DETERMINATION OF EMPLOYEE MOTIVATION AND PERFORMANCE: WORKING ENVIRONMENT, ORGANIZATIONAL CULTURE, AND COMPENSATION

(A Study of Human Resource Management Literature)

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Abstract: Previous research or relevant research is very important in a research or scientific article. Previous research or relevant research serves to strengthen the theory and phenomenon of the relationship or influence between variables. This article reviews the factors that influence Work Motivation and Employee Performance, namely: Work Environment, Organizational Culture, and Compensation, A Human Resource Management Literature Study. The results of this research library are that: 1) Work Environment affects Work Motivation; 2) Organizational Culture affects Work Motivation; 3) Compensation has an effect on work motivation; 4) Work environment affects employee performance; 5) Organizational Culture affects employee performance; 6) Compensation affects employee performance; 7) Work Motivation has an effect on Employee Performance.

Keywords: Work Motivation, Employee Performance, Work Environment, Organizational Culture, and Compensation.

INTRODUCTION

Background

Every student, both undergraduate, graduate and undergraduate, is required to conduct research in the form of a thesis, thesis and dissertation. Likewise, lecturers, researchers and
other functional staff are active in conducting research and publishing scientific articles for publication in scientific journals.

Based on the empirical experience of many young students and lecturers as well as other researchers, it is difficult to find supporting articles in research as previous research or as relevant research. Articles as relevant researchers are needed to strengthen the theory under study, to see the relationship between variables and to build hypotheses, also very much needed in the discussion of research results.

This article specifically discusses the Work Environment (X₁), Organizational Culture (X₂) and Compensation (X₃) which affect Work Motivation (Y₁) and Employee Performance (Y₂) Employees, (A Human Resource Management Literature Study). Of course, not all factors influence Work Motivation and Employee Performance in this article, only a small part will be reviewed and reviewed.

**Formulation of the problem.**

Based on the background, problems will be formulated that will be discussed in the literature review article so that it will focus more on literature review and the results and discussion later, namely:

1) Does the work environment have a relationship and influence on work motivation.
2) Does Organizational Culture have a relationship and influence on Work Motivation.
3) Does Compensation have a relationship and influence on Work Motivation.
4) Does the work environment have a relationship and influence on employee performance
5) Does Organizational Culture have a relationship and influence on Employee Performance
6) Does compensation have a relationship and affect employee performance
7) Does Work Motivation. Has a relationship and affects employee performance

**LITERATURE REVIEW**

**Employee performance**

The term performance comes from the word job performance or actual performance (work performance or actual achievement achieved by a person), namely the quality and quantity of work achieved by an employee in carrying out his duties in accordance with the responsibilities assigned to him (Mangkunegara, 2011). This definition provides an understanding that performance is an act or behavior of a person in carrying out his duties, which can be observed and assessed by others.

Performance is a function of motivation and the ability to complete a task or someone's job should have a certain degree of willingness and level of ability. A person's willingness and skills are not effective enough to do something without a clear understanding of what to do and how to do it. Performance is a tangible behavior that is displayed by each person as a work achievement produced by employees in accordance with their role in the organization. Employee performance is very important in the organization's efforts to achieve goals (Rivai and Sagala, 2009).
According to Mangkunegara (2011), employee performance can be assessed from: 1) Quality of work; 2) Work quantity; 3) Responsibility; 4) Cooperation; and 5) Initiatives. Meanwhile, according to Rivai and Sagala (2009) the aspects that are assessed to measure a person's performance based on the results of the study by Lazer and Wikstrom (1997) can be grouped into three, namely: 1) technical ability; 2) Conceptual skills; and 3) Interpersonal relationship skills.


From several theories regarding performance, it can be concluded that performance is a result of work or the level of success achieved by workers in their field of work which can be directly reflected in the output produced both in terms of quantity and quality, according to the criteria applied to the job. Which can be measured through 1) technical capability; 2) Conceptual skills; 3) Responsibility; 4) Initiatives; and 5) Interpersonal relationship skills.

