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Model of Employee Motivation and Cooperative Performance

Modelo de motivación de los empleados y su desempeño cooperativo

Sitti Rizki Mulyani

sitti_rizkimulyani@upiyptk.ac.id
University of Putra Indonesia

Vivi Nila Sari

vivinilasari@upiyptk.ac.id
University of Putra Indonesia

Marta Widian Sari

martawidiansari@upiyptk.ac.id
University of Putra Indonesia

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ABSTRACT

The purpose of this study was to determine the effect of leadership and compensation on motivation and also its implications on the performance of cooperative employees in Padang. The method used was descriptive - verifying with a survey to 330 employees. Data analysis was made using the structural equation model program (SEM) with linear structural relationship (LISREL) 8.80. The results showed that: 1) leadership and compensation have a significant positive effect on motivation. 2) Leadership, compensation and motivation have a positive and significant impact on employee performance.

Keywords: Compensation, cooperative performance, employee motivation, leadership.

RESUMEN

El propósito de este estudio fue determinar el efecto del liderazgo y la compensación sobre la motivación y también sus implicaciones en el desempeño de los empleados de las cooperativas en Padang. El método utilizado fue descriptivo - verificativo con el tipo de encuesta a 330 encuestados. Análisis de datos utilizando el programa modelo de ecuación estructural (SEM) con relación estructural lineal (LISREL) 8.80. Los resultados mostraron que: 1) el liderazgo y la compensación tienen un efecto positivo significativo en la motivación. 2) el liderazgo, la compensación y la motivación tienen un impacto positivo y significativo en el desempeño de los empleados.

Palabras clave: Compensación, desempeño cooperativo, liderazgo, motivación de los empleados.

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INTRODUCTION

Survival and cooperative development are highly dependent on management. Good management will bring a positive impact on the cooperative permitting its rapidly growth. However, poor management of the cooperatives will bring bad effects in the cooperative and indirectly on the nation's economy. In line with the progress of time, cooperative development does not match expectations. Contributions existence less can be felt directly by the people. Now the country's economic life is controlled by the big companies with the capitalist system.

Many factors can lead to reduced levels of growth, both the level of growth in the number of members, business volume and the level of net income (SHU) is achieved cooperatives in the district of Padang. Based on the results of a strategic plan study Cooperatives and SME Padang District states that the general problems faced by cooperatives in the district of Padang, among others:

1. Capital and financing
2. Human Resources (HR)
3. management
4. Facilities and infrastructure
5. Cooperation with businesses
6. The development of superior products

In line with the above statement, (Telha, Rodrigues, Páscoa, & Tribolet, 2016) through his research that:

Employee Performance is most important factor in an organization success therefore, there is need to adopt effective human resources strategies that aim to improve employee performance and creates the culture of high performance in any organization based on human resource practices.

That the performance of employees is the most important factor in the success of the organization, therefore, there is a need to adopt an effective HR strategy that aims to improve employee performance and creating high performance in any organization is based on the practice of human resources.

(Al Mehrzi & Singh, 2016) through the research results stated that the significant and positive relationship between motivation and performance of employees. Irum Shahzadi et. al add the conclusion that the intrinsic rewards have a significant positive relationship with employee performance and motivation of employees. Then (Beth Knight, 2016) through his research stating that leadership, compensation, and motivation to work together and partially positive and significant impact on performance. Motivation is a process that needs to encourage a person to perform a series of events that lead to achievement particular purpose. If achieved will satisfy or fulfill those needs.

Motivation is one of the tools to subordinate superiors willing to work hard and work smart by expected. Employees need to be motivated as there are new employees who want to work after their superiors motivated. The motivation arising from the boss called extrinsic motivation and motivation arising from the self-called intrinsic motivation. The motivation arising from self-will usually more durable than the motivation that comes from outside.

