The Influence of Financial Incentives and Non-Financial Incentives to Job Performance: Motivation of Work as A Variable of Modernation in Employee Cooperation of Save Loans (Ksp) Mitra Sari Dana Denpasar Oleh

I Wayan Sukanta, Anik Yuesti, Putu Kepramareni

Abstract:
The purpose of this study is to analyze the influence of financial incentives on job motivation, the influence of non-financial incentives on job motivation, the influence of financial incentives on job performance, the influence of non-financial incentives on job performance, and the influence of work motivation on job performance in the Cooperative Savings and Loans (KSP) Mitra Sari Dana Denpasar. This research is a quantitative research using primary data obtained from the questionnaire and measured by using Likert scale. The population of this research is employees at Savings and Loans Cooperative (KSP) Mitra Sari Dana Denpasar. The method of selecting the sample of this study using purposive sampling. The sample of this research is all employees who work Cooperative Savings and Loans (KSP) Mitra Sari Dana Denpasar as much as 32 people. Data analysis technique used in this research is Structural Equation Modeling (SEM) based on Partial Least Square (PLS) using SmartPLS 3.0 program. The result of the research shows that (1) financial incentive has positive and significant effect to job motivation, (2) non financial incentive has positive and significant effect to job motivation, (3) financial incentive has positive and significant effect to job performance, (5) the influence of mediation of job motivation variable on indirect influence of financial incentive to job performance is partial, and (7) influence of mediation job motivation variable on the indirect effect of non-financial incentives on job performance is partial.

Keywords: financial incentives, non-financial incentives, job motivation, job performance.

Introduction:

Human resources are the most important asset in a company so it must be maintained and maintained. The success of the company in achieving the goal is inseparable from the role of employees. Employees are the main assets of companies that become planners and active actors of every company activity. Knowledge of how to guide employees well is needed to work as closely as possible. Therefore, it takes skilled employees, achievers and professionals so that employees will always be responsive to the needs of the company (Jenkins, Mitra, Gupta, Shaw, 1998; Sierzchula, Bakker, Maat, Van Wee, 2014; Mathauer dan Imhoff, 2006).

Employees contribute to the company in the form of skills, expertise, and skills possessed, while the
company is expected to give rewards and rewards to employees fairly, so it can cause a sense of satisfaction to employees. High job satisfaction can improve job performance and employee morale and increase productivity (Erbas dan Arat, 2012). Every company basically wants and demands that all its employees always do their job as well as possible. To realize this goal, it takes skilled employees, achievers and professional so that employees will always be responsive to the needs of the company. According Hasibuan (2011) states that Job achievement is a result of work achieved in performing the tasks assigned to him based on the skills, experience, and sincerity and time. Given the importance of human resource position within the company, it is appropriate for the company to pay more attention through the policies adopted.

One form of policy that must be noticed by the company is about incentives. This is in accordance with the opinion of Sarwoto (2005) that Incentives is an incentive or incentive given by the company to the employees so that in them arise greater spirit to excel. So that the results achieved in accordance with the goals of individuals and companies.

According to Siagian (2003), incentives are intended to provide a form of reward to employees for their contribution to the organization, which is primarily reflected in its performance. Incentives are given to all employees in the company. According Sarwoto (1997), there are two kinds of incentives. First, financial incentives are an incentive given to an employee in the form of money. These incentives include: Incentives in the form of money (bonuses, commissions, profit sharing, and deferred commissions), and incentives in the form of social security (free medical treatment, official housing, etc.). Second, nonfinancial incentives are non-material incentives that can be awarded in various forms of awards, such as awarding degrees, medals, thanksgiving, and so forth (Mustika, 2014).

The continuing problem faced by the leaders of the organization is why some of its employees have lower performance than other employees. Maybe he was not able to complete the assigned job, but he may not have the motivation to work well. As Gibson, Evansevich and Donnly (1996) say variables such as: ability, instinct, aspiration level, personal factors such as age, education, and family background explain why some employees perform well and others do not.

Atkinson (Gibson, Evansevich and Donnly, 2009: 115) suggest that, the analysis of motivation should focus on the factors that drive (motivate) and direct one's activities. Motivation relates to how the behavior begins, is powered, supported, directed, stopped, and the subjective reactions that exist in the organization when it is in progress. Therefore, the need for a leadership policy in its efforts to mobilize, invite and direct the employee to be willing to work more achievement in accordance with the established plan.

Each organization's leaders need to know about the nature of motivation and the factors that motivate the work of subordinates so that their work performance increases (Banker, Potter, Srinivasan, 2000). Appropriate motivation will be able to promote and develop the organization, so that the parties who receive the results of the deed (in this case the receiving party) will feel satisfied and mempuayai good impression of the way the service provided. This will have a positive impact on the organization and the service actors in the organization (Mason and Watts, 2009).

