



THE EFFECT OF FINANCIAL AND NON-FINANCIAL COMPENSATION ON EMPLOYEE MOTIVATION AND PRODUCTIVITY (Case Study at Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi)

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ABSTRACT

The study aims to know and analyze: (1) the effect of financial compensation on motivation. (2) The effect of non-financial compensation on motivation. (3) the effect of financial compensation on work productivity. (4) The effect of non-financial compensation on work productivity. (5) The effect of motivation on employee productivity. (6) the effect of financial compensation on work productivity through motivation. (7) The effect of non-financial compensation on work productivity through motivation at Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi. This research is explanatory with a sample of 76 people. The research data were collected using a questionnaire and processed using Partial Least Square (PLS). The results of the research show that: (1) Financial compensation has a positive and significant effect on motivation. (2) Non-financial compensation has a positive and significant effect on motivation. (3) Financial compensation has a positive and significant effect on work productivity. (4) Non-financial compensation has a positive and significant effect on work productivity. (5) Motivation has a positive and significant effect on work productivity. (6) Motivation plays a role in mediating the effect of financial compensation on work productivity. (7) Motivation plays a role in mediating the effect of non-financial compensation on work productivity

Keywords: *Financial Compensation, Non-Financial Compensation, Motivation, Employee Work Productivity*

INTRODUCTION

The company is an institution that is organized and run to provide goods and services to serve consumer demand for their needs. Mangkunegara (2004:55), in carrying out its production process, a company needs production factors that can support the achievement of company goals. These factors are raw materials, capital, and people. In the era of global competition, the existence of reliable human resources has a more strategic role than other resources. Human resources are the most important assets owned by an organization, while effective management is the key to the success of an organization.

Human resources are for the survival and progress of a company, therefore companies must pay

special attention to this factor of production and it is only natural for company owners to view human resources as more than just company assets and make business partners. The company must be able to act fairly on what has been given by human resources to the company because every employee has the right to receive awards and fair treatment from their leaders as a reciprocal for the services they provide so that it can encourage employees to be more motivated in carrying out their obligations as a professional worker.

Achieving optimal results is the essence of human resource management, concretely there is an increase in employee productivity. Increasing employee productivity can be done in many ways, including by providing both financial and non-financial compensation. Providing compensation in the management of human resource management in an organization or company is indeed very important. Providing proper compensation can improve the performance of these employees which in the end can also greatly affect the productivity produced. The high work productivity of an employee is not a coincidence, but many related factors influence it.

Banking has an important role in economic institutions in this world, the banking activity itself is collecting funds from the public, therefore the banking world can bridge the community in keeping personal assets in the form of money or other forms. Whereas people who need funds for a business can also apply for financing in the form of loans with collateral and certain conditions based on the agreement of both parties, namely between the customer and the bank. In carrying out its functions, the bank must pay attention when distributing funds to customers or the public, meaning that the bank conducts a feasibility assessment and appropriate selection of each customer and potential user of the bank's funds.

The development of the times and the growing development of the banking industry has resulted in the establishment of many banks with enormous assets, one of which is Bank Rakyat Indonesia. Bank Rakyat Indonesia was founded in 1895. Along with business development and increasing public demand for banking services, Bank Rakyat Indonesia opened a branch office in Kendari City intending to serve the people of Kendari City and improve services to the community.

Bank Rakyat Indonesia Kendari Southeast Sulawesi Branch has implemented banking management under banking principles to increase resilience in dealing with changes in the business environment and provide superior financial services in financing and related financial products and services to provide customer satisfaction and gain market share which is expected.

The development of Bank Rakyat Indonesia Kendari Southeast Sulawesi branch showed significant growth. Of course, all of this is supported by the presence of high-quality human resources. Employees who work at Bank Rakyat Indonesia Kendari Southeast Sulawesi branch have loyalty, a spirit of honesty, skill, and high enough responsibility, all of which are supported by adequate compensation from the bank. Work productivity will be better if the bank provides proper compensation. This is all proven by the loyalty of employees to their work and the ability of employees to develop their creativity to complete their work so that they work more efficiently.

Work productivity in a company is a very important part, and Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi is no exception. However, based on a temporary study the researchers found that employee work productivity was not optimal, this condition was reflected in the factor of giving targets to employees that had not been achieved under the targeted segmentation, leave rights that employees did not enjoy because the targets given by the company were sometimes still not met, in addition, transportation facilities such as motorcycles and cars provided by the company are still inadequate because motorbikes are given at the employee level, while cars are given to branch leaders or manager levels. This is based on direct interviews with several employees.