**Work motivation**

Every person in carrying out a certain action must be motivated by certain motives. Motivation usually arises because of the unfulfilled goals, or because of the desired expectations. Work motivation is a combination of complex psychological strengths within each person (Wibowo, 2014). Every individual has their own motivation which may be different. Here are some definitions of motivation according to experts.

Luthan (2006) argues that motivation is a process that begins with a physiological or psychological deficiency that drives behavior or drives aimed at goals or incentives. Thus, the key to understanding the motivational process depends on understanding and the relationship between needs, drives and incentives.

In addition, Robbin and Judge (2015) define motivation as a process that describes a person's strength, direction and persistence in an effort to achieve goals. Since motivation in general is concerned with working toward each goal, we shall narrow the focus to organizational goals on work-related behavior.

According to Maslow in Triatna (2015), someone's needs range from the lowest needs to the highest needs. Maslow suggested five hierarchies of needs for humans, namely basic needs, security, social, respect, and self-actualization. Each hierarchy consists of five levels, namely: 1) Physiological; 2) Security; 3) Social; 4) Awards; and 5) Self-actualization. In another motivation study, David McClelland in Mangkunegara (2011) suggested three kinds of human needs, namely: 1) Need for Achievement; 2) Need for Affiliation; and 3) Need for Power. Work motivation has been researched by many previous researchers, including: (Riyanto,
Sutrisno, et al., (2017a), (Bastari et al., 2020), (Prayetno & Ali, 2017), (Rivai et al., 2017), (Chauhan et al., 2019).

From some of the opinions mentioned above, it can be concluded that motivation is an impetus to act on a series of human behavior processes by considering the direction, intensity, and persistence of achieving goals. Which can be measured through two dimensions, namely: 1) intrinsic; and 2) extrinsic. Intrinsic motivation indicators are achievement, recognition, responsibility, achievement, and the work done. Meanwhile, indicators of extrinsic motivation are supervision, salary, physical work conditions, work relations, security and opportunities.

Work environment

The work environment is everything that is around the workers that can influence them in carrying out their assigned tasks (Nitisemito, 2009). According to Sedarmayati (2011) the work environment is the entire tooling tool and materials faced, the surrounding environment where a person works, his work methods, and work arrangements both as an individual and as a group.

This is in line with Hasibuan (2010), which defines the work environment as everything that is around the workers that can influence their drills in carrying out their assigned tasks.

According to Sarwoto in Sedarmayanti (2012) states that broadly speaking, the types of work environment are divided into 2, namely: 1) work environment / physical working environment; and 2) Working atmosphere / non-physical work environment (Non-Physical Working Environment). According to Sunyoto (2015), indicators in measuring the work environment are divided into four, namely: 1) Work Structure; 2) Relationships with Coworkers; 3) Relationship Between Subordinates and Leaders; and 4) work facilities available. The work environment has been researched by many previous researchers, including: (Purba et al., 2017).

From some of the opinions mentioned above, it can be concluded that the work environment is an environment where employees can influence their doctor in carrying out their assigned tasks. Where in general the work environment is divided into 2, namely: 1) The work environment / physical working environment; and 2) Working atmosphere / non-physical work environment (Non-Physical Working Environment).

Organizational culture

Organizational culture is a collection of values and norms that control interactions between organizational members and other members and with people outside the organization (Jones, 1998). According to Drucker in Tika (2010), organizational culture is the principal of solving external and internal problems whose implementation is carried out consistently by a group that is passed on to new members as the right way to understand, think and feel about related problems. . Meanwhile, according to Robbins (2012) Organizational culture is a system of shared meaning held by members that distinguishes the organization from other organizations.
Furthermore, Robbins (2012) explains that organizational culture can be measured through 7 indicators, namely: 1) Innovation and risk taking; 2) Attention to detail; 3) Outcome orientation; 4) People Orientation; 5) Team Orientation; 6) Aggressiveness; and 7) Stability. Meanwhile, according to Peter F. Drucker in Tika (2010) the characteristics of organizational culture can be measured through: 1) Individual Initiative; 2) Tolerance for risky actions; 3) Briefing; 4) Integration; 5) Management support; 6) Control; 7) Identity; 8) reward system; 9) Tolerance to conflict; and 10) Communication patterns. Organizational culture has been researched by many previous researchers, including: (Harini et al., 2020), (Elmi et al., 2016).

