The Effect Of Work Motivation, Competence And Compensation On Employee Spirit And Performance At Regional Office II Of The National Civil Service Agency In Surabaya

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Abstract.
This study aims to examine and analyze the effect of Work Motivation, Competence, and Compensation on Spirit of Work and Employee Performance, as well as the influence of Spirit of Work on Employee Performance at Regional Office II of the National Civil Service Agency in Surabaya. The samples in this study were taken as many as 85 samples, namely 85 employees at Regional Office II of the National Civil Service Agency in Surabaya. Data analysis techniques using path analysis with SPSS software version 22. The conclusions obtained from this study are: (1) Work Motivation has a significant effect on Spirit of Work; (2) Competence has a significant effect on Spirit of Work; (3) Compensation has a significant effect on Spirit of Work; (4) Work Motivation has not significant effect on Employee Performance; (5) Competence has a significant effect on employee performance; (6) Compensation has not significant effect on employee performance; and (7) Work Spirit has a significant effect on Employee Performance at Regional Office II of the National Civil Service Agency in Surabaya.

Keywords: Work Motivation, Competence, Compensation, Spirit of Work, Employee Performance

I. INTRODUCTION

In the current era of bureaucratic reform and globalization, the quality of human resources has an important and decisive role in achieving the goals of an organization. In other side, the development of information technology and government science, it causes fundamental changes and reforms in good governance. Good governance is also mandatory for the Regional Office II of the National Civil Service Agency (BKN) Surabaya. In order to achieve organizational goals, every employee (employee) is required to maximize their performance. Performance is the result or level of success of a person as a whole during a certain period in carrying out tasks compared to various possibilities, such as work standards, targets or goals as well...
as criteria that have been determined in advance and have been agreed before. At Regional Office II BKN Surabaya, now a days there are several employees showing declining performance, this is indicated by a decrease in the quantity, quality and ability of employees to work. The decline in employee performance theoretically and empirically are influenced by many factors, including being influenced by Spirit of Work, Work Motivation, Competence and Compensation. Spirit of Work is defined as a climate or working atmosphere in an organization that shows a sense of enthusiasm in carrying out work and encourages them to work better and more productively. Enthusiasm increased to work, make a work more quickly and all the bad effects of decreased spirit of work such as absenteeism will be minimized.

Furthermore, with increased spirit of work, it is also expected to improve work performance or employee performance. Work motivation has an important role in terms of growing passion, feeling happy and enthusiastic to work optimally. Employees who have a strong work motivation will have a lot of energy to carry out activities. An employee who has high enough intelligence can fail due to lack of motivation. One of the factors to improve employee performance is to develop employee competence because employees who have high competence tend to be able to carry out work tasks more effectively and efficiently. Competence is a basic characteristic of a person that allows him to provide superior performance in a particular job, role, or situation. Competence is not only ability and expertise, but how to apply it in accordance with performance standards. Compensation factors can affect Employee Spirit and Performance, because compensation is a form of remuneration provided by the organization to its employees in the hope that the organization will receive rewards in the form of optimal or high employee performance.

**Problem Formulation**
1. Does work motivation have a significant effect on employee spirit of work?
2. Does Competence have a significant effect on Employee Spirit of Work?
3. Does compensation have a significant effect on employee Spirit of Work?
4. Does work motivation have a significant effect on employee performance?
5. Does Competence have a significant effect on Employee Performance?
6. Does compensation have a significant effect on employee performance?
7. Does work morale have a significant effect on employee performance?

**II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT**

**Work Motivation**

Motivation comes from the Latin word "Movere" which means "push or driving force". Motivation is a stimulant of desire (want) the driving force of a person's willingness to work, each motive has a specific goal to be achieved. Giving this encouragement aims to activate people or employees so that they are enthusiastic and can achieve the desired results (Yusuf, 2015: 263).
**Competence**

Competence relates to the ability and authority of an employee or staff in carrying out his profession or work. Mulyasa (2013:22) explains that competence comes from English "competency" which means skill, ability and authority. A person is declared competent in a particular field if he has competence in their skills to work in a particular field.

**Compensation**

Compensation according to Sutrisno (2014: 197) can be defined as any form of award given to employees as a reward for the contributions they make to the organization. Simamora (2015:244) mentions indicators for measuring compensation variables include: salaries, incentives, allowances and facilities.

