THE ROLE OF WORK SATISFACTION MEDIATES THE EFFECT OF WORK MOTIVATION ON EMPLOYEE PERFORMANCE LOGO HOUSE BALI

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ABSTRACT: Employee performance is the work that can be achieved by employees based on their capabilities. In order for employees to be able to improve their performance, companies need to pay attention to factors that affect employee performance, namely work motivation and job satisfaction. The purpose of this study was to determine the role of job satisfaction mediating the effect of work motivation on the performance of Logo House Bali employees. This study used a sample of 38 employees, with the technique of saturated sample method. The analysis technique used in this study is path analysis and sobel test. Data collection through interviews and questionnaires. The results found that work motivation has a positive and significant effect on employee performance. Work motivation has a positive and significant effect on job satisfaction. Job satisfaction has a positive and significant effect on employee performance. The implication of this research is the existence of high work motivation will increase job satisfaction so that it can improve employee performance.

Keywords: work motivation, job satisfaction, employee performance

I. INTRODUCTION

Human resources (HR) owned by the company greatly influence in achieving the goals and success of a company. Companies must be able to create conditions that can encourage or enable employees to develop and improve their abilities and skills optimally. Every company longs for superior, highly competitive and high-performing human resources. According to Prawira & Suwandana (2019) found that performance is the work of quality and quantity achieved by employees in carrying out their functions according to the responsibilities given to these employees. The results of research conducted by Ardiansyah (2016) say that employee performance is influenced by job satisfaction, Muogbo (2013) and Nurcahyani and Adnyani (2016) find that employee performance is also influenced by work motivation. Work motivation is the drive, effort and desire that exists in humans that activate, provide power, and direct behavior to carry out tasks properly within the scope of work (Veronica et al., 2018).

Work motivation in the world of work can come from individual desires and also from the environment around work, such as, want to increase income, to find experience, to add relationships, to fill spare time while waiting for time college, and also wants to meet needs independently. Good work motivation will make good performance. The purpose of motivation is to increase morale and job satisfaction, increase work productivity, streamline employee procurement, create an atmosphere and good working relationships, and improve employee welfare (Hasibuan, 2012: 46). Research on work motivation and job satisfaction has been widely done, research of Ahmed et al., (2010), Maharjan (2012), Shah et al. (2012), and Santika and Antari (2019) found the same thing that work motivation influences significant positive on job satisfaction.

Raharjo and Nafisah’s research (2006) finds that job satisfaction is very important because it is an impact or the result of the effectiveness of performance and success at work. Each individual has a different level of satisfaction in accordance with the value system that applies to him (Retnaningrum and Musadiq, 2016). Someone who feels satisfied with his work will do more productively and faithfully with his organization, while workers who are dissatisfied with his work will do less productively and tend to have the desire to quit his job (Sarker et al., 2003). Research on job satisfaction and employee performance has been done a lot, research Kurniawan (2012), Numberi and Setiawan (2013), Wijayanti and Subudi (2014), and Wahab et al., (2018) found that job satisfaction has a positive and significant effect on performance the employee. The results of research conducted by Ardiansyah (2016) explain that what can help improve job satisfaction is with high work motivation, when employee job satisfaction is high in the company, employee performance will
increase, so it can be said job satisfaction can mediates the relationship of motivation to employee performance. Research conducted by Lusri and Siagian (2017) proves that job satisfaction acts as a mediating variable between work motivation and employee performance. Nitasari (2012), Murti and Srimulyani (2013), Hanafi and Yohana (2017), and Wahab et al., (2018) find the same finding that job satisfaction is a mediating variable between motivation and employee performance.

Logo House Bali is a company engaged in the business of fashion and restaurants. The location of this company is in the area of Merdeka streets VIII no 1 Denpasar. The company was founded in June 2018, which until now is a place of work for 38 (thirty eight) employees spread across eight departments. Based on interviews with company managers, information was obtained that in August 2018 to March 2019 there were complaints from customers regarding the lack of quality service have 12 complaints, lack of knowledge of English have 10 complaints, the low timeliness of services reached 26 complaints, and employee concerns amounted to 8 complaints. So, the total complaints over the past eight months were 56 complaints, where the biggest complaints were on the low timeliness of service felt by customers. Riyanti and Sudiya (2012) stated the number of complaints identified the existence of employee performance problems.

From the facts mentioned above it can be suspected that in the Logo House Bali company there are problems in terms of employee performance, work motivation and job satisfaction.

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Motivation in organizations is needed to improve employee performance. The higher of work motivation, the employment performance will be increase. Based on research conducted by Sutedjo and Mangkunegara (2013), Murti and Srimulyani (2013), Elqadri et al., (2015), Theodora (2015), Amalia et al., (2016), and Hanafiaand Yohana (2017) found results that work motivation has a significant positive effect on employee performance. Research Ayundasari et al., (2017) and Veronica et al., (2018) in their research found the same results that motivation affects employee performance. Wahab et al., (2018) also from the results of his research found that motivation has a positive effect on performance. The results of the study are also supported by previous research conducted by Santika and Antari (2019) which states that motivation has a positive effect on employee performance. Based on this description, the following hypothesis can be formulated.

H1: Work motivation has a positive and significant effect on employee performance

Motivation in organizations is needed to be able to provide encouragement so that employees can feel a sense of satisfaction with their work. The higher the work motivation, the job satisfaction will increase. Wahab et al. (2018) found that motivation has a positive effect on performance satisfaction. Santika and Antari (2019) found that motivation had a positive and significant effect on employee satisfaction. The results of this study are also supported by the results of research conducted by Ahmed et al., (2010), Maharjan (2012), and Shah et al., (2012), Murti and Srimulyani (2013), and Simoes et al., (2017) found that work motivation had a significant positive effect on job satisfaction. Based on this description, the following hypothesis can be formulated.

H2: Work motivation has a positive and significant effect on job satisfaction

Employee job satisfaction is needed in order to improve the organization. The higher job satisfaction, the employee's performance increases. In research by Ardiansyah (2016) found that job satisfaction has a strong influence on employee performance. The results of research by Kurniawan (2012), and Numberi and Setiawan (2013) found the results that job satisfaction affects employee performance. Research conducted by Wijayanti and Subudi (2014), and Umar Research (2014) found the same results that job satisfaction has an influence on employee performance. Furthermore, Utomo et al., (2017), Wahab et al., (2018), and Santika and Antari (2019) in their research found that job satisfaction has a positive and significant effect on employee performance. Based on this description, the following hypothesis can be formulated.

H3: Job satisfaction has a positive and significant effect on employee performance

Job satisfaction in organizations is needed in order to know how far the influence of work motivation on the performance of each employee. Job satisfaction is used as a mediating variable between work motivation and employee performance. Research conducted by Suardi and Utomo (2011) finds that employees who have high motivation and job satisfaction will tend to have high performance towards the organization. Murti and Srimulyani (2013) found that motivation has a significant effect on job satisfaction and job satisfaction has a significant effect on employee performance. Research by Nitasari (2012), and Hanafi and Yohana (2017) found that job satisfaction mediates a motivational relationship with employee performance. The results of research by Wahab et al., (2018) also found that job satisfaction mediates motivation on performance. Based on this description, the following hypothesis can be formulated.

H4: Work motivation has a positive and significant effect on employee performance with job satisfaction as mediation
III. METHODS

The approach used in this study is an associative approach, namely research aims to determine the relationship between two or more variables (Sugiyono, 2017: 55). The location of this research was conducted at the company Logo House Bali, which is located at Merdeka Streets VIII, No.1 Denpasar, Bali. This location was chosen because previously there had never been a study of the relationship between variables of work motivation, employee performance and job satisfaction.

The population in this study were all Logo House Bali employees, amounting to 38 employees. In this study, using saturated sampling technique, where all members of the population are used as samples (Sugiyono, 2017: 122). So, all of them was a populations. Data analysis techniques used are Path Analysis and Sobel Test.

IV. RESULT AND DISCUSSION

4.1 Path Analysis Results

Path analysis is an extension of multiple linear regression analysis to test the causality relationship between two or more variables. The stages of conducting path analysis techniques are as follows:

1) Designing a path analysis model is theoretically shown in Figure 4.2

2) Calculation of the path coefficient

Path coefficient calculation is done by regression analysis through SPSS 25.0 for Windows software, the results can be seen in Table 4.8 and Table 4.9.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t count</th>
<th>Sig. uji t</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>15,132</td>
<td>2,415</td>
<td>6,266</td>
<td>0,000</td>
</tr>
<tr>
<td>Work motivation (X)</td>
<td>0,522</td>
<td>0,175</td>
<td>0,444</td>
<td>2,976</td>
</tr>
<tr>
<td>R Square</td>
<td>0,197</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F Statistics</td>
<td>8,856</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Significance of Test F</td>
<td>0,005</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Appendix 9 (processed), 2019

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t count</th>
<th>Sig. uji t</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>10,115</td>
<td>3,389</td>
<td>2,985</td>
<td>0,005</td>
</tr>
<tr>
<td>Work motivation (X)</td>
<td>0,117</td>
<td>0,190</td>
<td>0,097</td>
<td>0,614</td>
</tr>
<tr>
<td>Job satisfaction (M)</td>
<td>0,516</td>
<td>0,162</td>
<td>0,502</td>
<td>3,188</td>
</tr>
<tr>
<td>R Square</td>
<td>0,304</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F Statistics</td>
<td>7,651</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Significance of Test F</td>
<td>0,002</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Appendix 9 (processed), 2019

3) Test the value of the determinant coefficient (R2) and the error variable
Based on the substructure 1 and substructure 2 models, the final path diagram model can be arranged. Before constructing the final path diagram model first the standard error values are calculated as follows.

\[ Pei = \sqrt{1 - Ri^2} \]
\[ Pe1 = \sqrt{1 - R1^2} = \sqrt{1 - 0.197} = 0.803 \]
\[ Pe2 = \sqrt{1 - R2^2} = \sqrt{1 - 0.304} = 0.696 \]

Based on the calculation of the influence of the error (Pei), the result of the influence of the error (Pe1) was 0.803 and the effect of the error (Pe2) was 0.696.

The results of the total determination coefficient are as follows.

\[ R^2_m = 1 - \frac{(Pe1)^2 (Pe2)^2}{(Pe1)^2 + (Pe2)^2} \]
\[ = 1 - (0.803)^2 (0.696)^2 \]
\[ = 1 - (0.644) (0.484) \]
\[ = 1 - (0.312) \]
\[ = 0.688 \]

A total determination value of 0.688 means that 68.8 percent of variations in employee performance are influenced by variations in work motivation and variations in job satisfaction, while the remaining 31.2 percent is explained by other factors that not included in the model.

4) Partial path coefficient calculation

The influence of work motivation on job satisfaction

Based on the analysis of the effect of work motivation on job satisfaction, Sig. t of 0.005 with a beta coefficient of 0.444. Milai Sig. t 0.005 <0.05 indicates that H0 is rejected and H1 is accepted. This result means that work motivation has a positive and significant effect on job satisfaction.

The influence of work motivation on employee performance

Based on the results of the analysis of the influence of work motivation on employee performance, the Sig. t of 0.005 with a beta coefficient of 0.097. Sig value t 0.005 <0.05 indicates that H0 is rejected and H1 is accepted. This result means that work motivation has a positive and significant effect on employee performance. The research hypothesis is accepted.

The effect of job satisfaction on employee performance

Based on the analysis of the effect of job satisfaction on employee performance, the Sig. t of 0.003 with a beta coefficient of 0.502. Sig value t 0.003 <0.05 indicates that H0 is rejected and H1 is accepted. This result means that job satisfaction has a positive and significant effect on employee performance.

5) Summarize and conclude

Based on the results of the path coefficient on the research hypothesis, it can be described a causal relationship between the variables of work motivation (X), job satisfaction (M), and employee performance (Y) which can be seen in Figure 4.3. If seen from the path diagram in Figure 4.3, we can calculate the magnitude of direct and indirect effects and the total effect between variables. The calculation of influence between variables is summarized in Table 4.10

![Figure 4.3 Validation of the Final Pathway Model](image)

<table>
<thead>
<tr>
<th>Influence of Variables</th>
<th>Direct Influence</th>
<th>Indirect Effects through Job Satisfaction (M) ((\hat{\beta}_1 \times \hat{\beta}_3))</th>
<th>Total Influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>X → M</td>
<td>0.444</td>
<td></td>
<td>0.444</td>
</tr>
<tr>
<td>X → Y</td>
<td>0.097</td>
<td>0.223</td>
<td>0.320</td>
</tr>
<tr>
<td>M → Y</td>
<td>0.502</td>
<td></td>
<td>0.502</td>
</tr>
</tbody>
</table>
4.2 Sobel test results
The sobel test is an analytical tool to test the significance of the indirect relationship between exogenous variables and endogenous variables mediated by intervening variables.

Calculate test statistics
To test the significance of the indirect effect, the z value of the ab coefficient is calculated by the following formula.

\[
Z = \frac{ab}{Sab}
\]

To test the significance of the indirect effect, then calculate the z value of the ab coefficient with the following formula.

\[
Z = \frac{(0,444)(0,502)}{0.110}
\]

Z = 2.027

The calculated Z value of 2.027 > 1.96 means that job satisfaction (Y) is a variable that mediates the relationship of work motivation (X) to employee performance (Y) or in other words work motivation (X) has an indirect effect on employee performance (Y) through job satisfaction (M).

V. HYPOTHESIS AND RESULT

The influence of work motivation on employee performance
Based on hypothesis testing, the results show that work motivation has a positive and significant effect on employee performance where the beta coefficient value of 0.097 with a significance level of 0.005 <0.05. This means that the higher the work motivation received by the employee, the higher of employee's performance will be.

The results of this study are also supported by the results of previous studies conducted by Sutedjo and Mangkunegara (2013), Murti and Srimulyani (2013), Elqadri et al., (2015), Theodora (2015), Amalia et al., (2016), Hanafi and Yohana (2017), Ayundasari et al., (2017), Veronica et al., (2018), Wahab et al., (2018), Santika and Antari (2019) which stated that work motivation has a positive and significant effect on employee performance.

The influence of work motivation on job satisfaction
Based on hypothesis testing, the results show that work motivation has a positive and significant effect on job satisfaction where the beta coefficient value of 0.444 with a significance level of 0.005 <0.05. This means that the higher the work motivation received by employees, the higher job satisfaction will be.

The results of this study are also supported by the results of previous studies conducted by Ahmed et al., (2010), Maharjan (2012), Shah et al., (2012), Murti and Srimulyani (2013), Simes et al., (2017), Wahab et al., (2018), and Santika and Antari (2019) which states that work motivation has a positive and significant effect on job satisfaction.

The effect of job satisfaction on employee performance
Based on hypothesis testing, the results show that job satisfaction has a positive and significant effect on employee performance where the beta coefficient value of 0.502 with a significance level of 0.003 <0.05. This means that the higher the level of job satisfaction, the higher the employee's performance.

The results of this study are also supported by the results of previous studies conducted by Kurniawan (2012), Numberi and Setiawan (2013), Wijayanti and Subudi (2014), Umar (2014), Ardiansyah (2016), Utomo et al., (2017), Wahab et al., (2018), and Santika and Antari (2019) which states that job satisfaction has a positive and significant effect on employee performance.

The role of job satisfaction mediates the effect of work motivation on employee performance
Based on the sobel test results, it was found that job satisfaction mediates the effect of work motivation on employee performance where the Z value of 2.027. This means that work motivation felt by employees and supported by high levels of job satisfaction can indirectly affect employee performance.
The results of this study are also supported by the results of research conducted by Suwandi and Utomo (2011) stating that employees who have high motivation and job satisfaction will tend to have high performance towards the organization. Murti and Srimulyani (2013) found that motivation has a significant effect on job satisfaction and job satisfaction has a significant effect on employee performance. Research by Nitasari (2012), and Hanafi and Yohana (2017) found that job satisfaction mediates a motivational relationship with employee performance. The results of research by Wahab et al., (2018) also found that job satisfaction mediates motivation on performance.

VI. CONCLUSION

Based on the discussion in the previous chapters, the following conclusions are drawn: work motivation has a positive and significant effect on the performance of Logo House Bali employees. This shows that the higher of work motivation, the higher level of employee performance. Work motivation has a positive and significant effect on job satisfaction of Logo House Bali employees. This shows that the higher employee motivation, the higher level of employee job satisfaction. Job satisfaction mediates the effect of work motivation on employee performance towards the organization. Murti and Srimulyani (2013) found that motivation has a significant effect on job satisfaction and job satisfaction has a significant effect on employee performance. Research by Nitasari (2012), and Hanafi and Yohana (2017) found that job satisfaction mediates a motivational relationship with employee performance. The results of research by Wahab et al., (2018) also found that job satisfaction mediates motivation on performance.

REFERENCES