This condition is strongly suspected to have something to do with the compensation given to employees. However, it still needs to be investigated further. The results of research conducted by Ahmad Saputra and Nina Arliz (2016) found that financial and non-financial compensation had a significant effect on employee work productivity, while the results of research conducted by Budiono and Erlyna (2015) found that non-compensation Financial rewards have a negative and insignificant effect on employee work productivity because employees feel that the reward or remuneration is given to them that is most meaningful is financial

remuneration. Besides that, this also happens because the provision of non-financial compensation is felt to be not very good for employees who are still under contract or outsourced status, in this case, the provision of health benefits for outsourced employees is still not felt. The results of research conducted by Sutriani (2017) concluded that financial and non-financial compensation had a positive and significant effect on employee productivity, while the results of research conducted by Akhmad Ali Sodikin and Tarcisius T. Sipayung (2017) found that financial compensation no significant effect on employee work productivity, because the provision of compensation to the company is still not in line with employee expectations and the education and training program by the company, has not achieved satisfactory results.

Based on this explanation, it can be said that the factor causing low productivity is compensation. However, these factors will not mean that employees are not moved to do a good job. This requires motivation from within the employee. Motivation is something that is needed by every employee so that the employee is motivated to do the job as best as possible. The higher the motivation that is owned, the higher the performance that will be produced by employees. Motivation is something that causes, distributes, and supports human behavior so that they want to work actively and more enthusiastically to achieve optimal results. This motivation questions how to direct the power and potential of subordinates so that they want to work productively and succeed in achieving and realizing predetermined goals (Hasibuan, 2011). Motivation is the most determining factor for employees at work, as is the case with research conducted by Mahardika et al. (2013) showed that intrinsic motivation has a significant effect on employee performance. Extrinsic motivation has a significant effect on employee performance. Intrinsic and extrinsic motivation simultaneously affect employee performance. Other research also explains this, such as the research conducted by Sarwani et al. (2020) Motivation influences employee work productivity. Motivation is the most determining factor for employees at work, as is the case with research conducted by Mahardika et al. (2013) showed that intrinsic motivation has a significant effect on employee performance. Extrinsic motivation has a significant effect on employee performance. Intrinsic and extrinsic motivation simultaneously affect employee performance. Other research also explains this, such as the research conducted by Sarwani et al. (2020) Motivation influences employee work productivity. Motivation is the most determining factor for employees at work, as is the case with research conducted by Mahardika et al. (2013) showed that intrinsic motivation has a significant effect on employee performance. Extrinsic motivation has a significant effect on employee performance. Intrinsic and extrinsic motivation simultaneously affect employee performance. Other research also explains this, such as the research conducted by Sarwani et al. (2020) Motivation influences employee work productivity. Intrinsic and extrinsic motivation simultaneously affect employee performance. Other research also explains this, such as the research conducted by Sarwani et al. (2020) Motivation influences employee work productivity.

Based on this gap phenomenon and gap research, the authors are interested in taking the title "The Influence of Financial and Non-Financial Compensation on Employee Work Motivation and Productivity at Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi."

LITERATURE REVIEW

Financial Compensation

Financial compensation is remuneration received by employees for their work in the form of money received systematically. According to Hasibuan (2006), financial compensation is all income in the form of money or goods directly or indirectly received by employees in return for services rendered to the company, which are divided into direct financial compensation and indirect financial compensation. According to Sunyoto (2013) that financial compensation is something that is received by employees in forms such as salaries, wages, bonuses, premiums, holiday allowances, old age benefits, medical treatment or health insurance, insurance, and other similar things paid by the organization. According to Bangun (2012), financial compensation means a form of compensation paid to employees in the form of money or services they contribute to their work.

Non-Financial Compensation

According to Mondy (2008), non-financial compensation is the satisfaction a person receives from the job itself or from the psychological and physical environment in which the person works. According to Martoyo (2007), "Non-financial compensation consists of compensation related to the work itself such as interesting assignments, challenges at work and responsibility for work and the work environment in which the person works such as a comfortable work environment and supportive co-workers". According to Umar (2013), non-financial compensation can be called complementary compensation. Non-financial compensation is compensation provided by the company to retain employees in the long term by creating pleasant working conditions and environment. According to Musyafi, et al (2016), "Non-financial compensation is everything in return given to employees for remuneration other than money, namely the work environment and the work itself". According to Mulyapradana (2016), non-financial compensation is compensation given to employees, not in the form of money, but in the form of benefits or benefits for employee welfare in the form of social security, health insurance, pensions not in the form of money, overtime, holidays, even praise, and recognition. The compensation in question is to create calm and pleasure for employees at work. So it is hoped that the provision of compensation to employees can be more productive and innovative and maintain employee satisfaction so they don't leave the company.