**Spirit of Work**

Nitismito (2014:101) explains that work enthusiasm and work passion are difficult to separate even though work enthusiasm has a considerable influence on employee performance. With increased enthusiasm and enthusiasm for work, work will be completed more quickly and all the bad effects of declining morale such as absenteeism will be minimized, furthermore with increased spirit of work it is also expected to improve work performance or employee performance.

**Employee Performance**

Hasibuan (2017: 94) defines employee performance as a result of work achieved by an employee in carrying out the tasks assigned to him based on skills, experience and sincerity and time.

III. METHODS

The population is all employees at Regional Office II BKN in Surabaya, namely 85 employees. The research sample was 85 employees, with the sampling technique used was a census or population study. This research was conducted at the Regional Office II of the Surabaya Civil National Service Agency, having its address at Lt. Gen. S. Parman street, Number 6 Waru, Waru District, Sidoarjo Regency. The time of the research was carried out in January 2020 – May 2020. The data analysis method used in this study was quantitative analysis with path analysis using the computer-assisted SPSS version 22.0.

III. RESULT AND DISCUSSION

The summary of the results of the path analysis resulting from this study is shown in Table 1 below.
Table 1. Summary of Pathway Analysis Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Coefficient track</th>
<th>t</th>
<th>Sig.</th>
<th>Partial r</th>
<th>r²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub Structural 1 (X1, X2 and X3 against Y1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.156</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Motivation (X1)</td>
<td>0.223</td>
<td>6.018</td>
<td>0.000</td>
<td>0.556</td>
<td>0.306</td>
</tr>
<tr>
<td>Competence (X2)</td>
<td>0.429</td>
<td>8.165</td>
<td>0.000</td>
<td>0.672</td>
<td>0.452</td>
</tr>
<tr>
<td>Compensation (X3)</td>
<td>0.472</td>
<td>8.456</td>
<td>0.000</td>
<td>0.685</td>
<td>0.469</td>
</tr>
</tbody>
</table>

Sub Structural 2 (X1, X2, X3 and Y1 against Y2)

Source: Data Processed (2020)

Equation 1

\[ Y1 = 0.156 + 0.223X1 + 0.429X2 + 0.472X3 \] (1)

Some things than can be known from equation 1 resulting from this research are:

1. The constant with 0.156 is the intersection of the regression line with the Y1 axis which shows the average employee spirit of work when the independent

Fig 1. Result Path Analysis

Source: Data Processed (2020)

Based on Table 1, a structural equation model can be made as follows:

Source: Data Processed (2020)
variables, namely the variables of Work Motivation, Competence, and Compensation are equal to zero.

2. The X1 path coefficient with 0.223 with a significant 0.000 indicating that work motivation has a significant effect on employee spirit of work. This means that if the work motivation variable (X1) increases by 1 unit, the employee's work morale will increase by 0.223 with the assumption that the other independent variables, namely the competence and compensation variables, are constant.

3. The X2 path coefficient with 0.429 with a significant 0.000 indicating that Competence (X2) has a significant effect on employee spirit of work. This means that if the competency variable increases by 1 unit, the employee's morale will increase by 0.429 with the assumption that the other independent variables, namely the work motivation and compensation variables, are constant.

4. The X3 path coefficient with 0.472 with a significant 0.000 indicating that compensation (X3) has a significant effect on employee work of spirit. This means that if the compensation variable increases by 1 unit, the employee's morale will increase by 0.472 with the assumption that the other independent variables, namely the variables of work motivation and competence, are constant.

Equation 2
\[
Y_2 = 0.240 + 0.063X_1 + 0.376X_2 + 0.023X_3 + 0.743Y_1 \quad (2)
\]

Some things that can be known from equation 2 resulting from this research are:

1. The constant 0.240 is the intersection of the regression line with the Y2 axis which shows the average employee performance when the independent variables, namely Work Motivation, Competence, Compensation, and Work Spirit are zero.

2. The X1 path coefficient 0.063 with a significance of 0.088 indicating that the work motivation variable (X1) has no significant effect on employee performance, because it has a significance level greater than 0.05 (sig. > 0.05) so that the effect is not significant.

