

# Motivation and Compensation on Employee Performance

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## ABSTRACT

This research was conducted aiming to find out how the motivation and compensation received by employees, as well as to determine the effects of motivation and compensation on employee performance at PT. Hadji Kalla Branch Urip Sumoharjo. In this study, the population is all employees of PT. Hadji Kalla of Urip Sumoharjo Branch numbered 190 people. Researchers used several data collection techniques, namely questionnaires, observation, document review and interviews. The types of data used in this study consisted of quantitative data and qualitative data. The source of this research data is primary data, namely data directly obtained from data sources or research subjects. The data obtained using descriptive statistical analysis method, inferential statistical analysis. Descriptive statistical analysis used in this research is descriptive analysis, namely the analysis that suggests about the respondent's personal data, which was obtained from the respondents' answers through questionnaires. The result of this research is the motivation variable has a significant influence on the performance of the employees of PT. Hadji Kalla Branch Urip Sumoharjo and compensation variables have a significant influence on the performance of employees of PT. Hadji Kalla Branch Urip Sumoharjo.

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## 1. Introduction

In today's era, business competition is getting tougher, because the era of globalization is a time full of challenges, so to be able to turn these challenges into opportunities, adequate capabilities are needed from every actor in organizations and companies that are shown by better work effectiveness. and reliable human resources is a very urgent need to be met, if the personnel in the company are not able to answer these challenges, then the challenges that arise are serious threats that must be sought a way out.

Given the importance of the role of human resources in an organization in order to continue to exist in a climate of unlimited free competition, the role of management is no longer only the responsibility of employees, but is the responsibility of the leadership in an organization. The management of human resource management, of course, must be carried out by professional leaders.

PT. Hadji Kalla Branch Urip Sumoharjo Makassar has employees with different characters. These differences may be influenced by employees in terms of knowledge, skills, attitudes, discipline and other factors. So that the level of work effectiveness of employees will vary. In managing the social welfare carried out by the office so far, the office leadership has motivated employees to work where one of the efforts made is through the provision of employee motivation and work compensation.

Thus motivation and compensation are one of the ways / factors in which the situation in humans is a strong impulse or a force that can move human behavior to achieve the goals to be achieved, therefore motivation is closely related to work performance, and also This often happens in a company where the achievements achieved by an employee are not proportional to the compensation given. This discrepancy is caused by the treatment of the leader to his subordinates that deviates from the provisions and ethics that should apply, so that subordinates have a poor assessment if their life needs have been met or the possibility of employees being able to carry out their duties properly.

Compensation is very important for the employee himself as an individual because the amount of compensation is a reflection or measure of the value of the employee's work itself. On the other hand, the size of the compensation can affect employee performance, motivation, and job satisfaction. Likewise, companies that have taken the form of providing compensation as a motivation to improve the performance of their employees. If the compensation is not in the way expected by the employee, then the employee's performance will decrease. This is due to the fact that the employees are not meeting their daily needs from the compensation they receive, so employees will try to find a side job.

And we must know that motivation is not based on the value of money earned, but basic needs. When a person's basic needs are met. Then he will need things that satisfy his soul, such as job satisfaction, rewards, work atmosphere and things that satisfy his desire to grow, namely opportunities to learn and develop himself. So that finally people work or do something because they want to have a meaningful life and be able to pass on something to their loved ones.

And more importantly, we will not get all that before we motivate ourselves (inner motivation). Because motivating from within oneself will make a person complete his work with enthusiasm, depending on the factors that exist in themselves, such as ambition, education, age and experience. By motivating yourself and getting motivation from outside (family, leadership, and company) then growing and developing within yourself, it will make yourself a professional workforce and have high productivity. Usually that productivity will form by itself as expected by yourself and what the company expects.

It should be realized that the influence of motivation and compensation on employee performance is closely related to the process of achieving company goals. Employees will work very productively or not depending on motivation, compensation, and social pressures as well as the changes that occur that affect employee performance, therefore the success or failure of the implementation of human resource functions in a company, depends on the extent to which the quality human resources, and one of the efforts made to improve employee performance is the provision of motivation and compensation.

The object of research in this study are employees who work in the company by examining the influence of motivation and compensation in their place of work PT. Hadji Kalla Urip Sumoharjo Branch in Makassar.