Motivation

Motivation comes from the word Motivation, which means encouragement of inner strength, while to motivate means encouraging to be have or try. Motivation in management focuses more on how to direct the power and potential of subordinates so that they want to work together productively to achieve and realize the goals that have been set. The importance of motivation because motivation is something that causes, distributes, and supports human behavior so that they want to work harder and more enthusiastically to achieve optimal results. Motivation is increasingly important for a manager because he can distribute work to his subordinates to do it well and with integrity to the desired goals. Employee health and safety so that work assignments in the company's work area can run smoothly. According to Mathis and Jackson (2012), Motivation is a desire in a person that causes that person to act. Then according to Handoko (2014) says that motivation is a state in a person's personality that encourages individual desires to carry out certain activities to achieve goals, while Rivai (2011), says that motivation is a skill in directing employees and organizations to want to work successfully so that the desires of employees and organizational goals are simultaneously achieved.

Work Productivity

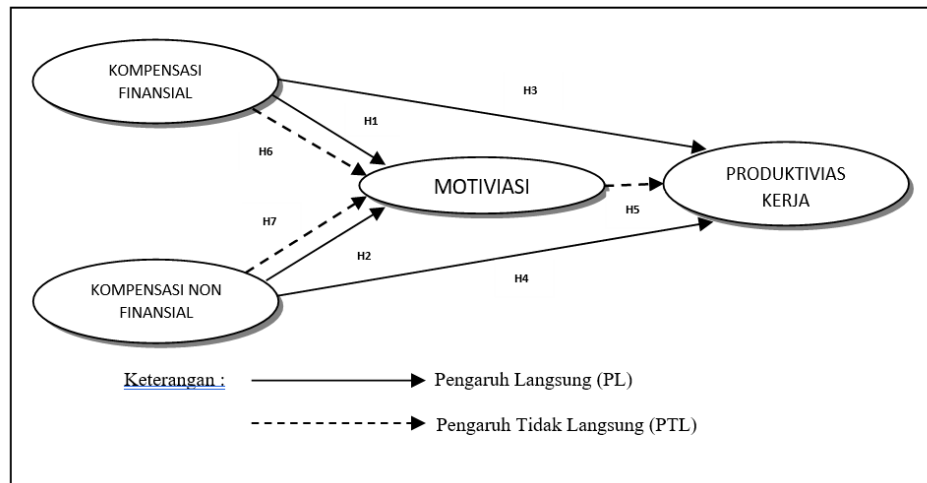
According to Hasibuan (2007) states that "productivity is the comparison between output (results) and input (input). If productivity rises this is only possible by increasing efficiency (time, materials, labor) and work systems, production techniques, and increasing the skills of the workforce. According to Sinungan (2007), productivity is the value of the goods or services produced divided by the value spent to obtain these goods or services. According to Tjutju (2009), employee productivity is a concrete result (product) that can be sold by individuals or groups, during a certain time unit in a work process. In this case, the higher the product sales in a shorter time it can be said that the level of productivity has a high value and vice versa. According to McGowan, et al (2015), work productivity is the ability of employees to produce a product both goods and services that focus on the input and output sides. According to Peshave, (2014) defines work productivity as a measure of an employee's performance toward achieving organizational goals.

Conceptual Framework

From the explanations that have been put forward, it can be illustrated that Financial Compensation, Non-Financial Compensation, allegedly affect the motivation, and work productivity of employees of Bank

Rakyat Indonesia, Kendari Branch, Southeast Sulawesi.

Figure 1. Research Conceptual Framework



Hypothesis

Based on the problem formulation and literature review that has been described previously, the hypotheses in this study are as follows;

1. Financial compensation has a positive and significant effect on employee motivation at Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi.
2. Non-financial compensation has a positive and significant effect on employee motivation at Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi.
3. Financial compensation has a positive and significant effect on employee work productivity at the Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi.
4. Non-financial compensation has a positive and significant effect on employee work productivity at Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi.
5. Motivation has a positive and significant effect on employee work productivity at Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi.
6. Financial compensation has a positive and significant effect on work productivity with motivation as a mediating variable for employees of Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi.
7. Non-financial compensation has a positive and significant effect on work productivity with motivation as a mediating variable for employees of Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi.

RESEARCH METHODS

Research Object

The selection of research objects at the Office of Bank Rakyat Indonesia, Kendari Sam Ratulangi Branch, which is located at Jalan Dr. Sam Ratulangi No. 146 Kendari City, Southeast Sulawesi.