3. The X2 path coefficient 0.376 with a significance of 0.000 indicating that Competence (X2) has a significant effect on employee performance. This means that if the competency variable increases by 1 unit, the employee's performance will increase equal to 0.376 with the assumption that the other independent variables, namely the variables of Work Motivation and Compensation are fixed/constant.

4. The X3 path coefficient is 0.023 with a significance of 0.719 indicating that compensation (X3) has no significant effect on employee performance,
because it has a significance level greater than 0.05 (sig. > 0.05) so the effect is not significant.

5. The Y1 path coefficient is 0.743 with a significance of 0.000 indicating that work morale (Y1) has a significant effect on employee performance. This means that if the Work Morale variable increases by 1 unit, then Employee Performance will increase by 0.743 with the assumption that the other independent variables, namely Work Motivation, Competence, and Compensation are constant.

Discussion
The Effect of Work Motivation on Work Spirit

The first hypothesis is proven or accepted as true that work motivation has a significant effect on employee spirit of work at Regional Office II BKN in Surabaya. This is shown in Table 1 which explains the magnitude of the regression path coefficient of the Work Motivation variable (X1) on Work Morale (Y1) is 0.223 (Sig. = 0.000 → Significant). This means that if the work motivation variable changes (increases) in a more positive direction by 1 level, then employee morale will also increase by 0.223. The contribution of the work motivation variable to employee morale can be seen from the value of the partial determination coefficient ($r^2$) = 0.306 so the contribution is 30.6%. While the relationship or correlation (r) of the variable of Work Motivation with Work Spirit is 0.556 with a significance of 0.000 (Table 1).

The results of this study, which show that work motivation has a significant effect on employee morale at the Regional Office II BKN in Surabaya, are theoretically in line with the opinions of Handoko (2014: 2) and Robbins and Judge (2016: 182) and empirically support the results of Utamajaya and Sriathi's research. (2015) and Prayudha (2016). Handoko (2014:2) states that work motivation has an important role in terms of growing passion, feeling happy and enthusiastic to work optimally. Meanwhile, Robbins and Judge (2016: 182) explain that high motivation work affects the spirit or activities of employees in carrying out their duties. The results of the research by Utamajaya and Sriathi (2015) show that simultaneously and partially motivation, communication, and the physical work environment have a significant effect on employee spirit of work at Fuji Jaya Motor Gianyar. While the results of Prayudha's research (2016) show that the variables of work motivation, incentives and competence simultaneously and partially have a positive effect on the work spirit of the employees in Mandiri Sejahtera Maesan Bondowoso Cooperative.

The Effect of Competence on Work Spirit

The second hypothesis is proven or can be accepted as true that competence has a significant effect on employee spirit at Regional Office II BKN in Surabaya. This is shown in Table 1 which explains the magnitude of the regression path coefficient of the Competency variable (X2) on Work Morale (Y1) is 0.429 (Sig. = 0.000 → Significant). This means that if the competency variable changes (increases) to a more
positive one level, the employee's spirit of work will also increase by 0.429. The contribution of the competency variable to employee spirit can be seen from the coefficient of partial determination \( r^2 = 0.452 \), so the contribution is 45.2%. While the relationship or correlation \( r \) of the Competency variable with Work Spirit is 0.672 with a significance of 0.000 (Table 1).

The results of this study, which show competence has a significant effect on employee spirit at the Regional Office II BKN in Surabaya, are theoretically in line with Wibowo's opinion (2016: 271) and empirically support the results of Prayudha's research (2016). Wibowo (2016: 271) explains that competence is an ability to carry out or perform a job or task based on skills and knowledge and is supported by the work attitude required by the job. The results of Prayudha's research (2016) show that the variables of work motivation, incentives and competence simultaneously and partially have a positive effect on the spirit of the employees in Mandiri Sejahtera Maesan Bondowoso Corporative.

The Effect of Compensation on Work Spirit

The third hypothesis is proven or can be accepted as true that compensation has a significant effect on employee morale at Regional Office II BKN in Surabaya. This is shown in Table 1 which explains the magnitude of the regression path coefficient of the Compensation variable \( X_3 \) on Work Morale \( Y_1 \) is 0.472 (Sig. = 0.000 → Significant). This means that if the Compensation variable changes (increases) in a more positive direction by 1 level, then employee morale will also increase by 0.472. The contribution of the compensation variable to employee morale can be seen from the coefficient of partial determination \( r^2 = 0.469 \) so the contribution is 46.9%. While the relationship or correlation \( r \) of the Compensation variable with Work Spirit is 0.685 with a significance of 0.000 (Table 1). From this relation shown that work of spirit and compensation is so close (very close if near from 1).

