

THE INFLUENCE OF MOTIVATION AND COMPENSATION ON EMPLOYEE PERFORMANCE AT PT. BANK CIMB NIAGA, WEST JAKARTA

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ABSTRACT

This study aims to analyze the effect of motivation and compensation on employee performance at PT Bank CIMB Niaga, West Jakarta. The research used a quantitative approach with a survey method through questionnaires distributed to 70 respondents. The independent variables include work motivation, which encompasses responsibility, work achievements, and development opportunities, as well as compensation, which consists of salary, incentives, and allowances. Employee performance, as the dependent variable, was measured through work discipline, loyalty, cooperation, effectiveness, and efficiency. The analysis results show that work motivation has a positive and significant effect on employee performance. Compensation also has a positive and significant effect on employee performance. Simultaneously, motivation and compensation have a significant effect on employee performance. This indicates that 54% of the variation in employee performance can be explained by motivation and compensation. The study concludes that improving motivation and compensation plays an essential role in enhancing employee performance. The company is advised to continue improving the reward system and provide better development opportunities to create a productive work environment that supports the achievement of company goals

Keywords: Work Motivation, Compensation, Employee Performance

1. INTRODUCTION

The rapid growth of business today heavily depends on the quality of human resources within a company. A company needs to have competent employees to remain competitive amid continuous changes. To encourage employees to work effectively in line with the company's expectations, it is crucial for the company to understand employee motivation, as motivation is a determining factor in their behavior at the workplace. Every employee has different needs and expectations that must be considered by the company. For employees to achieve high job satisfaction, the company needs to create an environment that encourages employees to develop their abilities and skills optimally. However, employee motivation is not always stable, so the company must make efforts to boost motivation when employees experience a decline in enthusiasm. One effective way to do this is by providing adequate compensation. Employees who feel valued through compensation that matches their efforts will feel satisfied and motivated to perform better.

As a company operating in the banking sector, PT Bank CIMB Niaga is recognized as a pioneer in providing banking services through ATM machines and online banking services in Indonesia. This achievement is, of course, driven by reliable human resources and a team that collaborates effectively to reach the company's goals. Therefore, it is important for the company to motivate employees so that they can work according to the applicable regulations. From research conducted through interviews, it was observed that the decline in employee performance at PT Bank CIMB Niaga between 2021 and 2023 was influenced by several factors. One of them was the reduced teamwork due to layoffs during the COVID-19 pandemic and the impact of working from home, which decreased employee discipline in completing tasks on time. Although there was improvement in 2023, the average employee performance remained in the "good" category and needs further enhancement.

Optimal performance greatly influences the company's progress, whereas poor performance will negatively impact business development. The decline in employee performance at this company was caused by low compensation and a lack of work motivation. Therefore, the company needs to improve human resource management and increase motivation and compensation so that employees can work more productively and achieve company goals more effectively. Employee performance reflects how well they are able to complete their tasks. High performance indicates that an employee can meet the expected standards, while low performance reflects an inability to meet expectations. As an important indicator in the company, performance should be evaluated systematically to determine work results and the development needed, as well as to serve as a basis for promotion policies and reward determination.

Based on the results of the pre-survey conducted, employee work motivation at PT Bank CIMB Niaga indicates that several aspects, such as job challenges, work goals, and employee recognition, are still considered adequate,

while work enthusiasm remains lacking. This is caused by a lack of training and understanding of job challenges, which impacts performance and the achievement of company goals. The importance of motivation in work should not be underestimated. Motivation is the key factor that drives employees to work diligently and achieve maximum results. Therefore, the company must pay attention to factors that can enhance work motivation, such as providing good training, a comfortable work environment, and a suitable reward system. If the company can facilitate these elements, employee performance can improve, and the company's goals can be achieved more effectively.

