The Effect of Motivation and Compensation on Employee Performance towards Job Satisfaction as an Intervening Variable at Branch Office of PT Angkasa Pura II Banyuwangi Airport

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Abstract: Employees have a big and important role in the success of an organization. The benchmark for organizational success can be seen from employee performance. Employee performance means the productivity and output of employees as a result of employee development, and will ultimately affect the effectiveness of the organization. Good performance can be achieved through a good motivation and appropriate compensation through the job satisfaction of the employees. Many studies have been conducted examining the relationship between job satisfaction and performance. However, some things do not show success and there are research gaps. The results of the study have a major influence on employee performance appraisal. Branch Office of PT Angkasa Pura II Banyuwangi Airport tries to measure employee performance from motivation and compensation of each employee through job satisfaction as an intervention. This decision making is based on existing theory. Even the job satisfaction which is expected to be able to make employees of Branch Office of PT Angkasa Pura II Banyuwangi Airport will be better than other regions that have achieved their goals.

Keywords: Motivation, Compensation, Job Satisfaction, Employee Performance

I. Introduction

Human resources is one of the factors that are involved directly in carrying out organizational activities in achieving the goals that have been set. A good organization and has a positive image in the eyes of the public will not ignore the aspects of developing the quality of its human resources (Bahri, 2017). Human resources have a goal to improve the performance of an agency, so the formation of human resources who have the ability and skills is a must. In the world of work, there is often intense competition that is owned by employees and is required to continue to increase. By evaluating employee performance, it will be known whether the employee deserves to be improved. Carrying out a series of performance improvements is very necessary in order to always improve the quality of the employee so that the agency can grow and excel in the competition.

Angkasa Pura II was first established in the form of a Public Company under the name Jakarta Cengkareng Airport Public Company based on Government Regulation of the Republic of Indonesia No. 20 dated August 13, 1984 regarding Public Company (Perum) Jakarta Cengkareng Airport, as announced in the State Gazette of the Republic of Indonesia No. 30 of 1984. Subsequently changed to Perum Angkasa Pura II on May 19, 1986 which was confirmed and ratified through Government Regulation No. 26 of 1986. Then on March 17, 1992 changed to a Limited Liability Company (Persero) (PP No. 14 of 1992) with Government Regulation No. 14/1992, as stated in the State Gazette of the Republic of Indonesia No. 25 of 1992.

The phenomenon depicted from the object of research is that the results of employee work performance from 2018-2021 from a total of 64 employees working at Branch Office of PT Angkasa Pura II Banyuwangi Airport which has a very good category have decreased from the beginning in 2018 as many as 11 employees to down in 2019 to 2021 to 8 employees who have very good scores in the assessment. This is inversely proportional to the good value category, which from 2018 as many as 53 employees in 2019 to 2021 continues to increase to 56 employees. The performance of employees at Branch Office of PT Angkasa Pura II Banyuwangi Airport is still not optimal where out of all 64 employees, they still cannot penetrate the special assessment category, even in the very good category it can still be said to be lacking and it continues to decline.

II. Literature Review

Terry (2016) explained that motivation can be interpreted as the willing to achieve higher status, power and recognition for each individual. Motivation can actually be seen as the basis for achieving success in various aspects of life through increasing ability and will. In addition, motivation can be interpreted as a condition that

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Motivation and compensation are crucial factors in employee performance. Motivation provides energy, encourages activities or moves, directs and channels behavior towards achieving needs that provide satisfaction or reduce imbalances. Manizar (2015) defines motivation as a stimulus, encouragement, or power generator owned by a person or group of individuals who wish to act and work together optimally in carrying out whatever is intended to achieve the goals that have been set.

Naray (2013) stated that compensation is a cost that must be incurred by the organization in the hope of obtaining benefits in the form of work performance from employees. Employee remuneration as a reward for the work of employees. Compensation is also known as an award or reward, based on Fatah's opinion (2018), and can be defined as any kind of award given to employees as a reward for their efforts towards the company. Hariandja in Zairina, et al (2014) also stated that compensation is the overall remuneration received by employees as a result of carrying out work in the organization in the form of money or others, which can be in the form of salaries, wages, bonuses, incentives and other benefits such as health benefits, holiday allowances, meal allowances, vacation pay and others.

