

The influence of compensation and motivation on the performance of civil servants at The Population and Civil Registry Office of Bandung District

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Article History

Received on 5 October 2025

1st Revised on 10 October 2025

Accepted on 15 October 2025

Abstract

Purpose: This study aims to examine the influence of compensation and motivation on employee performance at the Population and Civil Registration Service of Bandung Regency.

Research Methodology: A quantitative approach was applied using descriptive analysis and SEM-PLS to test variable relationships. The population consisted of employees of the agency, and 60 respondents were selected using a Simple Probability sampling technique. The independent variables were compensation and motivation, and employee performance was the dependent variable.

Results: The findings revealed that compensation has a positive but insignificant effect on performance, while motivation shows a significant positive effect. When combined, compensation and motivation significantly improved performance. This highlights that fair compensation and increased motivation strategies play a key role in enhancing productivity and creating a supportive work environment.

Conclusions: This study concludes that motivation is a stronger driver of performance than compensation alone. However, integrating both financial and motivational strategies produces a synergistic effect that supports sustainable improvement in employee performance.

Limitations: The research was limited to a small sample within one government institution and focused only on two independent variables, thus reducing generalizability and excluding other potential factors, such as leadership or organizational culture.

Contribution: This study enriches the public sector HR literature by emphasizing the complementary role of compensation and motivation in shaping performance and offering practical recommendations for designing balanced human resource strategies in government institutions.

Keywords: *Compensation, Employee Performance, Motivation*

How to Cite: Konjala, W. Q., & Wulansari, P. (2025). The influence of compensation and motivation on the performance of civil servants at The Population and Civil Registry Office of Bandung District. *Global Academy of Business Studies*, 1(2), 193-209.

1. Introduction

Compensation or reward programs generally aim to benefit the company, employees, agencies, and society. To achieve this goal and provide satisfaction for all parties, the compensation program must be based on the principles of fairness and feasibility, comply with labor laws, and pay attention to internal and external consistency (Della Torre, Pelagatti, & Solari, 2014). Compensation can be interpreted as a

form of appreciation given to employees for their work, either in the form of money, goods, or other forms (Zayed et al., 2022). This compensation can be direct or indirect income earned from the company and is an integral part of staffing relationships. The importance of compensation for employees reflects their recognition, status, and fulfillment of needs; thus, a good position in the company will affect the amount of compensation received (Hidayat & Sazili, 2023). In addition to compensation, motivation is an important factor that can increase employee loyalty to the company. From the results of interviews with the Head of Finance and several staff conducted on September 23, 2024, a number of employees feel that the salaries received are not adequate to meet their daily needs, considering the high cost of living in the region. Employees who feel that their compensation is not fully in accordance with their workload or responsibilities may decrease the effectiveness of services provided to the community, and organizational performance targets become difficult to achieve.

Employees have various potentials that can improve their performance, and there are several factors that affect this development, one of which is motivation. For example, teachers' high motivation impacts students' learning motivation. Motivated teachers create a positive social and psychological environment for their students (Wardiana & Asroyani, 2022). If an employee's motivation is low, they are likely to feel lazy, bored, or even frustrated at work. Low motivation can impact productivity and performance. In contrast, high motivation increases productivity and improves employee performance (Akomeah, Bentil, & Musah, 2018; Malik, Razak, & Said, 2023). Work motivation is the encouragement or enthusiasm that encourages a person to carry out tasks optimally and effectively to achieve company goals. It includes energy and strength, both from within and from within, which includes effort, intensity, and perseverance at work. Motivation is defined as a driver in humans that directs behavior, so it can be concluded that motivation is a factor that motivates a person to take actions or activities with the aim of improving performance (Apriani, Kamsariaty, Sarinastiti, Yuliastuti, & Sukmayadi, 2023; Salubre, Bahalla, & Almagro, 2024). With high motivation, every employee will feel passionate and happy in doing their work, which, in turn, will increase productivity.

Work motivation also reflects the attitude and mentality that builds enthusiasm for achieving the goals of the organization or company, and leaders need to play a role in nurturing this spirit among employees. Motivated employees tend to give their best efforts, which, in turn, improves their performance. Motivation also encourages employee engagement in the company's work or activities, which is reflected in low rates of resignations, consistent attendance, and good relationships between colleagues. This shows the importance of motivation in the growth and development of a company. Another factor that contributes to improved work performance is work discipline, as the success of an organization depends on how well employee discipline is maintained to maintain order in the company. Employees have a lot of potential to improve their performance, and various factors affect the development of this performance, one of which is motivation. Employee motivation significantly impacts performance. Employees who have high motivation can create a better work environment, both socially and psychologically (Diana, Sulistyaningsih, & Hung, 2022).

