

The Effect Of Work Compensation And Discipline On Organizational Performance With Motivation As Intervening Variables In The Official Investment Tax Service Offices Five Jakarta

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Abstract: This study aims to determine how much influence the compensation and work discipline on employee motivation, find out how much influence compensation and work discipline on organizational performance, find out how much influence motivation on organizational performance and find out how much influence the compensation and work discipline on performance through employee motivation KPA PMA Five. The sample in this study were 130 respondents. The analysis technique uses path analysis.

Compensation has a positive and significant effect on motivation. This indicates that the higher compensation received by employees will increase work motivation. Work discipline has a positive and significant effect on motivation. This shows that higher work discipline will be able to increase work motivation. Compensation has a positive and significant effect on performance. This indicates that the higher compensation received by employees will improve organizational performance. Work discipline has a positive and significant effect on organizational performance. This shows that the better work discipline of employees will be able to improve organizational performance. Motivation has a significant effect on organizational performance, which means that the higher the motivation of employees will be able to improve organizational performance. Motivation mediates the effect of compensation on organizational performance, which means that the higher compensation received can improve organizational performance if employees have high work motivation at work. Motivation mediates the effect of work discipline on organizational performance, which means that the higher level of employee discipline can improve organizational performance if supported by employees having motivation at work.

Keywords: compensation, work discipline, motivation, organizational performance

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I. INTRODUCTION

Organizational performance is something that must be achieved by every organization anywhere because performance is a reflection of the organization's ability to manage and allocate its resources. Organizational performance is the ability of an organization to explain its operations, where organizational performance is something that is produced by an organization within a certain period with reference to established standards or in other words organizational performance is a result that can be measured and illustrates the empirical conditions of an organization of various sizes agreed upon. The extent to which performance has been achieved can be known by conducting performance appraisals.

The purpose of performance appraisal is to motivate personnel to achieve organizational goals and adhere to established standards of behavior, so as to produce actions and results desired by the organization. Standards of behavior can be in the form of management policies or formal plans as outlined in the strategic plan, program, and budget of the organization. Performance appraisal is also used to suppress inappropriate behavior and to stimulate and enforce desired behavior, through feedback in the form of rewards, both intrinsic and extrinsic in nature.

Good management of human resources will determine the success of the organization in achieving the goals set. Human resources include all the people in the organization, both at the lower and upper levels. In addition to the administrative management of human resources in the organization also manages human resources so that they are able to develop the potential of human resources to be more creative and innovative.

The Five Foreign Investment Tax Service Office (KPP PMA Five) has the task of carrying out services, administrative supervision, and simple inspection of taxpayers in the fields of income tax, value-added tax, sales

tax on luxury goods, and other indirect taxes in the area of authority based on applicable laws and regulations. The performance of KPA PMA Five in 2013-2016 is as follows:

Table 1. Target and Realization of Five PMA Foreign Tax Office Revenues in 2013-2016

Year	Revenue Target	Realization	Achievement
2013	Rp12.393.330.467.611	Rp11.776.167.919.615	95,02%
2014	Rp14.953.622.768.010	Rp13.072.602.319.283	87,42%
2015	Rp18.248.063.100.124	Rp13.631.495.728.961	74,70%
2016	Rp18.567.364.465.238	Rp15.681.803.632.206	84,46%

Source: Sub Division of General and Internal Compliance of KPP PMA Five

Based on the data above it can be seen that the achievement of revenue in the last four years did not reach the target, this shows the possibility of the lack of organizational performance in achieving the tax revenue target during the four year period. Compensation, work discipline, and motivation are very closely related to the performance of the KPP PMA Five organization. High compensation, high discipline, and strong work motivation certainly improve employee performance.

II. LITERATURE REVIEW

Organizational Performance

According to Steers (2003: 67), understanding organizational performance is the level that shows how far the actual implementation of the task can be carried out and the mission of the organization is achieved. According to Tika (2010: 12) organizational performance as a result of the work functions/activities of a person or group in an organization that is influenced by various factors to achieve organizational goals within a certain time period. According to Wibowo in Pasolong (2010: 176), organizational performance is the overall effectiveness of the organization for the needs determined from each group regarding systematic efforts and continuously improving the organization's ability to achieve their needs effectively.