## **2. Literature Review**

### **Management**

Management is a tool for achieving the desired goals. Proper management will facilitate the realization of the goals of the company, employees, society. Arrangements are made through a process and based on the sequence of management functions (Planning, Organizing, Directing, Controlling) (Saffar & Obeidat, 2020). So, management is a process to

achieve the desired goals. The management elements consist of Man, Money, Method, Materials, Machine, and Market which is abbreviated as 6M.

In an organization or company, because management is a "tool" or "container" (a place) to manage 6M, and all company process activities in achieving its goals (Vogelmeier et al., 2017). Even though management is only a tool, it must be managed as well as possible, because if this management is right then optimal goals can be realized, waste is avoided, and all the potential that is owned will be more useful.

According to Tansel & Gazîoğlu (2014) stated that management is the organization of efforts to prepare and achieve the desired results using group efforts, consisting of the use of talents and human resources. Then according to Singh et al., (2019) Management is the science and art of managing the process of utilizing human resources and other resources effectively and efficiently to achieve a certain goal.

From the definition above, it can be concluded that management is a process consisting of planning, directing, controlling, through the use of human resources and other resources effectively and efficiently to achieve certain goals.

#### Human Resource Management Human

resources are a component of a company that has a very important meaning, human resources are a determining source of planning goals for a company, because their function is the core of company activities (Mitchell et al., 2013). Without human resources, the company's activities will not run properly even though at this time it has automatically entered every company, but if the actors and implementers of the machine, namely humans, do not provide the expected role then the automation will be in vain. To further clarify the meaning of human resource management.

According to Boon et al., (2018) stated that human resource management is one of the fields of general management which includes aspects of planning, organizing, implementing, and controlling. According to Wright & Ulrich, (2017) state that human resource management is a management with the utilization of existing resources in individuals (employees).

The function of human resource management is very broad, this is due to the duties and responsibilities of human resource management to manage the human elements as effectively as possible in order to have a satisfactory workforce. According to Hamadamin & Atan (2019), the functions of human resources include managerial functions and operational functions, namely (1) Planning (human resources planning), namely planning the workforce effectively and efficiently to suit the needs of the company in helping the realization of goals. (2) Organizing, namely activities to organize all employees by determining the division of labor, work relations, delegation of authority. Integration and coordination in the organization chart. (3) Directing is the activity of directing all employees to cooperate and work effectively and efficiently in helping to achieve the goals of the company, employees, and society. (4) Controlling is the activity of controlling all employees to comply with company regulations and work according to plan.

According to Mitchell et al., (2013) in human resource management there are also operational functions, namely (1) Procurement is the process of withdrawal, selection, placement, orientation and induction to create employees according to company needs. (2) Development is the process of improving the technical, theoretical, conceptual, and moral skills of employees through education and training that must be in accordance with the needs of present and future workers. (3) Compensation is the provision of direct and indirect remuneration of money or goods to employees as compensation for services rendered to the company. The principle of compensation is fair and just. (4) Integration is an activity to unite

the interests of the company and the needs of employees, in order to create harmonious and mutually beneficial cooperation. (5) Maintenance is an activity to maintain or improve the physical, mental, and loyalty conditions of employees so that they will continue to work together until retirement. (6) Dismissal (separation) is the termination of a person's relationship from a company. This dismissal is caused by the wishes of the employee, the company's wishes, the employment contract ending, retirement and other reasons.

From the operational functions described, the role of human resource management, both managerial and operational, is very useful in supporting the achievement of company goals.

### Motivation

Motivation comes from the Latin word *movere* which means to encourage or move. Concretely, motivation can be defined as "The process of giving work motives to subordinates in such a way that they want to work sincerely to achieve organizational goals efficiently (Mitchell et al., 2013). According to George and Pancasila et al., (2020) work motivation can be defined as a psychological encouragement to someone who determines the direction of a person's behavior (direction of behavior) in an organization, level of effort (level of effort), and level of persistence or resilience in working. face an obstacle or problem (level of persistence).

Lorincová et al., (2019) defines motivation as a person's drive to take action because the person wants to do so. When people are pushed, they simply react to pressure. So they act because they feel that they continue to do so. But when they are motivated, they make a positive choice to do something because they know this action is important to them.

One of the tasks of the leader is to motivate employees to work in accordance with the directions that have been conveyed. Because motivation is a process of trying to influence someone to do something they want. In other words, motivation is a state within the individual that activates or moves behavior towards a certain goal.

