



## THE EFFECT OF LEADERSHIP AND COMPENSATION ON THE JOB SATISFACTION MEDIATED BY MOTIVATION AT PT. INDESSO CULINAROMA INTERNATIONAL

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Job satisfaction is a measure of a positive feeling about work resulting from an analysis of the characteristics in a person. Based on job satisfaction assessment data, it was found that the phenomenon of employee job satisfaction at PT. Indesso Culinoma International is quite low, so it needs to be researched. The purpose of this study was to examine the effect of leadership and compensation on job satisfaction with motivation as a moderating variable at PT. Indesso Culinoma International. The technique used in this study is a survey method in the form of a questionnaire with a sample of all employees of PT. Indesso Culinoma International. The research design used associative and the data analysis technique used was path analyze using the smartPLS application. The results showed that leadership and compensation had a positive and significant effect on job satisfaction at PT. Indesso Culinoma International. In addition, motivational variables can also mediate the influence of leadership and compensation on job satisfaction.

**Keywords:** Leadership, Compensation, Motivation, Job Satisfaction.

### INTRODUCTION

Globalization and technology have pushed the competition even harder, where the strongest will survive. Companies that are able to adapt to today's environment and market are those that are able to provide what people are ready to buy. Conditions like this make the condition of the product or service organization must pass through the arena of competition. One method to win this business competition is to have superior human resources. So changes to improve the quality of employees are needed. Companies that want to adapt to today's market must innovate products, services, and develop human capital in order to face increasingly fierce business competition.

Human resources are one of the pillars of the success of an organization. With such conditions, human resources are the main pillar of the organization that needs to be developed

continuously in order to remain in the best condition. Among the many factors that need to be taken care of, one of the most important is job satisfaction.

Basically job satisfaction is an individual thing. Job satisfaction can be obtained if expectations and reality go hand in hand at work. These expectations include salaries, promotions, supervision, work partners, and even the work they do. Based on Mahesa's (2010) research, high job satisfaction is a sign that the organization provides effective policies on the contrary, low job satisfaction will have adverse effects such as absent work without permission, demonstrations, sluggish work, job changes, and intentional damage.

The following is employee attendance data of PT. Indesso Culinaroma Internasional during January - August 2020 which is showed in Table 1:

Table 1. Employee Attendance

Month	Target (%)	Attendance Realization (%)		
		On time	Not on time	Absent
January	85	74,76	25,24	6,5
February	85	85	15	4,6
March	85	76,63	23,37	5,6
April	85	81,3	18,7	2,8
May	85	68,22	31,78	7,5
June	85	78,5	21,5	3,7
July	85	88,78	11,22	3,7
August	85	77,57	22,43	6,5

Table 1 shows that the level of employee absenteeism in the 2020 period was unstable, and only 2 months met the target, namely February and July. It can be seen that the average employee who is not present on time is 21.15% or approximately 22 employees every day out of a total of 107 employees who are not present on time, and the average employee who is absent is 5.11% or approximately 5 employees who are absent every day due to leave, or illness, or without information. This indicates a low level of job satisfaction. This phenomenon is in accordance with research conducted by Mahesa (2010) which explains that the actions of job dissatisfaction carried out by employees include resigning, expressing active and constructive efforts to improve conditions, being passive in defending the organization, and not coming to work or arriving late regularly chronic.

Furthermore, to determine employee job satisfaction at PT. Indesso Culinaroma Internasional conducted a pre-survey to 15 employees from various departments which are described in table 2 below.

Table 2.

**Employee Job Satisfaction Pre Survey Results**

No	Statement	Yes	No
1	I was placed in a division that matched my interests and talents.	80%	20%
2	The salary given is in accordance with the workload that I do	46,67%	53,33%
3	Work equipment is adequate so that it makes me comfortable at work	66,67%	33,33%
Average		64,44%	35,56%

From the data obtained, the phenomenon of the level of job satisfaction of employees at PT. Indesso Culinaroma Internasional is only 64.44%, so further research needs to be done to find out what factors affect employee job satisfaction.

