data Quality Test

Whether variable compensation and organizational communication can be used as a measurement of employees' performance of PT. Cipta Baja Trimatra Jakarta through working motivation, the data processes first test the variables used in the compensation, organizational communication, employee performance and working motivation to determine whether the data is accurate and reliable. For more details then below we can see the results of the survey, as follows:

#### 4.2 Validity Test

This validity test is performed to test whether each has represented the indicator to be investigated. Sugiyono (2016) states that usually the minimum requirement to be considered valid is r = 0.30. So if the correlation between the grains with a total score of less than 0.30 then the granules in the instrument are declared invalid. Validity test is done by looking at correlation between the score of each item statement with the total score.

## 4.3 Data Instrument Validity Test

The calculation of the correlation score taken from each statement of compensation, organizational communication, working motivation and performance of 100 respondents with the number of statements of each variable is 10, with the total score of each respondent obtained the results presented in the table as follows:

		р					
Statement	Compensation	Organizational Communication.	Motivation	Performance	R Critical	Conclusion	
Instrument No. 1	0.464	0.416	0.436	0.509	0,300	Valid	
Instrument No. 2	0.610	0.575	0.557	0.557	0,300	Valid	
Instrument No. 3	0.657	0.479	0.566	0.529	0,300	Valid	
Instrument No. 4	0.518	0.526	0.536	0.543	0,300	Valid	
Instrument No. 5	0.581	0.529	0.475	0.541	0,300	Valid	
Instrument No. 6	0.587	0.574	0.606	0.506	0,300	Valid	
Instrument No. 7	0.658	0.481	0.611	0.511	0,300	Valid	
Instrument No. 8	0.673	0.526	0.523	0.544	0,300	Valid	
Instrument No. 9	0.614	0.416	0.447	0.555	0,300	Valid	
Instrument No. 10	0.602	0.499	0.479	0.493	0,300	Valid	

Table 1: Data Instruments Validity

Source: adopted data 2017

The table shows that from the 10 items statement of the compensation variable, organizational communication, working motivation and performance results are valid (details can be seen from the appendix).

# 4.4 Reliability Test

Furthermore, the reliability test is done to determine the extent to which the measurement results are reliable and consistent. This following table test results note that all variables have alpha above 0.60 which means that all variables in this study reliable.

Variables	Cronbach Alpha	Critical value ( $\alpha$ ) = 5%	Statement	
Compensation	0.799	0.600	Reliabel	
Organizational Communication	0.669	0.600	Reliabel	
Work Motivation	0.706	0.600	Reliabel	
Labour Performance	0.711	0.600	Reliabel	

Table 2: Result of Reability

Source: adapted data 2017

Based on the Cronbach Alpha reliability, it appears that all existing statements form a reliable measure of motivation, work discipline and employee performance form a reliable measure of each dimension.

Structure 1

# V. RESEARCH RESULTS

STRUCTURE EQUATION 1:  $Y_1 = PY_1X_1 + PY_2X_2 + \epsilon_1$ Table 3: The Influence of Compensation and Organizational Communication Toward Work Motivation PT Cinta Baja Trimatra Jakarta

		Parameter					
Variable Connection	Mult. R	R Square	Beta	Coef. B	t amount	Sig	α
Compensation			0.397	0.421	4.635		
Organizational Communication.	0.788	0.621	0.462	0.518	5.395	0.000	5%
Test of Significant							
F Amount > $F$ table = 7	9.326 > 2.0	598					

# **Dependent Variable: Motivation**

R square magnitude  $(r^2)$  is 0.621. The figure is used to see the influence of compensation and organizational communication on motivation. It means that the influence of compensation and organizational communication on the motivation of PT. Cipta Baja Trimatra Jakarta jointly is 62.1%, while the remaining 37.9% is influenced by other factors. In other words, the motivation can be explained by using the compensation and organizational communication variable is 62.1%, while the effect of 37.9% is caused by the variable; another outside of this model.

Hypothesis testing compares the level of the significance level (sig) count with a significance level of 5%. Based on the calculation of the significance is 0.000. or prob. Sig 0.000 <0.005. Ho is rejected and Ha accepted, means there is a relationship between compensation and organizational communication in line with motivation. Thus, the above regression model is feasible and correct. The conclusion is that compensation and organizational communication together influence the motivation of PT. Cipta Baja Trimatra Jakarta.

## See the Influence of Compensation and Organization Communication Partially Against Motivation of PT. Cipta Baja Trimatra Jakarta

T-test used to disclose the magnitude influence of variable compensation and organizational communication on individual motivation. Meanwhile, to see the magnitude of influence, use the number of Beta or Standardized Coefficient.