In terms of compensation, PT Bank CIMB Niaga needs to consider aspects that can motivate employees to achieve organizational goals. Data shows that the salaries of telesales employees are still below the minimum wage, which affects their enthusiasm. The company needs to immediately evaluate and increase compensation so that employees feel valued and more motivated to work to their maximum potential. Compensation is a crucial aspect of human resource management. Fair compensation in line with performance will enhance work motivation, while inadequate compensation can reduce employees' enthusiasm. Therefore, the company must ensure that the compensation provided corresponds to the employee's contribution, to encourage productivity and the achievement of company goals.

Employee performance is one of the key elements that determine the success of an organization, particularly in the highly competitive banking industry. In the context of PT Bank CIMB Niaga, employee performance is a critical factor in maintaining the quality of services and the company's competitiveness. However, observations indicate a decline in employee performance, influenced by low work motivation and inadequate compensation, especially during the COVID-19 pandemic. This condition underscores the need for the company to immediately evaluate and improve its human resource management strategies to address these challenges.

This study is significant as it provides empirical contributions to understanding how work motivation and compensation can enhance employee performance. Furthermore, the results of this research are expected to offer practical recommendations for the company to develop more effective policies aimed at increasing employee productivity and loyalty, as well as assisting the company in adapting to changes in the post-pandemic work environment. Therefore, this study is not only relevant in addressing practical needs but also contributes to the advancement of a more comprehensive theory of human resource management.

2. METHODS

The quantitative research method is used to obtain objective data through numbers, which are processed using statistical analysis to test hypotheses and draw conclusions. This study was conducted on a naturally developing object, without manipulation by the researcher. The study aims to obtain reliable data with the appropriate method to ensure valid results. The research was carried out at PT Bank CIMB Niaga in West Jakarta from September to October 2022, using an approach that includes the collection of both primary and secondary data. In this study, operational variables were used to measure the influence between work motivation, compensation, and employee performance. The independent variables studied were work motivation and compensation, which influence employee performance as the dependent variable. Work motivation includes indicators such as responsibility, work achievement, and opportunities for advancement, while compensation encompasses wages, incentives, allowances, and benefits. Employee performance is measured based on work discipline, loyalty, cooperation, effectiveness, and efficiency.

The population of this study consists of all employees of PT Bank CIMB Niaga in West Jakarta, totaling 70 individuals, and the sampling technique used is total saturated sampling. Data was collected through observations, interviews, and questionnaires using a Likert scale to measure work motivation, compensation, and employee performance. Validity and reliability tests were used to ensure the reliability of the research instruments, while classical assumption tests such as multicollinearity, normality, heteroscedasticity, and autocorrelation were conducted to ensure data validity.

For data analysis, linear regression testing was used to measure the effect of independent variables on the dependent variable, with multiple linear regression analysis used to examine the simultaneous influence of motivation and compensation on employee performance. Hypothesis testing was conducted using the t-test to measure the partial effect and the F-test to measure the simultaneous effect of all independent variables on the dependent variable. By using this method, the research aims to generate valid and applicable conclusions to improve employee performance through appropriate motivation and compensation

3. RESULT AND DISCUSSION

A. Profile

PT Bank CIMB Niaga Tbk, established on September 26, 1955, under the original name PT Bank Niaga, is one of the pioneers of banking modernization in Indonesia. The bank became the first local institution to introduce ATM services in 1987 and online banking services in 1991. On November 29, 1989, CIMB Niaga officially became a public company by listing its shares on the Indonesia Stock Exchange. Over time, CIMB Niaga adopted Islamic banking principles in 2004 by establishing the Sharia Business Unit. After being managed by the Indonesian Bank Restructuring Agency (IBRA) following the 1998 Asian financial crisis, the majority of CIMB Niaga's shares were acquired by CIMB Group in 2002. Currently, CIMB Group, based in Malaysia, owns 92.5% of the shares and is one of the largest banking groups in ASEAN, with an extensive network across Southeast Asia. Today, CIMB Niaga offers a wide range of banking services, including consumer, SME, commercial, and corporate banking. The bank also provides digital solutions through applications like OCTO Mobile, OCTO Clicks, and BizChannel@CIMB to facilitate customer transactions. Supported by 417 branch offices, 3,278 ATMs, and over 10,000 employees, CIMB Niaga remains committed to being a leader in delivering banking services in Indonesia.