Research on the effects of financial incentives and non-financial incentives on job performance with work motivation as intervening variables has mixed results. Septaria research (2008) shows that financial incentives and non-financial incentives have a significant effect on employee performance. Another study conducted by Burhanudin (2016) financial incentives and nonfinancial incentives have a significant influence on work motivation, financial and nonfinancial incentives have a significant effect on job performance, work motivation has a significant influence on job performance, financial incentives indirectly affect job performance through work motivation as intervening variable is acceptable, non-financial incentive indirectly affect to work performance through work motivation as intervening variable can be accepted.
While other research conducted by Mustika (2014) shows that financial incentives and non-financial incentives have a significant positive effect on work motivation and financial incentives, non-financial incentives and work motivation have a significant positive effect on job performance and work motivation have no significant effect on work performance. Based on the Research gap that has been presented, can be a research problem about the influence of financial incentives and non-financial incentives on employee performance with work motivation as a moderation variable.

This research took the object of Credit Saving Cooperative (KSP) Mitra Sari Dana Denpasar. In an effort to further optimize its role in the business of channeling and collecting public funds is Savings and Loans Cooperative (KSP) Mitra Sari Dana Denpasar, especially in facing the uncertain economic conditions and competition which is increasingly stretched, the management of Savings and Loans Cooperative (KSP) Mitra Sari Dana Denpasar needs to formulate a policy in order to implement the marketing concept through various options such as product combination, distribution channels, promotion and pricing policy.

The result of observation on Credit Saving Cooperative (KSP) Mitra Sari Dana Denpasar on the reality of Savings and Loan Cooperative (KSP) Mitra Sari Dana Denpasar, employee performance can be seen from the punctuality in the completion of work that has been determined and how well the work can be completed. Employees are also required to work professionally in all job duties so that all work is completed in accordance with the standards that have been determined. To support the above matters, the policy of providing incentives in the form of financial and non-financial is expected to affect employee performance. Therefore, in Cooperative Savings and Loans (KSP) Mitra Sari Dana Denpasar has implemented a policy of giving incentives for all employees with the aim to encourage or motivate employee productivity so that employees can maintain their work performance. Provision of financial incentives to employees on the Cooperative Savings and Loans (KSP) Mitra Sari Dana Denpasar, among others, in the form of salary in the form of remuneration paid periodically to employees and have a certain guarantee, overtime is an additional remuneration given to employees under an agreed agreement and insurance that is a compensation for future health and safety. While providing non-financial compensation on Credit Saving Cooperative (KSP) Mitra Sari Dana Denpasar among others in the form of promotion or movement of higher level workwanke based on their work performance, and supportive psychological environment or pleasant colleagues. Therefore, the scope of this study will measure employee performance on Savings and Loans Cooperative (KSP) Mitra Sari Dana Denpasar.

In relation to the description presented, this study is aimed to analyze how the influence of financial incentives and non-financial incentives on job performance with work motivation as a moderating variable with a study on Savings and Loans Cooperation (KSP) Mitra Sari Dana Denpasar.

2. Theory:
McClelland Motivation Theory:
McClelland argues that social motives are complex motives and are the source of many human behaviors or deeds (Walgito, 2010). Social motives are important to get an overview of the behavior of individuals and groups of David McClelland in his theory McClelland's Achievement Motivation Theory or McClelland's theory of motivational achievement suggests that individuals have potential energy reserves, how this energy is released and developed depends on the strength or drive of individual motivation and the situations and opportunities available. This theory focuses on three needs, namely the need for achievement (achievement), power needs (power), and the need for affiliation.

Each individual has its own needs according to the character and mindset. In its implementation, a person who tends to have one of the high needs on all three diastas needs will be better suited to a particular position in a job (Yuesti, et al, 2018, Sumantra and Yuesti, 2017, Yuesti 2015). For example, someone who has a high need of power
(nPow) tends to be more suitable to be placed as a leader while someone who tends to have a high need of affiliation prefers a team working atmosphere that has a lot of interaction between individuals. Someone who is able to understand their motivation needs will determine a career or a suitable job in accordance with his character (Yuesti, et al 2018, Yuesti and Sumantra, 2018, Sumantra and Yuesti 2016, Sumantra and Yuesti, 2017, Yuesti 2015).

McClelland found that individuals with high achievement drives differ from other individuals in a strong desire to do things better. Individuals with high achieving motivation seek opportunities where the individual has personal responsibility in finding answers to problems. The individual prefers jobs where there is personal responsibility, will get feedback, and job duties have moderate risks. Individuals who have high achievement needs are not gamblers, do not like to be successful by chance. Set goals are goals that are not too difficult to achieve and also not a goal that is too easy to achieve. Goal to be achieved is the goal with the degree of difficulty medium (moderate).

McClelland further characterizes individuals with high achievement motivations according to McClelland as follows:

1. Desire to be the best
2. Love work with personal responsibility
3. Requires feedback after doing a job
4. Moderate job selection risk
5. Creative-innovative in performing a task or job.

