



The impact of incentives and motivation on the performance of education service employees in Indonesia

Santi Lolongan*, Suyud

Faculty of Education and Psychology, Yogyakarta State University, Indonesia

Abstract

This ex-post-facto research aims to find out (1) the effect of incentives on employee performance at the Education Office Asmat District; (2) the influence of employee work motivation on employee performance at the Education Office Asmat Regency; and (3) determine the influence of incentives and employee work motivation on employee performance at the Education Office Asmat Regency.

Data collection was carried out involving a sample of 61 employees who were randomly selected. Three instruments in the form of questionnaires were developed using a Likert scale. The incentive instrument consists of 12 items, the work motivation instrument consists of 12 items and the employee performance instrument consists of 12 items. Before being used, each instrument has been tested for validity and reliability so that it is suitable for use to collect data. The collected data was then analyzed using regression analysis

The results of this research show that (1) Incentives influence employee performance at the Education Office Asmat Regency with an influence contribution of 21.5%; (2) Work motivation influences employee performance at the Education Office Asmat Regency with an influence contribution of 39.4%;; and (3) Incentives and work motivation influence employee performance at the Education Office Asmat Regency, by following the equation $Y = 8,962 + 0,292 X1 + 0,498 X2$. At the significant level $\alpha = 0.05$, together incentives and work motivation contribute 66.0% to employee performance at the Education Office Asmat Regency.

Keywords: Incentives, work motivation, employee performance

Introduction

Human resources are a critical component of businesses and organisations. A positive correlation exists between employee proficiency and organisational performance. Conversely, employee performance is directly proportional to organisational performance. Superior human resources are those of the highest calibre, capable of operating in a productive, efficient, and professional manner (Siagian, 2016). By possessing exceptional human resources, an organisation can enhance its performance, thereby increasing the likelihood of successfully attaining its objectives. The structures and objectives of an organisation are interdependent, and human communication is required to coordinate activities within the organisation. A decline in employee performance will lead to financial losses for the organisation.

As the implementing organisation of the Asmat Regional Government, the Asmat Regency Education Office is tasked with the planning, execution, oversight, and evaluation of the Asmat region's education implementation process. In order to accomplish the established vision and mission of a government organisation, collaboration among all systems within the organisation is essential. In addition, the system is fundamentally composed of the personnel that comprise it—human resources.

It is determined that the Asmat Regency Education Office has fallen short of attaining the predetermined objectives. The Regional Government has placed upon its obligations and responsibilities that are designed to ensure public satisfaction. However, despite the provision of technological infrastructure and facilities, accountability for performance, and skilled personnel, these responsibilities and duties have not been fully executed. The performance of employees in

carrying out their job responsibilities frequently fails to meet the standards set for success.

Problems can arise when employees exhibit a propensity for laziness, resulting in the work being incomplete prior to the designated deadline. At the Asmat Regency Education Office, there are still personnel who enter late and depart early.

In light of the aforementioned considerations, the Asmat District Education Office has implemented a range of initiatives aimed at enhancing human resources in order to improve employee performance. Education, training, provision of adequate compensation, establishment of a conducive work environment, and motivation are a few of the activities conducted. By means of work-related education and training, it is anticipated that personnel will gain a comprehensive understanding of their tasks, thereby enabling them to assume greater accountability for their performance. Scholars posit that a considerable number of issues arise due to inadequate employee motivation. It is indisputable that each employee joins an organisation or agency for personal reasons, including the expectation that compensation will suffice to support their living expenses. As a result, scholars are intrigued by the inquiry into the correlation that exists between the incentives offered to employees and their level of work motivation.

Incentives, which are compensation offered by organisations through the establishment of a connection between remuneration and employee productivity, are frequently applied to salary payment schemes that are associated in some way (Sutrisno *et al.*, 2023). Financial incentives are provided as compensation to individuals who surpass pre-established performance criteria (Saputri *et al.*, 2021) ^[30]. The provision of incentives is intended to increase

employees' enthusiasm for their work. The provision of incentives within an organisation is significant because it is believed to be capable of resolving a variety of increasingly complex problems in the workplace, such as low work ethic caused by employees' morale and unsatisfactory passion for their work. In accordance with Hermawan and Fikri (2020), a discrepancy exists between permanent and non-permanent employees with regard to work motivation, due to the absence of supplementary income in the form of incentives for the former.