B. Descriptive Statistics

Descriptive analysis in this study was conducted by distributing a questionnaire to 70 respondents, who are employees of PT Bank CIMB Niaga in West Jakarta. The questionnaire covered statements related to the research and described the characteristics of the respondents based on education, gender, and age.

Based on the data, the characteristics of the respondents showed that the majority had a high school education level, with 54.3% of the total respondents. A smaller percentage had a D3 (18.6%) and a bachelor's degree (27.1%). Regarding gender, the majority of the respondents were female, making up 58.9% of the total, while 41.1% were male. In terms of age, most respondents were between 20 and 30 years old, accounting for 79.9%, followed by the 31 to 40-year-old group (16.3%) and 41 to 50-year-olds (3.8%). For the analysis of variable assessments, the distribution of responses showed that employee work motivation at PT Bank CIMB Niaga in West Jakarta received an average score of 4.24, which falls into the "very good" category. Specific aspects related to work motivation, such as recognition of work and challenging tasks, received the highest scores with very good ratings. As for compensation, the average score was 4.23, also in the "very good" category, with the highest scores recorded for statements referring to facilities and incentives.

Similarly, employee performance received an average score of 4.24, which is also categorized as "very good." Points related to work discipline, loyalty, and performance effectiveness showed positive results, with the majority of respondents providing answers reflecting good to very good performance. The results of this descriptive analysis provide an overview of motivation, compensation, and employee performance, which are generally in the good to very good category.

C. Validity and Reliability

Based on the analysis results, all questionnaire items for the variables of Motivation (X1), Compensation (X2), and Employee Performance (Y) are declared valid as the calculated r-value exceeds the table r-value (0.2352). Thus, the questionnaires used meet the criteria as research instruments and are suitable for further processing. Furthermore, based on the data processing, all variables demonstrate good reliability levels with Cronbach's Alpha values exceeding 0.60, indicating that the research instruments are reliable.

D. Classic Assumption Test

1. Normality Test

Table 1. One Sample Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		70
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	3.57452493
Most Extreme Differences	Absolute	.213
	Positive	.103
	Negative	-.213
Test Statistic		.213
Asymp. Sig. (2-tailed)		.176 ^c

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.

Based on the results of the normality test using SPSS version 25, a significance value of 0.176 was obtained. Since this value is greater than 0.05, it can be concluded that the data in this study is normally distributed.

2. Multicollinearity Test

The multicollinearity test aims to examine whether there is a correlation between the independent variables in the regression model. A good regression model should not show any correlation between its independent variables. To detect multicollinearity, we can look at the tolerance value and the Variance Inflation Factor (VIF). If the tolerance value is greater than 0.10 and the VIF value is less than 10, then multicollinearity is not present.

Table 2. Multicollinearity Test

Model		Coefficients ^a				Collinearity Statistics		
		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	8.363	3.835		2.095	.025		
	Work Motivation	.425	.148	.325	2.876	.005	.521	1.918
	Compensation	.588	.138	.481	4.257	.000	.521	1.918

a. Dependent Variable: Employee Performance

Based on the results of the multicollinearity test, the tolerance values for the variables Work Motivation and Compensation are 0.521, which is greater than 0.10. Additionally, the VIF values for both variables are 1.918, which is also less than 10. Therefore, it can be concluded that there is no indication of multicollinearity between the independent variables in this regression model.

3. Autocorrelation Test

The autocorrelation test is conducted to determine whether there are deviations in the correlation of the variables used. In this study, the autocorrelation test was carried out using the Durbin-Watson (DW) test.