Population

The population is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by the researcher to be studied and then conclusions drawn. The population in this study amounted to 313 people

Sample

The sample is part of the population. Because the population is relatively small, the entire population is used as a sample, namely as many as 46 employees. Based on the Slovin formula, it can be seen that the total sample to be used in this study is 76 samples.

Data Type

1. Quantitative data is a type of data that can be measured or calculated directly, in the form of information and explanations expressed in numbers or the form of numbers. In this case, the required quantitative data is the result of the respondents scoring the research variables, namely: financial compensation, non-financial compensation, motivation, and productivity.
2. Qualitative data is data that is presented in the form of verbal words not in the form of numbers. What is meant by qualitative data in this study is an overview of the place of research, including an overview, vision and mission, organizational structure, and job descriptions. And respondents' perceptions of financial compensation, non-financial compensation, motivation, and productivity.

Data Source

1. Primary data, namely data that comes from the original or first source. In this study, the data came from distributing questionnaires to employees of the Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi
2. Secondary data is data that comes from a second source which is obtained through books and articles obtained from websites related to this research, or data that comes from second persons or not data that comes directly, this data supports discussion and research. for this reason, several sources of books and data obtained will help and critically examine the research. To obtain this data the researcher took many books, websites, and examples of previous studies related to this research.

Data Analysis Technique

Structural Equation Modelling (SEM) Partial Least Square (PLS)

The data analysis technique in this study uses PLS. PLS is an SEM equation model with an approach based on variance or component-based SEM. According to Ghazali & Latan (2015), the purpose of PLS-SEM is to develop a theory or build a theory (predictive orientation). PLS is used to explain whether there is a relationship between latent variables (predictions). PLS is a powerful analytical method because it does not assume data flows with a certain scale of measurement, the number of samples is small Ghazali, (2011).

RESULT AND DISCUSSION

Testing Structural Models and Research Hypothesis

The structural model (inner model) is evaluated by looking at the coefficient value of the path parameter of the relationship between latent variables. Structural model testing (inner model) carried out after the relationship model built in this research is under the observed data and the suitability of the model as a whole (goodness-of-fit model). The purpose of testing the structural relationship model is to find out the relationship between the latent variables designed in this study. From the output of the PLS model, structural model and hypothesis testing are carried out by looking at the estimated value of the path coefficient and the critical point value (t-statistic) which is significant at $\alpha = 0.05$. Complete data analysis results can be seen in the output of the PLS model, (Appendix 2). Based on the conceptual framework of this study, testing the relationship model, and hypotheses between variables can be done by testing the path coefficients of direct and indirect effects. The description of the results of testing the relationship between the research variables can be explained as follows:

Discriminant Validity

Discriminant validity aims to test how far the latent construct differs from other constructs. A high discriminant validity value indicates that a construct is unique and able to explain the phenomenon being

measured. Measurements can be categorized as having discriminant validity if they have a cross-loading value of more than 0.7 (Abdillah & Jogiyanto, 2015).

The results of discriminant validity calculations for each indicator on latent variables in this study are presented in the following table:

Table 1. Results of Cross-Loading Value Analysis of Latent Variables

INDICATOR	FINANCIAL COMPENSATION (X1)	NON-FINANCIAL COMPENSATION (X2)	MOTIVATION (Y1)	WORK PRODUCTIVITY (Y2)
X1.1	0.648	0.281	0.208	0.408
X1.2	0.667	0.241	0.218	0.387
X1.3	0.905	0.803	0.823	0.849
X2.1	0.434	0.739	0.410	0.443
X2.2	0.554	0.843	0.565	0.627
X2.3	0.358	0.765	0.364	0.409
X2.4	0.460	0.785	0.485	0.500
X2.5	0.809	0.813	0.779	0.905
Y1.1	0.488	0.519	0.803	0.577
Y1.2	0.630	0.598	0.892	0.688
Y1.3	0.446	0.453	0.828	0.517
Y1.4	0.408	0.414	0.770	0.552
Y1.5	0.758	0.769	0.774	0.832
Y2.1	0.769	0.797	0.790	0.953
Y2.2	0.435	0.145	0.381	0.563
Y2.3	0.779	0.800	0.802	0.971
Y2.4	0.835	0.819	0.774	0.968

Source: Processed PLS results

Based on the data presented in the table above, it is known that each indicator on the research variable has the largest cross-loading value on the variable it forms compared to the cross-loading value on other variables. This situation explains that the indicators used in this study already have good discriminant validity in compiling their respective variables.

Apart from observing the cross-loading value, discriminant validity can also be known through other methods, namely by looking at the average variant extracted (AVE) value. A construct is said to be valid if the AVE value is greater than 0.5. Based on the test results using the Smart PLS software version 3.0, the results are shown in table 2.

