

Intrinsic Factors and Extrinsic Factors on Work Motivation towards Employee Performance in Xyz Hotel

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ABSTRACT: Hotel XYZ Is the company that run in the hotel management which founded in 2004 and starting operations in 2005 managed by T *management*. Supported by several mission , one of which created performance professional , dynamic and environment positive by the development of business career and personal employees .But performance hotel XYZ employees is relatively low. That need to an effective way to increase of employee performance at the hotel XYZ. The aim of this study to analyze motivation and employee performance in Hotel XYZ. The study was conducted by survey in Hotel XYZ. The data of this study was collected through a questionnaire to 80 respondents of Hotel XYZ employee. Structural Equation Modeling (SEM) PLS results showed that there is significant differences between extrinsic factor and employee performance. The results showed employee performance on Hotel XYZ can be increased by increasing extrinsic factor.

KEYWORDS: *motivation, employee performance, extrinsic factor, intrinsic factor*

I. INTRODUCTION

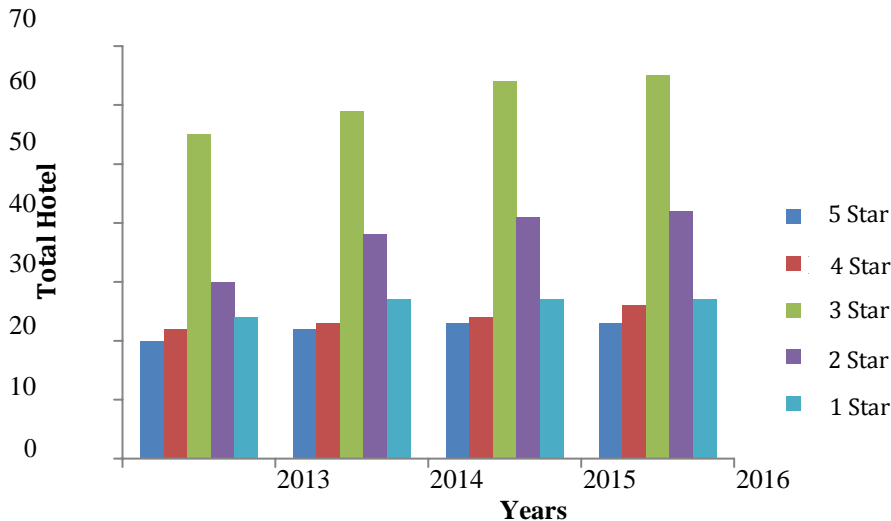
World tourism sector show a significant increase until 2015. That means tourism sector is one of sectors growing rapidly. It noted that the 1950s the number of tourists of only 25 million tourists and become 1186 million tourists in 2015 .The increase in activity of is allegedly increases to greater to the next few decades (UNWTO 2016). The Asian Pacific absorb 24 % tourists the world and receive 33 % income from the result, so Indonesia who enters into the continent have the a great potential in tourism sector .

Tourism sector Indonesia is a sector which important in the state contributed foreign exchange.

Tourism sector is the biggest sector the fourth in the state to foreign exchange. In 2014 the number double in 2007 was reached usd 11.166,13 million (the ministry of tourism 2016). This data indicated that potential tourism sectors progress from year to year. An increase in potential tourism sector should be followed by facility improvement in Tourism sectors. One of the facilities supporting tourism sector is hotel.

Hotel becomes an important role in the tourism industry according to sulastiyono in 2008. Hotel as one of organizational forms or company is building those managed in a commercial provides a facility services inn, food and beverage providers, as well as facilities for other service. All services made for general public, good use the facilities be left all night and certain owned hotel. Them in order to tourists, the government provides hotel classifications according to the ability of quality control. The government classify becomes two types of, they are Jasmine Hotel and Star Hotels (the ministry of tourism 2016). Jakarta is part of MICE (Meeting, Incentive, Convention, Exhibition) so that there are many hotel in support the activities of this is especially 5 stars hotels.