The ability to perform work effectively is contingent upon an individual possessing a strong work motivation. The issue at the Asmat Regency Education Office pertains to the dearth of employee motivation in the workplace. Employees exhibit reduced motivation to cultivate their creativity and devise novel approaches to work support, both of which are crucial for achieving optimal work outcomes. Age and limited proficiency in information and communication technologies are frequently cited as factors contributing to this diminished motivation.

Drawing from the preceding discourse, the author expresses interest in conducting research under the heading "The impact of incentive provision and employee work motivation on employee performance at the Education Office of the Asmat Regency."

Researchers aim to investigate the following through this study: (1) the impact of incentives on employee performance at the Asmat Regency Education Office; (2) the interaction between employee work motivation and employee performance at the same organisation; and (3) the combined influence of employee work motivation and incentive systems on employee performance at the same organisation.

Research method

A. Research Design

This study encompasses *ex post facto* research as no treatment or manipulation of the research variables occurred during the course of the investigation. *Ex-post facto* research involves the examination of past events in order to identify potential causal factors by looking back in time. A quantitative methodology is being employed in which the symptoms will be investigated and quantified through numerical means. Pragmatism, as a philosophical framework, guides the investigation of specific populations or samples through the application of research instruments during data collection and subsequent quantitative/statistical data analysis. This approach aims to test predetermined hypotheses (Sugiyono, 2013).

B. Research Time and Location

The present study was conducted at the Education Office of the Asmat Regency for a duration of four months, specifically from March 2023 to June 2023.

C. Data Sources

Data sources are the individuals from which researchers obtain information pertinent to their investigations. The outcomes of surveys administered directly to participants by researchers were utilised in the investigation of work motivation, incentives, and employee performance. This study utilised 61 personnel of the Asmat Regency Education Office as respondents.

D. Data Analysis Technique

Before questionnaires can be utilised in actual research, they must first be tested. This is necessary because the quality of the research results is essentially determined by the accuracy of the data. The accuracy of the data is contingent upon the quality of the data collection instrument. Two qualities must be present in a quality instrument: validity and reliability.

The evaluation tools employed by the Asmat District Education Office to assess employee performance, work motivation, and incentives are each comprised of twelve items. Four alternative options are prepared for each item. In order to ascertain the anticipated outcomes, the instrument underwent pre-use testing on a number of participants.

The trial results data were subsequently analysed in order to ascertain the instrument's validity and reliability. The instrument analysis reveals that the Corrected Item-Total Correlation value for all utilised instruments is greater than 0.3; therefore, it can be concluded that the instruments are valid and appropriate for measuring each variable in the research.

Moreover, the instrument reliability analysis reveals that each of the utilised instruments possesses a Cronbach Alpha reliability index of at least 0.6. Consequently, it can be deduced that the instruments are dependable, signifying that the question items possess the capability to yield consistent measurement outcomes.

Findings and discussion

This research consists of two independent variables, incentives (X1) and work motivation (X2) and one dependent variable, employee performance (Y). Data that has been collected using an instrument in the form of a questionnaire distributed to respondents, namely employees of the Asmat District Education Service, for each variable can be presented as follows.

A questionnaire consisting of 12 questions was distributed to 61 respondents to obtain information about the incentives received. The results of data collection show that the incentive scores spread from 22 to 41 with an average of 33.69 and a standard deviation of 4.763. The results of data collection show that work motivation scores spread from 23 to 44 with an average of 34.25 and a standard deviation of 4.308. The results of data collection show that employee performance scores spread from 24 to 44 with an average of 35.87 and a standard deviation of 3.845.

Effective employee performance is the aspiration of each agency to accomplish its objectives. Nevertheless, in order to attain this state, numerous considerations must be incorporated to ensure that employee performance meets expectations. Work motivation and incentive provision are anticipated to have the greatest impact on employee performance at the Education Department of the Asmat Regency.

1. The impact of incentives (X1) on the performance of employees (Y).

Many factors influence the performance of employees at the Asmat Regency Education Office. One of the influencing factors is the incentives given to employees. The results of the calculations that have been carried out show that at the significance level $\alpha = 0.05$, assuming that other variables still contribute to incentives to employee performance, it is $R^2 = 0.215$. This means that 21.5% of employee

performance can be determined by the incentives provided. One of the ways in which the performance of employees at the Asmat Regency Education Service is good and bad can be predicted from how incentives are given to employees.