Based on the results of a pre-survey to 15 employees from various departments, the variables that most influence employee job satisfaction at PT. Indesso Culinoma International which is described in table 3 below.

Table 3

**Pre-Survey Results Factors Affecting Employee Job Satisfaction**

No	Variable	Answer	%
1	Compensation	12	26,7%
2	Workload	3	6,7%
3	Work environment	5	11,1%
4	Motivation	8	17,8%
5	Work Facilities and Infrastructure	2	4,4%
6	Leadership	10	22,2%
7	Organizational culture	5	11,1%

Based on the results, the three most influential variables on employee job satisfaction at PT. Indesso Culinoma International namely Leadership, Compensation, and Motivation.

**LITERATURE REVIEW**

**Leadership.** According to Robbins and Judge (2011:44) leadership is the ability to influence groups to achieve a vision or set of goals.

**Compensation.** According to Wibowo (2016: 289) compensation is an effort by an organization or company to retain its employees by giving rewards either directly or indirectly.

**Motivation.** Robbins and Judge (2011:127) define motivation as a process that explains the strength, direction and persistence of a person in an effort to achieve goals.

**Job satisfaction.** Robbins (2011:46) define job satisfaction as a positive feelings about work resulting from an evaluation of its characteristics.

**Model Framework.** Based on the explanation of the previous theory, the following framework (construct) can be formed.

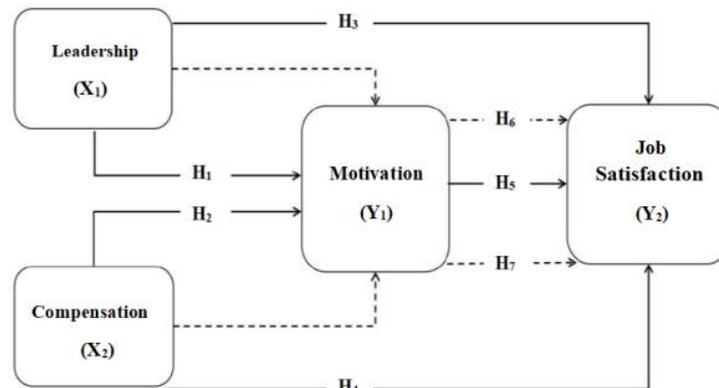


Figure 1. Model Framework

**Hypothesis.** Based on the framework of thinking, temporary conclusions can be drawn as hypotheses, namely:

**H1:** Leadership has a significant effect on employee motivation at PT. Indesso Culinoma International.

**H2:** Compensation has a significant effect on employee motivation at PT. Indesso Culinoma International.

**H3:** Leadership has a significant effect on employee job satisfaction at PT. Indesso Culinoma International.

**H4:** Compensation has a significant effect on employee job satisfaction at PT. Indesso Culinoma International.

**H5:** Motivation has a significant effect on employee job satisfaction at PT. Indesso Culinoma International.

**H6:** Leadership has an indirect effect on employee job satisfaction which is mediated by motivation at PT. Indesso Culinoma International.

**H7:** Compensation has an indirect effect on employee job satisfaction which is mediated by motivation at PT. Indesso Culinoma International.

## RESEARCH METHODS

**Types of research.** This research includes associative research. Associative according to Sugiyono (2012) is research that aims to determine the relationship or influence between two or more variables and the extent to which independent variables affect the dependent variable and determine the intervening variables directly/indirectly.

**Population and sample.** The sampling method used in this study is the saturated sample method. The saturated sample method according to Sugiyono (2012) is a sampling technique when all members of the population are used as samples. Then the number of samples taken as many as 107 employees.

**Method of collecting data.** In this study, the data collection methods used were as follows: (1) Literature study, (2) Documentation, (3) Interviews, and (4) Questionnaires.

## RESEARCH METHODS

**Descriptive data analysis.** According to Sugiyono (2012: 564) descriptive analysis provides a description of the research subject based on data from variables obtained from the group of subjects studied and is not intended for hypothesis testing.