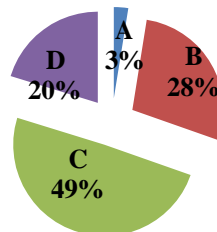
As an illustration of the number of star hotels in jakarta is getting more from year to year in picture 1. According to the BPS Jakarta 2016, an increasing number of hotel from year 2013 until 2016, the growth of this hotel have shown, Jakarta in developing the hotel industry, In hospitality industry, services to the product of this thing is, the number of human resources is expected to and skills must have expertise on how they possibly can. For that, human resources must have the excellence in coming up with ideas creative or a new idea to be applied in the vicinity of the work. Set human resources is difficult and complex , because they have mind maps, a feeling of , the status of , desire , and the background heterogeneous which is brought up into organization (Hasibuan, 2006). So resources like this is expected to advance a wheel company, the company can set their goals and achieve.



Picture 1. Numbers of Stars Hotel in Jakarta 2013-2016

XYZ hotel is a company in terms of hotel management was founded in 2014 and start in 2005. Managed by T Management. With other support some mission, one of which create, professional performance dynamic and environment positive by business and career development. Employee performance in 2017 on XYZ Hotel show it fairly, according to data is 49 % professional workers worth c and d. 20 % are Employees in a 3 % and worth b 28 %. The details are contained in picture 2.

Picture 2. Employee Appraisal XYZ Hotel in 2017



XYZ Hotel will give A score, if their employee can make right decision in their whole day and can be responsible with their decision. Also A score will given to the employee who can pass all the requirements. B score will given to the employee who can pass of some requirements and fulfill other requirements. C score will given to the employee who fulfill the requirements and D score will given to the employee who still cant make their own decision, still ask their managers in crucial condition. Based on Employee appraisal, XYZ Hotel still need improve their employee performance.

Mangkuprawira (2009) said, empirical reality and practical show that a person behavior, for example in the work, labor productivity influenced by factors intrinsic and extrinsic. Intrinsic elements are, education level, knowledge, skills the motivation, work and the level of job experience. While a extrinsic factor is family environment is sociocultural, economic, work culture and technology. Based on their opinion that the purpose of this research is to identify, intrinsic factor extrinsic and Employee performance in XYZ Hotel. To analyzing motivation factors (intrinsic and extrinsic) based on employee performance in XYZ Hotel.

LITERATURE REVIEW

Based on Rivai (2004) Motivation is a series of attitudes and values affect individual to achieve consistent with the objectives of the specific individual. In addition motivation will be interpreted as a boost, individual to perform the act of because. when individual feel motivated, they will make a choice to do something positive.

According to Robbins and Judge (2015) an expert named Frederick Herzberg believes that an individual's attitude towards work can determine a person's success or failure. This leads to the conclusion of the "Herzberg Two Factor Theory", which is a theory that links intrinsic factors with job satisfaction and connects extrinsic factors with job dissatisfaction. According to Hasibuan (2006), the best way from Herzberg to motivate employees is to incorporate elements of challenges and opportunities to achieve success into his work. These factors can be seen in Table 1. There are three important things that must be considered in motivating subordinates, namely:

1. Things that encourage employees are challenging work that includes achievement, responsibility, comfort zone, the job itself, and the recognition from superiors.
2. The things that disappoint employees are mainly factors that support the work, namely regulations, positions, compensation, benefits, and others.
3. Employees will be disappointed if opportunities for achievement are limited. Then it will be sensitive to the environment and start looking for mistakes.

Motivator Factor (Satisfaction/Intrinsic)	Hygiene Factor (Unsatisfaction/Extrinsic)
Achievement	Salary and Compensation
Responsible	Work Condition
Recognition and Appreciation	Regulation
Job Responsibility	Employee Relation
Potential Development	Superiors Relation

Table 1. Intrinsic Factor and Extrinsic Factor in two factor theory based on Herzberg (Hasibuan 2006)

Performance according to Mangkuprawira (2004) is the willingness of a person or group of people to do an activity and perfect it in accordance with their responsibilities with the results as expected. According to Nawawi (2006) performance is the things that are done and not done by an employee in carrying out his main tasks. Nawawi (2006) also said that in carrying out work within an organization / company there are five performance indicators, namely:

1. Quantity of work achieved
2. The quality of work achieved
3. The time period to achieve the work
4. Attendance and activities while present at work
5. The ability to cooperate

The results show that according to Wijaya (2005) there are five factors that affect performance and the five factors are strong enough so that they can be a source of motivation for workers. In contrast to Wijaya (2005), according to Pandjaitan (2014) there are eight motivational factors that affect performance. Cahyani (2016) added in her research that variables related to work motivation include age, years of service, work performance, recognition, individual potential development, salary perceptions, working conditions, policies and administration, interpersonal relations, and supervision. Unrelated variables, namely marital status, work itself, and responsibilities. According to Muslih (2012) extrinsic and intrinsic motivation affect job satisfaction and job satisfaction affects employee performance. There are differences in results in the research of Handayani (2015) that extrinsic work motivation factors have more influence on employee performance than intrinsic factors.

METHODS OF RESEARCH

The research was conducted by questionnaire from January to February 2019 in Hotel XYZ Dr. Saharjo Street, Tebet, Jakarta Selatan. This research uses all population as survey including managers and staffs as much as 80 respondents. The analytical technique in this research tested by using PLS (Partial Least Square) structural equation model. The structural equation model (SEM) is a statistical technique that allows testing of a relatively complex set of relationships simultaneously. According to (Ghozali 2012) the determination of the number of samples in the study using SEM PLS is 30- 100 respondents. Data collected using likert scale, second and third part of questionnaire using measurement scale 5 (strongly disagree, disagree, neutral, agree, strongly agree) The analytical technique in this research tested by using structural equation model. This research uses two variabel which are dependent and independent variables. Independent variabel are Intrinsic factor (X1) and Extrinsic factor (X2). Dependent variable is Performance (Y2), the proposed research hypotheses are:
 Hipotesis 1: Intrinsic factor has a positive and significant effect on employee performance.
 Hipotesis 2: Extrinsic factor has a positive and significant effect on employee performance.

RESULTS AND DISCUSSION

Company profile

Hotel XYZ is a company engaged in hotel management which was founded in 2004 and began

operating in 2005, which is managed by T Management. XYZ Hotel is a 4-star middle class hotel that has opened branches in 10 cities in Indonesia. Hotel XYZ carries a fun and elegant theme with identically very bright colors that make Hotel XYZ look refreshing and easy to remember. The target market segments are business people, vacationers, and families. The number of employees with permanent staffs status is 49, while there are 31 employees with contract status in 2019

Responden characteristic

Table 1 showed the profile of 80 respondents Hotel XYZ. The respondents in this research are 72% male and 28% female. Mostly, employee who works in XYZ Hotel is Male. It cause there so much work stuff operational nature that is more able to be done by men than women. Based on years of service 42% respondents are 1-5 years, 28% respondents are 6-10 years, and 30% respondents are above 10 years of service. Workers at XYZ Hotel are dominated by workers with 1-5 years of service where in recent years there has been employee regeneration, so many young or new employees.

Table 2 Respondent characteristic of Hotel XYZ

Variable	Description	Percentage (%)
Gender	Male	72
	Female	28
Years of service	1-5 years	42
	6-10 years	28
	>10 years	30
Education level	SMA/SMK	48
	Diploma	41
	Undergraduate	11
Employment status	Permanent	61
	Contract	39
Position	Staff	56
	Supervisor	26
	Head of Division	13
	Assistant Manager	4
	General Manager	1

The respondents at the high school / vocational education level dominate about 48% of total respondents. This is because most of the work in XYZ Hotels is in the form of operational work so that it can still be done by employees with a high school / vocational level, especially vocational hospitality. The respondents at permanent employee status dominate about 61% of total respondents. Based on the data in recent years there has been an increase in the number of permanent employees because XYZ Hotel management wants to provide job satisfaction to hotel employees. The last characteristic is employee position, the employee position at XYZ Hotel is dominated by 56% of staff. Not much different from the organizational structure in other companies that staff-level employees more than the managerial level employees.

