The Analysis of Compensation as Motivators for Work Motivation and Job Satisfaction at LBPP-LIA Bogor

Sistavia Perdani

This research was developed and modified from the conceptual framework of monetary and non-monetary compensation as motivators for motivation effort by Noble (2002). The concept considered Navy recruiters as a form of salesperson and used an extensive literature to better understand compensation issues. More specifically, it considered both monetary and non-monetary incentives as drivers of motivation effort and performance. A theoretical model was developed to study the hypothetical influence of several phenomena suggested by theoretical work on compensation. This research of compensation as drivers of motivation effort and job satisfaction in LBPP-LIA Bogor was carried out by constructing a structural equation modeling of conceptual framework tested using LISREL (Linear Structural Relationship 8.51). The results of this study found out that compensation, both monetary and non-monetary, positively influence work motivation. The estimation parameters shows that compensation significantly has a positive correlation towards work motivation. Work motivation also significantly has a positive correlation towards job satisfaction. Job satisfaction, although positively correlated towards work motivation, but the estimation parameters shown are not significant.