Table 2. AVE Test Results

Latent Variable	\sqrt{AVE}
Financial Compensation (X1)	0.561
Non-Financial Compensation (X2)	0.624
Motivation (Y1)	0.663
Work Productivity (Y2)	0.776

Source: PLS Processed Results

The test results in table 2 above show that each latent variable has good discriminant validity. Because all correlations between variables are smaller than the \sqrt{AVE} value of each latent variable. This means that the latent variable constructs of financial compensation, non-financial compensation, motivation, and work productivity have good discriminant validity. Thus it can be concluded that overall the latent

constructs in this study are declared capable of explaining the phenomena being measured.

Reliability Test

A reliability test is the next step carried out by researchers to test the instrument. PLS also uses a reliability test to measure the internal consistency of measuring instruments. Reliability shows the accuracy, consistency, and precision of a measuring instrument in making measurements. (Abdillah & Jogiyanto, 2015)

Reliability tests in PLS can use two methods, namely Cronbach's alpha and Composite reliability. According to Hair et al (2010), the coefficient of Cronbach's alpha and Composite reliability must be greater than 0.7 although a value of 0.6 is still acceptable. However, the internal consistency test is not necessary if construct validity has been met, because a valid construct is a reliable construct, otherwise a reliable construct is not necessarily valid (Cooper & Schindler, 2014). The results of reliability testing can be seen in table 3.

Table 3. Cronbach's Alpha Test Results and Composite Reliability

Latent Variable	<i>Cronbach's alpha</i>	<i>Composite Reliability</i>
Financial Compensation (X1)	0.673	0.789
Non-Financial Compensation (X2)	0.855	0.892
Motivation (Y1)	0.875	0.908
Work Productivity (Y2)	0.895	0.930

Source: PLS Processed Results

The test results in the table above show that Cronbach's alpha and composite reliability values of the three latent variables studied, namely non-financial compensation, motivation, and work productivity, have good reliability because they have a value greater than 0.70. However, Cronbach's alpha value of the financial compensation variable is below 0.70, namely 0.673, which means it is still acceptable. Thus all the instruments used in this study have met the criteria or are suitable for use in measuring all latent variables.

Structural Model Testing (Inner Model)

The coefficient of determination or R-Square is carried out by testing the structural model (inner model). The coefficient of determination is used to measure the ability of all independent variables to explain the variance of the dependent variable. The R-square estimation results are presented in the following table:

Table 4. R-Square Test Results

Research variable	<i>R Square</i>
Motivation (Y1)	0.582
Work Productivity (Y2)	0.808

Source: PLS Processed Results

Table 4 above shows that the R-Square value of the motivation variable is 0.582, which means that the ability of the financial compensation and non-financial compensation variables to explain motivational variants is only 58.2% and the remaining 41.8% is explained by other variables that are not present in this research model. Furthermore, the R-Square value of the work productivity variable is 0.808, which means that the ability of the financial compensation and non-financial compensation variables to explain the variance of the work productivity variable is 80.8% and the remaining 19.2% is explained by other variables not present in this research model.

Based on the coefficient of determination R² presented in table 4, it can be seen the predictive relevance value of Q2 with the following calculations:

$$Q2 = 1 - \{(1 - R12)(1 - R22)\}$$

$$Q2 = 1 - \{(1 - 0.5822)(1 - 0.8082)\}$$

$$Q2 = 1 - \{(1 - 0.338)(1 - 0.652)\}$$

$$Q2 = 1 - \{(0.66)(0.34)\}$$

$$Q2 = 1 - 0.2244$$

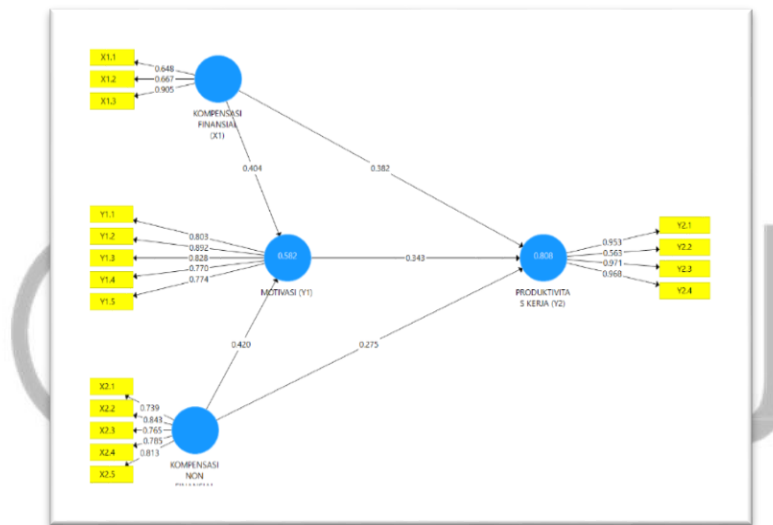
$$Q2 = 0.7756$$

Based on the calculation results above, the predictive-relevance value is obtained by $Q2 = 0.775$ or 77.5%. This means that the accuracy or precision of this research model can explain the diversity of variables of financial compensation, non-financial compensation, motivation, and productivity of 77.5%. The remaining 22.5% is explained by other variables that are not included in this research model.

Path Coefficient Testing and Hypothesis Testing

Testing the hypothesis and the path coefficient of direct influence between variables of financial compensation, and non-financial compensation, on work productivity and the indirect effect between the variables of financial compensation and non-financial compensation on work motivation and productivity. The results of testing the influence between variables can be seen from the value of the path coefficient and the critical point (t-statistic) presented in the path diagram in Figure 2.

Figure 2. Path Coefficient Diagram and Hypothesis Testing



Source: Primary data processed

The test results in Scheme 2 and table 5 are obtained from the two direct and indirect effects tested, all of which have a positive and significant effect, namely: (1) There is an effect of financial compensation on employee motivation. (2) There is an effect of non-financial compensation on employee motivation. (3) There is an effect of financial compensation on employee work productivity. (4) There is an effect of non-financial compensation on employee work productivity. (5) There is an influence of motivation on employee work productivity. And the indirect effect (6) There is an effect of financial compensation on work productivity with motivation as an intervening variable. (7) There is an effect of non-financial compensation on work productivity with motivation as an intervening variable. In full can be presented in Table 5.

Table 5. Path Coefficient and Hypothesis Testing

Latent Variable Relations	Original Sample	T-Statistics	P-Values
Financial Compensation (X1) to Motivation (Y1)	0.404	3,946	0.000
Non-Financial Compensation (X2) on Motivation (Y1)	0.420	3,814	0.000
Financial Compensation (X1) on Work Productivity (Y2)	0.382	4,639	0.000
Non-Financial Compensation (X1) on Work Productivity (Y2)	0.275	3.152	0.002
Motivation (Y1) towards work Productivity (Y2)	0.343	3,687	0.000
Financial Compensation (X1) on Motivation (Y1) and Work Productivity (Y2)	0.139	2,953	0.003
Non-Financial Compensation (X2) on Motivation (Y1) and Work Productivity (Y2)	0.144	2,457	0.014

Source: Primary data processed

Based on the results of data analysis in Table 1. above, the hypothesis testing and path coefficients of direct influence and indirect influence of the study aim to answer whether the proposed hypothesis can be accepted or rejected. The results of testing the hypothesis of direct and indirect influence can be explained as follows:

1. H1: Effect of Financial Compensation on Motivation
 The Smart PLS calculation results show that financial compensation has a significant positive effect on motivation with an original sample value of 0.404 and a p-value of 0.000 which is less than 0.05 (0.000 < 0.05). Thus, H0 is rejected and accepts Ha, meaning that there is an effect of financial compensation on work motivation.
2. H2: Effect of Non-Financial Compensation on Motivation
 The results of Smart PLS calculations show that non-financial compensation has a significant positive effect on motivation with an original sample value of 0.420 and a p-value of 0.000 which is less than 0.05 (0.000 < 0.05). Thus, H0 is rejected and accepts Ha, meaning that there is an effect of non-financial compensation on employee motivation.
3. H3: Effect of Financial Compensation on Work Productivity
 The Smart PLS calculation results show that financial compensation has a significant positive effect on work productivity with an original sample value of 0.382 and a p-value of 0.000 which is less than 0.05 (0.000 < 0.05). Thus, H0 is rejected and accepts Ha, meaning that there is an effect of financial compensation on employee work productivity.
4. H4: The Effect of Non-Financial Compensation on Work Productivity
 The results of Smart PLS calculations show that non-financial compensation has a significant positive effect on work productivity with an original sample value of 0.275 and a p-value of 0.002 which is less than 0.05 (0.002 < 0.05). Thus, H0 is rejected and accepts Ha, meaning that there is an effect of non-financial compensation on employee work productivity.
5. H5: Effect of Motivation on Work Productivity
 The results of Smart PLS calculations show that non-financial compensation has a significant positive effect on work productivity with an original sample value of 0.343 and a p-value of 0.000 which is less than 0.05 (0.000 < 0.05). Thus, H0 is rejected and accepts Ha, meaning that there is an influence of motivation on employee work productivity.
6. H6: There is an Effect of Financial Compensation on Work Productivity with Motivation as an Intervening Variable

The results of Smart PLS calculations show that financial compensation has a significant positive effect on work productivity through motivation with an original sample value of 0.139 and a p-value of 0.003 which is less than 0.05 ($0.003 < 0.05$). Thus, H_0 is rejected and H_a is accepted, meaning that there is an effect of financial compensation on employee work productivity with motivation as the intervening variable.