Based on some of the opinions above it can be concluded that the essence of organizational performance is a picture of the results of the work of collaborative activities among members of the organization to achieve predetermined organizational goals. Assessment of organizational performance can be measured by financial and nonfinancial measures. Financial measures to determine the results of actions taken in the past and financial measures are complemented by non-financial measures of customer satisfaction, productivity, and cost-effectiveness of business / internal processes as well as productivity and commitment of personnel that will determine future financial performance. Future executive performance can be measured using a comprehensive measure that includes four perspectives: financial, customer, business / internal processes, and learning and growth (Hansen and Mowen, 2006: 134). This measure is called the balanced scorecard.

Based on the balanced scorecard approach, Kaplan and Norton (2006: 78) suggest that financial performance produced by executives is a result of the realization of performance in satisfying customer needs, implementing productive/cost-effective business / internal processes, and/or building productive and committed personnel. Therefore, to achieve sustainable excellence, it no longer depends on technology, patents or strategic positions but rather emphasizes how the organization manages its workforce (HR).

Compensation

According to Dessler (1997: 85), compensation is one form of payment or reward given to employees and arises from the employee's work. According to Rivai and Sagala (2003: 741) states compensation is something that is received by employees as a substitute for the contribution of their services to the company. According to Hasibuan (2012: 118), in general financial compensation can be divided into two namely direct compensation (which is a compensation received by employees who have a direct relationship with work that is, in the form of salary, wages, and incentive pay) and indirect compensation (is compensation received by employees who do not have a direct relationship with their work, among others, health insurance, educational assistance, payments for leave or illness).

Based on some of the opinions above it can be concluded that compensation is any form of compensation received by employees in exchange for its contribution to the company.

There are several indicators that affect compensation, in a company according to Dessler (1992: 349), namely as follows:

1. Paying money directly. In the form of salary, incentives or bonuses, commissions.
2. Indirect payment. In the form of benefits and insurance.
3. Non-financial payments. Like flexible working hours from a prestigious office.

Work Discipline

Discipline according to Hasibuan (2006: 214) is one's awareness and willingness to obey all company regulations and applicable social norms. Work discipline can be defined as an attitude of respect, respect, obedience, and obedience to the applicable regulations, both written and unwritten and able to carry it out and not avoid taking sanctions if it violates the duties and authority given to it (Sastrohadiwiryo, 2003: 291). Employee discipline is a person's behavior in accordance with regulations, existing work procedures or discipline is an attitude, behavior, and actions that are in accordance with the regulations of the organization both written and unwritten (Sutrisno, 2013: 94). Work discipline is a tool used by managers to communicate with employees so that they are willing to change behavior and as an effort to increase awareness and willingness to obey all company regulations and social norms that apply (Rivai, 2006: 444).

Based on some of the opinions above it can be concluded that work discipline is the awareness and willingness of employees to obey written and unwritten regulations in the company and are willing to accept sanctions if they break them. There are several indicators that affect the level of employee discipline in a company according to Hasibuan (2006: 214), as follows:

1. Purpose and Ability

The goals to be achieved must be clear and ideally set and quite challenging for the ability of employees. This means that the goals (jobs) charged to an employee must be in accordance with the ability of the employee concerned. But if the work is beyond his capabilities or his work is far below his ability, then the sincerity and discipline of employees will be low. Here lies the importance of the principle of the right man in the right place and the right man in the right job.

2. Modeling Leadership

In determining employee work discipline, the leader is made a role model and role model by his subordinates. Leaders must set a good example, good discipline, honest, fair, and in accordance with the words of the action. The leader should not expect the discipline of his subordinates to be good if he himself is not disciplined. The leader must realize that his behavior will be emulated and emulated by his subordinates. This is what requires that leaders have good discipline so that even subordinates are well disciplined.

3. Reply Services

Retribution (salary and welfare) also influences employee discipline, because it will give employee satisfaction and love for the company/work. The company must provide appropriate compensation. The discipline of employees may not be good if the rewards they receive are not satisfactory to meet the needs and needs of his family. Employees are difficult to discipline well if their primary needs are not met properly.