McClelland's theory focuses on three needs (Waligo, 2010):

a) **The need for achievement (n-ACH)**

The need for achievement is an encouragement to outperform, accomplish with respect to a set of standards, to wrestle for success. This need in Maslow's hierarchy lies between the need for appreciation and the need for self-actualization. Highly oriented individual traits include being willing to accept relatively high risks, the desire to get feedback on their work, the desire to get the problem-solving responsibilities.

n-ACH is the motivation for achievement, therefore employees will strive to achieve the highest achievement, achievement of the goal is realistic but challenging, and progress in the work. Employees need to get feedback from their environment as a form of recognition of these achievements. There are several characteristics of individuals who have motivated the need for achievement described by McClelland (1987), namely as follows:

1. Likes a task that has a moderate difficulty level.

   Individuals who have a need for achievement prefer duty with moderate difficulty due to several reasons. First, the task with a low level of difficulty can not make itself appear better than the other individuals because all individuals are considered to be able to perform the task with the difficulty level is low. Therefore, the task with a low difficulty level can not satisfy the need for achievement that is in itself. However, they also do not like tasks with too high a degree of difficulty because they can hinder them in achieving success so that the possibility of failure is greater.

2. Personally responsible for work performance.

   Individuals who have high achievement needs tend to choose to be personally responsible in their work. This is due to the satisfaction that individuals can get after they do something better. Individuals who have the need for such high achievement also have a tendency to complete the work given to him to complete and always unthinkable tasks that have not been resolved. Individuals are more focused on their personal achievements irrespective of their influence for members of their group.

3. Liked feedback (feedback).

   Individuals with high achievement needs likes when their performance is compared to others. Individuals with high performance needs also like feedback on their performance or work to assess the results of their hard work.

4. Innovative.

   Individuals who have high achievement needs also always strive for innovation, finding new and better ways to efficiently accomplish tasks. They avoid everything that is monotonous and associated
with routine. When people who have high needs for achievement succeed, they will continue to increase their aspiration level in a realistic way, so they can move toward more difficult and challenging tasks.

5. Persistence. Individuals who have a high need for achievement have higher worker resilience in performing tasks. When facing the failure of individuals with high achievement kebuthuan tend to survive. This is driven by the belief that they can accomplish their work properly and well and be able to do similar work with better outcomes in the future. However, this resilience still depends on their chances of success.

3. Method:

This research was conducted at Savings and Loans Cooperative (KSP) Mitra Sari Dana Denpasar, which is located at Jalan Pulau Bungin. 62 Br. South Denpasar Pedungan Point. Population in this research is all employees at Koperasi Simpan Pinjam (KSP) Mitra Sari Dana Denpasaryang amounted to 32 people. Based on the data that can be on Cooperative Savings and Loans (KSP) Mitra Sari Dana Denpasar employees amounted to 32 people ie less than 100, then taken entirely so that the study is a population study (saturated samples). As for the object of research on Savings and Loans Cooperative (KSP) Mitra Sari Dana Denpasar is Financial Incentives, Non Financial Incentives, Job Performance and Employee Motivation. In this research is the distribution of questionnaires conducted to employees of Savings and Loans Cooperative (KSP) Mitra Sari Dana Denpasar and give time to respondents to restore the questionnaire that has been filled. According to Ghozali (2006) To test the hypothesis and produce a fit model, this study uses Structural Equation Modeling (SEM) with a variance based or component-based approach with Partial Least Square (PLS). When the structural model to be analyzed meets the recursive model and the latent variable has a formative, reflective or mixed indicator, then the most appropriate approach used is PLS.

4. Result Research and Discussion:

4.1 Fit Model Evaluation:

Data processing techniques using the SEM-based Partial Least Square (PLS) method require two stages to assess the fit model of a study (Ghozali, 2014). Before going to the stages and methods of SEM-based PLS, then the results of data processing structural models in this study can be described as follows.

Figure 4.1 Structural Model

Figure 4.1 shows that the financial incentive construct (IF) is measured by 4 indicators, ie bonus (IF,1), commission (IF,2), profit share (IF,3), and allowance (IF,4). Non-financial incentive constructs (INFs) are measured by 4 indicators, formal awards (INF1), award or medal (INF2), granting the right to use an office attribute (INF3), and the provision of special equipment in the workspace (INF4). Work motivation constructs (MK) are measured by 3 indicators, namely the need for achievement (MK1), the need for power (MK2), and the need for affiliation (MK3). Work performance constraint (PK) is measured with 5 indicator, that is result of work fulfill standard of quantity (PK1), result of work fulfill quality standard (PK2), work result is nothing wrong (PK3), work result increase (PK4),
and work result on time (PK5). The direction of the arrow between the indicators indicates that the research used a reflective indicator that is relatively appropriate for measuring perception. The relationship to be examined is represented by an arrow between the constructs.