Motivation in terms of management science is a function or tool that is closely related to humans as a driving force for people to be able to carry out organizational activities (van Tuin et al., 2020). For organizational leaders, management activities are important in improving organizational performance. The activities carried out by subordinates can support the achievement of goals effectively and efficiently. Every leader always tries to carry out motivation to his subordinates even though in reality they always experience obstacles considering that people have different wants and needs.

Motivation will give meaning to the size of a person's business, trying or working hard to achieve his needs. Conversely, a person with low motivation will never achieve results beyond the strength of his motivation. Before fulfilling part of the motivation, the need must be created or encouraged first, as stated by Thokozani & Maseko (2017) which states that "Motivation is a driving force or incentive to do something." This is because a person's work motivation is influenced by his needs.

Therefore, everyone has different needs, it is necessary to understand the general needs that always exist in everyone. This can be done because basically everyone has a dominant need. By knowing what needs dominate his work, an owner or manager will be able to motivate his work by fulfilling the needs and knowing the background, desires and ambitions of his subordinates, so that managers can make the right decisions and policies and can take the right motivating actions. can see and know the needs and desires of his subordinates, a manager must also have the ability to assertiveness and determination to give orders to his subordinates without causing resistance or hatred.

In essence, providing motivation to employees has a purpose that can improve various things. According to Lorincová et al., (2019) the purpose of providing motivation to employees is to improve employee morale and job satisfaction, increase employee work productivity, maintain the stability of company employees, increase employee discipline, streamline employee procurement, create a good working atmosphere and relationship, improve employee performance. loyalty, creativity and employee participation, increasing the level of employee welfare, enhancing the employee's sense of responsibility towards their duties and increasing the efficiency of the use of tools and raw materials.

There are two types of motivation according to Thokozani & Maseko (2017), namely, positive motivation, meaning that managers motivate subordinates by giving gifts to those who perform well. With this positive motivation, the morale of subordinates will increase, because humans are generally happy to receive what is fine. Second, negative motivation means that managers motivate subordinates by giving punishment to those who do not work well. With this negative motivation, the morale of subordinates in the short term will increase, because they are afraid of being punished, but in the long term it will have bad consequences.

Motivation according to Thokozani & Maseko (2017) has a method, namely the first direct method, meaning that motivation is given directly to each individual employee to meet their needs and satisfaction. So it is special in nature such as giving praise, bonus awards, certificates, and so on. The two methods are indirect (indirect motivation), namely the motivation given is only facilities that support and support the passion of work to smooth the task, so that employees feel at home and eager to do their work. For example, a soft chair, good machines, a quiet and comfortable workspace, a good atmosphere and work environment and so on. This indirect motivation has a big influence on stimulating employee morale so that work productivity increases.

The work motivation models according to van Tuin et al., (2020) consist of three models, namely (1) the traditional model, suggesting that to motivate subordinates to increase their work enthusiasm, it is carried out by means of an incentive system, namely providing material incentives or rewards in the form of wages/payments. salary for employees who perform well. (2) The human relations model, suggests that managers can motivate their employees by creating their social needs by making them feel important and useful. This means that employee satisfaction at work must be increased, among others by giving employees more freedom to make decisions in carrying out their work. Here is grown social contact or human relations with better employees, as a motivating factor. (3) The human resource model, that employee motivation is not only on wages or job satisfaction, but is diverse. An important motivation for employees according to this human resource model is the development of shared responsibility for achieving organizational goals and organizational members, where each employee contributes according to their interests and abilities.

Unmet needs cause people to look for ways to fulfill these needs. Therefore, people choose an action and there is a behavior that leads to the achievement of goals. After some time the manager assesses the behavior, where the results and evaluation of these achievements produce various forms of rewards and punishments. The results are assessed by the person concerned and unmet needs reviewed.

Maslow's theory of motivational needs (Paais & Pattiruhu, 2020) explains the existence of a hierarchy of needs that shows there are five levels of wants and needs. Where higher needs will encourage someone to get satisfaction or these needs, after lower (previous) needs have been satisfied. The five needs, namely: (1) Physiological needs, namely needs such as hunger, thirst, sex, housing, sleep and so on. (2) Security needs, namely the need for safety and protection from danger, threats and deprivation or dismissal from work. (3) Social needs,



the desire to join other people, for example to become a member of a group. (4) The need for appreciation, namely the need that involves the desire to get appreciation for his achievements and freedom in doing his work. (5) The need for actualization, the need in question is the last need in the hierarchy of needs and is a complete realization of one's full potential. After this first need is met and satisfied, then step on to the next more need.