4. Justice

Justice encourages employee discipline because ego and human nature always feel important and ask to be treated the same as other human beings. If justice is used as the basis of policy in providing compensation (recognition) or punishment, it will stimulate the creation of good employee discipline. A capable leader or manager in his leadership is always fair to all his subordinates because he realizes that good justice will create good discipline as well.

5. Attached Supervision

Inherent supervision must be real action in realizing the discipline of company employees because with this supervision, it means that superiors must be active and directly supervise the behavior, morals, attitudes, work enthusiasm, and achievements of subordinates. This means that the employer must always be present/present at his workplace so that he can supervise and provide instructions if there are subordinates who have difficulty in doing their work.

6. Penalty Sanctions

Penal sanctions play an important role in maintaining employee discipline. Due to the increasingly severe penalties, employees will be increasingly afraid of violating company regulations, employee discipline behaviors and behaviors will be reduced. The severity of the sanctions to be applied also affects the pros and cons of employee discipline. Penalties must be established based on logical, reasonable and clearly informed information to all employees.

7. Firmness

The leader must have the courage to act decisively to punish every employee who is disciplinary in accordance with the sanctions that have been set. Leaders who dare to act decisively apply penalties for disciplinary employees will be respected and recognized by their leaders. But if a leader is not strict or does not punish employees who are disciplined, it is difficult for him to maintain the discipline of his subordinates, even the employee's disciplinary attitude will increase.

Human relations

Harmonious human relations among fellow employees contribute to creating good discipline in a company. The relationships are both vertical and horizontal which should be horizontal. Leaders or managers must try

to create an atmosphere of human relations that is harmonious and binding, vertical and horizontal. If a harmonious human relationship is created, then a comfortable working environment and atmosphere are realized. This will motivate good discipline in the company.

Motivation

According to Stokes (1966: 92) in Kadarisman (2012), work motivation is a stimulus for someone to do their job well, it is also a factor that makes the difference between success and failure in many ways and is a very important emotional force for a new job. Sutrisno (2013: 109) suggests motivation is a factor that drives a person to do a certain activity, motivation is often interpreted as a factor driving a person's behavior. Mangkunegara (2012: 61) also stated that motivation is a condition or energy that moves employees to be directed or aimed at achieving the company's organizational goals. Motivation comes from the Latin word *movere* which means encouragement or move. Motivation in management is only aimed at human resources in general and in particular subordinates (Hasibuan, 2011: 141). Motivation questions how to direct the power and potential of subordinates, so that they want to work together productively to achieve and realize their stated goals.

Based on some of the opinions above it can be concluded that motivation is the thing that causes, channels and supports human behavior so that they want to work hard and enthusiastically to achieve optimal results. Indicators to measure work motivation according to Syahyuti (2010):

1. Encouragement to Achieve Goals
Someone who has a high work motivation then in him has a strong drive to achieve maximum performance, which will affect the goals of a company or agency.
2. Morale
The spirit of work as a good psychological state if the morale creates excitement that encourages someone to work harder and better, and consequently the nature of achieving the goals set by the company or agency.
3. Initiative and Creativity
Initiative is defined as the strength or ability of an employee or employee to start or continue a job with full energy without any encouragement from others or on their own free will, while creativity is the ability of an employee or employee to find new relationships and make combinations that are new so they can find something new. In this case, something new does not mean that it did not exist before, but something new can be something that has not been known before.
4. Sense of Responsibility
The attitude of individual employees who have good work motivation must have a sense of responsibility towards the work they do so that the work can be completed in a timely manner.

III. RESEARCH METHODS

Research Design

The purpose of this study is explanatory, namely testing the causality relationship between compensation, work discipline, and motivation with organizational performance. The unit of analysis in this study is the employee of the Five Foreign Investment Tax Service Office as respondents. The data used are primary data, through questionnaires. The analytical tool used is path analysis.

Data Types and Sources

The type of data in this research is subject data and documentary data. Subject data in the form of opinions, attitudes, and experience of KPP PMA Five employees, while documentary data is data obtained from textbooks, research journals, and so on.

Sources of data in this study are primary data and secondary data. Primary data is data obtained by researchers directly (from the first hand), while secondary data is data obtained by researchers from existing sources. Primary data were obtained by distributing questionnaires to PMP Five KPP employees as respondents.