Data processing technique using PLS based SEM method requires 2 stages in assessing Fit Model from a research model Ghozali (2014). The stages are as follows.

4.2 Outer Model Test

There are three criteria in using data analysis technique with Smart PLS 3.0 software to evaluate outer model, that is convergent validity, discriminant validity, and composite reliability.

1. Convergent Validity

Convergent validity of the reflexive indicator is judged by the correlation between the estimated component score and Smart PLS 3.0 software. The individual reflexive size is said to be high if it has a loading factor of 0.50 (Wijoyono: 2014). The result of outer loadings using PLS can be seen in Table 4.1.

<table>
<thead>
<tr>
<th>Item</th>
<th>Financial Incentive</th>
<th>Non Financial Incentive</th>
<th>Work Motivation</th>
<th>Work Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>IF1</td>
<td>0.929</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IF2</td>
<td>0.828</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IF3</td>
<td>0.908</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IF4</td>
<td>0.909</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INF1</td>
<td>0.941</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INF2</td>
<td>0.956</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INF3</td>
<td>0.940</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INF4</td>
<td>0.938</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MK1</td>
<td></td>
<td></td>
<td>0.838</td>
<td></td>
</tr>
<tr>
<td>MK2</td>
<td></td>
<td></td>
<td>0.857</td>
<td></td>
</tr>
<tr>
<td>MK3</td>
<td></td>
<td></td>
<td>0.577</td>
<td></td>
</tr>
<tr>
<td>PK1</td>
<td></td>
<td></td>
<td></td>
<td>0.622</td>
</tr>
<tr>
<td>PK2</td>
<td></td>
<td></td>
<td></td>
<td>0.725</td>
</tr>
<tr>
<td>PK3</td>
<td></td>
<td></td>
<td></td>
<td>0.835</td>
</tr>
<tr>
<td>PK4</td>
<td></td>
<td></td>
<td></td>
<td>0.839</td>
</tr>
<tr>
<td>PK5</td>
<td></td>
<td></td>
<td></td>
<td>0.876</td>
</tr>
</tbody>
</table>

Source: Output SmartPLS 3.0,

Based on Table 4.1 it is shown that the value of outer loading or correlation between variables with variables has been qualified convergent validity because all have a value factor loading above 0.50. All indicators of financial incentive variables have outer loadings greater than 0.50. Thus, it can be concluded that the four indicators of financial incentives are a valid indicator as a measure of job performance variables. The bonus indicator (IF1) is the strongest measure of the financial incentive variable because it has the largest outer loading value of 0.929. All non-financial incentive variable indicator has outer loadings value greater than 0.50. Thus, it can be concluded that the four indicators of non-financial incentives are valid indicators as a measure of job performance variables. Indicator of special equipment on service office (INF2) is the strongest measure of non-financial incentive variable because it has the largest outer loading value, that is 0.956. All indicators of work motivation variables have outer loadings greater than 0.50. So, it can be concluded that the three indicators of work motivation is a valid indicator as a measure of work performance variables. Indicator of need for power (MK2) is the strongest measure of work motivation variable because it has the largest outer loading value, that is 0.857. All indicators of work performance variables have outer loadings greater than 0.50. Thus, it can be concluded that the five indicators of work performance is a valid indicator. Timelines indicator on time (PK5) is the strongest measure of work performance variable because it has the largest outer loading value, that is 0.876.

2. Discriminant Validity:

Kriteria validitas konstruk variabel penelitian dapat dilihat dari nilai discriminant validity. Discriminant validity dilakukan untuk memastikan bahwa setiap konsep dari masing-masing variabel laten berbeda dengan variabel lainnya. Model dikatakan mempunyai discriminant validity yang baik jika nilai akar kuadrat dari nilai Average Variance Extracted (AVE) lebih besar daripada nilai korelasi antar variabel laten (Ghozali, 2014). Hasil
pengujian discriminant validity tampak pada Tabel 4.2

