

**Efforts To Improve Employee Performance Through Incentives, Work Skills, And Intrinsic Motivation, With Organizational Commitment As An Intervening Variable  
(Study Of CV. Mita Furniture Jepara Employees)**

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***Abstract.** This study aims to analyze the effect of incentives, work skills, and intrinsic motivation on employee performance either directly or indirectly through organizational commitment on CV. Mita Furniture Jepara. The population used in this study were all employees of CV Mita Furniture Jepara, and the number of samples used was 83 respondents, with the sampling technique of the saturated sample method or the census method. The data source used is primary data, with questionnaire data collection method. The analytical technique used is path analysis and Sobel test. The results of the research analysis show that incentives have a positive and significant effect on organizational commitment, work skills have a positive and significant effect on organizational commitment, intrinsic motivation has a positive and significant effect on organizational commitment, incentives have a positive and significant effect on employee performance, work skills have a positive and significant effect on organizational commitment. employee performance, intrinsic motivation has a positive and significant effect on employee performance, organizational commitment has a positive and significant effect on employee performance. Sobel test results show that organizational commitment can mediate or strengthen the effect of incentives on employee performance, organizational commitment can mediate or strengthen the effect of work skills on employee performance, and organizational commitment can mediate or strengthen the effect of intrinsic motivation on employee performance.*

***Keywords:** Incentives, Work Skills, Intrinsic Motivation, Organizational Commitment, and Employee Performance.*

## **INTRODUCTION**

Issues regarding Human Resources (HR) are one of the challenges for management in a company, this is because whether a company is successful or not also depends on the quality of its human resources. Therefore, human resource management must be paid attention to so that the company's human resources, namely employees, become more competent and qualified. This is because employees who have good quality and competence can increase the success of the company. Quality human resources will be closely related to the performance of a company's employees. If human resources or employees in the company can run effectively, the company will also be more effective, meaning that the survival of the company is determined by the performance of the company's employees. Therefore, the success of a company in maintaining its existence will start from human

resources in maintaining the company and increasing its effectiveness and efficiency so as to produce maximum performance (Lengkong et al., 2019).

Performance can be interpreted as real behavior shown as a form of work performance produced by employees in accordance with their role in the company (Gaol, 2014). Performance is an illustration of the magnitude of achievements from the implementation of activity programs and policies to create the company's goals, vision and mission which have been previously planned through the company's strategic planning. Performance can be seen if a person or group of employees already has standards or benchmark success criteria that have been set by the company. Therefore, if there are no goals and targets that have been set, or if there is no benchmark for success in measuring performance, then the performance of an employee cannot be known (Lengkong et al., 2019).

Performance can be an indicator for a company to assess whether employees in the company are optimal or not in carrying out their work. The employee performance that the company expects does not just happen, because reciprocity is needed between the two parties, namely the employee and the company, to complement each other, and several factors are needed that can influence employee performance. There are several factors that influence employee performance, including incentives, work skills, and intrinsic motivation.

Research on the influence of incentives, work skills and work motivation on employee performance has also been carried out by previous researchers with varying results. Based on these studies, the research gap phenomenon is shown by differences in research results. Among them are Nurkhasanah et al. , (2017), Fatah & Suhandini (2019), Sihabudin (2019), Qotrotul et al., (2021) which states that incentives have a positive and significant effect on employee performance, different from the research results of Hermawan et al., (2020) and Utomo et al., (2021) which states that incentives have a positive but not significant effect on employee performance.

The results of research by Rismayadi et al., (2017), Purba et al., (2020), Parta & Mahayasa (2021), and Qotrotul et al., (2021) which state that work skills have a positive and significant effect on employee performance, in contrast to research results from Lengkong et al., (2019) and Novita et al., (2020) which stated that work skills had a negative but not significant effect on employee performance. The research results of Triadi et al., (2019), Andika & Darmanto (2020), Triswanto (2020), and Yusuf (2021) state that intrinsic motivation

has a positive and significant effect on employee performance, while Muhamad et al., (2019) states motivation has a negative and insignificant effect on employee performance.

Organizational commitment in this research is an intervening variable which is expected to strengthen the influence of incentives, work skills and work motivation on employee performance. This is because organizational commitment is a driving factor for employees to produce optimal performance. The existence of organizational commitment is also expected to strengthen the influence of incentives on performance, in accordance with the results of research by Nurkhasanah et al., (2017) which shows that incentives can influence organizational commitment and have an impact on employee performance. The presence of commitment is also expected to strengthen the influence of work skills on performance, in accordance with the results of research by Rismayadi et al., (2017) which shows that the presence of skills can influence organizational commitment and have an impact on employee performance. The existence of organizational commitment is expected to strengthen the influence of intrinsic motivation on employee performance, in accordance with the research results of Muhamad et al., (2019), Triadi et al., (2019), and Andika & Darmanto (2020) showing that intrinsic motivation can influence organizational commitment and impact on employee performance.