Population and Sample

Population according to Sugiyono (2009: 115) is a collection of all members of the object under study. The population in this study were all employees of KPP PMA Five, totaling 130 people.

The sample in this study were 130 KPP PMA employees. Thus the sampling technique used in this study is the census that all populations are sampled.

Data Analysis Technique

Data analysis is the process of organizing and sorting data in basic patterns, categories, and description units so that themes can be found and work hypotheses can be formulated as they are based on data.

IV. RESEARCH RESULTS AND DISCUSSION

Path Analysis

1) Hypothesis Coefficient of Compensation and Work Discipline Pathways to Motivation

Estimation of the path coefficient that shows the effect of compensation and works discipline on motivation is done using path analysis. The path coefficient is obtained from the standardized regression coefficient (beta). For more details, the results of the regression analysis obtained are presented in Table 2 as follows:

Table 2. Path Coefficient Test Results From Work Compensation And Discipline For Motivation

Variable	Beta	t- count	p-value
Compensation	0,628	10,474	0,000
Work discipline	0,300	5,010	0,000
Coefficient of Determination (R ²) = 71,6%			
F-count = 159,919			

Source: Primary data processed, 2018

From Table 2, the following equation can be obtained:

$$Y1 = 0.628X1 + 0.300X2$$

In Table 2, it explains that compensation and work discipline on motivation influence the determination coefficient of 71.6%. The results of this test explain that the great diversity of motivation that can be explained by compensation and work discipline is 71.6%. The partial effect of the compensation variable on motivation is done by the t-test. T-test results for the path coefficient are significant (p-value <0.05). Compensation with a path coefficient of 0.628 has a significant effect on motivation. This is evident from the value of t-count = 10.474 or p-value = 0.000 p-value <0.05, then the path coefficient of compensation for motivation is statistically significant.

The partial effect of work discipline variables on motivation is done by the t-test. T-test results for the path coefficient are significant (p-value <0.05). work discipline with a path coefficient of 0.300 has a significant effect on motivation. This is evident from the value of t-count = 5.010 or p-value = 0,000 p-value <0.05, then statistically the path coefficient of work discipline on motivation is significant.

2) The hypothesis of Work Coefficient Compensation and Discipline Pathways to Organizational Performance

Estimation of the path coefficient that shows the effect of compensation and works discipline on organizational performance is done using path analysis. The path coefficient is obtained from the standardized regression coefficient (beta). For more details, the results of the regression analysis obtained are presented in Table 3.

Table 3. Path Coefficient Test Results from Work Compensation and Discipline on Organizational Performance

Variable	Beta	t- count	p-value
Compensation	0,398	4,895	0,000
Work discipline	0,282	4,327	0,000
Coefficient of Determination (R ²) = 72,2%			
F-count = 108,835			

Source: Primary data processed, 2018

In Table 3, it explains that compensation, work discipline on organizational performance is influential with a coefficient of determination of 72.2%. The results of this test explain that the large diversity of organizational performance that can be explained by compensation and work discipline is 72.2%. The partial effect of the compensation variable on organizational performance is done by the t-test. T-test results for the path coefficient are significant (p-value <0.05). Compensation with a path coefficient of 0.398 has a significant effect on organizational performance. This is evident from the value of t-count = 4.895 or p-value = 0.000, p-value <0.05, then the path coefficient of compensation for organizational performance is statistically significant. The partial effect of work discipline variables on organizational performance is done by t-test. T-test results for the path coefficient are significant (p-value <0.05). Work discipline with a path coefficient of 0.282 has a significant effect on organizational performance. This is evident from the value of t-count = 4.327 or p-value = 0.000 p-value <0.05, then statistically the path coefficient of work discipline on organizational performance is significant.

3) Hypothesis Coefficient of Motivation Pathway to Organizational Performance

Estimation of the path coefficient that shows the effect of motivation on organizational performance is done using path analysis. The path coefficient is obtained from the standardized regression coefficient (beta). For more details, the results of the regression analysis obtained are presented in Table 4.

