

**The Effect of Motivation and Working Conditions on Employee Performance
(Study At One Fashion Company in Bandung)**

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Abstract

This study aims to investigate the impact of motivation and working environment on the performance of employees. The research methodology utilized in this study is a verificatory technique employing a survey methodology. The primary data utilized in this study consisted of questionnaires administered to employees of a fashion firm located in Bandung. The study consisted of a total of 35 participants.

Through the utilization of path analysis and coefficient of determination analysis, the comprehensive data analysis demonstrated that motivation, working conditions, and employee performance were classified as somewhat satisfactory. The R-squared value suggested a variance of 75.5%. Hence, it may be posited that employees' performance is impacted by motivation and the work environment, accounting for 75.5% of the variance, leaving the remaining 24.5% to be ascribed to undisclosed variables that have not been scrutinized. In addition, it is noteworthy that motivation exhibited a comparatively lesser impact, accounting for a total effect of 42.3%, in contrast to the working conditions, which yielded a total effect of 50.6%. Therefore, the organization must provide utmost importance to the work environment while simultaneously striving to enhance employee motivation.

In summary, this research offers valuable perspectives on the correlation between motivation, working circumstances, and employee performance. The findings suggest that both elements substantially affect employee performance, with the work environment exhibiting a slightly more significant influence. Hence, organizations must prioritize the establishment of a supportive work environment alongside the cultivation and augmentation of employee motivation in order to attain maximum productivity.

Keywords: *employee motivation, working environment, performance*

Introduction

In a company, the potential of Human Resources is essentially one of the capitals and plays a crucial role in achieving the company's goals. Therefore, the company needs to manage Human Resources as effectively as possible. Similarly, to face the current competition, the company must be able to have quality Human Resources. Human Resources is a crucial aspect to support the productivity of a company to survive in the tight competition in today's trade. Therefore, a company must be able to manage its Human Resources well to improve productivity in the company.

According to Aguinis & Burgi-Tian (2021), employee performance is the work results that can be achieved by employees based on their abilities. Performance is the actual work results achieved by employees in carrying out tasks assigned to them according to the criteria and goals set by the company. According to Gallardo-Gallardo, Thunnissen & Scullion (2020), Human Resources is one of the strategic resources owned by an organization that must be continuously nurtured and developed. Having an advantage in competition is the desire of every company, and it is not easy to achieve. One important factor in achieving this goal is the optimization of human resource management.

In addition to issues related to human resources, the influence of the coronavirus pandemic or Covid-19 is able to disrupt activities of all segments of society conducted outside the home. The clear negative impact that occurs in companies is the high number of employees exposed to the Covid-19 virus, resulting in a loss of work motivation and an unfavorable work environment that affects the declining performance of employees.

The employees who remain in the company also experience negative impacts, as the wages provided by the company have decreased. This is due to the unachieved turnover and significant losses incurred by the company. The wages received by employees are not in line with what they should be, which leads to a decrease in their motivation and performance.

Based on the pre-survey data collected at a fashion company in Bandung, employee performance is evaluated based on service orientation,

integrity, commitment, discipline, cooperation, and leadership. Based on the observations conducted by the researcher, two issues were identified: motivation and the work environment. The pre-survey data revealed that employee performance has not yet reached the performance target, and it is not optimal.

Employee performance is considered excellent or very good if employees achieve a score between 85-90%, which reflects the target achieved for customers. The overall performance only reached a score of 70-85%, with a discipline score of only 70%, which means "Fair". This does not meet the management's expectations to produce human resources that can provide excellent service in their work activities, as the researcher found that quite a number of employees arrive late for work. Meanwhile, the scores for service orientation, integrity, commitment, cooperation, and leadership reached up to 84%, which means "Good". However, this still does not meet the criteria for producing human resources that can provide excellent service in their work activities.

Diamantidis and Chatzoglou (2018) and Foster and Sidharta (2019) identified that two key components, ability and motivation, influence performance attainment. This condition implies that employees' attitudes toward work-related situations shape their motivation. Researchers have identified various elements that influence employee performance. These factors encompass internal aspects, such as intellectual aptitude, work discipline, job satisfaction, and employee motivation. External variables encompass several elements, such as leadership, the work environment, salary, and prevalent management methods within the organization.