Table 3. Autocorrelation Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.744 ^a	.554	.540	3.627	1.929

a. Predictors: (Constant), Compensation, Work Motivation
b. Dependent Variable: Employee Performance

A regression model is considered successful if there is no autocorrelation in the test results. The criterion used in the Durbin-Watson test shows that if the DW value is within the range of 1.550 to 2.460, then no autocorrelation exists. Based on the results of the Durbin-Watson test, a DW value of 1.929 was obtained. Referring to the test criteria and the Durbin-Watson table, the value of d_u is 1.6715. Since the DW value (1.929) is between the lower limit d_u (1.6715) and the upper limit (2.3285), it can be concluded that this regression model does not experience autocorrelation, as the DW value meets the criteria ($d_u < d < 4 - d_u$).

4. Heteroscedasticity Test

Table 4. Heteroscedasticity Test

Model		Coefficients ^a			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	5.446	2.950		1.846	.069
	Work	.139	.114	.200	1.228	.224

	Motivation					
	Compensation	-.238	.106	-.365	-2.236	.029

a. Dependent Variable: ABS_RES

The test results show that for the Work Motivation variable, the significance value (sig) is 0.224, while for the Compensation variable, the significance value (sig) is 0.029. Since the significance value for Work Motivation is greater than 0.05, it can be concluded that there is no issue with heteroscedasticity in the regression model for this variable. Meanwhile, testing through the scatter plot graph shows that the data points are scattered randomly, which confirms that there is no heteroscedasticity in this regression model.

E. Multiple Linear Regression Analysis

Table 5. Multiple Linear Regression Analysis

Model		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.363	3.835		2.095	.025
	Work Motivation	.425	.148	.325	2.876	.005
	Compensation	.588	.138	.481	4.257	.000

a. Dependent Variable: Employee Performance

Multiple linear regression analysis is a statistical technique used to find the regression equation that is useful for predicting the value of the dependent variable based on the values of the independent variables, as well as analyzing the relationship between the dependent variable and independent variables simultaneously. Based on the results of the multiple linear regression analysis using SPSS version 25, the regression equation obtained is $Y = 8.363 + 0.425 (X1) + 0.588 (X2)$. Several conclusions can be drawn from this result.

1. The constant value (a) of 8.363 indicates that if the values of Work Motivation (X1) and Compensation (X2) are both 0, the performance (Y) will be 8.363.
2. The coefficient for the Work Motivation variable of 0.425 indicates that each increase of 1 point in work motivation will increase performance by 0.425. Work Motivation Partially Has a Positive and Significant Effect on Employee Performance at PT Bank CIMB Niaga, West Jakarta. This shows a positive relationship between work motivation and performance, meaning the higher the work motivation, the higher the resulting performance.
3. The coefficient for the Compensation variable of 0.588 indicates that each increase of 1 point in compensation will increase performance by 0.588, reflecting a positive relationship between compensation and performance. Compensation Partially Has a Positive and Significant Effect on Employee Performance at PT Bank CIMB Niaga, West Jakarta. In other words, the higher the compensation received, the better the performance shown.

Table 6. F Test

Model		ANOVA ^a				
		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1093.857	2	546.928	41.564	.000 ^b
	Residual	881.629	67	13.159		
	Total	1975.486	69			

a. Dependent Variable: Employee Performance
 b. Predictors: (Constant), Compensation, Work Motivation

Based on Table 6, the calculated F-value (Fhitung) is 41.564 with a significance level of 0.000. At a 95% confidence level ($\alpha: 0.05$), the critical F-value (Ftabel) is 3.132. Since $F_{hitung} > F_{tabel}$ ($41.564 > 3.132$) and the significance level ($0.000 < 0.05$), it can be concluded that H_0 is rejected and H_a is accepted. This indicates a positive and significant simultaneous effect of Work Motivation and Compensation on Employee Performance at PT Bank CIMB Niaga, West Jakarta.