<table>
<thead>
<tr>
<th>Item</th>
<th>Financial Incentive</th>
<th>Non Financial Incentive</th>
<th>Job Motivation</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>IF1</td>
<td>0.929</td>
<td>0.651</td>
<td>0.810</td>
<td>0.851</td>
</tr>
<tr>
<td>IF2</td>
<td>0.828</td>
<td>0.599</td>
<td>0.700</td>
<td>0.718</td>
</tr>
<tr>
<td>IF3</td>
<td>0.908</td>
<td>0.667</td>
<td>0.753</td>
<td>0.822</td>
</tr>
<tr>
<td>IF4</td>
<td>0.909</td>
<td>0.832</td>
<td>0.847</td>
<td>0.883</td>
</tr>
<tr>
<td>INF1</td>
<td>0.782</td>
<td>0.941</td>
<td>0.898</td>
<td>0.895</td>
</tr>
<tr>
<td>INF2</td>
<td>0.685</td>
<td>0.959</td>
<td>0.821</td>
<td>0.855</td>
</tr>
<tr>
<td>INF3</td>
<td>0.782</td>
<td>0.940</td>
<td>0.891</td>
<td>0.895</td>
</tr>
<tr>
<td>INF4</td>
<td>0.659</td>
<td>0.938</td>
<td>0.784</td>
<td>0.818</td>
</tr>
<tr>
<td>MK1</td>
<td>0.711</td>
<td>0.762</td>
<td>0.838</td>
<td>0.806</td>
</tr>
<tr>
<td>MK2</td>
<td>0.792</td>
<td>0.780</td>
<td>0.857</td>
<td>0.844</td>
</tr>
<tr>
<td>MK3</td>
<td>0.463</td>
<td>0.498</td>
<td>0.577</td>
<td>0.574</td>
</tr>
<tr>
<td>PK1</td>
<td>0.548</td>
<td>0.621</td>
<td>0.659</td>
<td>0.622</td>
</tr>
<tr>
<td>PK2</td>
<td>0.755</td>
<td>0.530</td>
<td>0.702</td>
<td>0.725</td>
</tr>
<tr>
<td>PK3</td>
<td>0.709</td>
<td>0.819</td>
<td>0.815</td>
<td>0.853</td>
</tr>
<tr>
<td>PK4</td>
<td>0.832</td>
<td>0.761</td>
<td>0.832</td>
<td>0.839</td>
</tr>
<tr>
<td>PK5</td>
<td>0.761</td>
<td>0.858</td>
<td>0.833</td>
<td>0.876</td>
</tr>
</tbody>
</table>

Source: Output SmartPLS 3.0

Based on Table 4.2 it is shown that the variables of financial incentives, nonfinancial incentives, work motivation, and work performance have an Average Variance Extracted (AVE) root value higher than the correlation coefficient between one variable with other variables. So, it can be said the data has good discriminant validity.

To strengthen the validity of the research construct used Average Variance Extracted (AVE). Constructs that have good validity are required to have an AVE value above 0.50 (Ghozali, 2014). Average Variance Extracted (AVE) test results are shown in Table 4.3.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Average Variance Extracted (AVE)</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Incentive</td>
<td>0.799</td>
<td>0.916</td>
<td>0.941</td>
</tr>
<tr>
<td>Non Financial Incentive</td>
<td>0.891</td>
<td>0.959</td>
<td>0.970</td>
</tr>
<tr>
<td>Job Motivation</td>
<td>0.589</td>
<td>0.640</td>
<td>0.807</td>
</tr>
<tr>
<td>Job Performance</td>
<td>0.623</td>
<td>0.843</td>
<td>0.890</td>
</tr>
</tbody>
</table>

Source: Output SmartPLS 3.0, Lampiran 5

Based on Table 4.3 it is shown that the variables of financial incentives, non-financial incentives, work motivation, and work performance have Average Variance Extracted (AVE) above 0.50. Thus, it can be said that the construct value of variable financial incentives, non-financial incentives, work motivation, and work performance are eligible or said to be valid.

3. Composite Reliability:

Reliability criteria can be seen from the value of composite reliability and Cronbach's Alpha from each construct. The construct is said to have a high reliability if the value of composite reliability is above 0.50 and Cronbach's Alpha value is above 0.60 (Ghozali, 2014). Composite reliability test results are shown in Table 4.4.

Table 4.4 Composite Reliability:

4.3 Structural Model Test (Inner Model):

Inner model or structural model testing is done to see the relationship between variables, significance value and R-square of the research model. The structural model is evaluated by using R-Square for the dependent variable with the coefficient of structural path parameters.

Based on Figure 4.1 it can be explained that the covariance of the indicator measurement is
influenced by the latent construct or reflects the variation of the construct described with some arrows from the construct to the indicator. This suggests that changes in latent constructs affect changes in indicators. In this model there are 2 exogenous variables, namely financial incentives and non-financial incentives and 2 endogenous variables, namely work motivation and job performance.

**Gambar 4.2 Model Struktural (Inner Model)**

Assessment of models with PLS begins by looking at R-Square for each dependent latent variable. Changes in R-Square values can be used to assess the effect of certain exogenous latent variables on endogenous latent variables that have substantive influences. The structural model is evaluated by taking into account the Q2 predictive relevance model that measures how well the observed value is generated by the model. The value of Q2 is based on the coefficient of determination of all dependent variables. The quantity Q2 has a value with the range 0 < Q2 < 1, the closer to the value of 1 means the model the better. The coefficient of determination (R-Square) of each dependent variable can be presented in Table 4.5.

<table>
<thead>
<tr>
<th>Table 4.5 Nilai R-Square:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural Model</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
</tbody>
</table>

Calculation Q²:

\[ Q^2 = 1 - [(1 - R_1^2)(1 - R_2^2)] \]

Based on Table 4.5 it is shown that the result of evaluation of the structural model proved the value of Q2 of 0.999 approaching the number 1. This gives proof that the structural model has a very good suitability (Goodness of Fit Model). This result can be interpreted that the information contained in the data 99.9% can be explained by the model, while the remaining 0.001% is explained by error or other variables that have not been contained in the model.