These factors should be taken into account by leaders so that employee performance can be more optimal. The suboptimal employee performance is believed to be caused by suboptimal employee motivation. It is known that insufficient motivation at work will decrease employees' enthusiasm to contribute their best in their work, so low motivation leads to decreased enthusiasm for work and ultimately affects the quality of employee performance. Motivation is an internal drive for employees to achieve a goal.

Another factor that affects employee performance is the working conditions. (Lazauskaite-Zabielske, Urbanaviciute & Rekasiute Balsiene (2018) The working conditions greatly influence the employees, enabling them to carry out their tasks more effectively and efficiently. Therefore, it is important for an organization or a company to maintain a conducive working condition for its employees. The working conditions include both the physical and non-physical aspects. The physical work environment can include lighting, colors, sound, air, and music. The non-physical work environment mainly consists of work relationships and the atmosphere at the workplace. A satisfying work environment for employees can enhance employee performance. (Pataki-Bittó & Kapusy, 2021) Conversely, an inadequate work environment can lower employee performance.

Issues related to the working condition can be observed in the physical environment, such as the selection of room colors that are not supportive, inadequate layout of workspaces with messy desk placements, and uneven and inadequate lighting. (Khakurel, Melkas & Porras, 2018) In terms of the non-physical environment, there is a lack of communication or cooperation among employees outside of work, resulting in poor harmony among employees. Many employees also feel unfamiliar with their superiors. Conditions like these can cause a decline in employee performance.

According to Carnevale & Hatak (2020), the work environment encompasses everything around employees that can affect their performance in carrying out assigned tasks. Therefore, it is crucial for an organization or a company to maintain working conditions for its employees because the work environment can directly influence the performance and productivity of employees.

Based on the phenomenon supported by pre-survey data that employee performance is not optimal, it is suspected to be caused by suboptimal motivation and suboptimal work environment. Therefore, the problem in this research is how the relationship between motivation and working conditions, supported by the studies of Ryan & Deci (2022), Akinwale & George (2020), Yuen, Loh, Zhou & Wong (2018), and Wei,

Sewell, Woody & Rose (2018). With the mentioned problems above, the researcher formulates the research problem as follows: What is the extent of the influence of motivation and working condition on employee performance. With the aim of addressing the research problem formulated earlier, this study aims to determine and analyze the extent of the influence of motivation and working conditions on employee performance.

Research Method

The present study used survey methodology. In academic research, survey methodology is typically employed in studies that involve collecting data from a subset of individuals, known as a sample, which represents the larger population of interest. Survey research is a methodological approach that involves sampling a specific population and employing a questionnaire as the principal instrument for data gathering.

The process of collecting data from participants is facilitated through the utilization of a questionnaire or survey instrument. Survey research is a methodological approach employed to gather empirical data about prevailing events to acquire factual knowledge regarding a collective or an individual's social, economic, or political structures. Survey research involves the selection of a representative sample from a given population to collect data through a questionnaire as the primary instrument of data collection.

The objective of this study is to investigate the potential influence of one variable on another variable. In the present study, the first independent variable, X1, about motivation, is based on the research conducted by Ryan and Deci (2017). The second independent variable, denoted as X2 and related to working conditions, is derived from the study conducted by Machmud and Sidharta (2021). Lastly, the dependent variable, denoted as Y and representing employee performance, is measured using the instrument established by Aguinis, Gottfredson, and Joo (2012). In order to acquire these responses, the researcher used a survey methodology. The study employs a quantitative research approach utilizing a survey methodology, wherein data is gathered by administering a questionnaire

to a cohort of individuals referred to as respondents. The collected replies enable the researcher to make inferences regarding the broader population of the surveyed individuals. This study employs a correlational research design to elucidate the association between the variables under investigation.

In this research methodology, the author conducted research in one of the fashion companies in Bandung City. It is a trading company specializing in the sale of adult and children's fashion for both women and men. Our vision is to consistently provide fashionable styles every year at relatively affordable prices and become iconic in the Bandung area, West Java. In this study, a sample of 35 employees closely related to the research theme will be selected.