**Data analysis using smartPLS.** This study uses an analytical method with Structural Equation Modeling (SEM) with instrument testing using smartPLS. According to Nurlela (2017) PLS is a method of Structural Equation Modeling (SEM) analysis with variance-based multivariate statistical techniques. The following are the steps in data analysis using smartPLS: (1) Convergent Validity Testing, (2) Discriminant Validity Testing, (3) Composite Reliability Testing, (4) Cronbach's Coefficient Alpha Testing, (5) Evaluating Path Coefficient Values, (6) Evaluating the R<sup>2</sup> and F values, (7) Testing Predictive Relevance (Q<sup>2</sup>), (8) Validating the overall structural model with the Goodness of Fit Index (GoF), (9) Testing Hypotheses.

## FINDINGS AND DISCUSSION

**Characteristics of respondents.** (1) Gender of respondents 83.2% were male and 16.8% were female, (2) Age of respondents was 34% aged <25 years, 45% aged 25-30 years, 12% aged 30-35 years, 7 % are 35-40 years old, and 2% are >40 years old, (3) The last education of respondents 57% has a high school education or the equivalent, 42% has a bachelor's degree, and 1% has a master's degree, (4) years of service respondents, 3% had a tenure of <1 year, 34% had a tenure of 1-4 years, 53% had a tenure of 5-10 years, 9% had a tenure of 11-15 years, 1% had a tenure of >15 years.

### Description Data Analysis

**Leadership.** Based on the results of the respondents' answers, the average value of the variable was 3.67, meaning that the leadership is already good.

**Compensation.** Based on the results of the respondents' answers, the average value of the variable was 3.72, meaning that compensation is already good.

**Motivation.** Based on the results of the respondents' answers, the average value of the variable was 3.81, meaning that the motivation of employees is already good.

**Job satisfaction.** Based on the results of respondents' answers, the average value of the variable is 3.44, which means that the job satisfaction of employees is good enough.

### Analysis Using smartPLS

#### Convergent Validity Testing.

**Leadership.** Based on the calculation results, it was found that most of the leadership indicators got a loading factor value > 0.5, but there is 1 indicator that has a loading factor

value  $< 0.5$ , namely the X1.9 indicator which has a value of 0.371, which means the X1.9 indicator is removed from the model, and all the remaining indicators of the leadership variable are valid and still used in the model.

**Compensation.** Based on the calculation results, it can be seen that the indicators for each compensation variable are loading factor values  $> 0.5$ , which means that all compensation indicators are valid and still used in the model.

**Motivation.** Based on the calculation results, it can be seen that the indicators for each motivation variable have a loading factor value  $> 0.5$ , but there is 1 indicator that has a loading factor value  $< 0.5$ , namely the Y1.2 indicator which has a value of 0.302, which means the Y1 indicator. 2 is removed from the model, and all the remaining indicators of the motivation variable are valid and still used in the model.

**Job satisfaction.** Based on the calculation results, it can be seen that the indicators on the job satisfaction variable are each loading factor value  $> 0.5$ , which means that all job satisfaction indicators are valid and still used in the model.

**Discriminant Validity Testing.** Based on calculations using smartPLS, the following cross loading values from this study are in table 4 below.