(Mintrom & Norman, 2009), through his research, concluded that leadership affects the relationship between employee participation and organizational performance. Findings from this study also showed a poor relationship between leaders and employees, so that the results of the study concluded that leadership can positively affect the performance of employees in the service sector. Then (Singh, 2013) through research states that delegates are effective in organizations to improve employee performance and organizational performance in general. The findings of this research are also paramount in informing managers and employees that need a delegate and how to use delegation as management skills to improve employee performance. While the results of research conducted by (Joo & Ready, 2012) concluded that leadership is useful to motivate the employees working in the organization.

Based on the three statements above, the lack of motivation and performance of employees of cooperatives in the district of Padang tend to be caused by the relative lack of good leadership.

Compensation, the most fundamental of human resources (employees) that they redeem all their energy and their mind to get compensation. Compensation may include salary, incentives, and benefits that can improve employee motivation and ultimately improve employee performance. Their sense of injustice of the employees will lead to things that are not good for achieving organizational goals. This is due to the gap between the expectations of employees with the fact that the organized obtained.

LITERATURE REVIEW

Leadership

(Beth Knight, 2016) define leadership as a process whereby an individual influences a group of individuals to achieve a common goal. Leaders play an important role in helping groups and organizations to achieve their goal. After all the abilities and leadership skills in directing are important factors of leadership effectiveness.

Leadership is to ensure direction, alignment and commitment to the team and organization (Mintrom & Norman, 2009).

Leadership is an important part of management, the statement in (Joo & Ready, 2012) that the leader as a person who can determine exactly what should be done and the manager is the one who can do it right all the duties and responsibilities. Another opinion expressed by (Andiyasari & Ardiningtyas, 2010) which distinguish the management with leadership based on the functions and activities. Leadership deals with change mitigation, while management is concerned with countermeasures complexity. That is not the same as management leadership. Leaders determine where the direction of the business, internally and externally towards the goal. Leaders are strategists who set goals of the organization, while managers focus on ways to enable an organization to achieve its goals.

Based on the above, in this study is defined leadership a process to influence and support major changes in attitudes and assumptions of members of the organization to achieve organizational goals, Leadership is measured by four dimensions, namely:

1. Leadership orientates achievement (achievement-oriented), measured by indicators:
 - a. Target jobs
 - b. The high performance of subordinates
 - c. Improved performance.
2. Leadership directive (directive), measured by indicator:
 - a. Explanation tasks
 - b. Information on how to duty
 - c. Relations duties of employees
 - d. clarity instruction
 - e. Monitoring subordinate task
3. Participative leadership (participative), measured by indicators:
 - a. togetherness task
 - b. Cooperation
 - c. Participation
 - d. Work in a group
 - e. Discussion
4. Leadership supportive (supportive), measured by indicators:
 - a. working interest
 - b. Work atmosphere

- c. Giving opportunity
- d. labor conflict
- e. Spirit at work

Compensation

(Platis, Reklitis, & Zimeras, 2015) defines the compensation is "compensation as all forms of payments or rewards given to employees roommates Arise from their employment". Compensation is as any form of payment or benefits granted to employees arising from their employment. Compensation is one of the basic reasons for employees to find work. According to (Gula, 2008), compensation can be divided into three classifications, namely fixed-pay, flexible pay and benefits. Meanwhile, according to (Crane, Michenaud, & Weston, 2016) compensation is divided into two classifications, namely Performance-based pay and non-performance-based pay.

Then Another classification of the compensation as stated by (Ittner, Larcker, & Meyer, 2003) as follows: "Direct Compensation is the basic wage and Salaries, plus performance-based pay. Indirect compensation of health insurance programs, pay for time not worked and various other employee benefits". Direct compensation consists of wages and salaries and other payments based on performance. Indirect compensation includes programs such as health insurance, payment of salary for not working and other forms of benefit.