**4.4 Hypothesis Test:**

Hypothesis testing is done by t-test on each lane of direct influence partially and indirect influence through mediation variable.

1. **Direct Influence Test:**

The result of path coefficient on each path for direct effect can be presented in Table 4.6.

<table>
<thead>
<tr>
<th>Table 4.6 Direct Influence Test Result</th>
</tr>
</thead>
</table>
| Correlation Between Variable | (Bootstrapping) | T-Statistik | Descriptio
|
| Financial Incentive -> Job Motivation | 0.435 | 3.568 | Significan |
| Financial Incentive -> Job Performance | 0.287 | 3.596 | Significan |
| Non-Financial Incentive -> Job Motivation | 0.565 | 4.394 | Significan |
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<table>
<thead>
<tr>
<th>Non Financial Incentive -&gt; Job Performance</th>
<th>0.218</th>
<th>2.390</th>
<th>Significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Motivation -&gt; Job Performance</td>
<td>0.532</td>
<td>4.744</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Source: Output SmartPLS 3.0,

Based on the results of the analysis can be presented images of research models in accordance with the analysis of PLS as follows.

**Figure 4.4 Full Models (PLS Bootstrapping)**

**a. Hypothesis Test 1:**

The test result on the parameter coefficient between financial incentive to job motivation showed a positive relationship with coefficient value of 0.435 with t-statistic value of 3.568. The t-statistic value is above the value of t table 2.021, so H0 is rejected. Thus, financial incentives have a positive and significant impact on work motivation. This means that the higher the financial incentive, the higher the work motivation or the lower the financial incentive, the lower the job motivation.

**b. Hypothesis Test 2:**

The test result on the parameter coefficient between non-financial incentive to job motivation showed a positive relationship with coefficient value of 0.287 with t-statistic value of 3.596. The t-statistic value is above the value of t table 2.021, so H0 is rejected. Thus, non-financial incentives have a positive and significant impact on work motivation. This means that the higher the non-financial incentives, the higher the job motivation or the lower the non-financial incentives, the lower the motivation of job.

**c. Hypothesis Test 3:**

Result of test to coefficient of parameter between financial incentive to job performance showed a positive correlation with coefficient value equal to 0.565 with t-statistic value equal to 4.394. The t-statistic value is above the value of t table 2.021, so H0 is rejected. Thus, financial incentives have a positive and significant impact on work performance. This means that the higher the financial incentives, the higher the work performance or the lower the financial incentive, the lower the performance.

**d. Hypothesis Test 4:**

The test result on the parameter coefficient between non-financial incentive to job performance showed a positive relationship with coefficient value of 0.218 with t-statistic value of 2.390. The t-statistic value is above the value of t table 2.021, so H0 is rejected. Thus, non-financial incentives have a positive and significant impact on job performance. This means that the higher the non-financial incentives, the higher the work performance or the lower the non-financial incentives, the lower the performance.

**e. Hypothesis Test 5:**

The test results on the coefficient of the parameters between job motivation on job performance showed a positive relationship with the value of coefficient of 0.532 with a t-statistic value of 4.744. The t-statistic value is above the value of t table 2.021, so H0 is rejected. Thus, job motivation has a positive and significant impact on job performance. This
means that the higher the motivation of job, the higher the job performance or the lower the motivation of job, the lower the job performance.

### Tabel 4.9 Direct and indirect Influence

<table>
<thead>
<tr>
<th>No.</th>
<th>Corelation Variable</th>
<th>Direct</th>
<th>Indirect</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Financial Incentive - Job Motivation</td>
<td>0.435</td>
<td>-</td>
<td>0.435</td>
</tr>
<tr>
<td>2</td>
<td>Financial Incentive - Job Motivation -&gt; Job Performance</td>
<td>0.435</td>
<td>0.287</td>
<td>0.722</td>
</tr>
<tr>
<td>3</td>
<td>Non Financial Incentive - Job Motivation</td>
<td>0.565</td>
<td>-</td>
<td>0.565</td>
</tr>
<tr>
<td>4</td>
<td>Non Financial Incentive - Job Motivation -&gt; Job Performance</td>
<td>0.565</td>
<td>0.218</td>
<td>0.783</td>
</tr>
<tr>
<td>5</td>
<td>Job Motivation -&gt; Job Performance</td>
<td>0.532</td>
<td>-</td>
<td>0.532</td>
</tr>
</tbody>
</table>

Source: Output SmartPLS 3.0.