Tabel 4 Discriminant Validity Test Results

Indicator	Leadership	Compensation	Motivation	Job satisfaction	Explanation
X11	0,759	0,588	0,619	0,557	Valid
X110	0,739	0,581	0,618	0,620	Valid
X12	0,615	0,488	0,532	0,551	Valid
X13	0,602	0,482	0,418	0,397	Valid
X14	0,698	0,579	0,484	0,510	Valid
X15	0,752	0,539	0,519	0,493	Valid
X16	0,735	0,608	0,549	0,588	Valid
X17	0,775	0,591	0,593	0,527	Valid
X18	0,769	0,571	0,524	0,563	Valid
X21	0,504	0,705	0,498	0,488	Valid
X22	0,508	0,775	0,499	0,556	Valid
X23	0,527	0,679	0,472	0,627	Valid
X24	0,614	0,745	0,629	0,552	Valid
X25	0,598	0,775	0,559	0,563	Valid
X26	0,605	0,702	0,515	0,610	Valid
X27	0,604	0,679	0,543	0,554	Valid
X28	0,511	0,646	0,533	0,456	Valid
X29	0,469	0,644	0,541	0,519	Valid
Y11	0,593	0,532	0,659	0,560	Valid
Y13	0,580	0,580	0,657	0,636	Valid
Y14	0,454	0,471	0,610	0,422	Valid
Y15	0,413	0,474	0,676	0,509	Valid
Y16	0,558	0,585	0,761	0,609	Valid
Y17	0,549	0,511	0,696	0,515	Valid
Y18	0,515	0,541	0,772	0,619	Valid
Y19	0,605	0,564	0,820	0,615	Valid
Y21	0,448	0,433	0,494	0,673	Valid
Y210	0,522	0,598	0,601	0,692	Valid
Y211	0,564	0,631	0,561	0,718	Valid
Y212	0,503	0,584	0,519	0,721	Valid
Y22	0,481	0,459	0,549	0,634	Valid
Y23	0,530	0,556	0,627	0,747	Valid
Y24	0,584	0,593	0,568	0,721	Valid
Y25	0,524	0,552	0,523	0,662	Valid
Y26	0,502	0,498	0,534	0,750	Valid
Y27	0,526	0,541	0,511	0,721	Valid
Y28	0,544	0,524	0,644	0,762	Valid
Y29	0,618	0,600	0,624	0,692	Valid

Based on table 4 above, it can be seen that the results of the discriminant validity test show that all indicators used in this study have a cross loading value of the construct that is greater than the cross loading value of other constructs so it can be concluded that the constructs of Leadership (X1), Compensation (X2), Motivation (Y1), and Job Satisfaction (Y2) have good and valid discriminant validity, as well as the similarity of an indicator to explain the construct.

### Composite Realibility and Cronbach's Alpha testing.

Based on calculations using smartPLS, the following are the Composite Realibility and Cronbach's Alpha values from this study in table 5 below.

Table 5. *Cronbach's Coefficient Alpha and Composite Reliability (CR) value*

Variable	<i>Cronbach's Coefficient Alpha</i>	<i>Composite Reliability (CR)</i>
Leadership	<b>0,881</b>	<b>0,905</b>
Compensation	<b>0,910</b>	<b>0,923</b>
Motivation	<b>0,874</b>	<b>0,900</b>
Job satisfaction	<b>0,857</b>	<b>0,889</b>

As shown in table 5, it is known that the Cronbach's Coefficient Alpha value is more than 0.6 or even close to 1 and the Composite reliability (CR) value is more than 0.7. In table 4.9 it is known that the values of Cronbach's Coefficient Alpha and Composite reliability values for all variables in this study are more than 0.80 or even close to 1. The values in table 4.9 have exceeded the standard, respectively  $> 0.6$  and  $> 0.7$ , so that all variables in the study were declared reliable.

### Evaluating the Value of the Path Coefficient (Path Coefficient).

To evaluate the value of the path coefficient, based on the results of calculations using calculate SmartPLS bootstrapping, the path coefficient results that describe the strength of the relationship between constructs/variables as shown in table 6 below.

Table 6. *Path Coefficient Test Results*

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Leadership (X1)-> Job satisfaction (Y2)	0.187	0.184	0.091	2.059	0.040
Leadership (X1)-> Motivation (Y1)	0.433	0.438	0.096	4.508	0.000
Compensation (X2)-> Job satisfaction (Y2)	0.316	0.329	0.100	3.146	0.002
Compensation (X2)-> Motivation (Y1)	0.417	0.416	0.102	4.071	0.000
Motivation (Y1) -> Job satisfaction (Y2)	0.419	0.416	0.107	3.917	0.000

The following is an image of the calculation results of the inner bootstrapping model which is presented in the image below.

