

The Impact of Competency that Result From Organizational Motivation, Compensation and Climate on Employee Performance

Khofifah Maulidah

Universitas Sultan Ageng Tirtayasa, Indonesia
khofifahmaulidah@outlook.com

Submitted: 04th April 2022 | **Edited:** 21st July 2022 | **Issued:** 01st Dec 2022

Cited on: Maulidah, K. (2022). The Impact of Competency that Result From Organizational Motivation, Compensation and Climate on Employee Performance. *Kinerja: Jurnal Manajemen Organisasi dan Industri*, 1(2), 62-71.

ABSTRACT

High employee competence will be encouraged to work hard by utilizing the abilities and skills they have ultimately impact on the performance of each employee. With this research objective is to determine the effect of motivation, compensation and organizational climate on employee performance compensation. So with this the positivism philosophy method is used, with a total sample of 226 employees. In this study the analysis used was multiple linear regression, using survey research techniques. To determine the results of this study, descriptive analysis, validity test, reliability test, normality test, multicollinearity test and heteroscedasticity test are needed to determine the results. The results of this study indicate that motivation, compensation and organizational climate simultaneously have a positive and significant effect on employee performance competencies.

Keywords: employee motivation, compensation, climate, competence and performance

INTRODUCTION

The Regional Representative Council (DPD) is one of the barometers of the success of reform in the field of state administration in Indonesia. Of course this will be a new thing, not only in the institutional setting but also in Indonesian society, where the DPD becomes a new legislative institution that will accompany and strengthen the legislative institution that has already been formed, namely the House of Representatives (DPR).

(Oktovindo, et, al., 2022) states that of all the sources available to organizations, namely money, materials, equipment, and people, the most important source for achieving organizational goals is humans because humans have the ability to grow and thrive. The most decisive element for the success of achieving goals is the human factor.

Based on observations with the Head of Staffing of the DPD RI Secretariat in the last one year, there are problems found in the DPD RI Secretariat, namely a decrease in employee performance. The statement is based on the achievement of the vision and

mission that the performance of the DPD RI Secretariat employees is expected to continue to increase. However, in reality the performance of employees at the Secretariat of the DPD RI has had its ups and downs. The problem of decreasing employee performance is based on the results of observations made with staffing staff which is known that employee performance is still low.

It should be realized that employee competence is also a determinant of the success or failure of an organization. Competence has a very important role, because in general competence concerns a person's basic ability to do a job based on skills and knowledge (Fadhli, & Marwan, 2020). Competence describes what people do in the workplace at various levels and details the standards of each level, identifies the characteristics, knowledge and skills required by individuals that enable them to carry out their duties and responsibilities effectively so as to achieve professional quality standards in work, and cover all aspects of performance management records, specific skills and knowledge, attitudes, communication, application, and development (Palahudin, 2021).

Competence of employees in an agency also affects the process of completing the work, it takes experts in the field occupied so that employees do not depend on each other and the process of completing the work can be completed on time (Sugiono, et, al., 2020). In addition, one of the factors that influence employee competence is the motivation factor.

Motivation is an encouragement to a series of processes of human behavior in achieving goals (Simanullang, 2021). The theory of motivation consists of two, namely the theory of satisfaction and the theory of process. One of the satisfaction theories, namely the hierarchy theory (Irwan, et, al., 2022) includes physiological needs, security needs, social needs, esteem needs and self-actualization.

Motivation to work is very important for the high and low productivity of government organizations. Without the motivation of the state apparatus to work together for the interests of institutions and the state, the stated goals will not be achieved. Conversely, if there is high motivation from employees, then this is a guarantee for the success of the institution/agencies in achieving its goals. If the human resources have the motivation to achieve their personal goals, then they must improve their performance (Pamungkas, et, al., 2022).

Compensation is everything that employees receive in return for the work they have

done (Siregar, & Marlien, 2022). Compensation has an important meaning because compensation reflects the organization's efforts to maintain and improve the welfare of its employees. Compensation is also given by the agency as an effort to achieve the success of the organization's strategy. Achieving the success of organizational strategies and goals can be measured by organizational performance. The implementation of the compensation program is very important to be considered seriously because compensation can increase and decrease performance, employee motivation and job satisfaction.