From some of the above opinions, it can be concluded that organizational culture is the norms and habits that are accepted as truth by everyone in the organization. Organizational culture becomes a common reference among humans in interacting in organizations. When people join an organization, they carry the values and beliefs they have been taught. Organizational culture can be measured through 1) Attention to detail; 2) Outcome orientation; 3) People Orientation; 4) Tolerance for risky actions; 5) Briefing; and 6) Management support.

**Compensation**

Rivai and Sagala (2009) argue that compensation is something that employees receive as a substitute for their service contribution to the company. The provision of compensation is one of the implementation of the HRM function which deals with all types of individual awards as an exchange for carrying out organizational tasks. Singodimedjo in Sutrisno (2009) argues that compensation is all remuneration received by an employee from his company as a result of the services / labor he has provided to the company. Meanwhile, according to Simamora (2009), compensation is all forms of financial returns, services and benefits that employees receive as part of the employment relationship.

According to Rivai and Sagala (2009) compensation can be measured through two indicators, namely financial compensation and non-financial compensation. Where financial compensation is measured through 1) direct compensation in the form of salaries, incentives and overtime pay; and 2) indirect compensation in the form of allowances and facilities. Meanwhile, non-financial compensation can be in the form of praise, appreciation, recognition and leave from work. The compensation has been widely studied by previous researchers, including: (Riyanto, Pratomo, et al., 2017), (Purba et al., 2017), (Paul & Resources, 2000).

From some of the above opinions, it can be concluded that compensation is all remuneration received by an employee as remuneration for contributions that have been given to the company. Compensation is broadly divided into two, namely financial compensation and non-financial compensation. Where financial compensation is measured through 1) direct compensation in the form of salaries, incentives and overtime pay; and 2) indirect compensation in the form of allowances and facilities. Meanwhile, non-financial compensation can be in the form of praise, appreciation, recognition and leave from work.
RESEARCH METHODS

The method of writing scientific articles is by qualitative methods and literature study or Library Research. Reviewing literature books in accordance with the theory discussed, especially in the scope of Human Resource Management (HRM). Besides, it analyzes reputable scientific articles as well as scientific articles from journals that are not yet reputable. All cited scientific articles are sourced from Mendeley and Google Scholar.

In qualitative research, literature review should be used consistently with methodological assumptions. This means that it must be used inductively so that it does not lead to the questions posed by the researcher. One of the main reasons for conducting qualitative research is that it is explorative in nature (Ali & Limakrisna, 2013).

Furthermore, it is discussed in depth in the section entitled Related Literature or the Review of Literature, as a basis for the formulation of hypotheses and will then become the basis for making comparisons with the results or findings revealed in the research, (Ali & Limakrisna, 2013)

FINDINGS AND DISCUSSION

Result

1. Work Environment and Work Motivation

There have been many studies and published articles on Work Environment and Work Motivation by previous researchers. Work environment articles include: (Purba et al., 2017), and (Sardjijo & Ali, 2017). Work Motivation articles include: (Riyanto, Sutrisno, et al., 2017a), (Bastari et al., 2020), (Prayetno & Ali, 2017), (Rivai et al., 2017), and (Chauhan et al., 2019).

2. Organizational Culture and Work Motivation

There have been many studies and published articles on Organizational Culture and Work Motivation by previous researchers. Work environment articles include: (Harini et al., 2020), and (Elmi et al., 2016). Work Motivation articles include: (Riyanto, Sutrisno, et al., 2017a), (Bastari et al., 2020), (Prayetno & Ali, 2017), (Rivai et al., 2017), and (Chauhan et al., 2019).