Based on Table 4.9, it is shown that the influence of work motivation mediation (Y1) on the non-direct effect of non-financial incentive (X2) on job performance (Y2) is greater, that is by path coefficient of 0.301 compared with the influence of mediation of work motivation variable (Y1) indirect financial incentives (X2) on work performance (Y2) with the resulting path coefficient of 0.231. Thus overall, the total effect on the non-financial incentive path -> work motivation -> work performance (0.783) is greater than the financial incentive path -> work motivation -> work performance (0.722). These findings provide guidance on financial incentives and higher nonfinancial incentives that increase employee motivation, thereby improving work performance according to company objectives.

### 4.5 Discussion:

#### a. The Effect of Financial Incentives on Job Motivation:

The results of the first hypothesis testing on the influence of financial incentives on work motivation showed the value of coefficient of 0.435 with t-statistic value of 3.568. The t-statistic value is above the t table value 2.021. Thus, financial incentives have a positive and significant impact on work motivation. This means that the higher the financial incentives given to employees, the higher the employee’s work motivation or the lower the financial incentives provided to employees, the lower the motivation of employees. The results of this study are in line with the results of research conducted by Mustika (2014) on the Influence of Financial Incentives and Non Financial Incentives to Employee Performance: Working Motivation as Intervening Variable (Studies on Employees of PT PLN (Persero) Kudus Area), stating that incentives financially have a significant positive effect on work motivation. Other supporting research is conducted by Nugraha (2013) on the Influence of Financial Incentives and Non-Financial Incentives to Employee Motivation and Morale (Study on Employees of PT Bank Negara Indonesia Persero Tbk Branch of Madura), stating that financial incentives have a positive effect and significant to employee motivation. This study is in line with Burhanudin's (2016) research on the Influence of Financial Incentives and Non-Financial Incentives on Job Performance with Job Motivation as Intervening Variable (Studies of Nissan Employees of PT United Indo Surabaya Branch Rahmat Surabaya), which states that financial incentives have positive and significant influence on work motivation. Research conducted by Sambiran (2015) on the Influence of Leadership and Financial Incentives Against Employee Motivation At PT. Adira Finance Manado, stating that financial incentives have a positive effect on work motivation.

#### b. The Influence of Non-Financial Incentives on Job Motivation:

The second hypothesis test result about the influence of non-financial incentive to work motivation shows the coefficient value of 0,565 with t-statistic value equal to 4,394. The t-statistic value is above the t table value 2,021. Thus, non-financial incentives have a positive and significant impact on work motivation. This means that the
higher non-financial incentives provided to employees, the higher the employee's motivation or the lower the non-financial incentives provided to employees, the lower the employee's motivation. The results of this study are in line with the results of research conducted by Mustika (2014) on the Influence of Financial Incentives and Non Financial Incentives to Employee Performance: Working Motivation as Intervening Variable (Studies on Employees of PT PLN (Persero) Kudus Area), stating that incentives non financial have a significant positive effect on work motivation. Other supporting research is conducted by Nugraha (2013) on the Influence of Financial Incentives and Non Financial Incentives to Employee Motivation and Morale (Study on Employees of PT Bank Negara Indonesia Persero Tbk Branch of Madura), stating that financial incentives have a positive effect and significant to employee motivation. This research is in line with Burhanudin's (2016) research on the Influence of Financial Incentives and Non-Financial Incentives on Work Achievement with Work Motivation as Intervening Variable (Study on Nissan Employees of PT United Indo Surabaya Branch Rahmat Surabaya), stating that non-financial incentives have a positive and significant effect on work motivation. Research conducted by Gunawan (2015) on the Effect of Financial and Non Financial Compensation Against Employee Motivation PT. Freight Express Surabaya, which states that non-financial compensation has a positive and significant impact on employee work motivation.

c. The Effect of Financial Incentives on Job Performance:

Results of testing the third hypothesis about the influence of financial incentives on work performance showed the value of coefficient of 0.287 with t-statistic value of 3.596. The t-statistic value is above the t table value 2.021. Thus, financial incentives have a positive and significant impact on work performance. This means that the higher the financial incentives given to employees, the higher the employee performance or vice versa the lower the financial incentives provided to employees, the lower the work performance of employees. The results of this study are in line with the results of research conducted by Mustika (2014) on the Influence of Financial Incentives and Non Financial Incentives to Employee Performance: Working Motivation as Intervening Variable (Studies on Employees of PT PLN (Persero) Kudus Area), stating that incentives financially have a significant positive effect on work performance. Other supporting research is conducted by Qosim (2016) on the Influence of Financial Incentives and Non-Financial Incentives to the Division of Employment, Employee Performance as Intervening Variable (Case Study: BPR Syariah Bangun Drajat Warga), which states that financial incentives have a positive and significant effect on performance employees. This study is in line with Burhanudin's (2016) research on the Influence of Financial Incentives and Non-Financial Incentives on Job Performance with Job Motivation as Intervening Variable (Studies of Nissan Employees of PT United Indo Surabaya Branch Rahmat Surabaya), which states that financial incentives have positive and significant influence on work performance. Research conducted by Kurniawan (2016) on the Effect of Financial Incentives and Work Discipline Work Productivity Employees Production Department CV. My food tastes Lampung Pringsewu, which states that financial incentives have a significant positive effect on work productivity. Research conducted Hamdan and Setiawan (2014) on the Effect of Financial and Non Financial Compensation Against Employee Performance PT. Samudera Buana Persada stated that financial compensation has a positive and significant impact on employee performance.