7. H_7 : There is an Effect of Non-Financial Compensation on Work Productivity with Motivation as an Intervening Variable

The results of Smart PLS calculations show that non-financial compensation has a significant positive effect on work productivity through motivation with an original sample value of 0.144 and a p-value of 0.014 which is less than 0.05 ($0.014 < 0.05$). Thus, H_0 is rejected and H_a is accepted, meaning that there is an effect of non-financial compensation on employee work productivity with motivation as the intervening variable.

DISCUSSION

Based on the results of the research that has been done, further discussion of the analysis will be carried out. The discussion is carried out by looking at the causality relationship that occurs as proof of the hypothesis raised in this study. Theories or empirical research results that have been done before will be used in discussing the research results, whether the theory or research results support the results of hypothesis testing carried out in this study. A more detailed description of the influence of the latent variables designed in this study is as follows:

Effect of Financial Compensation on Motivation

Based on the results of the study stated that financial compensation has a positive and significant effect on the motivation of employees of Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi. This means that the more feasible the financial compensation given to employees will increase employee motivation.

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Based on this description it can be concluded that if the financial compensation received by employees is appropriate, it will increase employee motivation, in this case, given based on indicators of salary, wages, and incentives that can improve employee motivation which is implemented in meeting physical needs, a sense of security, social needs, recognition needs, and self-actualization needs.

Effect of Non-Financial Compensation on Motivation

Based on the results of the study stated that non-financial compensation had a positive and significant effect on employee motivation at Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi. This means that the more feasible non-financial compensation given to employees will increase employee motivation.

The results of testing the second hypothesis are in line with previous research conducted by Monica (2015) which stated that non-financial compensation provided by companies affects employee motivation, as well as research conducted by Zairina et al (2019). The results of this study indicate that there is a significant influence between the influence of non-financial compensation variables on work motivation variables.

Based on this description it can be concluded that the more appropriate non-financial compensation received by employees will increase employee motivation, in this case, given based on indicators of educational opportunities, training opportunities, work leave, promotions, and transportation facilities, which can improve employee motivation implemented in meeting physical needs, a sense of security, social needs, recognition needs, and self-actualization needs.

Effect of Financial Compensation on Employee Work Productivity

Based on the results of the study stated that financial compensation has a positive and significant effect on the work productivity of employees of Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi.

This means that the more feasible the financial compensation given to employees will increase employee work productivity.

The results of testing the third hypothesis are in line with previous research conducted by several researchers such as Habtamu Abebe (2018) indicating that compensation has a direct effect on employee productivity. The research conducted by Endinus Kogoya (2015), the results showed that financial compensation and non-financial compensation have a significant influence on employee work productivity either partially or simultaneously.

Based on this description, it can be concluded that the financial compensation received by employees is more appropriate because it will increase employee work productivity, in this case, given based on indicators of salary, incentives, and wages, which can increase employee work productivity which is implemented in work performance, creativity, cooperation, and on time.

Effect of Non-Financial Compensation on Employee Work Productivity

Based on the results of the study stated that non-financial compensation had a positive and significant effect on the work productivity of employees of Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi. This means that the more feasible non-financial compensation given to employees will increase employee work productivity.

The test results from this study are under research conducted by Uhud Darmawan Natsir (2018). The results of this study concluded that partially, financial, and non-financial compensation variables also have a significant influence on employee work productivity. The research conducted by Akhmad Ali Sodikin and Tarcisius T. Sipayung (2017) The results of this study indicate that financial compensation and non-financial compensation have a significant effect on productivity.

Based on this description it can be concluded that the more appropriate non-financial compensation received by employees will increase employee work productivity, in this case, given based on indicators of educational opportunities, training opportunities, work leave, promotion, and transportation facilities, which can increase the work productivity of employees who implemented on work performance, creativity, teamwork and on time.

The Effect of Motivation on Work Productivity

The results of Smart PLS calculations show that motivation has a positive and significant effect on work productivity. The motivational variable shows that the statements in this variable according to the respondents are in the very good category. The test results from this study are under research conducted by Hanif (2020). The results of this study concluded that work motivation has a significant effect on employee productivity at PT. Pure Srijaya Sragen. The research conducted by Ni Wayan et al (2021) the results of this study shows that there is a significant effect of motivation on work productivity.