# Relationship between Compensation and Motivation PT. Cipta Baja Trimatra Jakarta

Carrying out the linear relationship between compensation and motivation can perform the following analytical steps: 1). Determining the hypothesis: Ho: There is no linear relationship between compensation and motivation; Ha: There is a linear relationship between compensation and motivation. 2). Counting the number of t counts; SPSS calculation results found t count for 4,635. 3). Calculating the number of t table with the following provisions: Level of significance 0.05 and degrees of freedom (DK) with the provisions: DK = N-2, or 100-2 = 98. From these provisions obtained t table number of 1984. 4). Define criteria; Criteria hypothesis test as follows: If t arithmetic> t table then Ho is rejected and Ha is accepted; If t arithmetic> t table then Ho is accepted and Ha is rejected. 5). Make decision.

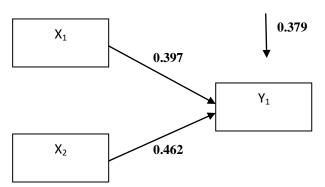
Based on the calculation results, obtained lift t count equal to 4,635> t table equal to 1984 so Ho is rejected and Ha is accepted. This means that there is a linear relationship between compensation and motivation.

While the magnitude of the effect of compensation on the motivation of PT. Cipta Baja Trimatra Jakarta based on Beta or Standardized coefficient of 0.397 or 39.7%.

# The relationship between Organization Communication and Motivation PT. Cipta Baja Trimatra Jakarta

Carrying out the linear relationship between organizational communication and motivation, it can perform the following analytical steps: 1). Determining the hypothesis: Ho: There is no linear relationship between organizational communication with motivation; Ha: There is a linear relationship between organizational communication with motivation. 2). SPSS calculation results found t count for 5.395. 3). From the provision obtained t table number of 1984.

Based on the calculation results, revealed lift t out of 5.395> t table for 1.984 so Ho is rejected and Ha is accepted. Means there is a linear relationship between organizational communication with motivation. While the influence of magnitude for organizational communication on the motivation of PT. Cipta Baja Trimatra Jakarta based on Beta or Standardized coefficient is 0.462 or 46.2%



structure Equation 1 :  $Y_1 = 0.397 + 0.462 + 0.379$ 

#### Structure 2

structure Equation 2:  $Y_2 = PY_2X_1 + PY_2Y_1 + PY_2X_2 + \epsilon_2$ Table 4: the influence of compensation, organizational communication and motivation toward performance PT.

		Parameter						
Variable Connection	Mult. R	R Square	Beta	Coef. B	t amount	Sig	α	
Compensation	0.850	0.722	0.516	0.490	6.346	0.000	5%	
Organizational Communication.			0.203	0.203	2.418			
Motivation			0.217	0.194	2.486			
Test of Significant								
F Amount > F tabel = 8	33.176 > 1.	984						

# **Dependent Variable: Performance**

R square magnitude (r2) is 0.722. these figures can be used to see the magnitude within the influence of compensation, organizational communication, and motivation on employees' performance. This number has the intention that the influence of compensation, organizational communication, and motivation in combination with the performance of employees of PT. Cipta Baja Trimatra Jakarta is 72.2%. The remaining 27.8% influenced by other factors. In other words, employee performance variability PT. Cipta Baja Trimatra Jakarta which can be explained by using compensation variable, organizational communication, and motivation of 72.2%, while the effect of 27.8% is caused by other variables outside this model.

In addition, whether the above regression model is correct or wrong, hypothesis testing is required. Hypothesis test by comparing the level of the significance level (sig) count with a significance level of 5%. Based on the calculation of the significance is 0.000. or prob. Sig 0.000 <0.005. Ho is rejected and Ha is accepted, meaning there is a linear relationship between compensation, organizational communication, and motivation with the performance of employees of PT. Cipta Baja Trimatra Jakarta. Thus, the above regression model is feasible and correct. In conclusion, compensation, organizational communication, and motivation combined affect the performance of employees PT. Cipta Baja Trimatra Jakarta.

Influence of Compensation, Organizational Communication, and Motivation Against Employee Performance PT. Cipta Baja Trimatra Jakarta Partially T-test is used To disclose the magnitude of the effect of variables of compensation, communication, and motivation on performance individually/partially, meanwhile, to see the magnitude of influence, use the number of Beta or Standardized Coefficient .:

# The relationship between Compensation and Employee Performance PT. Cipta Baja Trimatra Jakarta

Carrying out the linear relationship between employee compensation and performance can perform the following analytical steps: 1). Determining the hypothesis: Ho: There is no linear relationship between compensation and employee performance; Ha: There is a linear relationship between compensation and employee performance. 2). Calculating the magnitude of t count: SPSS calculation results found t count for 6.346. 3). Calculating the number of t table with the following provisions: Level of significance 0.05 and degrees of freedom (DK) with the provisions: DK = N-2, or 100-2 = 98. From these provisions obtained t table number of 1984. 4). Defining criteria; Criteria hypothesis test as follows: If t arithmetic> t table then Ho is rejected and Ha is accepted; If t arithmetic> t table then Ho is accepted and Ha is rejected. 5). Make a decision; Based on the calculation results, obtained lift t count equal to 6.346> t table for 1.984 so Ho is rejected and Ha is accepted. This means that there is a linear relationship between compensation and employee performance PT. Cipta Baja Trimatra Jakarta. While the amount of influence of compensation on the performance of employees of PT. Cipta Baja Trimatra Jakarta based on Beta or Standardized coefficient is 0.516 or 51,6%

