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THE ROLE OF INCENTIVE, WORK SATISFACTION AND EMPLOYMENT MOTIVATION WITH IMPLICATIONS ON PERFORMANCE OF MARKETING EMPLOYEE AT BANK DKI

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ABSTRACT

Bank DKI is ranked 4th out of a total of 27 Regional Development Banks in Indonesia. Bank DKI also recorded a decrease in lending and financing by 3.19%. Achieving satisfactory performance of a bank is inseparable from the marketing performance of the bank. One of the factors affecting employee marketing performance is incentives. This study analyzes the role of incentives, job satisfaction and work motivation that have implications on the performance of marketing employees of Bank DKI. The number of respondents studied are 142 marketing employees with purposive sampling method. Data analysis was done by using Structural Equation Modeling (SEM) and LISREL programme. The results of this study indicates that there are significant and positive relationships between incentives, job satisfaction and work motivation on the performance of marketing employees at Bank DKI. Some actions that can be made by the management of Bank DKI to improve performance such as, develop an optimal incentive system, carry out activities that can bring employees closer to each other, such as gathering and outing events, and also, conduct some useful trainings for the career development of Bank DKI marketing employees.

KEY WORDS

Bank, company performance, employee, incentives, motivation, satisfaction.

Banking is one of the financial sectors that is highly expected to play an active role in national and regional economic development. The bank has occupied a central position in the modern economy. According to Law No.10 of 1998, banks are business entities that collect funds from the public in the form of deposits and also channel them to the public in the form of credit or other forms in order to improve the standard of living of the people. Economic development in Indonesia starts from regions to the center.

The role of the Regional Development Bank is worked as a regional economic developer and driver to improve the standard of living of the community as well as provide financial development financing in the region, raise funds and implement and store regional cash (holders of regional cash storage) in addition to running banking business activities (Hasan et al 2010). The type of commercial bank that is very strategic to create economic development in the region is the Regional Development Bank (BPD). BPD works as the development and driving force of regional economies to improve the standard of living of the community, providing financing for development finance in the region. BPD has a real role and function in the context of regional economic development because BPD is able to open service networks in areas that are not economically possible for banks private. According to Bank Indonesia data there are 27 BPD in Indonesia, on average each province has one BPD and one of them is DKI Bank.

Bank DKI has a vision and mission "Being a modern and high-value regional bank that maintains a balance between profit and development in Jakarta" realizes that to achieve these objectives, it requires integrity, competent, highly dedicated and productive Human Resources (HR). Improving employee performance will bring progress to the company to be able to increase the company's profitability. The performance of a company, especially BPD is influenced by assets owned. In the Indonesian Banking Statistics data of June 2016, data was obtained that Bank DKI was ranked 4th out of a total of 27 BPD in Indonesia. The largest total assets held by Bank BJB are as much as Bank Jateng and Bank Jatim. In addition, the capital of DKI Jakarta province as the center of government and economy in

Indonesia with the highest business field growth (11.61%), should be one of the potential of Bank DKI to cover various stakeholders.

One of management's challenge is to improve employee's performance, because the success of achieving the goals and survival of the company depends on the quality of the performance of human resources. A bank's satisfactory performance achievement cannot be separated from the performance of bank marketing. According to Kasmir (2005) bank marketing is a process of creating and exchanging bank products and services aimed at meeting the needs and desires of customers by providing satisfaction. Within professional bank marketing management, hoped that it will bring customer satisfaction, so that customers are interested in the bank's products and services offered and have an impact on the bank's progress itself.

One of the bank's marketing activities is the provision of credit and financing. DKI Bank recorded credit and financing provision of Rp. 24.87 trillion or decreased by 3.19% compared to 2015 which was recorded at Rp. 25.69 trillion. The decline in lending and financing was mainly influenced by declining credit demand. Marketing employees as credit and financing drivers must be able to meet credit achievement targets by increasing performance. One of the important things of a company to improve employee marketing performance is the ability to provide an attractive compensation system and generate job satisfaction, so as to increase employee motivation and optimize its performance. One form of compensation that is interesting to study is incentives

Provision of the right incentives will make employees feel valued according to their abilities and performance. Incentives can also increase employee morale so that performance can be achieved optimally. (Darmawan, 2005). This research is needed to analyze the role of incentives, job satisfaction and work motivation on the performance of marketing employees at Bank DKI.