The results of this study, which show that compensation has a significant effect on employee spirit at the Regional Office II BKN in Surabaya, are theoretically in line with Dessler opinion (2015: 21) and empirically support the results of Winata's research (2016). Dessler (2015: 21) which explains that compensation is any form of payment or reward given to an employee and arises from the employment of that employee. Where the higher the employee's perception of the compensation he receives will make his work spirit also increase. Winata's research (2016), one of which concludes that Compensation and Communication have a simultaneous (simultaneous) effect on Employee Spirit, has a significant effect on Employee Spirit at PT. FIF Medan Branch.

The Effect of Work Motivation on Employee Performance

Fourth hypothesis is not proven or not accepted that work motivation has a significant effect on employee performance at the Regional Office II BKN in

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Surabaya. This is shown in Table 1 which explains the magnitude of the regression path coefficient of the Work Motivation variable (X1) on Employee Performance (Y2) is 0.063 (Sig. = 0.088 → Not Significant). Its means that if the work motivation variable changes (increases) in a more positive direction by 1 level, then employee performance will also didn’t change automatically. The contribution of the work motivation variable to employee performance can be seen from the value of the coefficient of partial determination ($r^2 = 0.036$) so contribution of 3.6%. While the relationship or correlation ($r$) of Work Motivation variable with Employee Performance is 0.189 with a significance of 0.088 (Table 1). Based on this correlation value, it shows that the relationship between the variables of Work Motivation and Employee Performance is not very close (very close if it is close to 1).

The results of this study which show that work motivation has no significant effect on employee performance at the Regional Office II of the State National Civil Service Agency in Surabaya, theoretically are not in line with Siagian's opinion (2016: 68) and empirically do not support the results of Setiawan's research (2015). Siagian (2016: 68) who argues that motivation is the driving force for individuals to contribute as much as possible (best performance) for the success of the organization in achieving its goals, where this can happen if the personal goals of organizational members are also achieved. The results of Setiawan's research (2015) conclude that work motivation has a significant effect on the performance of executive level employees in the Operations Division of PT. Pusri Palembang.

The Effect of Competence on Employee Performance

The fifth hypothesis is proven or can be accepted as true that competence has a significant effect on employee performance at the Regional Office II BKN in Surabaya. This is shown in Table 1 which explains the magnitude of the regression path coefficient of the Competency variable (X2) on Employee Performance (Y2) is 0.376 (Sig. = 0.000 → Significant). Its means that if the Competency variable changes (increases) to a more positive 1 level, then Employee Performance will also increase by 0.376. The contribution of the Competency variable to Employee Performance can be seen from the value of the coefficient of partial determination ($r^2 = 0.343$) so the contribution is 34.3%.

While the relationship or correlation ($r$) of the Competency variable with Employee Performance is 0.586 with a significance of 0.000 (Table 1). The results of this study, which shows that competence has a significant effect on employee performance at the Regional Office II BKN in Surabaya, are theoretically in line with the opinion of Boulter et al. (Sutrisno, 2014:221) and empirically supports the research results of Ningsih et al. (2016). Boulter et al. (Sutrisno, 2014:221) stated that Competence is a basic characteristic of a person that allows him to provide superior performance in a particular job, role, or situation. This means that competence has an effect on performance. The results of Ningsih et al. (2016) where one of them concludes that the development of employee competencies for education and training

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The Effect of Compensation on Employee Performance

The sixth hypothesis is not proven or not accepted that compensation has a significant effect on employee performance at the Regional Office II BKN in Surabaya. This is shown in Table 1 which explains the magnitude of the regression path coefficient of the Compensation variable (X3) on Employee Performance (Y2) is 0.023 (Sig. = 0.719 → Not Significant). This means that if the Compensation variable changes (increases) to a more positive 1 level, then Employee Performance will not automatically increase. The contribution of the variable compensation to employee performance can be seen from the value of the coefficient of partial determination \( r^2 \) = 0.002 so its contribution is 0.2%. While the relationship or correlation \( r \) of the Compensation variable with Employee Performance is 0.040 with a significance of 0.719 (Table 1).