d. The Influence of Non Financial Incentives with Job Performance:

The results of the fourth hypothesis testing on the influence of non-financial incentives on work performance showed a coefficient of 0.218 with a t-statistic value of 2.390. The t-statistic value is above the t table value 2.021. Thus, non-financial incentives have a positive and significant impact on work performance. This means that the higher non-
financial incentives given to employees, the higher the employee performance or the lower the non-financial incentives provided to employees, the lower the employee’s work performance. The results of this study are in line with the results of research conducted by Mustika (2014) on the Influence of Financial Incentives and Non Financial Incentives to Employee Performance: Working Motivation as Intervening Variable (Studies on Employees of PT PLN (Persero) Kudus Area), stating that incentives non financial have a significant positive effect on work performance. Other supporting research was conducted by Burhanudin (2016) on the Influence of Financial Incentives and Non Financial Incentives to Work Achievement with Work Motivation as Intervening Variable (Study on Nissan Employees of PT United Indo Surabaya Branch Rahmat Surabaya), stating that non-financial incentives have a positive and significant impact on work performance. This research is in line with research conducted by Hamdan and Setiawan (2014) on the Influence of Financial and Non Financial Compensation to Employee Performance of PT. Samudera Buana Persada stated that financial compensation has a positive and significant impact on employee performance. Research conducted by Tingkir (2015) on the Effect of Financial and Non Financial Compensation Against Employee Performance At PT. Bank Prima Master Surabaya Head Office, stating that non-financial compensation has a positive and significant impact on employee performance. Research conducted by Suryandari (2015) on the Influence of Financial Compensation, Non Financial Compensation and Achievement Motivation, Affiliation, Power to Employee Achievement Kopkar Sampoerna Surabaya stated that non-financial compensation has a positive and significant impact on employee performance.

e. The Effect of Work Motivation on Job Performance:

The results of the fifth hypothesis testing on the influence of work motivation on work performance showed the coefficient value of 0.532 with t-statistic value of 4.744. The t-statistic value is above the t-table value 2.021. Thus, work motivation has a positive and significant impact on work performance. This means that the higher the employee’s motivation, the higher the employee’s work performance or the lower the employee's motivation, the lower the work performance of the employees. The results of this study in accordance with the theory of Mangkunegara (2005), which states that the factors that affect performance is a factor of motivation. In line with that opinion, Handoko (2001) stated that if the employee's work motivation is high, then the employees will work harder so that their performance will increase. The results of this study are in line with the results of research conducted by Vionita (2013) on the Effect of Education Level and Work Motivation on Employee Performance Performance of SMK Negeri In Payakumbuh, stating that work motivation has a positive effect on employee performance. Because the higher the work motivation of employees the higher the performance. Other supporting research is conducted by Juniantara (2015) on the Influence of Motivation and Job Satisfaction on Employee Cooperative Performance in Denpasar, which states that motivation has positive effect on employee performance. This study is in line with research conducted by Mambea and Obwogi (2015) on The Effects Of Motivation On Employee Performance At Oceanfreight (Ea) Limited, which states that motivation has a positive effect on employee performance. Research conducted by Mensah and Tawiah (2016) on Employee Motivation and Work Performance: A Comparative Study of Mining Companies in Ghana, which states that motivation has a positive effect on employee performance. Chandraningtyas et al. (2012) on the Influence of Job Satisfaction and Work Motivation on Employee Performance Through Organizational Commitment (Study on Employees of PT Kusuma Karya Persada) stating that motivation has a positive and significant effect on employee performance through organizational commitment.
5. Conclution:

Based on the results of research and discussion related to the influence of financial incentives and non-financial incentives on job performance with work motivation as an intervening variable on Savings and Loans Cooperation (KSP) Mitra Sari Dana Denpasar, it can be drawn conclusion as follows.

1. Financial incentives have a positive and significant effect on work motivation.
2. Non-financial incentives have a positive and significant effect on job motivation.
3. Financial incentives have a positive and significant impact on job performance.
4. Non-financial incentives have a positive and significant impact on job performance.
5. Motivation of job have a positive and significant impact on job performance.
6. The influence of mediation of job motivation variable on the indirect effect of financial incentives on work performance is partial, meaning work motivation variable is not a key determinant on the influence of financial incentive to job performance.
7. Influence of mediation of job motivation variable on indirect effect of non-financial incentive to job performance is partial, meaning work motivation variable is not as a key determinant of non-financial incentive influence on job performance.

References:


