

The Influence of the Education Effect, Compensation and Organizational Culture on Employee Work Motivation at PT. Megahputra Kendari

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Abstract: This study aimed to examine and analyze the Effect of Education, Compensation and Organizational Culture on Employee Work Motivation at PT. Megahputra Kendari. This study used a survey approach with explanatory research design. The amount of this research sample was determined by using the Slovin formula, so that the numbers of sampling were set at 55 people. The sampling method used was stratified proportional random sampling, the analytical tool used was Multiple Linear Regression. The results of the study showed that Education, Compensation and Organizational Culture simultaneously had a positive and significant effect on Employee Work Motivation. Then partial education had a positive and significant effect on Employee Work Motivation. Partial compensation had positive and significant effect on Employee Work Motivation. Partial organizational culture had a positive and significant effect on Employee Work Motivation. Thus it can be concluded that the better the education qualifications of employees, the more feasible compensation received by employees, and the better the value of the organizational culture applied by the company, had a positive and significant contribution to increasing employee motivation.

Keywords: Education, Compensation, Organizational Culture, Employee Work Motivation

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I. Introduction

One of the factors that influence work motivation is the education level of each employee. This is related to general improvement and understanding of the employee's work environment as a whole and the process of developing knowledge, skills, thoughts, attitude and character. The level of education that is related to the field of work will increase employee motivation. Therefore, the company must know the level of ability of each of its employees. Because education is a factor that reflects someone to be able to complete their work. Moreover, taking a certain level of education causes an employee to have certain knowledge so that they are able and capable to finish their duties properly. Thus, the motivation or morale to complete the work will be carried out properly in accordance with the targets set by the company.

Besides, the employee education factors, another factor that can also influence employee work motivation is compensation. The motivation of employee is not always in good condition, therefore it needs an effort to increase work motivation while the employee's motivation decreases, and one of them is by paying attention to and fulfilling the needs of employees in the form of compensation. Based on the data obtained in this research, out of 113 employees of PT Megahputra Kendari were still contract workers with the salary that based on Regional Minimum Wage (RMG). The percentage comparison of contract employees and permanent employees was 40% (45 people) and 60% (68 people). The reality in the field, both contract employees have the same workload as permanent employees. Due to this issue, a problem arose where the contract employee of Megahputra Kendari seemed to be slow in completing his job responsibilities. As has been stated by Hasibuan (2007: 133), "Giving compensation in accordance with the level of employee needs will make employees have very high work motivation". This phenomenon is a symptom that reflects the low motivation of employees towards their work.

One way of Management to improve work performance, to motivate and to improve employee performance is through Compensation (Mathis and Jackson, 2000). Whereas according to Dessler (2009: 125), compensation is any reward given to employees and comes from the employment of that employee. Although in practice every single person's performance varies from one another, but compensation given in the form of money or goods is a tool to complete their needs. The compensation they will receive is a mirror of what they have given or done to the organization or company. By providing compensation properly can satisfy and motivate employees to achieve the goals of the organization or company.

Compensation is a term that relates to financial rewards or financial rewards received by someone through employment relations with an organization. In general, the form of compensation provided is in the form of financial compensation because of the monetary expenditures made by the organization. With the existence of good and fair compensation will increase work motivation of employees that will stimulate enthusiasm and creativity in work so that it ultimately improve good performance.

Organizational culture is a characteristic that is considered as an important thing by the organization and becomes a model for the organization that can differ between one organization and another organization. Also, organizational culture is interpreted as values and norms of behavior that are accepted and understood by all members of the organization as a basis in the rules of behavior contained in the organization. Understanding organizational culture according to Susanto are values that guide human resources to deal with external problems and efforts to adjust integration into the company so that each member of the organization must understand the values that exist and as they must behave. Another opinion proposed by Furnham and Gunter 1993 in Sunarto (2005: 187), organizational culture is defined as beliefs, attitudes and values that are generally owned by organization that is expressed more simply, culture is "the way we do things around here". Therefore, based on the above phenomena, researcher was interested in conducting research with the title "The Effect of Education, Compensation, and Organizational Culture on Employee Motivation at PT. Megahputra Kendari".

II. Literature Review

1. Concept of Education

In general, people who have higher education, formal or informal will have broader insights, especially in understanding the importance of productivity. The high awareness of the importance of productivity encourages the relevant workforce to take productive actions.

According to Siagian (2006: 273) education is the whole process of techniques and methods of teaching and learning in order to transfer a knowledge from someone to others in accordance with established standards. As stated by Sedarmayanti (2001: 32) that through education, a person is prepared to have the provision to be ready to know, recognize and develop methods of systematic thinking in order to solve problems that will be faced in life in the future. From several definitions of education above, it can be concluded that education is any effort that promotes the emergence of character (inner strength, character) that is done to prepare students to be able to develop their full potential in entering real life in the future.

2. Concept of Compensation

Everyone works to earn income in order to fulfill their needs. Therefore, everyone works to get feedback in accordance with the work done. So that employees work diligently and responsibly in carrying out their duties well in order to get an appreciation of their work performance in the form of compensation. One way of management to improve productivity, creativity, work performance, motivation, and improve employee performance is by providing compensation. Compensation is something that employees receive as a reward for their performance in carrying out their tasks (Kadar Nurjaman, 2014: 179). Every company must be fair in providing compensation related to the workload received by employees.

3. Organizational Culture

Organizational culture is synonymous with the study of individuals and groups in an organization. People's interaction in an organization describes the culture of the organization. Strong organizational culture supports corporate goals, whereas the weak or negative organization culture hinder the growth of the company or cause conflict that can ruin company goals. Robbins and Judge (2011: 520) asserted "Organizational culture is a system of shared meaning held by members who distinguish one organization from another organization". Edy Sutrisno (2010: 2), defines organizational culture as a system of values, beliefs, assumptions or norms that have long been valid, agreed upon by members an organization as a guideline for behavior and solving organizational problems. Organizational culture is also called corporate culture, namely a set of values or norms that have been relatively long-lived, shared by the members of the organization (employees) as the norm of behavior in solving organizational problems (companies).

Robbins & Coulter (2010: 63) suggested that "Organizational culture is a set of values, principles, traditions and ways of working that are shared by and influence the behavior and actions of members of the organization". In most organizations, these shared values and practices have developed rapidly along times to times and really greatly give effect on how an organization is run.

4. Work Motivation

Understanding motivation is closely related to the emergence of a tendency to do something to achieve the goal. There is a strong relationship between motivational needs, actions or behavior, goals and satisfaction, because every change is always existed due to a motivational drive. Motivation arises because of a need and

therefore the action is directed towards achieving certain goals. If the goal has been achieved, satisfaction will be achieved and tend to be repeated again and again, making it stronger and more stable.

Sedarmayanti (2009) stated that: "Work motivation is a willingness to issue a high level of effort towards organizational goals is conditioned by the ability of the effort to fulfill individual needs". Also, Nawawi (2005), argued that: "Work motivation is a situation that encourages or becomes a reason for someone to do something or an activity that takes place consciously". While Simamora (2006), stated that: "Work motivation is a function of the expectations of individuals that certain efforts will produce a level of performance which in turn will produce the desired rewards or results". Furthermore, some definitions of motivation can be seen in the following table:

Based on the above theories, the writer can conclude that motivation is one aspect of work that is present together with other aspects to create work value. Motivation refers to the causes of the emergence of a behavior, such as factors that encourage someone to do or not do something. Motivation is related to the existence of employees in the organization, it is necessary to have various strategies designed to provide motivation to work for employees in an organization. With the process of motivation, employees of all organizations are directed to carry out their roles optimally.

Efforts to provide the best service to the community as consumers, the role of people and functions in the company becomes important. It should be realized, that the driving force in customer service is the human resources that are owned. Theoretically, the experts and findings of the researchers who have been stated earlier, human resources are assets that can be a source of sustainable competitive advantage because human assets have knowledge and social complexity that are difficult to imitate competitors. Theoretical studies that form the basis for measuring and testing between variables in this study refer to the theory of human resource management and organizational behavior.

The work motivation of company employees is not maximal, it takes a paradigm of thinking towards changes in human resource management and organizations that have undergone a shift as the basis for the design of the conceptual framework of this research. The conceptual framework of this study is basically built based on empirical and theoretical studies as a basis for formulating problems, objectives and hypotheses of this study. Based on theoretical and empirical studies in this study designed using four variables, namely: education, compensation, organizational culture and employee motivation. Based on the testing of the four variables / constructs the researcher tried to develop the conceptual framework of this research. Clearly the conceptual framework of this research, shown in the following picture:

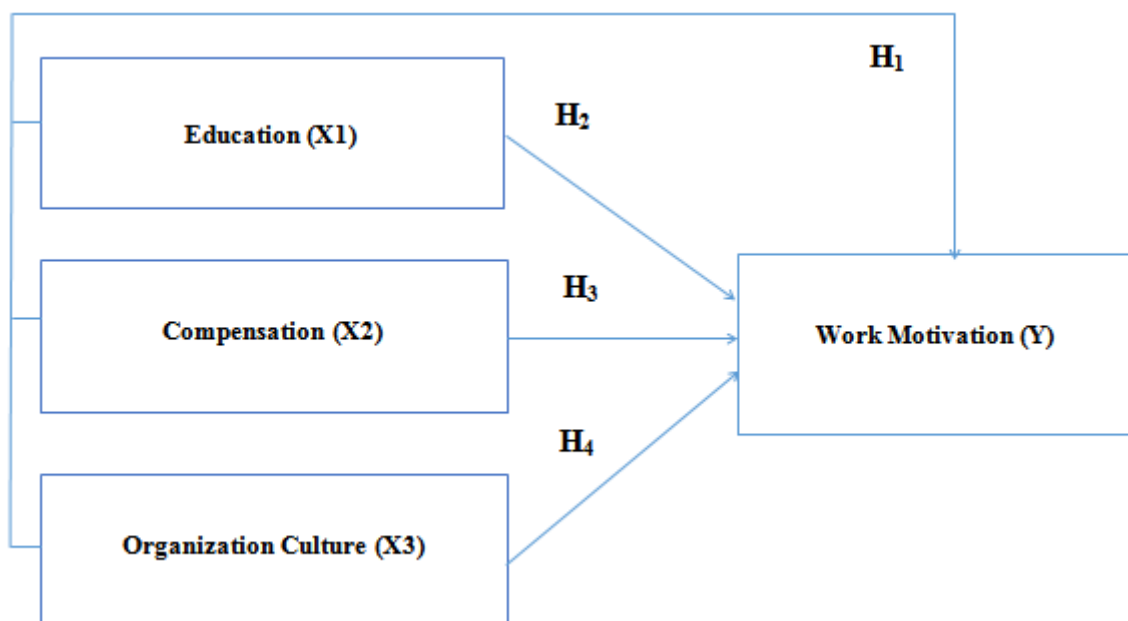


Figure 1. Conceptual Framework and Research Hypothesis

The relationship between education, compensation, and organizational culture with work motivation

Based on the study of theory and the results of research, it is known that education, compensation, and organizational culture have a significant effect on work motivation. Thus the hypothesis formulated in this study are:

H1. There is a simultaneous significant influence between education, compensation and organizational culture on employee work motivation

The results of research conducted by Fahmi (2011), Fuad Nazar, Endang and Muhammad (2014), Rita, et al (2014), and Sri, et al (2013), showed that education had a positive and significant effect on employee work motivation. This means that the employee's education increases, the work motivation will increase. Based on the description, the following hypothesis is formulated:

H2. Education had a positive and significant effect on work motivation

The results of previous studies that have proven that compensation has a positive and significant effect on employee work motivation are studies conducted by Erwinsyah, Muhammad, et al (2015), Aditya (2015), Angga, et al Awalya (2016), Gugun (2010), and Djoko (2017). Therefore, the hypothesis in this study is formulated as follows:

H3. Compensation had a positive and significant effect on work motivation

The results of previous studies that have proven that organizational culture has a positive and significant effect on employee motivation are studies conducted by Nila (2013), Aan, et al (2013), Wiwik (2016), and Dian (2014). Therefore, the hypothesis in this study is formulated as follows:

H4. Organizational culture had a positive and significant effect on work motivation

III. Research Methode

This research was designed with an explanatory research approach. The population in this study were all employees of Suzuki Car Dealer PT. MegahPutra Kendari. The sample size is determined by the Slovin formula, which is as many as 55 respondents, which is taken by proportional stratified random sampling technique. Data was collected using a questionnaire. The instruments distributed have been tested for validity and reliability, and overall have been declared valid and reliable. The data collected is then analyzed by multiple linear regression analysis.

IV. Results and Discussion

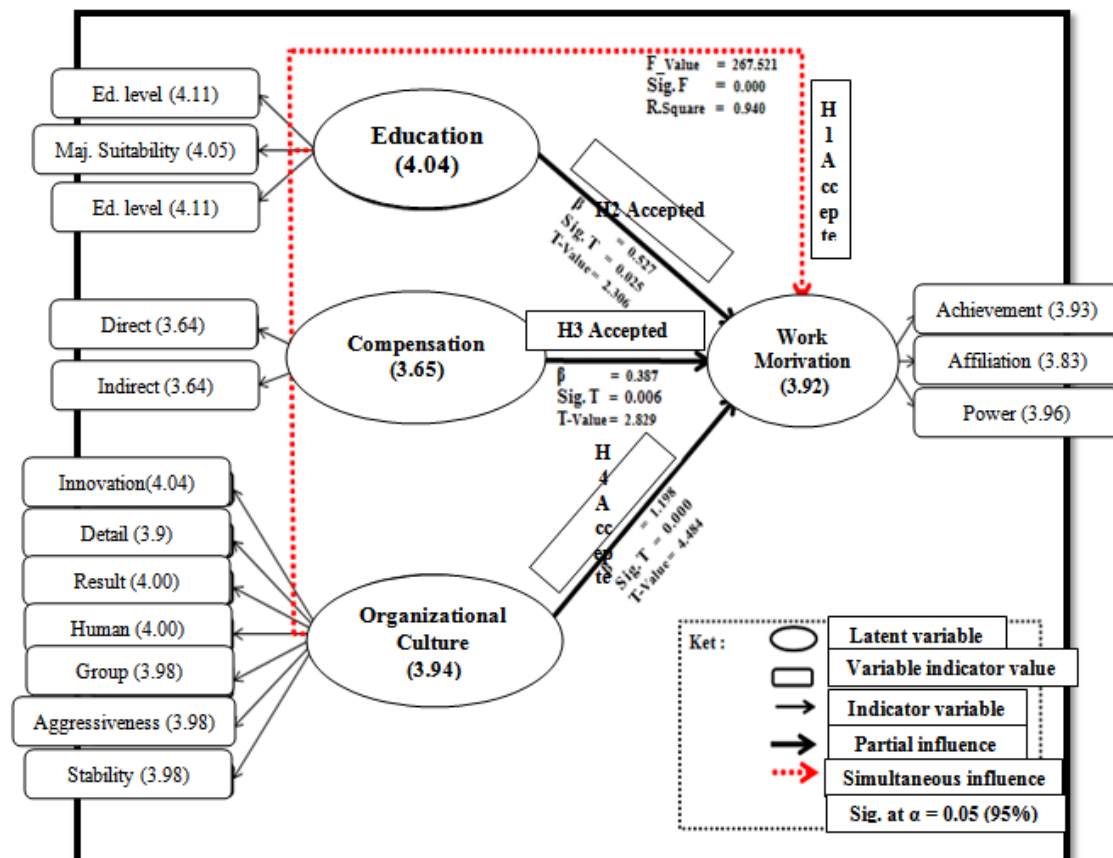
Based on the results of the regression analysis shown in Figure 2, It can be concluded that partially education had a positive and significant effect on employee motivation at PT. Megahputra Kendari, compensation had a positive and significant effect on employee motivation at Megahputra Kendari, and organizational culture had a positive and significant effect on employee motivation at Megahputra Kendari. Simultaneously, education, compensation, and organizational culture, which had a positive and significant effect on employee work motivation at PT. Megahputra Kendari proved to be acceptable.

The test results obtained there were significant simultaneous influences between education, compensation and organizational culture on employee work motivation were: The results of the study can be proven that the results of the F test obtained a value (F-value) of 267.521 with a significance value (p-value) = $0.000 < \alpha = 0.05$. These results indicate education, compensation and organizational culture simultaneously had a significant effect on employee work motivation so that the first hypothesis in the study can be accepted. Furthermore, it can also be proven by the coefficient of determination (R^2) = 0.940. Based on these results, it can be concluded that from the coefficient of determination (R^2), this research model had a very good accuracy of the model with a percentage of 94%.

The results of testing the effect of education on employee motivation can be proven by estimating the path coefficient of 0.527 in a positive direction. Positive path coefficient means that the influence between the level of education and employee motivation is in the same direction. Then it can also be proven by the critical point value (t-value) of 2.306 and the significance value (p-value) of $0.025 < \alpha = 0.05$. The test results proved that education had a positive and significant effect on employee motivation at PT. Megahputra Kendari. This means that the higher the education, the more increase the work motivation of employees of PT. Megahputra Kendari. Thus, the second hypothesis that was proposed in this study could be accepted or supported by facts.

The results of testing the effect of compensation on employee work motivation can be proven by estimating the path coefficient of 0.387 in a positive direction. Positive path coefficients mean the influence between compensation and employee motivation is in the same direction. Then it can also be proven by the value of the critical point (t-value) of 2.839 and the significance value (p-value) of $0.006 < \alpha = 0.05$. The test results prove that Compensation had a positive and significant effect on employee work motivation. This means that the higher the compensation that is given to employees, the more influence the work motivation of employees at PT. Megahputra Kendari. Thus the third hypothesis that was proposed could be accepted or supported by empirical facts.

The results of testing the influence of organizational culture on employee work motivation can be proven by estimating the path coefficient of 1.198 in a positive direction. Positive path coefficient means the influence of organizational culture on employee motivation at PT. Megahputra Kendari was in the same direction. Then it can also be proven by the critical point value (t-value) of 4.484 and the significance value (p-value) of $0.000 < \alpha = 0.05$. The test results proved that organizational culture had a positive and significant effect on employee motivation. This means that the better the application of organizational culture given to employees, the more influence the work motivation of employees at PT. Megahputra Kendari. So that the submission of the hypothesis in this study could be accepted or supported by the reality that occurred in the object of research.



The results of the study are consistent with the results of research conducted by Octa, and Sulastri (2014), that education, compensation, and organizational culture simultaneously have a significant effect on employee work motivation. The results of this study support the results of research from Fahmi (2011), Fuad Nazar, Endang and Muhammad (2014), Rita, et al (2014), and Sri, et al (2013), showed that education had a positive and significant effect on employees work motivation. The results of this study also support the research results of Muhammad, et al (2015), Aditya (2015), Angga, et al Awalya (2016), Gugun (2010), and Djoko (2017), which show that compensation has a significant effect on work motivation employee. Furthermore, the results of this study support the results of the study of Nila (2013), Aan, et al (2013), Wiwik (2016), and Dian (2014), which shows that the organizational culture has a significant effect on work motivation.

Limitations and further research

V. Limitations and Further Research

This research data uses employee perceptions through self-assessment or self appraisal. Besides that because of the busy schedule of employees at the Suzuki Car Dealer PT. Magnificent Kendari and time constraints, researchers have difficulty to explore more in-depth information about this study. Furthermore, the research object is limited to Suzuki Car Dealers PT. Kendari Primary. Thus it can limit the ability to generalize the findings of this study. Respondents of this study are limited to employees of Suzuki Car Dealers PT. Kendari

Primary. Because it can limit the ability to generalize the findings of this study, especially in organizations or companies in other regions. Researchers only examine one company in this case is Suzuki Car Dealer PT. Kendari's reputation as the object of research, so that the generalization of research results is still relatively low. Further research should use research objects of all similar companies in the Kendari City area.

VI. Conclusion

Based on the results of data processing and discussion conducted through multiple regression analysis between independent variables on the dependent variable about the effect of employee education, compensation and organizational culture on employee motivation at PT. Megahputra Kendari, conclusions can be taken as follows:

1. Educational variables, compensation and organizational culture simultaneously had a positive and significant effect on employee motivation at PT. Megahputra Kendari. This means that the better the educational qualifications of employees, the more feasible compensation received by employees, and the better the value of organizational culture applied by the company then simultaneously had a positive and significant effect on increasing employee motivation.
2. Employee education variables positively and significantly influence employee motivation at PT. Megahputra Kendari. This means that good education qualifications had a positive and significant contribution to increase Employee Work Motivation.
3. The compensation variable partially had a positive and significant effect on employee motivation at PT. Megahputra Kendari. This means that the better the compensation given to employees and fulfill the principle of fairness, feasibility and fairness, the higher the work motivation of the employees of PT. Megahputra Kendari.
4. Variables of organizational culture partially had a positive and significant effect on employee motivation at PT. Kendari Primary. This means that the better the organizational culture was embedded in each employee, the higher the work motivation of PT. Megahputra Kendari.

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