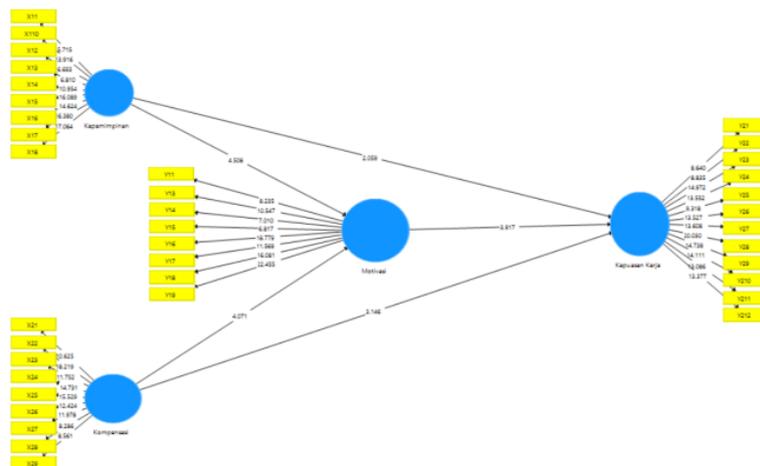


Figure 2. Inner Model Bootstrapping Calculation Results

Based on table 6 above, it can be concluded that:

- 1) Leadership has an effect of 0.187 on job satisfaction with a T-Statistic value of 2.059 and a P-Value of 0.040.
- 2) Leadership has an effect of 0.433 on motivation with a T-Statistic value of 4.508 and P-Values of 0.000.
- 3) Compensation has an effect of 0.316 on job satisfaction with a T-Statistic value of 3.146 and P-Values of 0.002.
- 4) Compensation has an effect of 0.417 on motivation with a T-Statistic value of 4.071 and P-Values of 0.000.
- 5) Motivation has an effect of 0.419 on job satisfaction with a T-Statistic value of 3.917 and P-Values of 0.000.

**Evaluate the value of R<sup>2</sup> and F Count.**

To evaluating the value of R<sup>2</sup> based on the results of calculations using the calculate SmartPLS algorithm which produces an R<sup>2</sup> value of 0.720 for the job satisfaction variable and 0.643 for the motivation variable. The value of R<sup>2</sup> indicates that the level of determination of the exogenous variable to the endogenous variable is quite high.

Table 7. Simultan Effect Test Results (R<sup>2</sup>)

	R Square	R Square Adjusted
Job satisfaction (Y2)	0.720	0.711
Motivation (Y1)	0.643	0.635

The simultan influence of leadership (KP) and compensation (KOM) variables on motivation (M) can be done by calculating f arithmetic / f statistics using the formula below.

$$R^2 = 0,643 (M)$$

$$F \text{ count} = \frac{\frac{R^2}{(k-1)}}{1 - R^2 / (n-k)}$$

$$F \text{ count} = \frac{\frac{0,643}{(4-1)}}{1 - 0,643 / (95-4)}$$

$$F \text{ count} = 0,2143 / 0,0039$$

$$F \text{ count} = 54,948$$

The simultan effect of the variables of leadership (KP), compensation (KOM), and motivation (M) on job satisfaction (KK) can be done by calculating f arithmetic / f statistics using the formula below.

$$R^2 = 0,720 \text{ (KK)}$$

$$F \text{ count} = \frac{\frac{R^2}{(k-1)}}{1 - R^2 / (n-k)}$$

$$F \text{ count} = \frac{\frac{0,720}{(4-1)}}{1 - 0,720 / (95-4)}$$

$$F \text{ count} = 0,24 / 0,003$$

$$F \text{ count} = 80$$

The calculated F value in this study is 54.948 and 80 the F table value at alpha 0.05 is 2.46. This means that fcount > fTable, which means that exogenous variables have an effect on endogenous variables.

### Testing Predictive Relevance (Q<sup>2</sup>).

The purpose of testing predictive relevance (Q<sup>2</sup>) is to validate the model, the results of the Q<sup>2</sup> calculation must be done manually, with the following results:

$$\begin{aligned} Q^2 &= 1 - [1 - R^2] [1 - R^2] \\ &= 1 - [1 - 0,643] [1 - 0,720] \\ &= 1 - 0,09996 \\ &= 0,90004 \end{aligned}$$

Based on the calculation results from Q<sup>2</sup> above, it can be obtained information that the predictive relevance value is 0.90004. In other words, this model is considered to have very high predictive relevance because the Q<sup>2</sup> value is close to 1.