According to (Halomoan, 2020), states that organizational climate is the perception of organizational members (individually or in groups) and those who are in constant contact with the organization about what exists or occurs in the organization's internal environment on a regular basis, which affects organizational attitudes and behavior and performance. organizational members who then determine organizational performance. One way for managers to encourage the effectiveness of employee performance is to create an organizational climate that emphasizes the importance of achieving results with mutual encouragement, cooperation, and participation in effectiveness that can contribute to achieving company goals (Guna, et, al., 2022).

Organizational climate which is also referred to as organizational atmosphere is a set of characteristics of the work environment that can be measured based on the collective perception of the people who live and work in that environment and can influence their motivation and behavior (Karwanto, & Ramadhan, 2020). Thus, it can be concluded that the climate of an organization is a measurable perception of all aspects of the work environment that affect employee motivation and behavior.

According to (Lassa, & Naif, 2018) organizational performance is highly dependent on the performance of the individual members of the organization concerned. Individual performance (individual performance) is good, then most likely the organizational performance is also good. Likewise with the organization of the Regional Representatives Council of the Republic of Indonesia, its performance will greatly depend on the performance of the employees in the organization.

THEORETICAL BASIS

The Notion of Management Management

Science in its history has continued to develop, including the emergence of the flow

of Human Relations which emphasizes more on aspects of humanity and fellow human relations which is the concern of management development in an effort to increase productivity (Risambessy, et, al., 2022). Then followed by the Modern Management stream as a more in-depth follow-up from the previous stream by including psychological studies to further maximize the role of humans in organizations.

Human Resources (HR)

Humans are an important component in organizations that will move and carry out activities to achieve goals. The success of an organization is determined by the quality of the people in it. HR will work optimally if the organization can support their career advancement by looking at what their competencies really are. Usually, competency-based HR development will increase employee productivity so that the quality of work is also higher and leads to customer satisfaction and the organization will benefit (Halomoan, 2020). Human Resources can be defined as all humans involved in an organization in seeking the realization of the organization's goals.

Motivation

According to (Yasdianto, et, al., 2020), motivation comes from the Latin word *move* which means encouragement or moving. Motivation in management is only aimed at human resources in general and subordinates in particular. Motivation questions how to direct the power and potential of subordinates so that they are willing to work together productively to achieve and realize the specified goals.

The importance of motivation because motivation is the thing that causes, distributes, and supports human behavior, so that they want to work hard and enthusiastically achieve maximum results. Motivation is increasingly important because managers share work with their subordinates to be done well and well integrated into the desired goals.

Compensation

Basically, humans work with their life goals. An employee will work and show loyalty to the organization. Therefore, the organization/company also rewards the employee's work performance by providing compensation. One way of management to improve work performance, motivate and improve the performance of employees is through compensation.

Provision of appropriate compensation can affect the performance of employees in

the agency/company because the provision of appropriate compensation will increase the enthusiasm of employees to be able to give more energy and thoughts so that organizational goals can be achieved. This is the same as the research conducted by Bimo Hardianto which states that compensation has a significant effect on employee performance (Halomoan, 2020).

Organizational

Climate Climate is a situation related to the thoughts, feelings, and behaviors of its members which are temporal and subjective (Sugiono, et, al., 2020). (Palahudin, 2021) describes climate as a characteristic that distinguishes an organization from other organizations.

Organizational climate is an inseparable state of an organization. In essence, it can be analogous to the atmosphere or air conditions (bright or bad, and so on). People will feel comfortable when outside in a dark atmosphere or condition, or because the air current is blocked.

Competence

Competence etymologically means "skill or ability". Meanwhile, in terminology, competence means knowledge, skills and basic values that are reflected in the habits of thinking and acting. Habits of thinking and acting that consistently and continuously enable a person to be competent in the sense of having the basic knowledge, skills and values to "do something" (Fadhli, & Marwan, 2020).

Another definition states that competence is the knowledge, skills and abilities that are mastered by someone who has become part of him, so that he can perform cognitive and psychomotor behaviors as well as possible (Oktovindo, et, al., 2020).

Performance

Etymologically, performance comes from the word performance. As stated by (Purwanto, et, al., 2020) that the term performance comes from the word job performance or actual performance (work achievement or actual achievement achieved by someone), namely the quality and quantity of work achieved by an employee in carrying out his duties in accordance with the responsibilities given. According to (Yasdianto, et, al., 2020) performance is a result achieved by employees in their work according to certain criteria that apply to a job.