Table 4. Path Coefficient Test Results from Motivation to Organizational Performance

Variable	Beta	t- count	p-value
Motivation	0,266	3,017	0,003
Coefficient of Determination (R ²)= 72,2%			
F-count = 108,835			

Source: Primary data processed, 2018

In Table 4, it explains that motivation on organizational performance is influential with a coefficient of determination of 72.2%. The results of this test explain that the large diversity of organizational performance that can be explained by motivation is 72.2%. The partial influence of motivation variables on organizational performance is done by the t-test. T-test results for the path coefficient are significant (p-value <0.05). Motivation with a path coefficient of 0.266 has a significant effect on motivation. This is evident from the value of t-count = 3.017 or p-value = 0.003 p-value <0.05, then the path coefficient of motivation to organizational performance is statistically significant.

4) Hypothesis Coefficient of Compensation Path, Work Discipline, and Motivation on Organizational Performance

Estimation of the path coefficient that shows the effect of compensation, work discipline, and motivation on organizational performance is done using path analysis. The path coefficient is obtained from the standardized regression coefficient (beta). For more details, the results of the regression analysis obtained are presented in Table 5 as follows.

Table 5. Path Coefficient Test Results from Compensation, Work Discipline and Motivation on Organizational Performance

Variable	Beta	t- count	p-value
Compensation	0,398	4,895	0,000
Work discipline	0,282	4,327	0,000
Motivation	0,266	3,017	0,003
Coefficient of Determination (R ²)= 72,2%			
F-count = 108,835			

Source: Primary data processed, 2018

From Table 5 we can get the following equation:

$$Y_2 = 0.398X_1 + 0.282X_2 + 0.329X_3$$

In Table 5, it explains that compensation, work discipline, and motivation on organizational performance influence with a coefficient of determination of 72.2%. These test results explain that the large diversity of organizational performance that can be explained by compensation, work discipline, and motivation is 72.2%. The partial effect of the compensation variable on organizational performance is done by the t-test. T-test results for the path coefficient are significant (p-value <0.05). compensation with a path coefficient of 0.398 has a significant effect on organizational performance. This is evident from the value of t-count = 4.895 or p-value = 0.000, p-value <0.05, then the path coefficient of compensation for organizational performance is statistically significant.

The partial effect of work discipline variables on organizational performance is done by t-test. T-test results for the path coefficient are significant (p-value <0.05). Work discipline with a path coefficient of 0.282 has a significant effect on organizational performance. This is evident from the value of t-count = 4.327 or p-value = 0.000 p-value <0.05, then statistically the path coefficient of work discipline on organizational performance is significant.

The partial influence of motivation variables on organizational performance is done by the t-test. T-test results for the path coefficient are significant (p-value <0.05). motivation with a path coefficient of 0.266 has a significant effect on organizational performance. This is evident from the value of t-count = 3.017 or p-value = 0.003 p-value <0.05, then the path coefficient of motivation to organizational performance is statistically significant.

Estimates of all path coefficients model in this study can be summarized in Table 6.

Table 6. Summary of Path coefficients

Variable	Direct Effect	p-value	Indirect Effect	Total Effect
Compensation→ Motivation	0,628	0,000	-	-
Work discipline→Motivation	0,300	0,000	-	-
Compensation→Organizational Performance	0,398	0,000	-	-
Work discipline→Organizational Performance	0,282	0,000	-	-
Motivation→Organizational Performance	0,266	0,003	-	-
Compensation→ Motivasi →Organizational Performance	0,398	0,000	0,628 x 0,266 = 0,167	0,565
Work discipline→Motivation→Organizational Performance	0,282	0,000	0,300 x 0,266 = 0,080	0,362

Source: Primary data processed, 2018

From Table 6, it is explained that all of the five paths on the hypothesis model are all significant. For more details, the results of the overall path analysis can be presented in Figure 1.

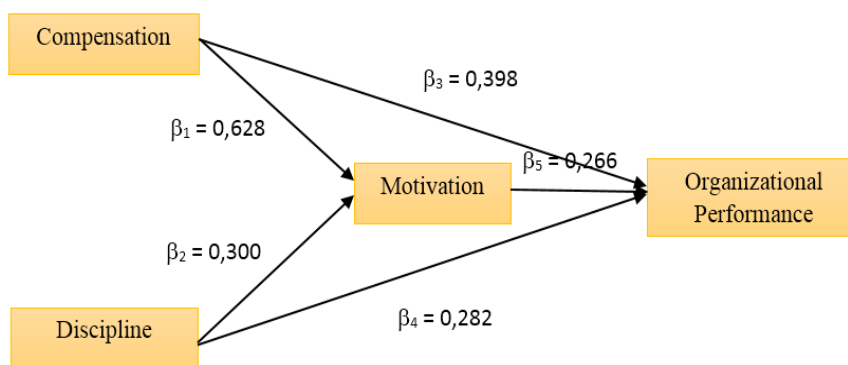


Figure 1. Path Analysis Results

5) Hypothesis Testing

Hypothesis testing to determine whether the results of sample data processing can be applied to the population. Path analysis is used to estimate causal relationships between a number of variables in a series of causal relationship pathways. The basis for answering problems regarding the influence of variables is used the results of calculations with regression analysis and at the same time for testing hypotheses. The path coefficient is seen from the beta coefficient (standardized coefficient).

Decision making for hypothesis testing uses significant value (p-value) with criteria if $p\text{-value} > 0.05$, then H_0 is accepted or H_a is rejected, meaning the path coefficient obtained is not significant, and if $p\text{-value} < 0.05$ then H_0 is rejected or H_a is accepted, meaning that the path coefficient obtained is significant.

1. Compensation And Work Discipline Significant Effect On Motivation Of KPP PMA Five Employees

The hypothesis is related to the test results of a positive and significant effect of compensation and work discipline on the motivation of employees of the KPP PMA Five. The path coefficient on the compensation relation to motivation by 0.628 is significant ($p\text{-value} = 0,000$). The path coefficient on the relationship of work discipline to the motivation of 0.300 is significant ($p\text{-value} = 0,000$), so the research data support the hypothesis.

2. Compensation And Work Discipline Significant Effect On The Performance Of The KPP PMA Five Organization

The hypothesis is related to the results of the test of the effect of compensation and work discipline on the organizational performance of KPP PMA Five. The path coefficient on the compensation related to the performance by 0.398 is significant (p-value = 0,000), the path coefficient on the work discipline related to the performance of 0.282 is significant (p-value = 0,000), so the research data support the hypothesis.

3. Motivation Significant Effect On Organizational Performance Of KPP PMA Five

The hypothesis is related to the results of the test of the influence of motivation on organizational performance. The path coefficient on the relationship of motivation to an organizational performance by 0.266 is significant (p-value = 0.003), so the research data support the hypothesis. High motivation will affect the increase in organizational performance. Thus the third hypothesis is statistically accepted.

4. Compensation And Work Discipline Significant Effect On Organizational Performance Through The Motivation Of Pma Five Kpp Employees

Based on Table 6, that the direct effect of compensation on organizational performance is 0.398. The indirect effect of compensation on organizational performance is 0.167. The total effect of 0.565. If the total effect is greater than the direct effect, then the motivation variable is an intervening variable. The total effect of 0.565 is greater than the direct effect of 0.398. So compensation has a significant effect on organizational performance through motivation. The direct effect of work discipline on organizational performance is 0.282. The indirect effect of work discipline on organizational performance is 0.080. The total effect of 0.362. If the total effect is greater than the direct effect, then the motivation variable is an intervening variable. The total effect of 0.362 is greater than the direct effect of 0.282. So work discipline has a significant effect on organizational performance through motivation. Thus the fourth hypothesis is statistically tested.

V. DISCUSSION

1. Effect of Work Compensation and Discipline on Motivation

Compensation has a positive and significant effect on motivation, which means that the higher compensation received by employees can motivate employees to work. In essence, all employees in their lives always want to meet all their needs, both material and non-material needs. For agencies that have an impression, of course, they will think about how to fulfill the needs needed by each employee. One appropriate way for agencies to meet these needs is by providing appropriate and fair compensation as an award given by the agency to its employees. Then with the provision of compensation the agency expects a sense of reciprocity from the employee to work with good performance. As the concept of Hasibuan (2012: 118), which states that in general there are two compensation, namely direct compensation, and indirect compensation, so the total benefits received by employees as a substitute for the services they have provided. Providing fair compensation will motivate the work of employees, reduce labor turnover, reduce absenteeism and attract qualified job seekers in to the agency, therefore compensation can be used as encouragement or motives at a level of behavior and achievement. Money is a strong factor in providing work motivation to employees. Indicators of compensation that can make the greatest contribution to motivation are financial compensation directly reflected by employees feeling the salary and performance benefits received today, helping to meet the needs of daily life. The existence of good compensation to employees will have a positive impact on employee motivation. Work motivation will arise from the employee if the employee has felt that the institution has given recognition, an opportunity to develop his ability to work but also within the limits of the agency rules, work environment, and facilities. In addition, motivation is obtained by employees because they feel capable and recognized by their ability by the agency and feel comfortable in working with having a pleasant colleague in the environment where they work. The results of this study are consistent with Gunawan (2013) which states that compensation influences work motivation.