(Hirshleifer & Teoh, 2003) suggest that compensation reminds the achievements of individuals, groups or organizations that may include: wage cuts (wage period), commissions, bonuses, for-profit and for production. Wage cuts (wage period) is the wage outcome is not satisfactory, because wages can only be set if the work can be measured according to a certain size, such as the number of times, the amount of weight, the amount of breadth by what to do.

Based on the above, this study is defined as compensation (award) directly or indirectly granted to employees based on the value of work, Contributions and employee performance. Compensation was measured in two dimensions, namely:

1. Dimensions direct compensation measured by several indicators, namely:
 - a. Suitability of salary/wages
 - b. magnitude incentives
 - c. The quantity of money eating (food) received
 - d. The quantity of money transformation received.
2. Dimensions of indirect compensation measured by several indicators, namely:
 - a. The magnitude of health benefits
 - b. Holiday allowance
 - c. Allowances completed work
 - d. provision of training
 - e. The award of the leaders/organizations.

Work motivation

(Murphy, Benckendorff, & Moscardo, 2007) motivation is a process that needs to encourage a person to perform a series of activities that lead to the achievement of certain goals. Motivation is defined by (Sharma, 2009) as the willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual needs. Three key elements in further definitions are provided as an effort, the organization's goals and needs.

Given the Stanford (Heller Baird & Parasnis, 2011), motivation is a condition that drives man toward specific goals. Meanwhile, (Baird & Parasnis, 2011) defines motivation is a stimulant desire and willingness to work one's locomotion. While (Stello, 2014) defines motivation as an integral part of the relationship / industrial in the

framework of the process of formation, development and human resource director in a company.

According to (Grant, 2012) states that motivation is a term used in organizational behavior to portray the forces within the individual, which describe the extent, direction, and persistence of effort expended on the job. While the opinion of (Webb, Bruton, Tihanyi, & Ireland, 2013) argues work motivation is defined as a condition affecting arousal, direction, and maintenance of behaviors relevant to the work setting.

Based on the description above theory, so in this study work motivation is defined as an employee's willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual needs, Motivation is measured by three-dimensional work, namely:

1. Dimensions existence measured by indicator:
 - a. by salary requirements
 - b. in accordance incentive need
 - c. Suitability of allowances needs
 - d. The certainty of continuity of work.
2. dimensions relatedness measured by indicators:
 - a. Relations with member
 - b. Relationships with colleagues
 - c. Relations with the board
3. dimensions growth indicators:
 - a. Recognition of the work
 - b. The award is given for the work
 - c. The opportunity to develop skills in the job

Employee performance

(Malär, Nyffenegger, Krohmer, & Hoyer, 2012) defines performance as a function of the ability to do, the opportunity to perform and willingness to perform. Performance can be seen as the capacity of individual employees to perform the performance by the capacity, opportunity, and ability you want to show. While (Kotabe & Murray, 2004), the performance as a result of work-related to organizational objectives such as quality, efficiency, and other effectiveness criteria. (Singh, 2013) identified performance as the result of an activity which is one measure of individual performance.

(Kamisah, 2012) that the performance of an embodiment of the work done by the employee which is usually used as the basis for an assessment of the employee or the organization. The good performance is a step to the achievement of organizational goals. So that needs to be pursued efforts to improve performance. But this is not easy because many factors affect a person's high and low performance.

(Kurtessis et al., 2015) are defined as the achievement of the performance of a specific task as measured against a predetermined or standard identification accuracy, completeness, cost, and speed. (Style & Performance, 2015), the performance is defined as the results achieved from the action with the skills of employees who appear in some situations. Meanwhile, according to (Sutanto & Kurniawan, 2016), performance is a function of motivation and ability.