Compensation is one of the factors that influence motivation and is a way for companies to meet the needs of their employees and provide stimulation to foster morale so that employees can work more effectively and efficiently. The purpose of working employees in general will expect performance rewards in the form of compensation. While the intention of employees working at a company is to fulfill their needs, the fulfillment of these needs will affect the attitudes and behavior of employees in carrying out their work, namely in work motivation.

According to Lorincová et al., (2019) The personnel department provides compensation to employees as a way to improve work performance and work motivation. If the compensation given is in accordance with the work obtained, employee satisfaction will increase. Therefore, compensation is closely related to work motivation. Compensation is one form of positive motivational booster, namely by giving reciprocity or gifts to employees who perform well, where the provision of compensation is expected to increase employee work motivation. Therefore, if employees perceive their compensation to be inadequate, their motivation and job satisfaction can drop drastically.

### Compensation

The issue of compensation is sensitive because it motivates a person to work, and also affects the morale and discipline of the workforce. Therefore, any company/organization should be able to provide compensation that is balanced with the workload borne by the workforce.

According to Astuti (2019) that compensation is a service fee / remuneration provided by the company to the workforce because the workforce has contributed energy and thoughts for the company's progress in order to achieve the goals that have been set. According to Arif et al.,(2019) "compensation is all income in the form of money, goods directly or indirectly received by employees as compensation for services provided to the company".

So in general it can be said that compensation is a reward received by employees in connection with the sacrifices that have been given to the company. This compensation can be given directly in the form of money or indirectly in the form of money from the company to its employees. The purpose of this remuneration should be to give satisfaction to all parties, employees can meet their needs, entrepreneurs earn profits, government regulations must be obeyed and consumers get good goods at reasonable prices.

According to Thaler et al., (2020) in general financial compensation can be divided into two, namely direct compensation, which is compensation received by employees who have a direct relationship with work, namely, in the form of salaries, wages, and incentive wages and indirect compensation, namely compensation that is paid for. received by employees who do not have a direct relationship with their work, among others, health insurance, educational assistance, payments during leave or illness.

According to Haider et al., (2015) There are several general benchmarks that are expected to be used as guidelines in the practice of the compensation system, namely, (1) Time System, in the time system, the amount of compensation is determined based on time standards such as hours, days, times, months. (2) In the yield system, in the yield system, the amount of compensation is determined for the units produced by workers, such as per meter, liter, kilogram. In the results system, the amount of compensation paid is always based on the

amount of work done, not on the length of time working on it. (3) The wholesale system, this system is a method of remuneration in which the determination of the amount of service is based on the volume of work and the length of time working on it.

The problem of compensation is not a simple problem but quite complex, so that every company should be able to have a guide on how to determine the right compensation. Right in the sense that it is not only limited in number, but there are many other factors that must be considered. Factors that generally need to be considered by companies in increasing and setting remuneration on a regular basis, as stated by Kilgour et al., (2015) are truth and justice, organizational funds, employee unions, work productivity, cost of living, and government.

### Employee

Performance Performance comes from the word performance. While the performance itself is defined as the result of work or work performance. Performance is the implementation of the plans that have been prepared. Performance implementation is carried out by human resources who have the ability, competence, motivation, and interests.

Opinion of Siengthai & Pila-Ngarm (2016) Employee performance is the degree to which employees achieve job requirements. Definition of Employee Performance according to Wang & Guan (2018) Employee performance is what employees do or don't do that affects how much they contribute to the organization, including output quality, output quantity, output period, attendance at work, and cooperative attitude. Meanwhile, according to Cai et al., (2018) Employee performance is a result achieved by a person in carrying out the tasks assigned to him based on skills, experience, and sincerity and time.

According to Buil et al., (2019), there are three factors that can affect performance, namely, first, individual attributes, with the various attributes attached to individuals, they will be able to distinguish one individual from another. Second, the ability to work, with various attributes attached to individuals, shows that there is an equal opportunity to achieve an achievement, only to achieve good performance requires effort or a willingness to work hard, because willpower is a strength in individuals that can spur work effort, and can provide direction and persistence. And thirdly, organizational support, in achieving high employee performance, it is also necessary to have support or opportunities from the organization/company.

So the conclusion is that the high and low performance achieved by employees is influenced by three things: willingness, support and opportunities provided by the company are absolutely necessary rights, while ability is something that is within the employees themselves that can be developed.

Employees of PT. Hadji Kalla Urip Sumoharjo Branch who has high work motivation and is given fair compensation will produce better performance. According to Audenaert et al., (2019) providing compensation on an ongoing basis will make employees feel at home and motivated to further improve their performance.