### Validate the overall structural model with the Goodness of Fit Index (GoF).

The purpose of testing the Goodness of Fit Index (GoF) is to validate the combined performance of the measurement model (outer model) and structural model (inner model) which can be obtained through the following calculations:

$$GoF = \sqrt{AVE \times R^2}$$

$$\text{GoF} = \sqrt{0,5052 \times 0,2314}$$

$$\text{GoF} = \sqrt{0,1169}$$

$$\text{GoF} = 0,3419$$

Explanation :

$$\text{AVE} = (0,516 + 0,502 + 0,500 + 0,503) / 4 \\ = 0,5052$$

$$\text{R square} = (0,643 \times 0,72) / 2 = 0,2314$$

The calculation result of the Goodness of Fit Index (GoF) shows the result value is 0.3419. Based on the results of the calculations above, it can be concluded that the combined value of the measurement model (outer model) and structural model (inner model) as a whole is quite good because the Goodness of Fit Index (GoF) value is  $> 0.25$ .

## HYPOTHESIS TESTING

Testing the hypothesis from the above results about the influence between leadership and compensation variables on the motivation variable (Y1) both partially and also leadership (X1), compensation (X2) and motivation (Y1) on the job satisfaction variable (Y2), and also the following are related to mediating effect or mediating effect. The results of calculations with SmartPLS are presented in table 8 and table 9 below.

**Table 8. Direct Effect of Partial Independent Variables on  
Dependent Variables**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Leadership (X1)-> Job satisfaction (Y2)	0.187	0.184	0.091	2.059	0.040
Leadership (X1)-> Motivation (Y1)	0.433	0.438	0.096	4.508	0.000
Compensation (X2)-> Job satisfaction (Y2)	0.316	0.329	0.100	3.146	0.002
Compensation (X2)-> Motivation (Y1)	0.417	0.416	0.102	4.071	0.000
Motivation (Y1) -> Job satisfaction (Y2)	0.419	0.416	0.107	3.917	0.000

The statistical calculations obtained are presented in Table 8 for the structural model with the following hypotheses:

### **Hypothesis 1 - Leadership has a significant effect on motivation.**

The path coefficient is 0.433 and tcount (4.508)  $>$  ttable (1.671) with a P-value of 0.000, thus H1 is accepted (P-value  $<$ 0.05) and H0 is rejected, meaning that Leadership (X1) has a positive and significant effect on Motivation (Y1).

### **Hypothesis 2 - Compensation has a significant effect on motivation.**

The path coefficient is 0.417 and tcount (4.071)  $>$  ttable (1.671) with a P-value of 0.000, thus H2 is accepted (P-value  $<$ 0.05) and H0 is rejected, meaning that compensation (X2) has a positive and significant effect on motivation (Y1).

**Hypothesis 3 - Leadership has a significant effect on job satisfaction.**

The path coefficient is 0.187 and  $t_{count} (2.059) > t_{table} (0.1671)$  with a P-value of 0.040, thus H3 is accepted (P-value  $< 0.05$ ) and H0 is rejected, meaning that Leadership (X1) has a positive and significant effect on Job Satisfaction (Y2).

**Hypothesis 4 - Compensation has a significant effect on job satisfaction.**

The path coefficient is 0.316 and  $t_{count} (3.146) > T_{table} (0.1671)$  with a P-value of 0.002, thus H4 is accepted (P-value  $< 0.05$ ) and H0 is rejected, meaning that compensation (X2) has a positive and significant effect on job satisfaction (Y2).

**Hypothesis 5 - Motivation has a significant effect on job satisfaction.**

The path coefficient is 0.419 and  $t_{count} (3.917) > t_{table} (0.1671)$  with a P-value of 0.000, thus H5 is accepted (P-value  $< 0.05$ ) and H0 is rejected, meaning that motivation (Y1) has a positive and significant effect on job satisfaction (Y2).