METHOD

Method is a principle in research. Its nature is rooted and becomes the basis (Guna, et, al., 2022). The research method is basically a scientific way to obtain data with a specific purpose and use. The research method used by researchers in collecting data in this study uses quantitative research methods.

Design Research design is a design for the whole research, so that researchers have confidence about what to do (Guna, et, al., 2022). This research requires guidelines or procedures as well as techniques in research planning that are useful as a guide for building strategies that produce research models. The type of research design in this study is Survey Research, which is a quantitative research based on the results of a survey on an individual or group within a company and/or government agency.

According to (Sugiyono, et, al., 2020) population is the number of generalization areas consisting of objects and characteristics determined by researchers and then conclusions are drawn. In this study the population is employees of the Secretariat of the Regional Representatives Council of the Republic of Indonesia, totaling 520 employees.

According to (Sugiyono, et, al., 2020) the sample is the number and characteristics possessed by the population. In this study, the researcher will use the Simple Random Sampling method, which is a sampling method where each member of the population has the same opportunity to be selected as a sample. The number of samples obtained from the calculation is 226 people.

RESULT

Descriptive Discussion

Descriptive discussion, intended for exploration and clarification of a phenomenon by describing a number of variables relating to the problem under study.

Criteria for the Object Under Study Based on Motivation Variables

Here we can see that the competence of an employee in carrying out company duties is influenced by work motivation. Based on the number of 226 respondents who became the object of this study, they gave various answers. It is known from the number of 10 statements submitted on the motivation variable. Overall, the motivation variable questionnaire (X_1) average score 3.75 with good criteria.

The criteria for the object under study are based on the compensation variable

This is evidenced by looking at the overall compensation variable questionnaire (X2) obtained an average score 3.82 with good criteria. For the better, the Secretariat of the Regional Representatives Council of the Republic can be given more attention with compensation that is in accordance with fair and proper principles so that employee performance can improve even more.

The criteria for the object under study are based on the organizational climate variable

Organizational climate is very important because organizational climate shows the way of life of an organization and can have a huge influence on motivation, behavior, achievement, commitment and job satisfaction of employees so that the performance of each member of the organization will increase and they feel comfortable. This is evidenced by looking at the overall organizational climate variable questionnaire (X3) obtained an average score 3.82 with good criteria.

Quantitative

Discussion The verification discussion is intended to discuss the influence and significance as well as to discuss the relationship between supporting theories that are aligned with the results of data processing.

The Influence of Motivation on Competence

Motivation has a significant effect on competence with a coefficient of determination of 0.348 or 34.8% while the remaining 65.2% is influenced by other factors. This shows that high motivation will increase competence. Hypothesis testing is obtained $t \text{ count} > t \text{ table}$ or $(10.927 > 1.971)$, this is reinforced by probability $0.000 < 0.05$, thus H_0 rejected and H_1 is accepted meaning that there is a partially significant effect between motivation and competence at the Secretariat General of the Council. Regional Representative of the Republic of Indonesia.

Effect of Compensation on Competence

Compensation has a significant effect on competence with a coefficient of determination of 0.479 or 43.4% while the remaining 52.1% is influenced by other factors. This shows that good compensation will increase competence. Hypothesis testing is obtained $t \text{ count} > t \text{ table}$ or $(14,353 > 1,971)$, this is reinforced by probability $0.000 < 0.05$, thus H_0 rejected and H_2 is accepted meaning that there is a partially significant effect between compensation on competence at the Secretariat General of the Council Regional

Representative of the Republic of Indonesia.

The Effect of Organizational Climate on Competence

Organizational Climate has a significant effect on competence with a coefficient of determination of 0.332 or 33.2% while the remaining 66.8% is influenced by other factors. This shows that a good organizational climate will increase competence. Hypothesis test obtained $t_{\text{count}} > t_{\text{table}}$ or $(10,562 > 1,971)$, this is reinforced by probability $0.000 < 0.05$, thus H_0 rejected and H_3 is accepted meaning that there is a partially significant influence between Organizational climate on competence at the Secretariat General Regional Representative Council of the Republic of Indonesia.