## **LITERATURE REVIEW**

### **Incentive**

Incentives are a form of money given by organizational leaders to employees so that they work with high motivation and excel in achieving organizational goals as recognition of employee work achievements and contributions to the organization (Mangkunegara, 2015). Incentives are additional remuneration given to certain employees whose achievements are above standard performance (Hasibuan, 2016). Based on these definitions, the author concludes that incentives are direct rewards paid in the form of money or other things given by the company to employees who have achievements above standard as recognition of employees' work achievements and contributions to the company and also so that they work with high motivation in achieving company goals.

## **Job Skills**

Work skills are a person's ability to complete the tasks assigned to him (Hasibuan, 2016). Skills are the ability to be able to carry out physical and mental tasks (Mangkunegara, 2015). Skills are a person's ability to carry out an activity or job (Lengkong et al., 2019). Istikomah states that work skills are the ability or ability to do a job that can only be obtained from practice, either through practical training or through experience (Parta & Mahayasa, 2021). From this definition, the author concludes that work skills are the ability or proficiency of an employee to carry out work skills. and completing work assignments or work activities assigned to him and only obtained from practice or experience.

## **Intrinsic Motivation**

Intrinsic motivation is motivation that emerges and grows and develops within the person, which will then encourage them to do something meaningful and valuable (Luthans, 2014). Intrinsic motivation is motivation that arises from within a person (Tambunan, 2015). Intrinsic motivation is motives that become active or function without the need for external stimulation, because within each individual there is already and has the urge to do something (Suwatno & Priansa, 2016). From several definitions, intrinsic motivation is a motivation or encouragement that comes from within an employee without any external encouragement to do something or work that is valuable and arises because of a person's hopes, goals and desires for something so that he has enthusiasm to achieve it.

## **Organizational Commitment**

Organizational commitment is an attitude that reflects employee loyalty to the organization and an ongoing process in which members of the organization express their concern for the organization and its success and sustainable progress (Luthans, 2014). Organizational commitment is the level at which employees believe in and accept organizational goals, and desire to stay together. the organization (Mathis & Jackson, 2015). Organizational commitment is the relative strength of an individual in identifying his involvement in a part of the organization which is characterized by acceptance of the organization's values and goals, willingness to work for the sake of the organization and the desire to maintain membership in the organization (Robbins & Judge, 2015). From this definition, the author concludes organizational commitment is an attitude that reflects and reflects the extent to which an employee is willing to accept the values and goals of the

company on an ongoing basis and the employee is willing to stay and maintain membership in the company to achieve common goals.

### **Employee performance**

Employee performance is the result of work in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him (Mangkunegara, 2015). Simanjuntak states that employee performance is the level of achievement or work results of an employee from the targets that must be achieved or tasks that must be achieved. must be implemented within a certain period of time (Widodo, 2015). Employee performance is the achievement or achievements of an employee regarding the tasks assigned to him (Marwansyah, 2016).

Based on the definitions above, the author concludes that employee performance is a work result or work achievement achieved by an employee which is seen both in terms of the quality and quantity of work related to the work tasks and responsibilities given to him and must be carried out within a period of time certain.

### **RESEARCH METHOD(S)**

The population used in this research were all employees who worked at CV. Mita Furniture Jepara with a total of 83 employees. Considering that the population used is only 83 employees, the entire population will be used as the research sample. The sampling technique in this research is non-random sampling, which is a technique that does not provide equal opportunities for each element or member of the population to be selected as a sample. In particular, using the census method or saturated sample, namely a sampling technique when all members of the population are used as samples (Sugiyono, 2017).

The data source used is primary data, namely data obtained directly from data sources by conducting research directly in the field. Data collection was carried out through questionnaires to 83 research respondents who were all CV employees. Mita Furniture. And through library studies by examining materials such as books containing theories, scientific works and other materials relevant to research.