Measurement model results

The latent variables of this study are Intrinsic Factor (X1), Extrinsic Factor (X2) and Employee Performance (Y). The Intrinsic Factor variable consists of 5 indicators (X11 to X15). While for the Extrinsic Factor Variable consists of 5 indicators (X21 to X25). The Employee Performance Variable consists of 5 indicators (Y11 to Y15). These indicators were developed into a number of questions arranged in the research questionnaire. The value that connects the latent variable to the indicator is the factor loading value, which is used to test validity. If the value is 0.4 to 0.7 or the value of AVE is more than 0.5 (Ghozali 2014) it can be said that the i-th indicator is valid. Then from Figure 3 above the loading factor value of X22 is 0.671. In this case the factor loading value is less than 0.7 then it must be seen from the AVE value in Table 3.

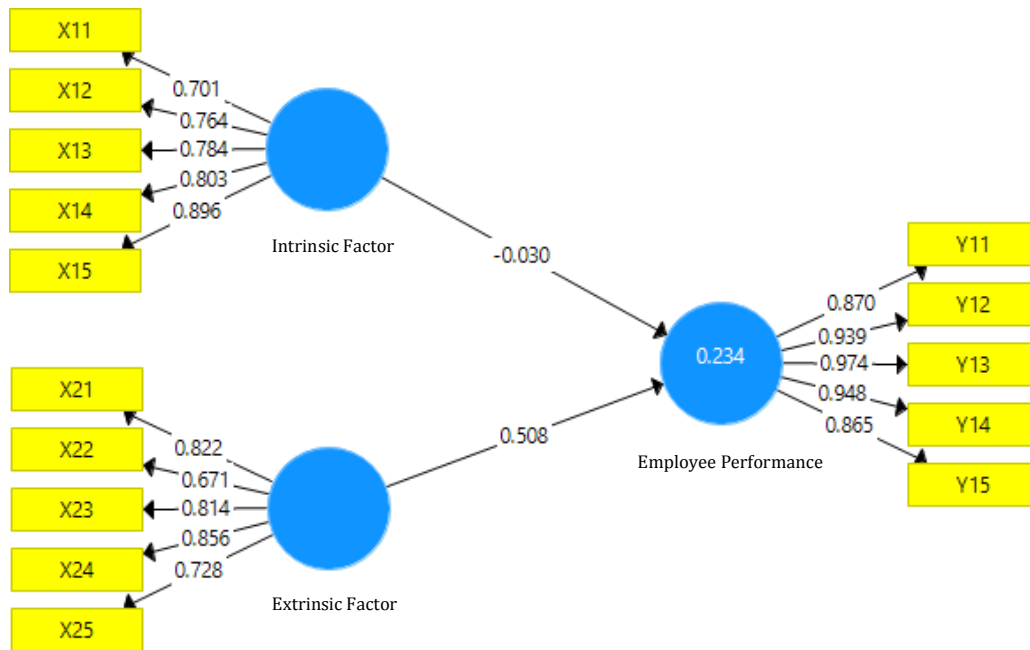


Table 3. SEM PLS Result Analyst

Based on Table 3, AVE of 3 latent variables is more than 0.5 so that from the loading factor value formed, these indicators can be declared valid. So even though the loading value of the X22 factor is less than 0.7 because the extrinsic factor AVE variable is more than 0.5, the outer model can still be said to be valid. It can also be seen from the Composite Reliability and Cronbach’s Alpha whose values are more than 0.7 so that it can be said that all indicators are reliable. Reliability is how far the question can reduce the diversity of answers. Based on the conditions above, the outer model meets the criteria.

