# The Effect of Work Motivation and Compensation on Employee Work Productivity at PT Kereta Api (Persero) Divre III Palembang

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**Abstract:** The purpose of this study was to determine and analyze the effect of motivation and compensation on employee productivity at PT. Kereta Api (Persero) Divre III Palembang by distributing questionnaires to 150 respondents. The technique used in this study is a questionnaire technique with saturated sampling method. The variables studied are productivity as the dependent variable while motivation and compensation are the independent variables. The analysis technique used is Partial Least Square Structural Equation Modeling (PLS SEM) using the Smart Pls application. From the results it was recorded that the variables of motivation and compensation have a direct significant effect on employee work productivity. The significant influence of these variables can be seen from the results of Cross Loading that the value of Factor Loading when associated with other latent variables has the best discriminant validity. For motivation and compensation variables on productivity it is stated that it is influential or reliable.

Keywords: Compensation, Employee Work Productivity, Motivation

# A. Introduction

Human resources in all organizations, both public and commercial, are the main resource in addition to several other resources. Because humans are the main actors who drive other resources, to manage various other resources, human resources must be of high quality. In other words, abundant resources if not followed by personal competence are wasted because they cannot be managed and used properly. Sinambela et al., (2022) said that human resources in every company are one of the important factors in an organization to achieve the goals and objectives that the company wants to achieve.

PT. Kereta Api Indonesia is one of the State-Owned Goods and Passenger Transport Companies (BUMN) that is strong in expanding the domestic and international rail industry market. The aim of PT Kereta Api (Persero) to maintain the role and performance of corporate culture and professionalism, for example by improving management and control is to create good organizational management. One of the staff increases.

According to Maryani et al., (2021) motivation can be interpreted as a mental state and human mental attitude that provides energy to encourage activities (moves), and directs or channels behavior toward achieving needs that provide satisfaction or reduce imbalances. There are indicators that can be used to measure work motivation an employee.

Work compensation according to Sutrisno (2019) is one of the most important functions because compensation is the most sensitive aspect of work relations. And compensation is a reward for every employee who has worked well effectively and efficiently in carrying out duties and responsibilities at work. Work productivity according to Sutrisno (2019) everything related to the final result, namely how much the final result is obtained in terms of productivity, in this case, is inseparable from efficiency and effectiveness.

PT Kereta Api Indonesia (Persero) Divre III Palembang is one of the State-Owned Enterprises that provides, regulates and manages rail transportation services in Palembang. Has the task of organizing the field of transportation with a vision to be a good railway service provider that focuses on customer service and fulfills expectations and whose mission is to manage the railway business and other businesses that support commercial activities using best business practices and organizational models to provide high added value to stakeholders and the environment sustainability is based on four pillars: safety, punctuality, service and convenience. So, considering that PT. Kereta Api (Persero) Divre III Palembang is one of the BUMNs that is important in generating sustainable income for PT. Kereta Api (Persero) Divre III Palembang. It must have reliable quality resources in inherent supervision so that the vision and mission that has been set can be achieved and work productivity will increase. Based on observations and sources from staff, work motivation at PT. Kereta Api (Persero) Divre III Palembang still needs to be improved Therefore, work motivation must be increased so that work productivity can increase (Al-Omari and Okasheh, 2017). Tenure is also one of the factors considered because working tenure concerns the end result, whether it is productive or not, tenure is also an important consideration in this matter, even compensation is very important. has a significant effect on work because not all employees get compensation, so in this case compensation becomes a reference for employees at work and becomes one of the considerations which will have an impact on the Employee's Work Productivity at PT Kereta Api (Persero) Divre III Palembang.

We are interested in researching work motivation and compensation on employee work productivity because in the last two years Indonesia has been hit by a global disaster, namely Covid-19. All workers and employees limit the scope of good work from various things to reduce the transmission of Covid-19. Here the researcher wants Journal of Social Work and Science Education Volume 4 (2) 2023, 686-691 E-ISSN 2723-6919, P-ISSN 2746-0827

to know whether motivation and compensation affect employee productivity after the implementation of work as usual is it still the same as before covid and after covid.

Based on the description above, we conducted a study by taking the title The Effect of Work Motivation and Compensation on Employee Work Productivity at PT. Kereta Api (Persero) Divre III Palembang.