3. Compensation and Work Motivation

There have been many studies and published articles on Work Compensation and Work Motivation by previous researchers. Compensation articles include: (Riyanto, Pratomo, et al., 2017), and (Purba et al., 2017). Work Motivation articles include: (Riyanto, Sutrisno, et al., 2017a), (Bastari et al., 2020), (Prayetno & Ali, 2017), (Rivai et al., 2017), and (Chauhan et al., 2019).
4. Work Environment and Employee Performance

The work environment is related to the existence of facilities and infrastructure as well as social aspects that support workers in carrying out work. Organizational members or employees who are involved in the same job, share common tasks, or face the same job need environmental factors that can support their togetherness. As stated by Evans in Virgana (2011), the work environment is all opportunities that allow employees to contribute to work more productively, safely and happily.

Research conducted by Cahyani and Ardana (2013) shows that the proper spatial arrangement of the workplace will affect employee performance. This spatial arrangement must be supported by sufficient light distribution, choosing the right wall color, air circulation and air temperature according to the room (Norianggono, Hamid, & Ruhana, 2014). Lack of light distribution in each employee's room will result in employees being unable to work quickly and accurately. Calmness at work is also needed by every employee to do their job (Agastia, 2014).


5. Organizational Culture and Employee Performance

Organizational culture is the values developed in an organization, where these values are used to direct the behavior of employees (Prihartono & Ali, 2020). In addition, according to Maith, organizational culture makes an organization successful and becomes more stable, more advanced, more anticipatory of environmental changes (Ansori & Ali, 2017).

Organizational culture is very influential on the behavior of organizational members because the value system in organizational culture can be used as a reference for human behavior in organizations that are oriented towards achieving the goals or performance results set, so that if the organizational culture is good, the members of the organization are good and quality people. To create effective and efficient employee performance for the progress of the organization, it is necessary to have an organizational culture as a work guideline that can be a reference for employees to carry out organizational activities (Susanto et al., 2009).

Shina et al. (2010) organizational culture itself can help employee performance, because it is able to create work motivation for employees to give their best ability to take advantage of opportunities that have been given by the company. Organizational Culture and Performance have been researched by many previous researchers, including: (Harini et al., 2020), (Elmi et al., 2016), (Ali, Limakrisna, et al., 2016), (Harini et al., 2020), (Riyanto, Pratomo, et al., 2017), (Brata, Husani, Hapzi, 2017), (Agussalim, Kristin, et al., 2016),

6. Compensation and Employee Performance

Compensation is an important factor in efforts to improve employee performance, the size or size of compensation can affect the level of employee performance, the greater the compensation received, the more active the employee will be to work (Prayetno & Ali, 2017). Compensation is anything that employees receive in return for their work, and compensation itself can be divided into two, namely direct and indirect compensation. And direct compensation is compensation for services to employees who are received directly, regularly or periodically because the person concerned has provided assistance / donations to achieve organizational goals (Ruky, 2010), and direct compensation includes salaries, bonuses / incentives, commissions. Apart from direct compensation, indirect compensation also has an equally important role in improving employee performance. And indirect compensation includes day-to-day allowances and medical benefits.


7. Employee Motivation and Performance

Motivation and performance have a close relationship, where both are related to one another. However, it must be noted that various studies on the relationship between the two have shown that good motivation will create good performance. However, this relationship is not a causality relationship because the factors forming performance are not only motivation but there are other factors (Triatna, 2015).

Motivation is a factor that encourages someone to do a certain activity, therefore motivation is often interpreted as a driving factor for one's behavior. Every activity carried out by a person must have a factor that drives these activities. Therefore, the driving factor of a person to carry out a certain activity is generally the person's needs and desires (Gitosudarmo in Sutrisno, 2009). If he needs and wants something, then he will be motivated to do certain activities to get what is needed.

Hersey and Blanchard in Sedarmayanti (2011) state that motivation tends to decrease its strength if it is fulfilled or is hampered by its fulfillment. The opinion of Hersey and Blanchard states that if motivation is not given to subordinates, their performance results will decrease,
and if motivation is given, then the results of their performance are better or experience high strength.

