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# The Effect of Emotional Intelligence and Work Environment on Motivation and Their Impact on Employee Performance of Pt. Bank Syariah Indonesia (Ex BSM) Consolidated Aceh Area

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#### **Abstract**

This study examines the emotional intelligence and work environment role in motivation and its impact on employee performance. This study was conducted at PT. Bank Syariah Indonesia (BSI) Aceh Consolidated Area, which was formerly PT. Bank Syariah Mandiri (BSM) before joining two other Islamic banks. The BSI Aceh Consolidated Area was chosen to see the impact of the merger on BSI employees who were formerly BSM employees. The population is BSI Aceh Consolidated Area employees totaling 400 employees. The sample was selected using a simple random sampling, the number of which was determined was 150 employees. The test equipment used is SEM-AMOS. The results prove that in the BSI Aceh Consolidated Area of Emotional and Environmental Intelligence was found to affect employee motivation; Emotional, environmental and motivational intelligence were also found to influence performance; and motivation mediates the emotional intelligence and the environment's role in performance partially. This finding also proves that the model for improving the BSI Aceh Consolidated Area employee performance is a function of increasing emotional intelligence and increasing environmental comfort, so that it can have an impact on increasing motivation.

**Keywords:** Emotional intelligence, work environment, work motivation, employee performance.

# 1. Introduction

The development of the banking world is currently so rapid, that it is not surprising that many state-owned and private banks are competing to create various product services to attract as many customers as possible. Seeing the current conditions, it is a challenge and a tough job for all employees of PT. Bank Syariah Indonesia (BSI) both at the management level or employees, both permanent and contract employees, especially those in the BSI Aceh Consolidated Area starting from the Regional Offices, Branch Offices, Offices Sub-Branches, unit offices, up to Cash Offices throughout the Aceh Province. Employees are one of the assets owned by BSI that must be maintained and maintained for the continuity of the Bank's operations even in favorable or even detrimental conditions and situations.

BSI is a conversion of 3 (three) state-owned Islamic banks, namely PT. Bank Syariah Mandiri (BSM), PT. Bank Negara Indonesia Syariah (BNIS), PT. Bank Rakyat Indonesia Syariah

(BRIS). This study was conducted at BSI Aceh Consolidated Area which was formerly BSM. This merger/conversion will certainly have an impact on the performance of BSM employees when they become BSI, because all work systems will certainly be different. Various corporate strategies have been planned as well as possible through the company's vision and mission. However, to achieve the vision and mission, the company must also be able to recruit competent human resources. One of the main tasks of management is to continuously motivate their employees, something that is difficult sometimes, because what motivates one person may not motivate another, and of course what motivates one person is not always static over time. For example, it has been suggested that as income increases, money becomes less of a motivator, or as employees get older, an interesting job becomes more of a motivator.

One of the factors that have a role in changing work motivation and having an impact on employee performance is emotional intelligence. (Goleman, 2018) found that emotional intelligence has a very important role to achieve success. Another factor that affects motivation and has an impact on employee performance is the work environment (Nitisemito, 2015).

#### 2. Literature

# **Employee Performance**

In this study, employee performance will be more often referred to as performance only. According to (Mathis & Jackson, 2019), Performance is what employees do and don't do. Performance is more of a function of training, communication, tools, personal supervision, and motivation (Dessler & Angelica, 2016). (Waldman, Luque, Washburn, & House, 2006), and (DeCenzo, Robbins, & Verhulst, 2020) argues that employee performance is the degree to which employees achieve job requirements. According to (Robbins & Judge, 2017) which defines staff performance as work results within a certain period following the responsibilities given.

Based on several expert opinions above, it concludes that performance is the result of job descriptions carried out following the standards set by the organization. In this study, we try to measure the performance of the employees of the Indonesian Sharia Bank (ex BSM) Consolidated Aceh Area using the opinion of (Bernardin & Russell, 2013) through six indicators, namely (1) Quality, (2) Quantity, (3) Timeliness, (4) Cost-effectiveness, (5) Need for supervision, (6) Interpersonal impact.

#### **Work Motivation**

In this study, work motivation will be more often referred to as motivation only. One of the main tasks of management is to continuously motivate their employees, something that is difficult sometimes, because what motivates one person may not motivate another, and of course what motivates one person is not always static over time. For example, it has been suggested that as income increases, money becomes less of a motivator, or as employees get older, interesting jobs become more of a motivator. (Mahdani et al, 2017). Motivation is an inner drive to behave or act in a certain way. This state of mind is desire, purpose, and active to move in a certain direction. Motivation is a general desire or willingness to do something (Akhtar, Aziz, Hussain, Ali, & Salman, 2014).