The research findings above are in line with the opinion that intensive organizational provision provides responsibility and encouragement to employees to improve the quality and quantity of their work results or increase their productivity (Citra *et al.*, 2020^[10]; Adiati & Saroyo, 2022)^[11]. The priority of the influence of incentives is not merely in the form of instructions, but rather as a motivation or trigger that can inspire employees, so that their initiative and creativity develop optimally to improve their performance.

On the other hand, the level of intensity also influences employee performance. Employees will have high performance if they increase job satisfaction and improve employee competency. Incentives have a positive and significant effect on employee performance through job satisfaction (Gachengo & Wekesa, 2017). This means that employees will have high performance if they increase job satisfaction and provide better incentives. The results of calculations from the Likert scale show that according to employees at the Asmat Regency Education Office, the perceived intensity has an average score of 33.69 in the good category. This means that without calculating the nominal amount of rupiah, employees feel the suitability between incentives and performance. To improve the performance of an employee in the company by providing compensation that is commensurate with the work the employee has done. If someone who has worked beyond the target makes the employee receive rewards from the performance results that have been achieved (Rachman *et al.*, 2019)

2. The impact of work motivation (X2) on the performance of employees (Y).

Apart from incentives, employee work motivation has also been proven to have a significant influence on employee performance at the Asmat District Education Office. The results of the analysis that have been carried out show that assuming other variables are constant, work motivation has an effect on employee performance at the Asmat District Education Office by $R^2=0.394$. This means that 39.4% of employee performance can be determined by the employee's work motivation. One of the ways in which employee performance at the Asmat Regency Education Service is good or bad can be predicted from the employee's work motivation.

The results of this research are in line with the findings of previous research which concluded that motivation has a positive and significant effect on employee performance variables (Marhumi & Nugroho, 2018^[22]; Zahari *et al.*, 2019; Murti & Utami, 2021)^[23]. When an organization or agency is able to provide good motivation, employees will be more enthusiastic about working and more motivated to carry out their duties well so that this will influence the achievement of organizational performance. However, on the contrary, employee performance will be classified as weak if their work ethic is not high. To form a high work ethic from employees, motivation plays a very important role.

The average score for work motivation is 34.25, indicating that the work motivation of employees at the Asmat Regency Education Office is in the good category.

Employees being motivated to work well can occur due to several factors, such as organizational management, leadership, meeting needs and so on. Furthermore, providing incentives that are felt to be sufficient by employees at the Asmat District Education Office may be a motivation for employees to work well.

3. The impact of work motivation (X2) and incentives (X1) on employee performance (Y)

Without taking into account other variables that influence employee performance at the Asmat Regency Education Service as presented above, the incentive and work motivation variables each have a significant influence on employee performance at the Asmat Regency Education Office. Next, it is necessary to see how each variable contributes together.

The calculation results show that incentives and work motivation influence employee performance at the Asmat Regency Education Office, by following the equation $Y = 8.962 + 0.292 X_1 + 0.498 X_2$. At the significant level $\alpha = 0.05$, incentives and work motivation have a joint influence on employee performance at the Asmat District Education Office, amounting to $R^2 = 0.660$. This means that 66.0% of employee performance at the Asmat District Education Office can be determined by the incentives provided and the employee's work motivation.

The results of this research are in line with several studies that have been conducted previously where intensive provision and work motivation together have an effect on employee performance (Hasmalawati & Hasanati, 2017^[17]; Effendy & Fadhillah, 2018; Paramananda & Purba 2021). Furthermore, these two variables are the variables that have the greatest influence on employee performance compared to other variables. This is in accordance with what was conveyed by Paramananda & Purba (2021) concluding that incentives and motivation are known to be variables that have the most significant or dominant influence on employee performance.

Several other theories state that intensive is a respect or institutional strategy for providing motivation to employees who have enforced and upheld a disciplinary attitude (Effendy & Fadhillah, 2018; Sutrisno *et al.*, 2023). Or in other words, perhaps incentives are a variable that influences performance not directly but through work motivation. With this in mind, it can be understood that incentives make a smaller contribution than work motivation.