LITERATURE REVIEW

Incentive. Incentives are a way to motivates in the form of material, which is given as a stimulus or intentional given to the workers so that there is a great enthusiasm to increase the productivity of their work in the organization (Gorda, 2014). According to Cascio (1995), "An incentive is variable reward, granded to individuals on groups, that recognizing differences in achieving results. They are designed to stimulate greater employee effort on productivity." This means that incentives are a variable of reward given to individuals in a group, which is known based on differences in achieving work. It is designed to stimulate or motivate employees to try to improve their work productivity.

Work Satisfaction. Robbins (1996) states that job satisfaction is a general attitude of workers about their work, because generally when people discuss about employee attitudes, they meant job satisfaction. The satisfaction that an employee has for a job he is experiencing, will make the employee always do his best to do his job.

Work Motivation. Its familliar that the word motivation comes from the Latin word *movere*, which means encouragement or driving force. As we know according to KBBI, motivation is an impulse that arises in a person consciously or unconsciously to do an action with a specific purpose or efforts that can cause a person or group of people to move to do something because they want to achieve the goals they want or get satisfaction for their actions . Motivational theory is divided into two section, the theory that focuses on the process and motivation theory focuses on needs. This study uses motivational theory that focuses on needs and one of the motivational theories used is the Existence Relatedness Growth (ERG) theory.

ERG theory is almost the same as Maslow's hierarchical theory, but what distinguishes Maslow's theory with Alderfer's ERG theory is classifies needs in three groups. One's needs do not have to be fulfilled at a low level before going up to the next level or not having to be hierarchical and an individual can focus on all three simultaneous needs category (Alderfer 1989).

Employee's Performance. Performance is work achievement, a comparison between the results of work and the standards set. Performance is the result of work both in quality and quantity achieved by someone in carrying out tasks according to the responsibilities given (Mangkunegara and Anwar 2002). In the behavioral approach to management, performance is defined as the quality produced or services provided by someone who does the work (Luthans 2005). Performance is the result or level of success of a person as a whole during a certain period in carrying out tasks compared to various possibilities, such as work standards, targets or goals or predetermined criteria that have been mutually agreed (Rivai et al. 2005).

METHODS OF RESEARCH

Research was conducted on marketing employees in several Bank DKI offices, including Juanda branch office, South Jakarta branch office, and Depok branch office. Data collection was conducted in November and December 2017. The method used in determining this respondent was purposive sampling. The number of respondents in this study was 142 people. The data used in this study are primary data and secondary data. Primary data is data taken from the first source, namely from the results of face-to-face interviews with respondents. Whereas secondary data in this study came from literature, and other print media and literature relevant to research.

CONCEPTUAL FRAMEWORK

Research activities consist of identifying the role of incentives, job satisfaction, motivation on employee performance, especially employees in several marketing divisions of Bank DKI. The description of the sequence of conceptual thinking framework is as follows:

Figure 1 – Conceptual Framework of the Research

Based on the conceptual framework above, the proposed research hypotheses are:

- H1: Incentive has a positive and significant effect on work satisfaction;
- H2: Incentive has a positive and significant effect on work motivation;
- H3: Incentive has a positive and significant effect on employee performance;
- H4: Work satisfaction has a positive and significant effect on employee performance;
- H5: Work motivation has a positive and significant effect on employee performance.

RESULTS AND DISCUSSION

Respondent characteristics of this research consisted of age, work period and last educational degree. The majority of respondents of this research were female employees aged 21-30 years with the last educational level of S1, had worked for 1-5 years.

Table 3 – Analysis of Goodness of fit Model

Goodness-of-Fit	Cutt-off-Value	Hasil	Kesimpulan
RMSEA	≤ 0.08	0.061	Good Fit
GFI	> 0.90	0.97	
AGFI	> 0.90	0.95	
IFI	> 0.90	0.99	
CFI	> 0.90	0.99	
NFI	> 0.90	0.96	

As seen in Table 3, the RMSEA criteria produces a value of $0.061 \leq 0.08$ which means that the resulting model is good fit. The use of other goodness of fit criteria, namely GFI, AGFI, IFI, NFI and CFI produces a value of > 0.90 , which means that the resulting model meets the criteria of goodness of fit. The results of the conclusions show several dimensions to conclude the goodness of fit model, so hypothesis testing can be done. Here is a picture of the overall model of the results of Structural Equation Modeling.

Figure 2 – The overall model of the results of Structural Equalization Modeling

Incentive correlation with indicators. The results incentive variable shows that the aspects of bonuses, social security, awarding awards, giving promotion and granting the rights to use attributes have a t-value greater than 1.96 so that the five dimensions have a real relationship to the latent variables. The dimensions of the awarding charter have the highest load factor coefficient (SLF) (0.88), followed by the right to use attributes and the dimensions of giving promotion that have SLF values almost as large as 0.87 and 0.86. The bonus dimensions and social security dimensions each have SLF values of 0.73 and 0.70. This explains the biggest incentive variables characterized by the dimensions of giving awards or incentives in the form of non-material incentives. It shows that giving non-material incentives is the most influential factor in measuring incentives.

Work satisfaction correlation with indicators. The results of work satisfaction variables obtained aspects of payment, work, promotion, supervisors, and coworkers, have a t-value greater than 1.96, so the five dimensions have a real relationship to the latent variables. The dimensions of payment satisfaction and dimensions of promotion satisfaction have the highest value factor, which is 0.81. Job satisfaction dimension itself has the second highest

load factor value of 0.68. The dimensions of supervisors and coworkers have a load factor coefficient (SLF) not too much different or only 0.01, which is 0.64 and 0.63, respectively, so they have almost the same effect. This means that the greatest variable of job satisfaction is characterized by dimensions of payment satisfaction and dimensions of promotion satisfaction. This value indicates that the role of promotion and career level is clearly the most influential factor in measuring respondents' job satisfaction.

Work motivation correlation with indicators. The results of the work motivation variable obtained aspects of Existence, Relatedness and Growth have a t-value greater than 1.96 so that the three dimensions have a real relationship to the latent variables. The dimensions of relatedness and growth have almost as strong influence values as 0.57 and 0.61 respectively. The existence dimension has the highest load factor coefficient (SLF) compared to the other two dimensions, which is 0.96. It shows that the need for existence includes physiological needs and the need for security in the company become the most influential factor in measuring employee motivation.

Work Performance correlation with indicators. Independent dimension has the lowest load factor coefficient (SLF) that is equal to 0.57 followed by the timeliness dimension which is 0.66. The quantity and effectiveness dimensions have the same charge factor coefficient (SLF) that is 0.72 so that it has the same strong influence. Judging from the value of the load factor, the dimension of work commitment is the most influential dimension to performance, which is 1.00 then followed by the quality dimension of 0.86. It shows that a strong desire to remain as an employee of the company and the desire to strive according to company's goals, as well as certain beliefs and acceptance of the company's values and goals are the main factors that concern the DKI Bank marketing employees in their work.

Hypothesis. Data processing with SEM shows the results of the path diagram which is the result of testing the hypothesis summarized in Table 4.

Table 4 – Test Hypothesis

Variabel	Loading Factors	t-Table ($\alpha=5\%$)	Path Coefficient	Conclusion
Incentive → Work Satisfaction	21,84	1,96	0,77	H1 Accepted
Incentive → Motivation	13,93	1,96	0,78	H2 Accepted
Incentive → Work Performance	2,85	1,96	0,21	H3 Accepted
Work Satisfaction → Work Performance	2,00	1,96	0,30	H4 Accepted
Motivation → Work Performance	2,59	1,96	0,24	H5 Accepted

The results of hypothesis testing show incentives have a positive and significant effect on job satisfaction of 0.77, meaning that the better the incentive, the more job satisfaction of employees. This is in line and strengthens some of the results of previous studies such as Astuti et al. (2009) and Apsari et al (2017) which state that incentives have a strong relationship with job satisfaction.