The high level of desire or motivation to get a reputation greatly determines how much effort and persistence is put into achieving individual goals (Ringelhan et al, 2013). This attitude indicates that employee performance is largely determined by high employee motivation. Motivation is also as an encouragement that is intended as a natural drive to satisfy and get the sustainable achievement (Marlina et al, 2018); (Casey & Robbins, 2012); (Robbins & Judge, 2017). This study measured motivation using indicators as expressed by (Herzberg, Mausner, & Snyderman, 2011) namely 1) the desire for achievement, 2) the desire for recognition, 3) the work itself, 4) responsibility, 5) the development of individual potential.

# **Emotional Intelligence**

Emotional intelligence has a long process of development, Salovey and Mayer formally proposed the concept of "emotional intelligence" in 1990. In 1995, the concept of emotional intelligence received a lot of attention worldwide due to the publication of the book Emotional Intelligence by Goleman. Since then, an important research subject has emerged in the field of industrial and organizational psychology (Salovey & Mayer, 1990).

Emotional intelligence describes the possible outcomes that can be mental and physical health, well-being, and social support (Atiq, Farooq, Ahmad, & Humayoun, 2015). Emotionally intelligent service agents can accurately identify the emotions that customers express subtly (Shehu & Isa, 2017): (Woolfolk, 2018).

According to (Goleman, 2018) the four dimensions of emotional intelligence are recognizing emotions, managing emotions, recognizing emotions in others, and building relationships. Based on some of the opinions of the experts above, it concludes that emotional intelligence is a person's ability to control himself starting from thoughts, words, and actions. Measuring emotional intelligence can use indicators as expressed by (Goleman, 2018) namely 1) Knowing yourself, 2. Managing emotions, 3. Motivating yourself, 4. Recognizing other people's emotions (empathy) and 5. Regulating interpersonal communication

#### **Work Environment**

In this study, the work environment will more often be referred to as just the environment. According to (Nitisemito, 2015) and (Pitaloka & Sofia, 2015) work environment is an attribute in the organization that affects employees in completing their work. For example space and facilities for fair treatment in the workplace, communication climate, rules and procedures in the workplace. According to (Jain & Kaur, 2014), the work environment involves all aspects that act and react on the body and mind of an employee. If the environment is pleasant, fatigue, monotony and boredom are minimized and work performance can be maximized (Bakotić & Babić, 2013); (Mokaya, Musa, Wagoki, & Karanja, 2013).

Based on some of the definitions above, the work environment is defined as the conditions and situations in which a person works. Environmental conditions affect a person's performance, this is related to work comfort and security which makes employees feel at ease and has an impact on the quality of work. (Chandrasekar, 2011) stated that the indicators of the work environment are: 1) Space and facilities needed to do the job, 2) Relationships with superiors at work, 3) Equality of care in the workplace, 4) Communication systems in the workplace, 5)

Environmental actors are conducive to work, 6) Procedures for identifying and controlling hazards (disasters).

#### Model

The formulation of this study framework and its hypotheses are as follows.

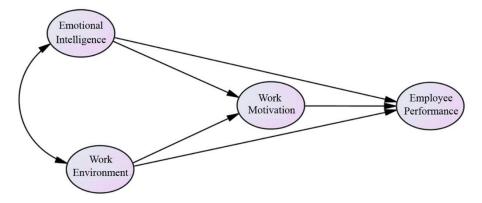


Figure 1. Effect of Variables

H1: Emotional intelligence affects employee motivation

H2: Environment affects employee motivation

H3: Emotional intelligence affects performance

H4: Environment affects performance

H5: Motivation affects performance

H6: Motivation mediates the emotional intelligence role in performance

H7: Motivation mediates the environment role in performance

#### 3. Method

This study was conducted in Banda Aceh City, while the object of this study was the emotional intelligence, work environment, motivation, and performance of BSI Aceh Consolidated Area employees, who were formerly BSM. The population was the BSI Aceh Consolidated Area employees (former BSM) in Aceh Area totaling 400 employees. The sample was taken using a simple random sampling technique against the specified number, namely 150 employees of the BSI Aceh Consolidated Area consisting of 85 marketing people and 65 operational people.