# **B.** Methods

This study uses associative research that looks for relationships and/or patterns of influence between variables on one subject, with the aim of looking for influences between the dependent variable (Y) and independent variable (X) (Kelly, 1985). This study was conducted at PT. Kereta Api Indonesia (Persero) Divre III Palembang. Addressed at Jl. Jendral Akhmad Yani No. 541, postal code 30263 13 ulu Plaju, Palembang, South Sumatra.

The method used in this study is quantitative (Bloomfield and Fisher, 2019). The quantitative method is a survey method used to obtain data from certain scientific places, and researchers conduct research in collecting data, for example by distributing questionnaires, tests, structured interviews (Sugiyono, 2019). The population in this study are employees/staff at PT. Kereta Api Indonesia (Persero) Divre III Palembang with 150 employees. Sampling in this study was to use saturated sampling technique, all populations in this study will be used as research samples totaling 150 employees.

In this study, we used questionnaires for data collection techniques. The method of analysis of this research uses a structural equation model (SEM). Data analysis was performed using the PLS (Partial Least Square) method. PLS is a more accurate SEM method compared to other SEM techniques.

### C. Results and Discussion

The results of the hypothesis test show that work motivation has an effect on Employee work productivity at PT. Kereta Api (Persero) Divre III Palembang. Then Compensation (X2) has also an effect on productivity (Y). Meaning that the better the motivation, and compensation will affect work results which will result in good productivity (Ekhsan et al., 2019; Bawoleh et al., 2015).

Table 1. Result of Hypothesis					
	Original	Sample	Standard	T Statistics	
	Sample (O)	Mean (M)	Deviation (SD)	(O/SD)	P Values
Motivation (X1) -> Productivity (Y)	0,361	0,360	0,064	5,639	0,000
compensation (X2) - > Productivity (Y)	0,334	0,340	0,074	4,539	0,000

The first hypothesis: Motivation (X1) affects Productivity (Y). The result of the P-Value is 0.000  $\leq$ 0.05, so it can be concluded that there is an effect of work motivation on employee work productivity at PT. Kereta Api (Persero) Divre III Palembang (Setiawan et al., 2021). Based on the hypothesis and previous research, it can be concluded that there are similarities or in line with Nur Karima's research (2016), namely the effect of length of service and work motivation on employee work productivity at PT. Bank Sulsesbar, Makassar's main branch, namely that there are similarities in which work motivation has an effect on work productivity or it can be said to be significant and in line with my research, namely work motivation and compensation on work productivity at PT. Kereta Api (Persero) Divre III Palembang.

Second hypothesis: Compensation (X2) has an effect on productivity (Y) (Pawirosumarto and Iriani, 2018; Fajarto et al., 2019). The result of the P-Value is 0.000  $\leq 0.05$ , so it can be concluded that there is an effect of work compensation on employee work productivity at PT. Kereta Api (Persero) Divre III Palembang. Based on the results of previous research and theoretical studies in which Sukriyani (2021) namely the effect of motivation and compensation and the work environment on employee productivity, the results of this study state and have results, namely this study proves that there is a positive and significant influence both partially and the simultaneous relationship between motivation and compensation on productivity, the results of this study are consistent with the results of the effect of work motivation and compensation on productivity, the results of this study are consistent with the results of the effect of work motivation and compensation on employee Work motivation and compensation on productivity. The results of this study are consistent with the results of the effect of work motivation and compensation on employee Work motivation and compensation on productivity. The results of this study are consistent with the results of the effect of work motivation and compensation on employee Work motivation and compensation on productivity.

### **D.** Conclusion

The research subjects were all employees of PT Kereta Api (Persero) Divre III Palembang Human Resources (Persero), whose aim was to see the effect of motivation and compensation on the productivity of employees of PT. Kereta Api (Persero) Divre III Palembang. From these objectives then these hypotheses were tested by SEM using smart-PLS, and the results of hypothesis testing in this study were 1) there is a significant influence of work motivation on employee work productivity at PT. Kereta Api (Persero) Divre III Palembang; 2) there is a significant effect of work compensation on employee work productivity at PT. Kereta Api (Persero) Divre III Palembang. The results of this study have implications for management policies. The results of this

study can be used for management in determining which policy priorities should be implemented.

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