Incentives have a positive and significant effect on motivation of 0.78, meaning that the better the incentives, the more motivated employees of Bank DKI marketing. This is in line and strengthens the results of Indrawati's (2015) and Grahayudha (2014) research which states that incentives have significant and positive effects on motivation.

Incentives have a positive and significant impact on employee performance of 0.21, meaning that the higher the incentives provided by the company, the more it improves employee performance. The results of this study are in line and support the research results of Dhermawan (2012), Posuma (2013) and Dito (2010) which state that incentives have a strong and positive relationship to performance.

Job satisfaction has a positive and significant effect on employee performance of 0.30, meaning that the higher the job satisfaction, the more it will improve employee performance. The results of this study are in line and support the results of research by Sanuddin et al (2013), Umar (2011) and Pushpakumari (2008) which state that job satisfaction has a strong and positive relationship with employee performance.

Work motivation has a positive and significant effect on employee performance of 0.36, meaning that the higher the work motivation, the more it improves employee performance.

This is in line and strengthens the results of several previous studies. Anggriawan's research (2015), Fauziah (2012) and Asim (2013) show that work motivation has a strong and positive relationship to employee performance.

The coefficient of determination (R^2) model of job satisfaction of 60% means that the diversity of job satisfaction can be explained by incentives while the remaining 40% is explained by other factors not observed in this study. The coefficient of determination (R^2) of the motivation model of 61% means that the diversity of work motivation can be explained by incentives while the remaining 39% is explained by other factors not observed in this study. The coefficient of determination (R^2) of the Performance model of 68% means that performance diversity can be explained by job satisfaction, motivation and incentives by 68% while the remaining 32% is explained by other factors outside the model.

MANAGERIAL IMPLICATIONS

The efforts that can be made by Bank DKI's management to improve performance are by increasing incentives, job satisfaction and work motivation, first, develop a more optimal incentive system, so that it can produce better work output. Second, periodically carry out activities to bring supervisors closer to their subordinates and also among colleagues, so that they are better involved with group activities. Managers or supervisors must maintain communication, as well as good relations with their subordinates and facilitate a healthy environment for harmonious interactions between employees. Last, provide training to improve employee marketing competencies that are useful to increase productivity and creativity in marketing bank products.

CONCLUSION

Performance is influenced by incentives, job satisfaction and motivation. Incentive conditions have a significant and positive effect on job satisfaction with a path coefficient value of 0,77. Incentive conditions also have a significant and positive effect on work motivation with a path coefficient value of 0,78. Job satisfaction has a significant and positive effect on performance with a path coefficient value of 0,30. Work motivation has a significant and positive effect on performance with a path coefficient value of 0,24. The coefficient of determination (R^2) model of job satisfaction of 60% means that the diversity of job satisfaction can be explained by incentives while the remaining 40% is explained by other factors not observed in this study. The coefficient of determination (R^2) of the motivation model of 61% means that the diversity of work motivation can be explained by incentives while the remaining 39% is explained by other factors not observed in this study. The coefficient of determination (R^2) of the Performance model of 68% means that performance diversity can be explained by job satisfaction, motivation and incentives by 68% while the remaining 32% is explained by other factors outside the model. Incentives, job satisfaction and work motivation have a significant and positive effect on employee performance. On the other hand incentives have an effect on performance with work motivation and job satisfaction as an intervening variable.

RECOMMENDATIONS

Based on the results of the study, suggestions that can be used for further research material are, management of Bank DKI is expected to conduct a review of the performance appraisal system that is currently applied periodically, so that employees get an openness regarding the income received with the workload they received. The problem of job satisfaction at Bank DKI employees can be overcome by carrying out activities that can increase interaction and communication between Bank DKI marketing employees to get to know each other more and be involved with group activities through morning coffee, morning prayer and outing events outside the office. Add factors that influence other performance research, such as work commitment and work culture.

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