The data were collected through a questionnaire, in which each respondent will be given a sheet of questions related to emotional intelligence, work environment, motivation, and employee performance. Then determine their respective choices for each statement that has been prepared correctly and follows reality. Data were measured using a Likert scale and tested using SEM AMOS.

# 4. Result

### **Direct Hypothesis**

The model test result is shown below.

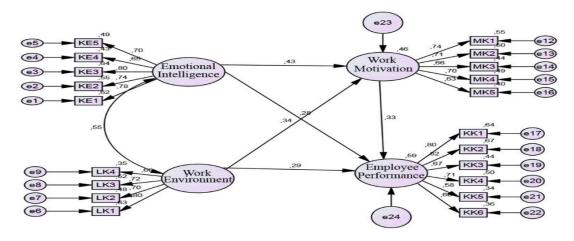


Figure 2. Structural Test

The test result is shown below.

**Table 1. Regression Result** 

Exogenous		Endogenous	Estimate	Std Estimate	S.E.	C.R.	P
Work_Motivation	<	Emotional Intelligence	0,384	0,432	0,098	3,921	***
Work_Motivation	<	Work environment	0,289	0,338	0,094	3,076	0,002
Employee Performance	<	Emotional Intelligence	0,326	0,284	0,120	2,721	0,007
Employee Performance	<	Work environment	0,324	0,293	0,114	2,835	0,005
Employee Performance	<	Work Motivation	0,421	0,326	0,145	2,904	0,004

Source: Processed Data (2022)

Based on table 1, is explained as follows.

#### **H1: Emotional Intelligence Role in Motivation**

Testing the emotional intelligence role in motivation provides CR 3.921> 1.96 and then P 0.000 or \*\*\* <0.05. This figure explains emotional intelligence plays a role in changing motivation. These results support (Magnano, Craparo, & Paolillo, 2016); (Vratskikh, Masadeh, Al-Lozi, & Maqableh, 2016); (Marlina et al., 2018). The regression reveals that there is a linear/positive relationship between emotional intelligence and work motivation (Hassanzadeh & Kafaki, 2014).

#### **H2: Environment Role in Motivation**

Testing the Environmental role in motivation produces CR 3.076> 1.96 and then P 0.002 < 0.05. This figure explains that the environment plays a role in changing motivation. These results support (Turnip, 2020) found that a good work environment can increase employee motivation.

On the other hand, if the environment is not good, employees will not be motivated to work in a better direction.

# **H3: Environment Role in Performance**

Testing the environmental role in performance produces CR 2.835> 1.96 and then P 0.005 <0.05. The figure explains that the environment significantly affects performance. These results support research (Turnip, 2020) which states the environment affects performance. The work environment is a condition or situation in which a person works, the work environment has a major role in supporting the implementation of the work carried out by employees, therefore, the environment requires special attention from the leadership to maintain the sustainability of the organization. This result rejects the different findings found by (Pawirosumarto et al., 2017) state that the environment does not play a role in changes in employee performance.

# **H4: Emotional Intelligence Role in Performance**

Testing the emotional intelligence role in performance provides CR 2.721> 1.96 and then P 0.007 <0.05. This figure explains that emotional intelligence has a role in changing performance. These results support (Shahhosseini 2012) Emotional intelligence has a key role in improving performance. Positive intelligence emotions affect motivation and work performance (Supriadi & Sefnedi, 2017). Other research was also conducted by (Fadhli et al., 2020) and (Marlina et al., 2018). States that emotional intelligence affects employee performance. However, this study rejects the previous findings by (Akbar et al., 2020) state that emotional intelligence does not have a role in changing employee performance.

# **H5: Motivation Role in Performance**

Testing the motivation role in performance provides CR 2,904 > 1.96 and then P 0.004 < 0.05. So it can be stated that motivation plays a role in changing performance. These results support the (Dharma, 2018) which states that work motivation positively affects organizational citizenship behavior and employee performance. Positive motivation affects employee performance (Turnip, 2020). Motivation is also proven as a determinant of work performance (Supriadi & Sefnedi, 2017).

# **Indirect Hypothesis**

#### **H6: Emotional Intelligence Role in Performance through Motivation**

In the results of the Sobel test, the emotional intelligence role in performance through motivation is known to have a t-statistic 2.332 < 1.96 and then P 0.041 < 0.05. After the calculation of the path C' has done, so the significance values for all paths are described below.