Work discipline has a positive and significant effect on work motivation, which means that a higher level of employee discipline can increase employee motivation. Employee discipline is a behavior that is inherent in an individual, which is then implemented intangible forms. Developing organizations foster disciplinary behavior from members or employees. Discipline needs to be balanced with the capabilities and skills of members of the organization or agency. The better and higher the level of ability and skills possessed by employees, the agency's goals will be achieved. Discipline is the main key to expertise or skills, so the better the level of employee discipline can increase work motivation. As the concept of Hasibuan (2006: 214) which states that discipline is the awareness and willingness of someone to obey all company rules and social norms that apply. Discipline must be upheld in a corporate organization. Without the support of good employee discipline, it is difficult for companies to realize their goals. So, discipline is the key to the success of a company in achieving its goals. The results of this study are consistent with Gunawan (2013) which states that work discipline influences work motivation.

2. Effect of Work Compensation and Discipline on Organizational Performance

Compensation has a positive and significant effect on organizational performance. This shows that a proper and fair rewards system can help improve organizational performance. The compensation policy determined by the agency can affect the work behavior of employees which will ultimately have an impact on the performance of the organization concerned. Employee compensation received will be used to meet their needs and their families. In addition, the amount of compensation received reflects the status, recognition, and level of fulfillment of needs enjoyed by employees and their families. If the compensation received by the employee means the higher the position, the higher the status and the fulfillment of the needs he is enjoying more and more. This is in accordance with the opinion of Rivai and Sagala (2003: 741) that is, compensation is something that is received by employees as a substitute for the contribution of their services to the company. The greater the service, the greater the compensation. The more employees are rewarded equally with other employees who hold the same position the more employees can improve performance. The results of this study are consistent with the research of Syatoto (2013) which states that compensation influences company performance.

Work discipline has a positive and significant effect on organizational performance, which means that a higher level of work discipline can improve organizational performance. Conversely, the lower the work discipline will cause lower organizational performance. If the employee has the discipline and compliance in obeying the rules and decisions that have become a joint agreement of the agency, then the employee will feel happy with his work because the employee is able to complete his work properly and correctly so that it is expected that there will be a sense of loyalty from the employees to the agency. The existence of work discipline is very necessary for an agency because in an atmosphere of discipline the agency will be able to carry out its work programs to achieve the targets set. High and low levels of organizational performance can not just happen without the discipline to do better activities. The high level of organizational performance is caused by the work discipline of high employees, which makes it easier for leaders to move these employees to achieve agency goals. If the discipline of employees is low then it causes the level of organizational performance is also low. The results of this study are consistent with the research of Harsapranata (2016) which states that work discipline influences organizational performance.

3. Effect of Motivation on Organizational Performance

Motivation has a positive and significant effect on organizational performance, which means that the higher the motivation of employees at work can improve organizational performance. The main thing that motivates employees to improve performance is the sense of responsibility reflected by the employee being able to finish the job well on time. Employees with high achievement motivation characteristics will have a high desire to work. Employees are more concerned with satisfaction when targets have been achieved compared to rewards for performance. This does not mean that employees do not expect rewards, but employees like challenges. High work motivation is encouragement with the characteristics of employees doing good work and high performance. The need for high achievers is an impetus that arises in a person to try to achieve the set targets, work hard to achieve success and have the desire to do something better than before.