Conclusions and suggestions

A. Conclusions

This research aims to analyze the influence of Incentives and Work Motivation on Employee Performance at the Asmat Regency Education Office. So the conclusions that can be drawn are as follows: 1) Incentives influence employee performance at the Asmat District Education Office with an influence contribution of 21.5%; 2) Work motivation influences employee performance at the Asmat Regency Education Office with an influence contribution of 39.4%; and 3) Incentives and work motivation influence employee performance at the Asmat District Education Office, by following the equation $Y = 8.962 + 0.292 X_1 + 0.498 X_2$ employee at the Asmat Regency Education Office.

B. Suggestions

The researcher realizes that there are still many shortcomings in this research, but the researcher hopes that no matter how small the benefits from this research will be. For this reason, researchers provide suggestions to obtain an overview as material for consideration and improvement by future researchers related to similar research.

For academics, this research is expected to be an additional reference regarding customer decisions for researchers and future researchers who are interested in discussing similar research topics, namely Incentives, Work Motivation and Work Environment on Employee Performance. Apart from that, for academics who want to research the factors that influence employee performance, researchers suggest expanding the factors to be studied.

For companies, it is hoped that this research can be used as input or as consideration in increasing the provision of incentives. Because providing positive incentives will be able to encourage employee performance to increase. Therefore, the Asmat Regency Education Office must continue to increase the provision of incentives because they can improve employee performance.

In order to create superior human resources, the Asmat Regency Education Office must periodically upgrade employees by providing work motivation related to the tasks at the Asmat Regency Education Office.

References

1. Adiati RR, Saroyo. The Effect of Incentives on Employee Performance at CV. Yazid Bersaudara, Tabalong Regency. *Jurnal Mahasiswa Administrasi Publik dan Administrasi Bisnis (JAPB)*,2022:5(1):178–193.
<https://jurnal.stiatabalong.ac.id/index.php/JAPB/article/view/592/492>
2. Afandi P. *Human Resource Management (Theory, Concepts and Indicators)*. Riau: Zanafa Publishing, 2018.
3. Afriyelnaidi Akos M, Abdurrahman A. Improving Employee Performance Through Motivation and Work Discipline at the Kapuas Regency Fisheries and Maritime Service. *Administrasi – Jurnal Ilmu Administrasi dan Manajemen*,2017:2:63-73.
<https://ejournal.stiabinabanuabjm.ac.id/index.php/administrasi/article/view/21/13>
4. Aji CCB, Praptiestrini. The influence of motivation and work discipline on employee performance at the Surakarta City Education Office. *Jurnal Penelitian dan Kajian Ilmiah Smooting*,2021:19:(2).
<https://ejournal.unsa.ac.id/index.php/smooting/article/view/678/445>
5. Anoraga P. *Psikologi Kerja*. Rineka Cipta. Jakarta, 2006.
6. Ardian N. The Influence of Performance-Based Incentives, Work Motivation, and Work Ability on the Work Performance of UNPAB Employees. *Jurnal Kajian Ekonomi Dan Kebijakan Publik*,2019:4(2):119–132.
<https://jurnal.pancabudi.ac.id/index.php/jepa/article/view/597>
7. Bahari IA, Umar A, Darti D, Muhammad Z, Kessi AMP, Septiana AR, *et al.* Effect of Competencies and Incentives on Performance Through Job Satisfaction. Proceedings of the International Conference on Industrial Engineering and Operations Management Sao Paulo, Brazil, April 5 - 8, 2021
8. Budi AS, Kusumayudha MR, Riana D. The Influence of Motivation and Work Facilities on Employee Performance Results. *Jurnal Kajian Ilmiah Universitas Bhayangkara Jakarta Raya*,2019:19(3):222-230. DOI: <http://dx.doi.org/10.31599/jki.v19i3.485>
9. Busro. *Human Resource Management*. Jakarta: Pranamedia Group, 2018.
10. Citra L, Samdin, Amin M. The Influence of Motivation and Incentives on Employee Performance at the Lasolo Community Health Center. *Jurnal Manajemen dan Kewirausahaan*,2020:12(2):118-129. DOI: [10.55598/jmk.v12i2.14026](https://doi.org/10.55598/jmk.v12i2.14026)
11. Dharma S. Performance Management Philosophy Theory and Application. Pustaka Pelajar, Yogyakarta, 2009.
12. Djaali. *Psikologi Pendidikan*. Rineka Cipta. Jakarta, 2014.
13. Effendy AA, Fadhillah A. The Influence of Incentives and Motivation on Employee Performance at PT. Calibramed South Jakarta. *Jurnal Ilmiah Manajemen Forkamma (JIMF)*.2018:1(3):85-96. DOI: <https://doi.org/10.32493/frkm.v1i3.2551>
14. Gusfa U. The Influence of Motivation on the Performance of BAWASLU Riau Employees with Work Discipline and Communication as Mediation. *Jurnal Manajemen Dan Bisnis Terapan*,2020:2(2):100–112. DOI: <https://doi.org/10.31849/jmbt.v2i2.9002>
15. Harahap DS, Khair H. The Influence of Leadership and Compensation on Job Satisfaction Through Work Motivation. *Jurnal Ilmiah Magister Manajemen*,2019:2(1):69–88. DOI: <https://doi.org/10.30596/maneggio.v2i1.3404>
16. Hasibuan MSP. *Manajemen Sumber Daya Manusia*. Edisi Revisi. Bumi Aksara. Jakarta, 2014.
17. Hasmalawati N, Hasanati N. The Influence of Quality of Work Life and Work Motivation on Employee Performance. *MEDIAPSI*,2017:3(2):1-9. DOI: <https://doi.org/10.21776/ub.mps.2017.003.02.1>
18. Hermawan J, Jajang F. The influence of incentives and work motivation on the performance of General Election Commission employees. *AKADEMIKA*,2020:18(2):126-136. DOI: <http://dx.doi.org/10.51881/jam.v18i2.200>
19. Hutagalung S, Metiana, Mantikei B. The influence of competency, work culture and incentives on employee performance at Puruk Cahu Regional Hospital. *Journal of Environment and Management*,2021:2(3):249-255. DOI: <https://doi.org/10.37304/jem.v2i3.4386>
20. Kasrul, Nngandoh ML. Incentives and Work Ability on Job Satisfaction through Performance. *Economics and Digital Business Review*,2020:1(1):33-43. DOI: <https://doi.org/10.37531/ecotal.v1i1.4>
21. Kuniawan A, Fitriyani. The effect of incentives and promotions on employee performance. *JRKA*,2021:7(2):1-18
22. Marhumi S, Nugroho HS. The influence of incentives and motivation on employee performance at PT. Media Fajar Newspaper. *Jurnal Economix*,2018:6(2):183-194. <https://ojs.unm.ac.id/economix/article/view/10335/6017>
23. Murti CD, Utami ER. The Influence of Work Motivation, Self Efficacy and Internal Locus of Control on the Performance of Village Credit Agency (BKD)