Wexley and Yukl in Bangun (2012) said that job satisfaction is a generalization of attitudes towards work, a person's various attitudes towards his work reflect pleasant and unpleasant experiences in his work and his hopes for future experiences. Jobs that are fun to do can be said that the work gives satisfaction to its stakeholders. Job satisfaction is a good attitude towards work which is the result of a thorough assessment of every feature of the job. In general, a concept provided by professionals of human resource and organizational management concludes that job satisfaction is an attitude and a feeling of a worker toward their work (Tobing, D.S.K., 2016). Someone with a high level of job satisfaction has positive sentiments about his job, while someone with a low level of job satisfaction has negative feelings about his job (Robbins & Judge, 2013).

Employee performance based on Simamora's opinion in Jufrizen (2017) was the level of employee work results in achieving the job requirements given. Employee performance is something that needs to be considered quite seriously by the company, because the performance of employees with various aspects in it will have a direct impact on the company's overall performance. Employee performance (work achievement) is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him (Sholihin, 2021).

### III. Conceptual Model

Based on the background, problem formulation, objectives, and literature review, it can be concluded that this study was conducted to prove and analyze the effect of important variables, namely motivation and compensation on employee performance through employee job satisfaction at Branch Office of PT Angkasa Pura II Banyuwangi Airport. The conceptual framework in this study describes the direct and indirect effects between variables. The conceptual framework of the research is shown in Figure 1 as follows:

#### HYPOTHESIS

The Effect of Motivation on Job Satisfaction

Employees will be more satisfied with their work if they are given higher motivation. Employees who are motivated at work will be able to improve their performance and influence the delivery of services to the community in accordance with the fundamentals of the gas sector and the tasks of its various departments.

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(Sarwar and Abugre, 2013), Akbar Hidayat (2021), Garaika (2020), Mundakir and Zainuri (2018), Talashina & Ngatno (2020), Hanafi & Yohana (2017), Syamsuri et al (2018), Rifai et al (2021), Laia (2018), Lusri & Siagian (2017), Parimita (2018), Kurniawan (2021) and Ghozali (2017), conducted an empirical study of the relationship between motivation and satisfaction and found that motivation had a positive and substantial effect on satisfaction. Meanwhile, Bahri's research (2017), showed that motivation has no effect on job satisfaction. The research hypothesis can be formulated as follows based on the description given:

H1: Motivation has a positive significant effect on job satisfaction

The Effect of Compensation on Job Satisfaction

Panggabean (2004:73) said that compensation is often also called an award and can be defined as any form of award given to employees as a reward for the contributions they make to the organization. Meanwhile, Sastrohadiwiroyo (2003: 181) argued, compensation is a service fee or remuneration provided by the company to workers, because these workers have contributed energy and thoughts for the progress of the company in order to achieve the goals that have been set. Empirical studies of the relationship between compensation and satisfaction can be seen in the studies of Akbar Hidayat (2021), Garaika (2020), Mundakir and Zainuri (2018), Talashina & Ngatno (2020), Rifai et al (2021), Jufrizen (2017), Alwan & Djastuti (2018), Laia (2018), Sholihin (2021), Parimita (2018), Kurniawan (2021), concluded that motivation has a positive and significant effect on satisfaction. Based on the description above, the research hypothesis can be formulated as follows:

H2: Compensation has a positive significant effect on job satisfaction

The Effect of Motivation on Employee Performance

The definition of motivation is to create a passion for work, so the performance also increases (Ishak Arep & Hendry Tanjung, 2003:13). The purpose of motivation is to increase morale and job satisfaction, increase work productivity, streamline employee procurement, create a good working atmosphere and relationship, and improve employee welfare (Malayu S.P Hasibuan, 2001:46). Empirical studies of the relationship of motivation to performance can be seen in the research of Akbar Hidayat (2021), Garaika (2020), Mundakir and Zainuri (2018), Hanafi & Yohana (2017), Suhardi (2019), Laia (2018), Lusri & Siagian (2017), Kurniawan (2021), Ghozali (2017) concluded that motivation has a positive and significant effect on performance. Meanwhile, in the research of Rifai et al (2021), Fransiska (2020) showed that motivation has no effect on employee performance. Based on the description above, the research hypothesis can be formulated as follows:

H3: Motivation has a positive significant effect on employee performance

The Effect of Compensation on Employee Performance

If employee compensation (financial compensation) is higher, employee performance will be higher; if employee compensation (financial compensation) is lower, employee performance will be lower. Simamora (2006), argued that financial compensation is very important for employees because it allows them to directly meet their needs, especially their physiological demands. Meanwhile, Rivai (2004) stated that direct financial compensation includes wages, which are defined as rewards or prices for services rendered or a number of services rendered by one person to another, and salaries, which are defined as remuneration in the form of money received. as compensation by employees. As a result of his position, he is able to contribute to the achievement of organizational goals. Research by Akbar Hidayat (2021), Mushawir et al (2019), Garaika (2020), Suhardi (2019), Jufrizen (2017), Alwan & Djastuti (2018), Laia (2018), Sholihin (2021) showed an empirical investigation of the relationship between compensation and performance. However, research by Mundakir and Zainuri (2018), Rifai et al (2021), Kurniawan (2021) showed that compensation does not directly affect employee performance. The research hypothesis can be formulated as follows based on the description given:

H4: Compensation has a positive significant effect on employee performance

The Effect of Job Satisfaction on Employee Performance

Job satisfaction stated by Dadang (2013: 15) is an emotional state that is happy or not happy with work, and reflects one's feelings towards his work. Employee job satisfaction based on the opinion of Badeni (2017:43), is a person's attitude towards his work, which can be positive or negative, satisfied or unhappy. Research by Akbar Hidayat (2021), Garaika (2020), Mundakir & Zainuri (2018), Hanafi & Yohana (2017), Talashina & Ngatno (2020), Syamsuri et al (2018), Rifai et al (2021), Jufrizen (2017 ), Alwan & Djastuti (2018), Laia (2018), Lusri & Siagian (2017), Sholihin (2021), Kurniawan (2021) found that satisfaction has a positive and significant effect on the satisfaction. Meanwhile, Nabawi's research (2019) showed that job satisfaction has no significant effect on employee performance. The research hypothesis can be formulated as follows based on the description given:
H5: Job satisfaction has a positive significant effect on employee performance

The Effect of Motivation on Employee Performance through Satisfaction

In humans, motivation is described as a motivator or mover that can cause, direct, and regulate behavior (Darmawan, 2013). Employees who are motivated at work will be satisfied because their demands are met. Research by Garaika (2020), Mundakir and Zainuri (2018), Hanafi & Yohana (2017), Talashina & Ngatno (2020), Rifai et al (2021), Laia (2018), Lusri & Siagian (2017), showed that motivation influences on performance through job satisfaction. While Akbar Hidayat (2017) and Kurniawan (2021), showed that motivation has no effect on employee performance through job satisfaction. The research hypothesis can be formulated as follows based on the description given:

H6: Motivation has a significant positive effect on employee performance through job satisfaction.

The Effect of Compensation on Employee Performance through Job Satisfaction

Compensation refers to the overall framework for providing financial and non-financial rewards to employers and employees. Swasto (2011) defined remuneration as everything that employees receive as payment for contributing their time, energy, and thoughts to the organization. Compensation serves as a cooperative link, job satisfaction, successful procurement, motivation, staff stability, and discipline, according to Hasibuan (2007), Mundakir and Zainuri (2018), Talashina & Ngatno (2020), Alwan & Djastuti (2018), Laia (2018), Sholihin (2021), Kurniawan (2021) conducted an empirical investigation on the relationship between remuneration and performance through satisfaction, with job satisfaction, fully mediate the relationship between compensation and employee performance. However, in the research of Akbar Hidayat (2021) and Rifai et al (2021), it showed that job satisfaction is not able to mediate the effect that occurs between compensation on employee performance. The research hypothesis can be formulated as follows based on the description given:

H7: Compensation has a positive significant effect on employee performance through job satisfaction

IV. Conclusion

The advanced development of world requires companies to be able to equip each of their employees with sufficient abilities. The human resource factor is considered an asset for the company, so it is not only seen as direct labor costs because human resources have become a basic need in achieving the company's vision and mission. The company is expected to be able to make full efforts to equip its employees with sufficient soft skills and knowledge to be able to compete in the industrial era 4.0. Motivation and compensation are important keys in growing job satisfaction to improve employee performance. In the business competition that grows rapidly, Branch Office of PT Angkasa Pura II Banyuwangi Airport requires competent human resources in the field of work, especially in the performance of its employees. In the fierce competition, human resources become the main subject in overcoming threats and opportunities. For this reason, further research is needed to determine the role of motivation and compensation through job satisfaction in improving the performance of employees of Branch Office of PT Angkasa Pura II Banyuwangi Airport

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