H1: It is suspected that there is a positive relationship between compensation and employee performance, the greater the provision of compensation as motivation, the higher the performance of PT. Hadji Kalla Urip Sumoharjo Branch in Makassar

H2: It is suspected that the factor that has the greatest influence on increasing employee performance is compensation, compared to the motivational factor.

### 3. Research Method and Materials

In this study, the population is all employees of PT. Hadji Kalla of Urip Sumoharjo Branch numbered 190 people. Researchers used several data collection techniques, namely questionnaires, observation, document review and interviews. The types of data used in this study consisted of quantitative data and qualitative data. The data source of this research is primary data, namely data that is directly obtained from the data source/research subject.

In this study the data obtained using descriptive statistical analysis methods, inferential statistical analysis. Descriptive statistical analysis used in this research is descriptive analysis, namely the analysis that suggests about the respondent's personal data, which was obtained from the respondents' answers through questionnaires. Then the data obtained from the respondents' answers to the statements submitted, then calculated the percentage. Inferential statistical analysis is used to answer the problem and at the same time test the hypothesis.

### 4. Results and Discussion

From the results of distributing questionnaires to respondents, the number of returned questionnaires is 66 copies and is ready to be processed using the computerized assistance of the SPSS release 25 program. the samples in this study were categorized into several categories based on: gender or gender, age, last education, years of service, marital status. For more details, the characteristics of the respondents in this study will be described one by one as follows:

.Most of the employees are male, which is the largest respondent of 68.18% and the rest are female employees 31.81%. This shows that the employees of PTHadji Kalla Toyota Urip Sumoharjo is dominated by men. Respondents aged between 21-30 years amounted to 17 people (25.75%). 31-40 years as many as 26 people (39.39%), and ages from 41-50 years totaling 23 people (34.84%). This shows that most of the employees of PT. Hadji Kalla Urip Sumoharjo Branch aged between 31-40 years as many as 26 people (39.39%).

Most of the employees of PT. Hadji Kalla of Urip Sumoharjo Branch has a high school/vocational school background, as many as 43 people (65.15%), 6 people with Diploma 3 education (9.09%), and 17 undergraduates or 25.75%. Most of the employees of PT. Hadji Kalla Urip Sumoharjo Branch has a working period of 0-5 years as many as 36 people (54.54%), a service period of more than 5-10 years as many as 23 people (34.84%), and a service period of less than 10-30 years as many as 7 people ( 10.60%). Most of the employees of PT. Hadji Kalla Urip Sumoharjo Branch who married as many as 58 people (87%), and 8 people who were not married (12.12%).

Validity test is done by correlating each statement with the total score of each variable. The author tested the level of validity of the questionnaire distributed to the respondents. The results of the validity test were used with the help of the SPSS program.

In testing the reliability using SPSS release 25, the steps taken are the same as the steps for testing the validity. Because the output of both appears simultaneously.reliability of a variable construct is said to be good if it has a Cronbach's Alpha value > 0.60

The test results of each variable are as follows:

.The results of the validity test show that the correlation value of each statement item with the total score obtained is greater than 0.2042 so it can be explained that the statement item used is valid and can be used in further data analysis



Based on the results of reliability tests conducted on all items in this study, it can be said that all research items can be said to be reliable because the reliability coefficient value of Cronbach's Alpha > 0.60 is 0.797, 0.765, and 0.774. Thus, it can be said that all statement items are reliable.

Based on the results of questionnaires distributed to respondents, it can be seen that the respondents' statements regarding motivation and compensation at PT. Hadji Kalla Urip Sumoharjo Branch. Each answer from the respondent is given a value based on the Likert scale. Next, find the average of each respondent's answer, to facilitate the assessment of the average, intervals are used to determine the length of the interval class. Based on the formula, the length of the interval class is  $P = 5-1/5$ . Then the interval of the average rating criteria can be interpreted as very Bad/Very Low = 1.00 – 1.79, bad/low = 1.80 – 2.59, quite good/high enough = 2.60 – 3.39, good/high = 3.40 – 4.19 and very good /very High = 4.20 – 5.00.