Based on the description above theory, so in this study is defined employee performance work results achieved on the ability of employees to carry out and complete the work by the responsibilities assigned to him by the criteria and objectives set by the organization. Employee performance is measured by the six dimensions, namely:

1. Dimensional quality of work measured by indicators:
 - a. Suitability work with job readiness
 - b. Suitability work with occupational standards

2. Dimensions quantity of work measured by indicators:
 - a. Suitability of the work with the target job
 - b. The accuracy of completion of work
 - c. The completion of the work exceeds the standard time.
3. Dimensions of job knowledge measured by indicators:
 - a. The level of knowledge in the work
 - b. The skill level in the work
 - c. Degree of caution in the work.
4. dimension cooperation measured by indicators:
 - a. Willingness collaboration with colleagues
 - b. The willingness of cooperation with the leaders.
5. dimension initiative measured by indicators:
 - a. Initiatives carry out the work
 - b. Initiatives find solutions to solve the problem
 - c. Morale in executing new jobs
6. Dimensions personal qualities measured by indicators:
 - a. Honest and responsible
 - b. Loyal to the leadership
 - c. Loyal to the organization

Hypothesis

1. There is a leadership have influence on work motivation in the Cooperative Employees in the district of Padang.
2. There is a compensation have effect on work motivation in the Cooperative Employees in the district of Padang.
3. There is the influence of leadership and compensation simultaneous on work motivation in the Cooperative Employees in the district of Padang.
4. There is a leadership have influence on employee performance in the Cooperative Employees in the district of Padang.
5. There is the influence of compensation on employee performance in the Cooperative Employees in the district of Padang.
6. There is the influence of work motivation on employee performance in the Cooperative Employees in the district of Padang.
7. There is the influence of leadership, compensation, and motivation simultaneous on employee performance in the Cooperative Employees in the district of Padang.

METHODOLOGY

The method used is the explanatory survey. Descriptive data collection is done on 330 people Employees Cooperative in Padang District, the sampling technique using proportional random sampling. Data analysis was performed several sources, both secondary data and primary data, such as data unite employees to every question in the questionnaire, which revealed any questions about leadership, compensation, motivation, and employee performance, validity and reliability using a sample of 30 employees outside of respondents , on the one question, which consists of 18 questions of variable leadership, compensation 9 questions, motivation and performance of employees 10 questions 16 questions. Structural analysis tools using Equation Model (SEM). The reason for choosing this method is due to its ability to measure the construct indirectly through indicators and simultaneously analyze the indicator variables and latent variables, and the relationship between indicators

of latent variables, as well as the relationship between variables with other variables, together with the involvement of the measurement errors. The results of this study are expected to provide an overview of the clarity of the relationship and the magnitude of the influence of variables that are very useful to explore in detail the various factors which Dapa improve motivation and performance of employees in order to provide a comprehensive understanding of the parties concerned in an effort to improve the quality of education in Indonesia, particularly in the district of Padang.

RESULTS AND DISCUSSION

The full model SEM equation using 8.70 lisrel programs acquired two models of trajectory, which is the standard model diagram and model of the t-value, of each model shown in the following figure

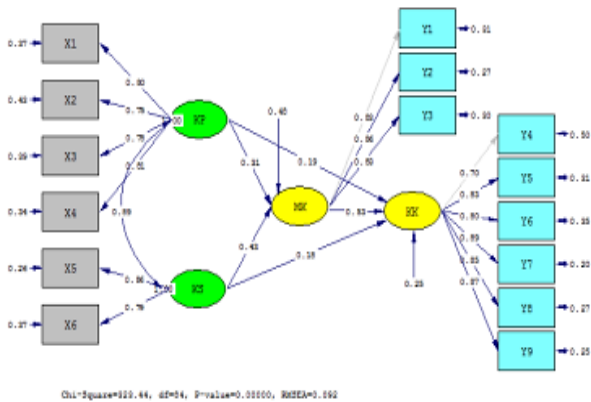


Figure 1.
 Hybrid models SEM (Standardized Coefficient)