## FINDINGS AND DUSCUSSION

### Path Analysis Results

The results of the first model analysis regarding the influence of incentives, work skills and intrinsic motivation on organizational commitment are:

**Table 2 First Model Analysis Results**

Model		Coefficients <sup>a</sup>		Standardized Coefficients	t	Sig.
		Unstandardized Coefficients				
	B	Std. Error	Beta			
1	(Constant)	3.443	1.526		2.256	.027
	Insentif	.319	.077	.389	4.155	.000
	Keterampilan Kerja	.253	.099	.267	2.563	.012
	Motivasi Intrinsik	.240	.104	.237	2.099	.039

a. Dependent Variable: Komitmen Organisasi

Source: Processed primary data, 2021

From this table, the linear regression equation can be written as follows:

$$Z = 0.389 X_1 + 0.267 X_2 + 0.237 X_3$$

The results of this equation can be interpreted as follows:

- 1) The incentive coefficient (b1) is 0.389 and is positive. This means that the incentive variable has a positive effect on organizational commitment.
- 2) The work skills coefficient (b2) is 0.267 and is positive. This means that the work ability variable has a positive effect on organizational commitment.
- 3) The intrinsic motivation coefficient (b3) is 0.237 and is positive. This means that the intrinsic motivation variable has a positive effect on organizational commitment.

The results of the first model analysis regarding the influence of incentives, work skills, intrinsic motivation and organizational commitment on employee performance are:

**Table 3. Second Model Analysis Results**

Model		Coefficients <sup>a</sup>		Standardized Coefficients	t	Sig.
		Unstandardized Coefficients				
	B	Std. Error	Beta			
1	(Constant)	-2.712	1.409		-1.925	.058
	Insentif	.215	.076	.219	2.828	.006
	Keterampilan Kerja	.212	.092	.187	2.306	.024
	Motivasi Intrinsik	.229	.105	.189	2.179	.032
	Komitmen Organisasi	.503	.101	.420	4.998	.000

a. Dependent Variable: Kinerja Karyawan

Source: Processed primary data, 2021

From this table, the linear regression equation can be written as follows:

$$Y = 0.219 X_1 + 0.187 X_2 + 0.189 X_3 + 0.420Z$$

The results of this equation can be interpreted as follows:

- 1) The incentive coefficient (b<sub>4</sub>) is 0.219 and is positive. This means that the incentive variable has a positive effect on employee performance.
- 2) The work skills coefficient (b<sub>5</sub>) is 0.187 and is positive. This means that the work ability variable has a positive effect on employee performance.
- 3) The intrinsic motivation coefficient (b<sub>6</sub>) is 0.189 and is positive. This means that the intrinsic motivation variable has a positive effect on employee performance.
- 4) The organizational commitment coefficient (b<sub>7</sub>) is 0.420 and is positive. This means that the organizational commitment variable has a positive effect on employee performance.

### **Hypothesis Test Results**

The results of partial hypothesis testing both on organizational commitment and employee performance obtained are as follows:

**Table 4 Hypothesis Test Results**

<b>Influence between variables</b>	<b>t count</b>	<b>Significant value</b>	<b>Information</b>
Incentives for organizational commitment	4.155	0.001	Significan
Work skills on organizational commitment	2.563	0.003	Significan
Achievement motivation on organizational commitment	4.345	0.041	Significan
Work skills on performance	3.456	0.023	Significan
Achievement motivation on employee performance	2.123	0.031	Significan
Organizational commitment to employee performance	3.567	0.023	Significan

Source: Processed primary data, 2021

### **CONCLUSION AND RECOMMENDATION**

Based on the results of the analysis and discussion carried out in the previous chapter, the following conclusions were obtained:

1. Incentives have a positive and significant effect on organizational commitment to CV. Mita Furniture Jepara.
2. Work skills have a positive and significant effect on CV organizational commitment. Mita Furniture Jepara.

3. Intrinsic motivation has a positive and significant effect on CV organizational commitment. Mita Furniture Jepara.
4. Incentives have a positive and significant effect on CV employee performance. Mita Furniture Jepara.
5. Work skills have a positive and significant effect on CV employee performance. Mita Furniture Jepara.
6. Intrinsic motivation has a positive and significant influence on CV employee performance. Mita Furniture Jepara.
7. Organizational commitment has a positive and significant effect on CV employee performance. Mita Furniture Jepara.

### **Future Research Agenda**

Based on the limitations in the research results seen from the large value of the coefficient of determination, it is hoped that further research will be added the number of independent variables used is increasing, and the added variables are expected to influence organizational commitment and employee performance. For example, by adding independent variables such as work discipline, work environment, quality of work life, workload, work-life balance and other variables, so that the results obtained are better and the research results are more accurate, better and greater in predicting organizational commitment and employee performance in the long term, and will also get more convincing results.

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