Motivation and performance have been widely researched by previous researchers including: (Prayetno & Ali, 2017), (Rivai et al., 2017), (Chauhan et al., 2019); and (Ali, Limakrisna, et al., 2016), (Prihartono & Ali, 2020), (Ansori & Ali, 2017), (Harini et al., 2020), (Riyanto, Pratomo, et al., 2017), (Brata, Husani, Hapzi, 2017), (Agussalim, Kristin, et al., 2016), (Agussalim, Kristin, et al., 2016), (Ali, Limakrisna, et al., 2016), (Desfiandi et al., 2017), (Sulaeman et al., 2019), (Ansori & Ali, 2017), (Djojo & Ali, 2012), (Riyanto, Sutrisno, et al., 2017a), (Prayetno & Ali, 2017), (Ridwan et al., 2020), (Djoko Setyo Widodo, P. Eddy Sanusi Silitonga, 2017), (Agussalim, Ayu Rezkiana Putri, et al., 2016), (Riyanto, Sutrisno, et al., 2017a), and (Bastari et al., 2020), which suggests that motivation has a significant effect on performance. The results of this test can be interpreted that employees who have good work motivation will have more optimal performance.

**Conceptual Framework**

Based on a theoretical study and the relationship between variables, the model or Conceptual Framework of this article in order to build a hypothesis is as follows:

4) The Effect of Work Environment on Employee Performance based on research results: (Purba et al., 2017).
5) The influence of work culture on employee performance based on research results: (Harini et al., 2020), and (Elmi et al., 2016).
6) The Effect of Compensation on Employee Performance based on research results: (Riyanto, Pratomo, et al., 2017), (Purba et al., 2017), and (Paul & Resources, 2000)
7) The Effect of Work Motivation on Employee Performance based on research results: (Riyanto, Sutrisno, et al., 2017a), (Bastari et al., 2020), (Prayetno & Ali, 2017), (Rivai et al., 2017), and (Chauhan et al., 2019).

From the formulation of the problem of writing this article and reviewing literature studies from both relevant books and articles, the frame for this article is processed as below.
Discussion

This article analyzes and discusses the variables of Human Resource Management (HRM), namely: Employee Performance, Work Motivation, Work Environment, Organizational Culture, and Compensation. Where Work Environment, Organizational Culture, and Compensation affect Employee Motivation and Performance. Previous articles and relevant to this article are:

1) Work Environment affects Work Motivation

Work environment affects employee work motivation, this statement is based on articles from relevant and reviewed research, including: Rinawati, SI and Ingsih, K (2013), Sukmawati, F. (2008), and Prakoso, RD, Astuti, ES, and Ruhana, I (2014).

The results of this study explain that if the work environment in a company is conducive, be it a work environment / physical working environment or a non-physical work environment, it will provide motivation. separately for employees in doing a good job. On the other hand, if the work environment in a company is not conducive, this will result in lower employee motivation to work.

2) Organizational Culture influences Work Motivation

Organizational culture affects employee work motivation, this statement is based on articles from relevant and reviewed research, including: Giantari, IAI, and Riana, IG (2017), Koesmono, T (2005), Yuswani, W (2016), and Tejo, GA (2015).

Figure 1. Conceptual Framework
Organizational culture is the values developed in an organization, where these values are used to direct the behavior of employees (Rizky, et al., 2014). Shina et al. (2010) organizational culture itself can help employee performance, because it is able to create work motivation for employees to give their best ability to take advantage of opportunities that have been given by the company.

Organizational culture is a philosophy as values that become traits, habits, and driving forces shared by every individual in the work environment of an organization. If it is related to work motivation in the organization, the culture in the organization shows how organizational values are learned, namely being planted with consistency in applying discipline in every action, enforcement of rules and policies will encourage the emergence of conditions of openness, which is a situation that is always far from negative prejudice because of everything. something is conveyed through facts and accurate data (correct information). Furthermore, a situation full of openness will increase horizontal and vertical communication, foster personal relationships both formal and informal among management, so that mutual respect will grow.