**Hypothesis 6 - Leadership has an indirect effect on employee job satisfaction which is mediated by motivation.****Hypothesis 7 - Compensation has an indirect effect on employee job satisfaction which is mediated by motivation.**

**Table 9. Indirect Effect of Independent Variables on Dependent Variables**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Compensation -> Motivation -> Job satisfaction	0.175	0.172	0.057	3.078	0.002
Leadership -> Motivation -> Job satisfaction	0.181	0.187	0.067	2.686	0.007

Based on the results of the indirect effect test in table 9, the following results are obtained.

1. The path coefficient value of the direct influence of leadership (X1) on job satisfaction (Y2) squared is 0.1872, which is  $0.00349 <$  the path coefficient value of the indirect influence of leadership on employee job satisfaction is 0.181 and the P-value of the indirect influence of the leadership variable on Job satisfaction mediated by the motivation variable is 0.007 with a T value of 2.686. Because the P-value obtained from the results above  $< 0.05$  and T statistic  $> 1.671$ , it can be concluded that the leadership on job satisfaction mediated by the motivation variable is significant, it can be said to be a complete mediating variable, this indicates that the leadership can increase motivation which in turn will increase employee job satisfaction.
2. The path coefficient value of the direct effect of compensation (X2) on job satisfaction (Y2) squared is 0.3162, which is  $0.099856 <$  the path coefficient value of the indirect effect of compensation on job satisfaction is 0.175 and the P-value of the indirect effect of compensation variable on job satisfaction work mediated by the motivation variable is 0.002 with a T-value of 3.078, because the p value obtained is  $< 0.05$  and the T statistic is  $> 1.671$ , it can be concluded that if the compensation for job satisfaction mediated by

the motivation variable is significant, it can be said to be a complete mediating variable. , this shows that the compensation can help to increase motivation which will further increase job satisfaction.

3. Based on the results of the analysis above, then H6 and H7 are accepted and H0 is rejected. Thus, it can be concluded that hypotheses 6 and 7 are proven which states that motivational variables mediate some of the leadership and compensation variables on employee job satisfaction and have a significant effect.

## **FINDING AND DISCUSSION**

### **The influence of leadership on motivation (hypothesis 1).**

The results of hypothesis testing that have been carried out show that leadership has a positive and significant influence on motivation with a coefficient value of 0.433 with a P-value of 0.000. This illustrates that the better the leadership, the higher the employee's motivation. The results of this study are strengthened by the results of research from Guterres (2020) and Rahmawati (2019) which concludes that leadership has a positive influence on motivation.

### **The effect of compensation on motivation (hypothesis 2).**

The results of hypothesis testing that have been carried out show that compensation has a positive and significant effect on motivation with a coefficient value of 0.417 with a P-value of 0.000. This illustrates that the more appropriate the compensation given, the higher the employee's motivation. Of course, compensation is one of the goals of a person to work, this is because compensation is a source of income for an employee, where the higher the education and good skills he has, the greater the compensation received. The results of this study are corroborated by the results of research from Haryani (2015) and Harahap (2019) which also concludes that compensation has a positive effect on motivation.

### **The influence of leadership on job satisfaction (hypothesis 3).**

The results of hypothesis testing that have been carried out show that leadership has a positive and significant influence on job satisfaction with a coefficient value of 0.187 with a P-value of 0.040. This illustrates that the better the leadership, the higher the job satisfaction of employees. The impact of a leader's influence on its members can be positive which can improve their performance or vice versa understanding of the tasks carried out and understanding the characteristics of their subordinates, the leader will be able to provide guidance, encouragement, and motivation to all employees in achieving goals. The results of this study are corroborated by the results of research by Rahmawati (2019), and Tamali (2019) concluding that leadership has a positive influence on employee job satisfaction.