The results of this study, which show that compensation has no significant effect on employee performance at the Regional Office II BKN in Surabaya, are theoretically not in line with the opinion of Handoko (2014: 205) and empirically do not support the results of Riana and Fajri's research (2016). Handoko (2014: 205) which states that employee compensation is generally designed to do three things, namely to attract capable employees into the organization, motivate them to achieve superior performance (achievement), and to create a long service life. One of the results of Riana and Fajri's research (2016) concluded that compensation has a significant effect on employee performance in Kampung Batu Malakasari Tektona Waterpark Bandung Regency, with an effect of 0.619 or 61.90%. Its mean compensation has effect in employee performance.

The Effect of Work Spirit on Employee Performance

The seventh hypothesis is proven or can be accepted as true that work spirit has a significant effect on employee performance at the Regional Office II BKN in Surabaya. This is shown in Table 1 which explains the magnitude of the regression path coefficient of the Work Morale variable (Y1) on Employee Performance (Y2) is 0.743 (Sig. = 0.000 → Significant). This means that if the work spirit variable changes (increases) to a more positive 1 level, then employee performance will also increase by 0.743. The contribution of the work spirit variable to employee performance can be seen from the value of the coefficient of partial determination \( r^2 \) = 0.454 so the contribution is 45.4%. Meanwhile, the relationship or correlation \( r \) of the Work Spirit variable with Employee Performance is 0.674 with a significance of 0.000 (Table 1).

The results of this study, which show that work spirit has a significant effect on employee performance at the Regional Office II BKN in Surabaya, is theoretically in line with the opinion of Nitisemito (2014:101) Hasibuan (2017:222) and empirically supports the results of Pratama and Wardani's research (2017). Nitisemito (2014:101)
states that work enthusiasm is also defined as a climate or work atmosphere contained in an organization that shows a sense of excitement in carrying out work and encourages them to work better and more productively. Hasibuan (2017: 222) states that work enthusiasm is a willingness to do work diligently and enthusiastically, so that the completion of work is fast and good. With increased enthusiasm and passion for work, then the work will be completed faster and performance will increase. While the results of Pratama and Wardani's research (2017) show that work ability, work spirit, and job satisfaction simultaneously have a significant effect on the performance of Bank Syariah Mandiri employees at the Kendal Branch Office.

IV. CONCLUSION

Based on the discussion of the results of the research that has been carried out, the following conclusions are obtained:

1. Work motivation has a significant effect on employee spirit, theoretically in line with the opinion of Handoko (2014: 2) and Robbins and Judge (2016: 182) and empirically supports the research results of Utamajaya and Sriathi (2015) and Prayudha (2016).

2. Competence has a significant effect on employee spirit, theoretically in line with Wibowo's opinion (2016: 271) and empirically supports the results of Prayudha's (2016) research.

3. Compensation has a significant effect on employee spirit, theoretically in line with Dessler's opinion (2015: 21) and empirically supports the results of Winata's research (2016).

4. Work motivation has no significant effect on employee performance, theoretically it is not in line with Siagian's opinion (2016: 68) and empirically does not support the results of Setiawan's research (2015).

5. Competence has a significant effect on employee performance, theoretically in line with the opinion of Boulter et al. (Sutrisno, 2014:221) and empirically supports the research results of Ningsih et al. (2016).

6. Compensation has no significant effect on employee performance, theoretically it is not in line with the opinion of Handoko (2014: 205) and empirically does not support the research results of Riana and Fajri (2016).

7. Work spirit has a significant effect on employee performance, theoretically in line with the opinion of Nitisemito (2014:101), Hasibuan (2017:222) and empirically supports the results of Pratama and Wardani's research (2017).

Suggestion

Based on the results of the research and analysis that has been done, here are some suggestions for future research so that it can be even better, including:

1. Regional Office II of the State Civil Service Agency in Surabaya.
a. Work Motivation and Compensation have a significant effect on employee spirit, so it is advisable to maintain or pay more attention to Work Motivation and Compensation from good to be better.

b. Competence has a significant effect on employee spirit, so its recommended to maintain and or further improve competence from already good to even better.

c. Work Motivation directly does not have a significant effect on employee performance, but has a significant effect if through work spirit, it is recommended to further increase employee morale which can strengthen the effect of work motivation and on employee performance

REFERENCES