The Influence of Motivation, Compensation and Organizational Climate on Competence

Motivation, compensation and organizational climate have a positive effect on competence (Y) with the regression equation $Y = 6.065 + 0.224X_1 + 0.433X_2 + 0.216X_3$. The regression coefficient value of each variable is positive, meaning that the better the motivation, compensation and organizational climate, the better the competence of the Secretariat General of the Regional Representatives Council of the Republic of Indonesia, on the contrary, the lower the motivation, compensation and organizational climate, the lower the competence. . The contribution of motivation, compensation and organizational climate is 56.6% while the remaining 43.4% is influenced by other factors.

Hypothesis test obtained $F_{\text{count}} > F_{\text{table}}$ or $(96.556 > 2.250)$, this is also reinforced by probability $0.000 < 0.05$. Thus H_0 is rejected and H_4 is accepted. This means that there is a simultaneous significant influence between motivation, compensation and organizational climate on competence at the Secretariat General of the Regional Representatives Council of the Republic of Indonesia.

The Influence of Competence on Employee Performance

Competence has a significant effect on employee performance with a coefficient of determination of 0.362 or 36.2% while the remaining 63.8% is influenced by other factors. This shows that high competence will improve employee performance. Hypothesis testing is obtained $t_{\text{count}} > t_{\text{table}}$ or $(11,272 > 1,971)$, this is reinforced by probability $0.000 < 0.05$, thus H_0 rejected and H_5 is accepted meaning that there is a significant influence between competence on employee performance at the Secretariat General of the House of Representatives Region of the Republic of Indonesia.

CONCLUSION

Based on the description in the previous chapters, and from the results of the analysis and discussion of the influence of motivation, compensation and organizational climate on competencies that have an impact on employee performance, as follows:

1. Motivation has a positive and significant effect on competence with a determination of 34.8%. Hypothesis test obtained $t_{\text{arithmetic}} > t_{\text{table}}$ or $(10.927 > 1.971)$ this is reinforced by the regression equation $Y = 17.959 + 0.560X_1$.
2. Compensation has a positive and significant effect on competence with a determination value of 43.4%. Hypothesis test obtained $t_{\text{count}} > t_{\text{table}}$ or $(14,353 > 1,971)$ this is reinforced by the regression equation $Y = 12,635 + 0,698X_2$.
3. Organizational climate has a positive and significant effect on competence with a determination value of 33.2%. Hypothesis test obtained $t_{\text{arithmetic}} > t_{\text{table}}$ or $(10,562 > 1.971)$ this is reinforced by the regression equation $Y = 18.064 + 0.553X_3$.
4. Motivation, compensation and organizational climate simultaneously have a positive and significant effect on competence with a determination value of 56.6% while the remaining 43.4% is influenced by other factors. Hypothesis testing using statistical test $F_{\text{count}} > F_{\text{table}}$ or $(96.556 > 2.250)$, this is also reinforced by the regression equation $Y = 6.065 + 0.224X_1 + 0.433X_2 + 0.216X_3$.
5. Competence has a positive and significant effect on employee performance with a determination value of 36.2%. Hypothesis testing obtained $t_{\text{arithmetic}} > t_{\text{table}}$ or $(11.272 > 1.971)$ this is reinforced by the regression equation $Z = 15.217 + 0.619 Y$.

REFERENCES

- Fadhli, F., & Marwan, M. (2020). PENGARUH MOTIVASI, KOMPENSASI DAN IKLIM ORGANISASI TERHADAP KEPUASAN KERJA GURU SMK KABUPATEN BIREUEN. *IndOmera*, 1(2), 62-75.
- Guna, I. P. A. A., Sapta, I. K. S., & Rihayana, I. G. (2022). PENGARUH IKLIM ORGANISASI, KEMAMPUAN KERJA DAN MOTIVASI KERJA TERHADAP KINERJA KARYAWAN PADA PT. ADIKA JAYA DEWATA DENPASAR. *VALUES*, 3(2), 401-417.
- Halomoan, E. (2020). Pengaruh Iklim Organisasi, Kompetensi, Dan Motivasi Kerja Terhadap Kinerja Pegawai BPP Aparatur Sukamandi. *Widya Cipta: Jurnal Sekretari dan Manajemen*, 4(1), 40-48.
- Irwan, I., Asri, A., & Reynilda, R. (2022). PENGARUH KEPEMIMPINAN, IKLIM ORGANISASI, DAN MOTIVASI KERJA TERHADAP KINERJA PEGAWAI