### **The effect of compensation on job satisfaction (hypothesis 4).**

The results of the hypothesis test that have been carried out show that compensation has a positive and significant effect on job satisfaction with a coefficient value of 0.316 with a P-value of 0.002. This illustrates that the better the compensation given, the higher the employee's job satisfaction. The results of this study are corroborated by the results of research by Tamali

(2019) and Saputra (2020) concluding that compensation has a positive effect on employee job satisfaction.

#### **The effect of motivation on job satisfaction (hypothesis 5).**

The results of the hypothesis testing that have been carried out show that motivation has a positive and significant effect on job satisfaction with a coefficient value of 0.419 with a P-value of 0.000. This illustrates that the higher the motivation, the higher the employee's job satisfaction. The results of this study are corroborated by the results of research by Nursaid (2020), Adanu (2017), Guterressa (2020), and PAAIS (2020) concluding that motivation has a positive influence on employee job satisfaction.

#### **The influence of leadership on job satisfaction mediated motivation (hypothesis 6).**

The results of hypothesis testing that have been carried out show that the indirect effect of leadership on job satisfaction mediated by motivation is significant with all mediations (full mediation). The path coefficient value of the direct influence of leadership (X1) on job satisfaction (Y2) squared is 0.1872, which is  $0.00349 <$  the path coefficient value of the indirect influence of leadership on employee job satisfaction is 0.181 and the P-value of the indirect influence of the leadership variable on job satisfaction mediated by the motivation variable is 0.007 with a T value of 2.686. This is reinforced by the results of research conducted by Suyanto (2020) which shows that motivation is able to mediate leadership on job satisfaction.

#### **The effect of compensation on job satisfaction mediated by motivation (hypothesis 7).**

The results of hypothesis testing that have been carried out show that the indirect effect of compensation on job satisfaction mediated by motivation is significant with all mediations (full mediation). The path coefficient value of the direct influence of compensation (X2) on job satisfaction (Y2) squared is 0.3162, which is  $0.099856 <$  the path coefficient value of the indirect effect of compensation on job satisfaction is 0.175 and the P-value of the indirect influence of the commercial variable satisfaction with job satisfaction mediated by the motivation variable is 0.002 with a T-value of 3.078. This is reinforced by the results of research conducted by Suyanto (2020) which shows that motivation is able to mediate leadership on job satisfaction.

## **CONCLUSION AND RECOMMENDATION**

### **Conclusion.**

- (1) Leadership has a positive and significant effect on motivation.
- (2) Compensation has a positive and significant effect on motivation
- (3) Leadership having a positive and significant impact on motivation.
- (4) Compensation having a positive and significant effect on job satisfaction
- (5) Motivation having a positive and significant effect on job satisfaction
- (6) Motivation mediating leadership on job satisfaction and having a positive and significant effect.
- (7) Motivation mediating compensation on job satisfaction and having a positive and significant influence.

**Recomendations.**

## (1) For companies

- a. Leaders at PT. Indesso Culinaroma can be given training and development related to leadership.
- b. It is necessary to make regulations regarding the latest big leave, because currently the regulations for big leave is started when the employee has reached a minimum of 10 years of service, then given back every multiple of 5 years, in addition to being given sabbatical leave rights, PT. Indesso Culinaroma Internasional also provides a large leave money with a predetermined amount.
- c. To maintain employee motivation, which is already good enough, is to provide rewards in the form of material and non-material to employees who have the best performance for one semester or one year, and this reward is given to each level not only at the top level, so that the motivation of employees who are already good meets the results obtained, it is hoped that this motivation will remain.
- d. One of the principles held by PT. Indesso Culinoma International is a family principle, so the foundation that has been built since the beginning must be maintained. One way is to hold an outing agenda that is routinely carried out, or conduct morning briefings together at the beginning of the week, to maintain a sense of ownership of the company so that it remains in line with the company's goals and targets.

## (2) For Further Research

The hope of the authors is that in future research they can dig deeper related to other variables that affect job satisfaction. Furthermore, it can also conduct further research with other variables that can mediate the influence of leadership and compensation variables on job satisfaction such as organizational culture, workload, organizational climate, or others.

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