The result of the calculation of the multiple correlation coefficient (R) is 0.917. This shows the close relationship between motivation and compensation variables with employee performance, including very strong criteria which are in the interval 0.80 – 1000. The calculation of the coefficient of determination is carried out to determine the magnitude of the influence or contribution of motivational and compensation variables on performance, the coefficient of determination is the square of the correlation coefficient. The results of the analysis of the coefficient of determination are multiple  $R^2 = 0.841 = 84.1\%$ , meaning that the performance at PT. Hadji Kalla Branch Urip Sumoharjo influenced by motivation and compensation by 84.1%, while the rest can be caused by the influence of other factors.

Simultaneous testing is used to determine the value that gives a strong influence or relationship between two or more variables together. We can test simultaneously whether the multiple regression is significant (real or not). In other words, we will test whether the multiple regression results show that the Motivation and Compensation variables together have an effect on performance or not. The results of the simultaneous test/F statistic test can be seen in the following table:

Based on the results obtained from the comparison of Fcount with Ftable,  $H_0$  is rejected because Fcount 16.26 Ftable 3.14. The result obtained from the comparison of the significance level is that  $H_0$  rejected because  $F_{sig} 0.00 < 0.05$ . From the two interpretations, it can be concluded that the motivation and compensation variables have a significant effect on performance.

Based on the results of processing regression data using multiple linear regression statistical tools, namely the SPSS program, the regression equation can be described as follows:  $Y = 0.827 + 0.520 X_1 + 0.228 X_2$ . From the results of the regression equation, it can be explained that  $b_1 = 0.520$  ( $X_1$ ) this can be interpreted that the motivational variables have a positive influence. Where the higher the motivation given to employees, the employee's performance will increase. Then  $b_2 = 0.228$  which means that Compensation ( $X_2$ ) with Employee Performance has a positive effect, where the higher the compensation given to employees, the employee's performance will increase. While the most dominant variable influencing employee performance is motivation, because motivation has a Beta value of 0.439 which has been standardized the largest coefficient when compared to the Compensation regression coefficient of 0.239.

#### Partial testing (t test)

Partial testing is used to test the extent of the influence of each variable, namely Motivation and Compensation on Employee Performance, then a t-test (partial test) with a 95% confidence level is used using the following formulation:

X2 has a t-count value of 3,860 with a significant probability of 0.000. This shows that the X2 variable affects the Y variable because the significant probability value is less than 0.05. And the X1 variable has a t-count value of 2.099 with a significant probability of 0.000. This shows that the X1 variable affects the Y variable because the significant probability value is less than 0.05.

## Discussion

Respondents' responses regarding the motivation given by PT. Hadji Kalla Urip Sumoharjo Branch is considered good, because the average value of all statements is 3.97 in the interval 3.40 – 4.19. However, there are still several factors that need to be considered, among others: however, there are still several factors that need to be considered, including the statement "As an employee, I can help coworkers who are having difficulties at work", and "My work is in accordance with my wishes and abilities in working. get the job done" because it has a below-average grade. For this reason, management needs to pay attention to the wishes of employees so that better work motivation will be created.

The respondent's response to compensation was 3.92, meaning that the compensation given by PT. Hadji Kalla Urip Sumoharjo Branch is considered good, because the average value of the overall statement is 3.92 in the interval 3.40 - 4.19, however there are still several factors that need to be considered, including the statement "As employees get a salary for their work every month on time", and "as an employee you must have a hard work spirit towards work" because it has a below average score. These factors need to be improved as an effort to increase employee motivation.

Respondents' responses regarding employee performance amounted to 3.78, meaning that the performance of employees of PT. Hadji Kalla Urip Sumoharjo Branch is considered good, because the average value of all statements is in the interval 3.40 - 4.19, however, there are still several factors that need to be considered, including the statement "always finish the job well and neatly". This is because it has a value below the average.

## 5. Conclusion

The Influence of Motivation and Compensation on the performance of employees of PT. Hadji Kalla Branch Urip Sumoharjo, based on the results of the multiple correlation coefficient is 0.917. This shows the close relationship between motivation and compensation variables with employee performance, including very strong criteria which are in the interval 0.80 – 1000.

suggestions as a material consideration because they have a value below the average of which is to achieve good work results, and in accordance with company goals, the company leadership needs to together with employees discuss every problem at work, to avoid mistakes and mistakes in work so that optimal results are achieved, more than that employees will feel their existence is recognized as a form of attention and appreciation from the leadership for employee performance.

Management needs to communicate between employees and superiors and involve active participation in the work environment. Thus, if the work atmosphere is conducive, a good work environment will be created. Management also needs to provide work facilities that can be useful and support employees in their work which is expected to get good work results.

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