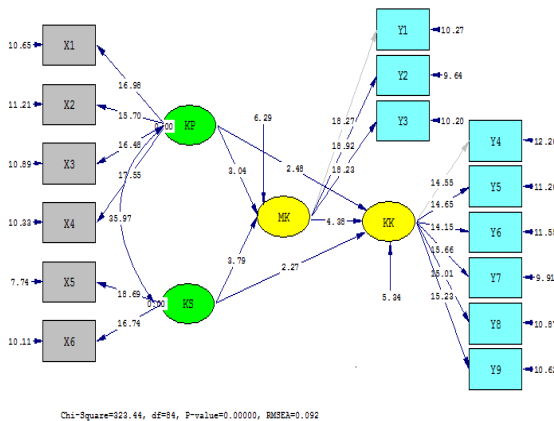


Figure 2.
 Hybrid models SEM (t-value models)

Based on Figure 1 and Figure 2, above, then the following will be presented next test parameters and coefficients (loading factor on the model of exogenous) structural dimensions and endogenous variables. the test is intended to find a causal link or influence the latent variables to other latent variables, or each indicator of latent variables (constructs).

Leadership directly affects employee performance variables by 0,036 or 3.6%. While leadership indirectly affects the work performance of employees through motivation is equal to 0.164, or 16.4%. thus leadership can improve employee performance indirectly through employee motivation

The magnitude of the direct influence of the variable compensation to employee performance is equal to 0,032 or 3.2%. While the contribution of the indirect effect of compensation on employee performance through motivation is equal to 0.228 or 22.8%. thus the compensation can improve employee performance indirectly through employee motivation

The magnitude of the direct influence of the variable work motivation on employee performance variable is equal to 0.53 or 53%.

Referring to the test results, leadership and compensation variables directly affect the work motivation variable with a total contribution of 52%. whereas if through motivation, then the variable of leadership, compensation, and motivation will have a greater effect with a total contribution of 75% of the employee's performance,

The total contribution of the most dominant influence on employee performance is the motivation to work, with a contribution of 53%, being the variable with the largest contribution than the variable compensation of leadership 10% and 18%.

Furthermore, because of the leadership and compensation, partially or together with either directly or indirectly, has a positive effect both on the variable motivation and performance of employees, so if it refers to a type of mediation, work motivation variable in this study serve as variables in Full mediating the performance of teachers.

CONCLUSION

Leadership partially has positive influence and has a significant impact on Employee Motivation Cooperative in the District of Padang.

Partially compensation has positive influence and has a significant impact on Employee Motivation Cooperative in the District of Padang.

Leadership and Compensation simultaneously have positive and have a significant impact on Employee Motivation Cooperative in the District of Padang.

Leadership partially has positive influence and has a significant impact on the performance of employees of cooperatives in the district of Padang.

Partially compensation has positive influence and has a significant impact on the performance of employees of cooperatives in the district of Padang.

Motivation partially has positive influence and has a significant impact on the performance of employees of cooperatives in the district of Padang.

Leadership, compensation and work motivation simultaneously have positive and have a significant impact on the performance of employees of cooperatives in Padang.

Management implications

Leadership cooperatives in the district of Padang in North Sumatra Province, mainly in the supportive dimension would be increased if the cooperative can increase the compensation, especially in the dimension of direct compensation, and can increase motivation, especially on the dimensions of relatedness.

Employee performance cooperatives in the district of Padang in North Sumatra Province, especially in the dimension of cooperation will be enhanced if the cooperative in the district of Padang can increase the motivation to work, especially on the dimensions of relatedness, where the motivation will increase if the cooperative is able to increase the compensation, especially in the dimension of direct compensation, is able to improve leadership especially on the dimensions supportive.

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BIODATA

Sitti Rizki Mulyani: Is lecturer at Universitas Putra Indonesia YPTK, Padang. Indonesia.

Vivi Nila Sari: Is lecturer at Universitas Putra Indonesia YPTK, Padang. Indonesia.

Marta Widian Sari: Is lecturer at Universitas Putra Indonesia YPTK, Padang. Indonesia.