3) Compensation has an effect on Work Motivation

Compensation affects employee work motivation, this statement is based on articles from relevant and reviewed research, including: Wulansari, P., Damanik, HI, and Prasetio, AP (2014), Laminingrum, AK (2016) and Verizqy, T and Kusumastuti, R (2014).

The results of this study explain that if employees receive appropriate compensation for what the employees have given to work, it will indirectly increase the work motivation of employees at work. Whether it is realized or not that every person who works does not merely want to give or dedicate himself to the organization where he belongs, but on the other hand wants to fulfill his personal needs, one of which is to expect compensation for work services that have been provided to the organization or institution where he works.

In general, compensation is remuneration received by employees in connection with the sacrifices that have been given to the organization. The purpose of providing compensation itself according to Hasibuan (2010) is a bond of cooperation, job satisfaction, effective procurement, motivation, employee stability, discipline, and the influence of labor unions and the government. This compensation can be given directly in the form of money or indirectly in the form of money from the agency to its employees. Compensation is the total remuneration received by employees as a result of working in the organization in the form of money or other, which can be in the form of salaries, wages, incentive bonuses, and other benefits such as medical benefits, holiday allowances, food allowances, leave pay and others. -Other (Hariandja, 2007).

4) Work environment affects employee performance

The work environment affects employee performance, this statement is based on articles from relevant research and reviews, including: (Purba et al., 2017).
The results of this study explain that if an organization or company is able to provide a conducive performance environment for its employees in carrying out their daily routine tasks, be it a work environment / physical working environment, and a work atmosphere / non-physical work environment. Then this will also be followed by an increase in employee performance in the form of technical skills, conceptual abilities, responsibilities, initiatives; and interpersonal relationship skills.

5) Organizational Culture affects Employee Performance

Organizational culture affects employee performance, this statement is based on articles from relevant and reviewed research, including: (Harini et al., 2020), and (Elmi et al., 2016).

The results of this study suggest that if an organization has a strong culture in the form of attention to detail, outcome orientation, people orientation, tolerance for risky actions, guidance, and management support. Then this will also be followed by an increase in employee performance in the form of technical skills, conceptual abilities, responsibilities, initiatives; and interpersonal relationship skills.

6) Compensation affects employee performance

Compensation affects employee performance, this statement is based on articles from relevant research and reviews, including: (Riyanto, Pratomo, et al., 2017), (Purba et al., 2017), (Paul & Resources, 2000).

This article explains that if the compensation provided by a company or organization can be given well, either in the form of financial compensation or non-financial compensation. Then this will also be followed by an increase in employee performance in the form of technical skills, conceptual abilities, responsibilities, initiatives; and interpersonal relationship skills.

7) Work motivation has a relationship and affects employee performance

Work motivation has a relationship and affects employee performance, this statement is based on articles from relevant research and reviews, including: (Riyanto, Sutrisno, et al., 2017a), (Bastari et al., 2020), (Prayetno & Ali, 2017), (Rivai et al., 2017), (Chauhan et al., 2019).

This explains that if employees have high work motivation in carrying out their work, whether in the form of intrinsic or extrinsic motivation, then this will also be followed by an increase in employee performance in the form of technical abilities, conceptual abilities, responsibilities, initiatives; and interpersonal relationship skills.

CONCLUSION AND SUGGESTION

Conclusion
Based on the formulation of the article, the results and discussion that are reviewed and discussed in this article, it can be concluded that to build a hypothesis for further research is:

1) Work Environment affects Work Motivation
2) Organizational Culture influences Work Motivation
3) Compensation has an effect on Work Motivation
4) Work environment affects employee performance
5) Organizational Culture affects Employee Performance
6) Compensation affects employee performance
7) Work motivation has a relationship and affects employee performance

**Suggestion**

Based on the conclusion above, the suggestion in this article is that there are still many other factors that affect employee performance or employee performance at all types and levels of the organization, therefore further studies are needed to complement what other factors can be affect performance.

**REFERENCE**


and organization culture on working productivity of BPJS (workers social security agency) employment staff in Rawamangun Branch. *Man in India*.