Before using the questionnaire, validity and reliability tests were conducted. The validity test aimed to determine whether the instrument used is appropriate and measures what it is supposed to measure.

The researcher uses path analysis, which is part of a regression model that can be used to analyze the cause-effect relationship between variables. Path analysis techniques are employed using correlations, regressions, and paths to understand the direct and indirect effects of a set of variables as causes of another set of variables, using the outcome variable.

Result and Discussion

The researcher conducted a validity test with the aim of assessing the extent to which questionnaire items are valid or invalid. The minimum requirement for an item to be considered valid is a correlation coefficient (r) greater than 0.30, and it is considered reliable if the Cronbach's Alpha coefficient (CA) is greater than 0.7. The higher the validity of a test instrument, the more accurate it is in measuring what it is intended to measure.

In this case, the validity measurement utilizes the alpha formula, and the calculations are performed using data analysis software. The following are the results of the validity test for the research instruments,

which include the motivation variable, working condition variable, and performance variable. The instrument test is conducted for each statement item within each variable.

Table 1. Results of Validity and Reliability Test for Research Instruments

Instrument	Validity Test		
	Motivation	Working Condition	Performance
Inst1	0,345	0.334	0,390
Inst2	0,325	0.380	0,361
Inst3	0,381	0.469	0,334
Inst4	0,359	0.426	0,472
Inst5	0,317	0.344	0,355
Inst6	0,375	0.352	0,369
Inst7	0,303	0.390	0,392
Inst8	0,547	0.314	0,411
Inst9	0,499	0.331	0,423
Inst10	0,311	0.306	0,400
Inst11	0,448	0.305	0,428
Inst12	0,333	0.343	0,365
Inst13	0,365	0.377	0,408
Inst14	0,397	0.352	0,578
Inst15	0,308	0.315	0,474
Reliability Statistics			
Cronbach's Alpha	0.770	0.801	0.751

The statements in the motivation variable instrument consist of 15 items presented in Table 1. The test results for this variable meet the required criteria, which is above 0.300. Therefore, it can be concluded that statement items 1 to 15 are valid and suitable for further processing as research data. The statements in the working condition variable instrument also consist of 15 items above 0.300. Hence, it can be concluded that statement items 1 to 15 are valid and suitable for processing as research data. Information regarding the validity level indicates that all items are valid and suitable for use as measurement tools in the research.

The calculation results for the reliability test of X1, X2, and Y variables indicate that all variables fall into the reliable category since the score is greater than 0.700. Therefore, the research instruments used for each variable in this study can be considered reliable and truly reliable measurement tools with a high level of stability. In other words, when the instrument is repeatedly administered, the results will remain consistent.

The path analysis results can be based on the variables studied in this research, which consist of the Motivation variable (X1), the working condition variable (X2), and the Employee Performance variable (Y). Based on the path analysis calculation results in this study, it can be depicted in Figure 1 as follows:

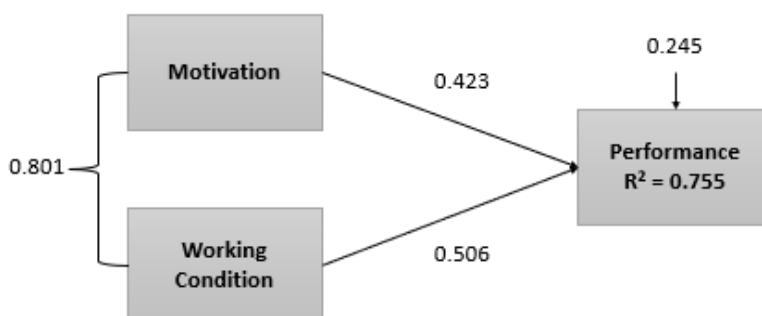


Figure 1. Path analysis result

The research results in the above figure indicate that the motivation variable (X1) and the working conditions variable (X2) are correlated with a correlation coefficient of 0.801. This result indicates a strong correlation between the motivation variable (X1) and the working conditions variable (X2). Additionally, the motivation variable (X1) has a regression coefficient (path coefficient) of 0.423 on the employee performance variable (Y), while the working conditions variable (X2) has a regression coefficient (path coefficient) of 0.506 on the employee performance variable (Y). To determine the direct and indirect effects, as well as the total effect of the variables, please refer to the table below:

Table 2. Direct and Indirect Effects of Independent Variables on the Dependent Variable

Variable	Direct Effect	Indirect Effect		Total Effect
		X1	X2	
Motivation	17,8%		17,1%	34,9%
Working Condition	25,6%	17,1%		42,7%
TOTAL	43,%	17,1%	17,1%	77,6%

Once subjected to testing and verification, it has been established that motivation and working conditions have a discernible impact on employee performance. Specifically, the relationship between the variables of motivation and working conditions and their effect on employee performance is determined to be 75.5%. Hence, the variables of motivation and working environment account for 75.5% of the variance in employee performance, with the remaining 24.5% being attributable to other factors in the context of problem identification. Based on the findings and analysis of the research, as presented in Table 2, it can be observed that motivation has a direct impact of 17.8%. Additionally, an indirect impact of 17.1% is attributed to its association with the working situation variable. Consequently, the cumulative influence of motivation amounts to 34.9%.

The research findings indicate that motivation provides support for employee performance. This is related to the statement with praise from superiors, I am more motivated to work even better, which received the highest score. It means that leaders have a positive influence, which motivates their employees and encourages them to work with enthusiasm, leading to the completion of tasks quickly.

This study is consistent with previous research conducted by Syaifuddin & Sidharta (2017), which proved the influence of work motivation on employee performance. Based on the research results and data processing, the work condition has a direct influence of 25.6%, an indirect influence through its relationship with the Motivation variable of 17.1%, resulting in a total influence of 42.7%. The research findings indicate

that the work condition provides support for Employee Performance. This is related to the statement that the current work facilities are adequate to support work activities, which received a high score. This means that the working condition indicator is a crucial aspect in improving employee performance because the availability of comprehensive facilities makes it easier for employees to carry out their tasks.

This study is consistent with previous research conducted by Monje-Amor, Xanthopoulou, Calvo & Vázquez (2021) and Carnevale & Hatak (2020), which proved the influence of the working condition on employee performance. This study is also in line with previous research conducted by Manik & Sidharta (2017), which demonstrated the influence of motivation factor on employee performance.

Based on the survey results, it is evident that the motivation variable contributes more significantly to performance compared to the working conditions. In this study, motivation is the dominant variable, capable of standing alone without the influence of other variables. On the other hand, the working conditions variable is not dominant in this study, indicating that it cannot stand alone or does not have a significant impact on employee performance.

Conclusion

Based on the previous discussion regarding the Influence of motivation and working condition on employee performance, the description shows that motivation is in the category of fairly good, the work environment is in the category of fairly good, and performance is in the category of fairly good. The research results indicate that motivation has a positive influence on employee performance. This is because employees feel that the company has made significant contributions to them, which motivates them to strive for improvement and enhance their work performance. The working conditions also have an impact on employee performance. This shows that uncomfortable working conditions can lead to a decline in employee performance. The influence of motivation and

working condition can be observed after calculating the coefficient of determination, which expresses the percentage representing the contribution of all independent variables, namely motivation and working condition, in determining the variation of employee performance. It is evident what happens if an organization fails to motivate its employees in their daily work so that they can complete their tasks according to the targets set by the institution.

Employee motivation should prioritize providing comfort and appropriate rights to employees, so that they feel motivated and enthusiastic about their work, leading to the best performance for the company. Additionally, companies should encourage employees to pursue working conditions, as increased working conditions are expected to have a positive impact on employee performance. The working conditions still need improvement to become more optimal and reach the category of excellent. The company should always provide sufficient facilities for the employees' needs, ensuring that the employees are motivated and enthusiastic in their work. A comfortable working condition is an essential aspect of a company, serving as a tool to achieve the goals and objectives and fulfill the personal needs and desires of the organization's mission. Performance represents the level of success attained by an employee in their work, showcasing the quality and quantity of an individual or collaborative work.

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