- Employees. *Reviu Akuntansi Dan Bisnis Indonesia*,2021:5(2):197–207. DOI: <https://doi.org/10.18196/rabin.v5i2.13550>
24. Nursiana Echdar S, Mustapa Z. The influence of Human Capital and incentives partially and simultaneously and the most dominant on the organizational performance of the Pinrang Regency Communication and Information Service. *Jurnal Ilmiah Bisnis dan Kewirausahaan*,2021:10(1):28-36. DOI: <https://doi.org/10.37476/jbk.v10i1.3130>
25. Nurwin KJ, Frianto A. The Influence of Competency and Motivation on the Performance of Insurance Company Employees. *Jurnal Ilmu Manajemen*,2021:9(3):876–885. DOI: <https://doi.org/10.26740/jim.v9n3.p876-885>
26. Rahmah A, Herman M, Fibriyanita F. The Influence of Work Satisfaction and Discipline on Employee Performance at the Banjarmasin City Regional Civil Service Agency (BKD) Office. *Diploma Thesis, Universitas Islam Kalimantan*,2018:5(2):40–51. DOI: <https://doi.org/10.26740/jim.v10n2.p702-713>
27. Risal T. The Influence of Work Environment and Motivation on Employee Performance at the North Sumatra Province Water Resources Service Office. *Accumulated Journal*,2022:4(2):224-237. DOI: <http://dx.doi.org/10.22303/accumulated.4.2.2022.224-237>
28. Rivai V. Human Resource Management for Companies From Theory to Practice. Jakarta: Raja Grafindo Persada, 2009.
29. Rozarie. Human Resource Management. Surabaya: CV Rozarie, 2017.
30. Saputri AD, Handayani S, DP MK. The Influence of Work Discipline and Providing Incentives on Employee Performance of PT Putra Karisma Palembang. *Jurnal Nasional Manajemen Pemasaran & SDM*,2021:2(1):25–42. DOI: <https://doi.org/10.47747/jnmpsdm.v2i1.211>