- PADA DINAS TANAMAN PANGAN DAN HORTIKULTURA KABUPATEN GOWA. *Jurnal Inovasi dan Pelayanan Publik Makassar*, 1(2), 1-16.
- Karwanto, K., & Ramadhan, R. (2020). Membangun iklim organisasi sekolah melalui peran kepala sekolah dalam upaya meningkatkan kinerja guru. *Inspirasi Manajemen Pendidikan*, 8(3), 285-297.
- Lassa, A., & Naif, Y. I. (2018). PENGARUH MOTIVASI KERJA, PERILAKU PEMIMPIN DAN IKLIM ORGANISASI TERHADAP KINERJA PEGAWAI KANTOR INSPEKTORAT KABUPATEN TIMOR TENGAH UTARA. *Jurnal Manajemen*, 15(1), 72-89.
- Oktovindo, M., Marnisah, L., & Zamzam, F. (2020). PENGARUH KOMPETENSI DAN PRODUKTIVITAS TERHADAP KINERJA OUTSOURCING PADA DEPARTEMEN ASSSETAND OFFICE MANAGEMENT PT. SEMEN BATURAJA (PERSERO) Tbk MELALUI MODERASI IKIM ORGANISASI. *Integritas Jurnal Manajemen Profesional (IJMPRO)*, 1(2), 255-270.
- Palahudin, P. (2021). Kompetensi Sumber Daya Manusia dan Iklim Organisasi terhadap Kinerja Pegawai PDAM Tirta Pakuan Kota Bogor. *Management Studies and Entrepreneurship Journal (MSEJ)*, 2(1), 26-33.
- Pamungkas, W. A., Mulyanti, R. Y., & Puspa, T. (2022). PERAN MOTIVASI KERJA DALAM MEMEDIASI PENGARUH IKLIM ORGANISASI DAN DISIPLIN KERJA TERHADAP KINERJA PEGAWAI DI MASA PANDEMI COVID-19. *Jurnal Ekobis: Ekonomi Bisnis & Manajemen*, 12(2), 211-231.
- Purwanto, A., Asbari, M., Prameswari, M., Ramdan, M., & Setiawan, S. (2020). Dampak Kepemimpinan, Budaya Organisasi dan Perilaku Kerja Inovatif Terhadap Kinerja Pegawai Puskesmas. *Jurnal Ilmu Kesehatan Masyarakat*, 9(01), 19-27.
- Risambessy, A., Latupapua, C. V., Chandra, K., & Chandra, F. (2022). Mediasi Komitmen Organisasional dan Kepuasan Kerja Karyawan, Iklim Organisasi Dan Kinerja Karyawan. *JKBM (JURNAL KONSEP BISNIS DAN MANAJEMEN)*, 8(2), 191-202.
- Simanullang, M. (2021). Pengaruh Iklim Organisasi Dan Kompensasi Terhadap Motivasi Kerja Dan Kepuasan Kerja Pada Dinas Pemberdayaan Masyarakat Dan Desa Kabupaten Tapanuli Tengah. *Jurnal Riset Manajemen dan Bisnis*, 6(1), 19-30.
- Siregar, M. T. R., & Marlien, R. A. (2022). Pengaruh Iklim Organisasi, Pengembangan Karir, dan Kompensasi terhadap Kepuasan Kerja Berdampak pada Kinerja Pegawai. *Syntax Literate; Jurnal Ilmiah Indonesia*, 7(7), 10138-10155.
- Sugiono, E., Hidayat, D. O., & Efendi, S. (2020). Pengaruh Iklim Organisasi, Pelatihan Dan Kompensasi Terhadap Kepuasan Kerja Dan Dampaknya Terhadap Kinerja Pegawai Yayasan Mantab AL Hamid. *Jurnal Ilmiah MEA (Manajemen, Ekonomi, & Akuntansi)*, 4(2), 602-627.
- Yasdianto, I., Marnisah, L., & Zamzam, F. (2020). Pengaruh Etos Kerja, Motivasi, Dan Iklim Organisasi Terhadap Kinerja Departemen Asset & Office Management Pt Semen Baturaja (Persero) Tbk. *Ekonomika Sharia: Jurnal Pemikiran dan Pengembangan Ekonomi Syariah*, 6(1), 97-116.