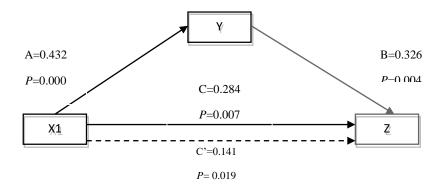


Figure 3. Motivation Mediation Model on H6

The figure above explains that paths of A, B, C, and C' are all significant. These results reveal that the employee motivation variable is proven as a partial mediating variable. This means that the influence of emotional intelligence can change performance, either acting directly or through motivation as a mediator. These results support (Pekaar et al., 2017) who found emotional intelligence interacted with job performance. (Marlina et al., 2018) found that motivation significantly mediates the emotional intelligence and competence role in officer performance. However, this result rejects the findings (Supriadi & Sefnedi, 2017) which state that motivation does not mediate the emotional intelligence role in job performance.

#### H7: Environment Role in Performance through Employee Motivation

The results of Sobel's calculation, the environment role in performance through employee motivation is known to have a t-statistic 2.08 < 1.96. Then the P is 0.036 < 0.05. After the calculation of the path C' has done, the significance for all paths are described below.

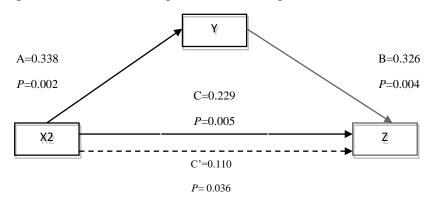


Figure 4. Motivation Mediation Model on H7

The figure above explains that path A, path B, path C, and path C' are all significant. These results state that the motivation variable is figured as a partial mediating variable. This means that the environment can play a role in changing performance, both direct and indirect role through motivation as a mediator. These results support (Dharma, 2018) found that a good work environment variable can create job quality and impact individual performance. Motivation and a positive environment affect employee performance (Turnip, 2020).

#### **Implications of Research Results**

Performance is what employees do as well as what employees don't do (Campbell et al., 2010). Performance measures how much each staff contributes to the organization (Dessler &

Angelica, 2016). To improve performance, the factors that must be considered are employee motivation. One of the main tasks of management is to continuously motivate their employees, something that is difficult sometimes, because what motivates one person may not motivate another and of course what motivates one person is not always static over time. For example, it has been suggested that as income increases, money becomes less of a motivator, or as employees get older, interesting jobs become more of a motivator. The drive consists of two components, namely: the direction of behavior (work to achieve goals), and behavioral strength (how strong an individual's effort is at work), (Mahdani et al, 2017). Furthermore, another factor that must be improved is the work environment. On the other hand, if the environment is not suitable, it can reduce employee motivation and morale and ultimately reduce their performance. Furthermore, another factor that must be improved is the emotional intelligence of employees. Emotional intelligence describes the possible outcomes that can be mental and physical health, well-being and social support (Atiq et al, 2015). Those with lower emotional intelligence may misread subtle displays of emotion or take a relatively long time to identify those (Shehu & Isa, 2017).

#### 5. Conclusion

The results prove that emotional intelligence and environment are found to affect employee motivation; Emotional, environmental and motivational intelligence were also found to influence performance; and Motivation partially mediates the emotional intelligence and the environment effect on performance. This finding also proves that the model of improving BSI employee performance is a function of increasing emotional intelligence and increasing environmental comfort, so that it can have an impact on increasing motivation. This finding has implications for strengthening theory and developing management models academically, and also as a reference for practitioners, especially BSI in improving their policies.

Some findings based on facts can be used as benchmarks for problems in the research subject, namely BSI. The assessment of emotional intelligence is felt to be not good, because several indicators are still running poorly, therefore it is recommended that leaders provide psychological training to employees so that they are better able to accurately understand, assess and express their own emotions, develop thinking using emotional and can Motivate yourself to keep up the good work

To maintain an environment that is always conducive both physically, it is suggested to the leadership to pay attention to the physical environment, especially the need for space and work facilities to be fulfilled properly, the relationship between employees and superiors at work must be better and the communication system in the workplace must be improved even better.

Employee performance is still not going well, several indicators that must be improved include how to make employees always think and work realistically to realize the vision and mission of the organization. Furthermore, each employee must be able to produce a unique way of completing work and each employee must be able to work measurably following the company's operational standards.

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