Based on this description, it can be concluded that the higher the employee's work motivation which is implemented on the indicators of meeting physical needs, a sense of security, social needs, the need for recognition, and the need for self-actualization, can increase the work productivity of employees who are implemented on indicators of work performance, creativity, cooperation, and precise time.

Effect of Financial Compensation on Work Productivity with Motivation as an Intervening Variable

The calculation results show that financial compensation has a positive and significant effect on work productivity through motivation. The results of hypothesis testing indicate that there is an effect of financial compensation on work productivity with motivation as the intervening variable. From the results of the previous hypothesis test, it is known that the relationship between the financial compensation path (X1) and motivation (Y1) is significant. Likewise, the relationship between motivation (Y1) and work productivity (Y2) is significant. Because the two path relationships are significant, the relationship between financial compensation and employee work productivity is also significant. In this sixth hypothesis, there is a quasi-moderator where the direct path of financial compensation (X1) to work productivity (Y2) is significant, and the indirect path of financial compensation to work motivation and productivity is also significant. That is, the relationship between financial compensation on work productivity is partially mediated by motivation.

Effect of Non-Financial Compensation on Work Productivity with Motivation as an Intervening Variable

The calculation results show that non-financial compensation has a significant positive effect on work productivity through motivation. The results of hypothesis testing indicate that there is an effect of non-financial compensation on work productivity with motivation as an intervening variable. From the results of the previous hypothesis test, it is known that the relationship between non-financial compensation (X2) and motivation (Y1) is significant. Likewise, the relationship between motivation path (Y1) and work productivity (Y2) is significant. Because the two path relationships are significant, the relationship between non-financial compensation and employee work productivity is also significant. In this seventh hypothesis, there is a quasi moderator where the direct path of non-financial compensation (X2) to work productivity (Y2) is significant and the indirect path of non-financial compensation to work motivation and productivity is also significant. That is, the relationship between non-financial compensation on work productivity is partially mediated by motivation.

Research Limitations

In this study, it has been explained that the motivation variable influences 58.2%, this value is quite low when compared to the work productivity variable with an influence of 80.8%. Therefore it is suggested that future researchers add variables to be able to increase the effect of motivational variables on the Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi.

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of research findings, problem formulation, research objectives, research hypotheses, results of data analysis, and discussion of research results, the conclusions of this study can be stated as follows:

1. Financial Compensation has a positive and significant effect on employee motivation at Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi. This means that if salaries, incentives, and wages are given properly, it will increase employee motivation.
2. Non-financial compensation has a positive and significant effect on employee motivation at Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi. This means that if employees are given training opportunities, training opportunities, time off from work, promotions, and transportation facilities are provided properly, it will increase employee motivation.
3. Financial Compensation has a positive and significant effect on the work productivity of employees of Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi. This means that compensation is given properly so it will increase employee work productivity.
4. Non-financial compensation has a positive and significant effect on the work productivity of employees of Bank Rakyat Indonesia, Kendari Branch, Southeast Sulawesi. This means that if non-financial compensation is given properly, it will increase employee work productivity.
5. Work motivation has a significant positive effect on the work productivity of Bank Rakyat Indonesia Kendari Branch, Southeast Sulawesi. This means that the higher the employee's work motivation which is implemented on indicators of physical needs, security needs, social needs, recognition needs, and needs for self-actualization can increase employee work productivity.
6. Financial compensation plays a role in increasing employee work productivity with motivation as an intervening variable. This means that the role of financial compensation, both directly and indirectly, is needed by employees to increase work productivity.
7. Non-financial compensation plays a role in increasing employee work productivity with motivation as an intervening variable. This means that the role of non-financial compensation, both directly, and indirectly, is needed by employees to increase work productivity.

Suggestion

1. It is suggested to companies pay more attention to giving incentive compensation by providing fair compensation to employees.
2. It is suggested to companies pay more attention to non-financial compensation by providing opportunities for all employees to attend training so that they can easily complete the work.
3. It is suggested to companies pay more attention to the provision of non-financial compensation by way of an easier leave application mechanism and under applicable regulations.
4. It is suggested to companies provide more motivation to employees by providing opportunities to develop the skills possessed by employees to increase to a higher level position.
5. It is suggested to companies pay more attention to employee work productivity by applying time discipline to complete workers effectively and efficiently.
6. It is suggested that future researchers can re-examine by taking all the banks in Kendari and besides that researchers can also add variables outside of this study such as work environment variables or leadership variables.

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