## The relationship between Organizational Communication and Employee Performance PT. Cipta Baja Trimatra Jakarta

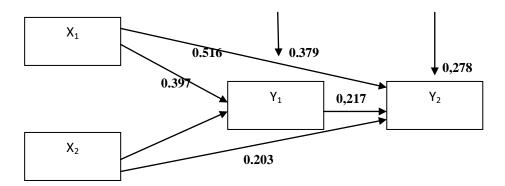
Carrying out the linear relationship between organizational communication and employees' performance, PT. Cipta Baja Trimatra Jakarta can perform analysis steps as follows: 1) Determining the hypothesis; Ho: There is no linear relationship between organizational communication with employees' performance; Ha: There is a linear relationship between organizational communication found with employee performance. 2). SPSS calculation results obtained t count for 2,418. 3). From the provision obtained t table number of 1984.

The calculation result states t-count equal to 2,418> t table equal to 1,984 so Ho is rejected and Ha is accepted. It means that there is a linear relationship between organizational communication with employees' performance at PT. Cipta Baja Trimatra Jakarta. While the magnitude of the effect of compensation on motivation based on the number Beta or Standardized coefficient is 0.203 or 20.3%

# Relationship between Motivation and Performance

Carrying out the linear relationship between the motivation and performance of employees of PT. Cipta Baja Trimatra Jakarta, the analysis steps are as follows: 1). Determine the hypothesis; Ho: There is no linear relationship between motivation and employee performance; Ha: There is a linear relationship between motivation and employee performance. 2). SPSS calculation results obtained t count for 2,486. 3). From the provision obtained t table number of 1984.

Based on the calculation results, obtained t count of 2.486> t table of 1.984 so Ho is rejected and Ha is accepted. This means that there is a linear relationship between motivation with the performance of PT. Cipta Baja Trimatra Jakarta. While the magnitude of the influence of motivation on performance based on the number of Beta or Standardized coefficient of 0.217 or 21.7%



Structure Equation 2 :  $Y_2 = 0.516 + 0.217 + 0.203 + 0.278$ Calculation of Influence

# **Direct Effect (DE):**

- > The influence of compensation toward motivation  $X1 \rightarrow Y1 = 0.397$
- > The influence of organizational communication toward motivation  $X2 \rightarrow Y1 = 0.462$

1.

- > The influence of compensation toward labour performance  $X1 \rightarrow Y2 = 0.516$
- > The influence of organizational communication toward labour performance  $X2 \rightarrow Y2 = 0.203$
- > The influence of motivation toward labour performance
  - $Y1 \rightarrow Y2 = 0.217$

2.

3.

- Indirect Effect (IE):
  ➤ The influence of compensation toward labour performance through motivation X1 → Y1→Y2 = (0.397 x 0.217) = 0.086
- The influence of organizational communication toward labour performance through motivation  $X2 \rightarrow Y1 \rightarrow Y2 = (0.462 \times 0.217) = 0.100$

# Total Effect

- The influence of compensation toward labour performance through motivation  $X1 \rightarrow Y1 \rightarrow Y2 = (0.397 + 0.217) = 0.611$
- The influence of organazayional communication toward labour performance through motivation  $X2 \rightarrow Y1 \rightarrow Y2 = (0.462 + 0.217) = 0.676$
- > The influence of compensation toward labour performance  $X1 \rightarrow Y2 = 0.516$
- > The influence of organizational communication toward labour performance  $X2 \rightarrow Y2 = 0.203$
- > The influence of motivation toward labour performance  $Y1 \rightarrow Y2 = 0.217$

# VI. CONCLUSION

Based on the findings above, the overall conclusions are; 1). Direct compensation has a positive and significant influence on motivation. 2). Direct organizational communication has a positive and significant influence on employees' performance. 4). Direct communication organization has a positive and significant influence on employees' performance. 5). Direct motivation has a positive and significant influence on employees' performance. 6). Indirect compensation has a positive and significant effect on employees' performance through motivation. 7). Indirect communication organization has a positive and significant impact on employees' performance through motivation.

This means that the more appropriate compensation given to employees according to their needs, the better performance of employees of PT. Cipta Baja Trimatra Jakarta will be showned. Communication organization has a positive and significant influence on the performance of employees of PT. Cipta Baja Trimatra Jakarta. This means, the higher the level of organizational communication within the company encourages employees to improve its performance. Motivation has a positive and significant influence on the performance of employees of PT. Cipta Baja Trimatra Jakarta. This means that the more motivated the employees will create the better relationship between the employees of PT. Cipta Baja Trimatra Jakarta themselves.

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