Employees with high achievement motivation are very fond of challenges, dare to take risks, able to take over responsibilities, happy to work hard. This drive will lead to the need for employee achievement that distinguishes it from the others because they always want to do things better. Based on experience and anticipation of pleasant results and if the previous performance is judged good, then the employee prefers to engage in achievement behavior. Employees who have high work motivation will try with all their strength so that their work can succeed as well as possible. If personal needs are met, then employees will be able to work harder and be more passionate. In relation to efforts to improve organizational performance, a high amount of work motivation is needed. Therefore work motivation has a very close relationship to organizational performance. Providing individual work motivation to employees will run faster so employees can work optimally in the agency.

Work motivation is formed from the attitude of an employee in dealing with work situations. Work motivation is a condition that drives employees directed to achieve organizational goals (work goals). "Mental attitude is a mental condition that drives employees to try to achieve maximum performance" (Mangkunegara, 2005: 68). A leader should in providing appropriate motivation to be able to see the behavior exhibited by employees and choose what methods can be used so that employees are motivated to work. Provision of Work Motivation that is appropriate and appropriate to the needs of employees must be maintained so that employees can produce a performance in accordance with the wishes of the agency. The results of this study are in line with Hutomo and Taufik (2010), Syatoto (2013), Hartajunika (2015), Harsapranata (2016) and Julianry (2017) which state that work motivation has a significant effect on organizational performance.

4. Effect of Work Compensation and Discipline on Organizational Performance Through Motivation

Compensation affects organizational performance through motivation, which means that compensation received by employees can improve organizational performance if employees have motivation at work. Employees who are motivated or motivated to do a job then the employee will have the enthusiasm to do his job so that employees will be able to achieve optimal performance. High and low motivation given by the leadership of employees will also affect the level of work performance obtained by employees, where employees who get high motivation then the organizational performance will be high too. Vice versa, if the motivation given to employees is low then the organizational performance is low.

Work discipline has an effect on organizational performance through motivation, which means more employee discipline in work can improve organizational performance if employees have motivation at work. Work discipline that can improve organizational performance is the penalty sanctions reflected by employees feeling the rules for imposing penalties for employees who violate discipline in this organization are fair. This shows that good discipline reflects great responsibility for the tasks assigned to it. This can encourage morale and the achievement of these goals. Discipline is more on one's own responsibility if self-discipline can be done so it will be very easy to apply discipline anywhere as well as the ability of someone's work that cannot be forced so it must be in accordance with their respective jobs. Employees are the most important element in the agency, so if you want a good performance, the employee must have a disciplined attitude because it greatly affects the performance of the organization. Generally good discipline if employees come to the office regularly and on time. The importance of the role of discipline was also raised by Rivai(2006: 444) who argues that discipline is a tool used by managers to communicate with employees so that they are willing to change a behavior and as an effort to increase one's awareness and willingness to obey all company rules and norms social norms that apply. Therefore, in every organization, it is necessary to stress the discipline of its employees.

VI. CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the analysis and discussion the conclusions can be drawn as follows:

- a. Compensation encourages increased motivation. This indicates that the higher compensation received by employees will increase work motivation. Work discipline encourages increased motivation. This shows that higher work discipline will be able to increase work motivation.
- b. Compensation encourages organizational performance improvement. This indicates that the higher compensation received by employees will improve organizational performance. Work discipline encourages organizational performance improvement. This shows that higher employee work discipline will improve organizational performance.
- c. Motivation encourages increased organizational performance, which means that the higher the motivation of employees will be able to improve organizational performance.
- d. Motivation mediates compensation in encouraging improvement in organizational performance, which means that the higher compensation received can improve organizational performance if employees have high work motivation at work. Motivation mediates work discipline in encouraging improvement in organizational performance, which means that the higher level of employee discipline can improve organizational performance if supported by employees having the motivation to work.

Suggestion

Suggestions that can be made in connection with the results of this study are as follows:

- a. It is better for the KPP PMA Five to maintain direct financial compensation so that organizational performance can improve, considering that compensation is still the main reason for someone to work, and improving work facilities to support the task.
- b. To maintain the discipline of the work of the employees, the leadership should continue to provide sanctions for employees who violate discipline and leadership can be an example for employees.
- c. Employees should be motivated by taking responsibility for work and promoting creative ideas that help facilitate work to achieve better performance.
- d. For further researchers, it is necessary to examine other variables that are expected to significantly affect organizational motivation and performance such as ability and job satisfaction.

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