D. Discussion

Work motivation and compensation are two crucial elements in human resource management that significantly impact employee performance. Work motivation encompasses various internal drivers that encourage employees

to fulfill responsibilities, achieve goals, and develop themselves. Meanwhile, compensation includes various forms of financial and non-financial rewards provided as recognition for their contributions to the organization. These two variables complement each other in creating a productive work environment that supports the achievement of organizational goals. The study results indicate that work motivation has a positive and significant effect on employee performance. When employees feel valued for their achievements and have opportunities to develop themselves, they tend to work more effectively and efficiently. The high level of motivation is reflected in the analysis results, which indicate that most respondents agree with statements related to work motivation. However, certain aspects, such as recognition from supervisors and support from colleagues, received the lowest scores, suggesting that the company needs to pay more attention to direct appreciation in daily work. On the other hand, opportunities for advancement received the highest scores from respondents. This indicates that training programs, skill development, and clear career paths are among the most effective ways to enhance employee motivation and loyalty. By providing these opportunities, companies not only improve employee capabilities but also strengthen their trust in the organization.

Compensation also plays a crucial role in driving employee performance. The analysis shows that compensation has a positive and significant effect on performance. Respondents gave high scores to aspects of facilities, such as comfortable and clean workspaces, which were perceived as supportive of their productivity. However, the aspects of salaries and benefits received the lowest scores, particularly regarding the adequacy of salaries to meet basic needs and equity in the salary structure across positions. This indicates that the company needs to re-evaluate its compensation policies to ensure alignment with employee needs and contributions. Simultaneously, work motivation and compensation were found to have a positive and significant effect on employee performance. The analysis results show that these two variables account for a significant portion of the variability in employee performance. The strong relationship between motivation, compensation, and performance highlights the importance of a holistic approach in human resource management to create a conducive work environment.

This research makes a significant contribution to the development of human resource management theory. The findings affirm the importance of balancing the psychological and material needs of employees to drive productivity. Moreover, these findings provide practical guidance for organizations such as PT Bank CIMB Niaga to strengthen their policies in both motivation and compensation aspects. However, this study has several limitations. The sample, limited to one location, and the fully quantitative research method may not adequately reflect conditions in broader contexts. Therefore, future research is recommended to adopt mixed methods combining quantitative and qualitative approaches and expand the sample coverage to enhance the validity of the results.

Additionally, further research could explore other variables that may influence employee performance, such as leadership styles or organizational culture. Longitudinal analysis would also provide insights into the long-term impact of work motivation and compensation on employee performance, supporting strategic decision-making in human resource management. This study emphasizes that work motivation and compensation are key elements in improving employee performance. By effectively managing these aspects, organizations can create a work environment that fosters productivity, loyalty, and innovation. These findings provide a strong foundation for companies to continue innovating in human resource management strategies to achieve long-term success.

4. CONCLUSION

The study examines the influence of work motivation and compensation on employee performance at PT Bank CIMB Niaga, West Jakarta. Using a quantitative approach with 70 respondents, the research confirms that both work motivation and compensation positively and significantly affect employee performance. Work motivation, which includes responsibility, achievements, and development opportunities, drives employees to work more effectively. Meanwhile, compensation, encompassing salary, incentives, and benefits, encourages higher productivity by meeting employees' material and psychological needs. The results show that motivation and compensation explain 54% of the variance in employee performance, with the remaining influenced by other factors. Simultaneously, both variables demonstrate a strong relationship with performance, highlighting the importance of a balanced focus on intrinsic and extrinsic factors. Challenges, such as insufficient recognition from superiors and inequitable salary structures, were identified, suggesting areas for improvement in employee engagement strategies. This study concludes that enhancing motivation through development opportunities and improving compensation policies is essential to fostering a productive work environment. These findings provide practical insights for strengthening human resource strategies and contribute to advancing theories on

employee performance management. Future research can explore broader contexts, integrate qualitative methods, and examine additional influencing variables for comprehensive insights.

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