Table 3 The value of SEM model test

Variable	Cronbach’s Alpha	rho_A	Composite reliability	Average Variance Extracted (AVE)
Extrinsic factor	0.838	0.843	0.886	0.610
Intrinsic factor	0.849	0.853	0.893	0.627
Employee performance	0.955	0.974	0.965	0.847

The measurement results of the variables in table 3 show that indicator X15 (the work itself) has the highest value of 0.896 in the intrinsic factor of work motivation. While the indicator X11 (achievement) has the lowest value of 0.701. Measurement results also indicate that indicator X24 (regulation and policy) has the highest value of 0.856 in the extrinsic factor of work motivation. While the indicator X22 (fellow colleague relations) has the lowest value of 0.671. On the performance variable shows that indicator Y13 (Duration of achieving work results) has the highest value that is equal to 0.974 in employee performance factors. While the indicator Y15 (ability to cooperate) has the lowest value of 0.865.

The measurement results show that based on the variable intrinsic factors XYZ Hotel employees already feel comfortable with what they are doing now and feel proud of the work done, but not in line with the desire to get better achievements at the XYZ Hotel. Measurements on extrinsic factor variables indicate that employees are obedient to the rules and policies of the company, but are less harmonious in relationships with colleagues because of a lack of encouragement from peers. Measurements on the performance variables show that employees who work in accordance with the work timeline so that the work can be completed on time, but XYZ Hotel employees are reluctant to fill the vacancy if there is a colleague who is absent.

Each number in the inner model (Figure 3) shows the direction of the relationship between the two variables. Positive coefficient value means there is a direct relationship between the two variables. While the negative coefficient value shows the inverse relationship between the two variables involved. One-way relationship means that if X gets higher, then Y will get higher too.

From the table shows:

1. Intrinsic factors show the inverse relationship with employee performance

2. Extrinsic factors show a direct relationship with employee performance

Significance test

Hypothesis testing is done by looking at the value of the parameter coefficient and t-statistical significance value. To see the proposed hypothesis is rejected or accepted, it can be seen from the t-statistic value generated from SEM-PLS processing. The limit for rejecting or accepting a hypothesis is $\alpha = 5\%$, with a t-table value of 1.96. If the value of the statistical test is less than 1.96, the hypothesis can be rejected. Hypothesis test results can be seen in Table 4.

Table 4 Conclusions of hypothesis

	Original Sample	T-statistic	p-Value	Conclusions
Intrinsic Factor -> Employee Performance	-0.030	0.142	0.887	H11 rejected
Extrinsic Factor -> Employee Performance	0.508	2.050	0.041	H21 accepted

Based on Table 4 the relationship between intrinsic factors with employee performance shows a value of 0.030 with a t-statistic value of 0.142. The t-statistic value obtained in testing this hypothesis is smaller than the t-table value of 1.96, this shows that the intrinsic factor has no effect on employee performance at XYZ Hotel. Thus H11 was rejected. The results of this study support the research of Handayani (2015) where extrinsic factors have a greater influence on employee performance compared to intrinsic factors. Intrinsic factor is part of motivation, so this study supports the research of Nurhayati and Achmadi (2016) with one of the hypotheses that motivation is not directly related to employee performance. This happens allegedly due to lack of recognition and appreciation by the company, the company has not provided an opportunity for employees to develop their potential, and low motivation in employees. The second hypothesis testing the relationship between extrinsic factors with employee performance shows a value of 0.508 with a t-statistic value of 2.050.

The t-statistic value obtained in testing this hypothesis is greater than the t-table value of 1.96, this shows that extrinsic factors influence the performance of employees at XYZ Hotel. Thus H21 was received. The results of this study support the research of Wijaya (2005), Pandjaitan (2014), and Gungor (2011), these three studies found that motivational factors such as extrinsic factors influence employee performance.

Managerial implications

1. The results of the study indicate that extrinsic factors significantly influence employee performance, so as to improve employee performance the company can improve components in extrinsic factors such as: Compensation, working conditions, relationships between employees and the relationship between superiors and subordinates.

2. The results of this study also indicate that intrinsic factors do not have a significant effect, so training that can increase personal motivation does not need to be a priority for improving employee performance.

CONCLUSION

The conclusion of this study is employee performance influenced directly by extrinsic factor. Increased compensation, working conditions, relations between employees, relations between superiors and subordinates can improve employee performance. Intrinsic factor does not affect employee performance.

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