On the other hand, if motivation is low, employees will feel lazy, bored, and even frustrated at work. Low motivation can result in decreased employee productivity and performance. On the other hand, high motivation encourages employees to be more productive and achieve good performance (Chow, 2020; Tanha et al., 2022). To determine the level of motivation of employees at the Population and Civil Registration Office (disdukcapil) of Bandung Regency, the researcher used the results of attendance recapitulation. Based on the recapitulation of employee attendance at Disdukcapil, the number of employees attendance from 2022-2024 varies every year. The attendance rate in 2022 with an overall total was 92.7%, then decreased in 2023 to 81.8% and increased again in the last three years, namely 88.5% in 2024. The performance target set is 90%, but based on available data, the performance achievement in 2024 is at 88.5%, which proves that the presence of disdukcapil employees cannot be said to be good. Highly motivated employees tend to have better attendance rates. They are encouraged to be present at work, contribute, and strive to achieve the targets that have been set (Nusraningrum, Rahmawati, Wider, Jiang, & Udang, 2024). Based on the results of an interview with the Head of Data Planning and Innovation, it is known that the reason for employees' absence from the office is leave or without information. Leave allotments at the Disdukcapil office are given to employees who give birth,

which is for three months. Employees who were sick were not included in the absence data if they included their sick letters. This is because the calculation of compensation is influenced by employee absence.

Motivation and compensation are two significant factors that affect performance. Both are important for employees to convey knowledge and skills effectively. Compensation is given as a form of appreciation for the efforts made in carrying out duties. Based on the data above, it can be seen that fluctuations in compensation, motivation, and performance occur annually (Apriliani & Hubbansyah, 2024). Therefore, this study aims to understand the relationship between compensation and motivation to employee performance. So the researcher is interested in examining this through a study entitled **"The Effect Of Compensation And Motivation On The Performance Of Asn In The Population And Civil Registry Office Of Bandung Regency."**

2. Literature review

2.1 Human Resource Management

According to Irmayani (2021), human resource management (HRM) is the science of how to manage labor relationships and roles to be effective and efficient so that they can be used optimally to achieve the goals of the organization, employees, and society. Shrestha and Prajapati (2023) stated that MSDM is a process carried out by superiors to acquire, develop, and retain the workforce. This process is carried out in terms of both quality and quantity.

Human resource management is a strategic area within an organization that is tasked with managing people effectively. Several activities are carried out to manage human resources. Activities carried out in human resource management include planning, procurement, development, maintenance, and use of human resources to achieve individual and organizational goals (Asnora, 2024). Based on some of the definitions above, it can be concluded that human resources are a work unit in an organization that is used to manage the workforce, starting from planning, procurement, development, maintenance, to the use of human resources. This is done so that HR can work effectively and efficiently to achieve organizational goals.

2.2 Organizational Behavior

Organizational behavior is a science used to determine the habits or ways of working of individuals in an organization. According to Jafari, Salari, Hosseinian-Far, Abdi, and Ezatizadeh (2021), organizational behavior is an understanding or prediction of the management of human behavior in an organization. Another opinion states that organizational behavior is a field of study that investigates the impact of individuals or groups in an organization to improve its effectiveness (Widyanti, 2019). This organizational behavior also refers to a discipline that aims to increase the understanding of various aspects of the organizational context using a scientific approach (Champoux, 2010). Based on the views of the above experts on organizational behavior, it can be concluded that organizational behavior is a field of study that focuses on understanding the behavior, habits, and ways of working of individuals in a group, which includes interactions between individuals, organizations, and the environment.

2.3 Compensation

According to Kasmir (2016), compensation is a reward for services provided by companies to their employees, in the form of financial or non-financial. This remuneration is an obligation that must be given by the company for the efforts that employees have made for the company in terms of energy, mind, and time. Compensation is the right that employees have for the burdens and responsibilities received from the company and its efforts to help the company achieve its goals. Compensation is, in principle, the number of packages offered by organizations to workers in exchange for the use of labor or services that have been provided (Wibowo & Phil, 2007). The hard work of employees is appreciated by the company by providing a commensurate return for service. The type of award given is in the form of direct and indirect compensations. The amount must be decent and fair in accordance with the effort spent by employees to achieve the company's goals (Hamali, 2023).

Compensation is the provision of remuneration by an entity to the party who has contributed to the operation process of the entity. Compensation is identical to the salary given to employees. Compensation is not limited to salary. The amount of compensation is in accordance with the sacrifices or services provided by other parties to the company (Wandi, Kahpi, Fidziah, & Abidin, 2022). Compensation is a reward for the effort employees give to the company to achieve a goal. Compensation for the company is an obligation that must be paid, while for employees, it is a right that must be obtained in accordance with the hard work done.

2.4 Motivation

Motivation is a power that a person possesses. Motivation can be developed independently or by several external forces. This can affect the performance results positively or negatively. The situations and conditions faced by a person can affect their motivation (Hamali, 2023). Motivation comes from the Latin word "*movere*" meaning an action or deed caused by the existence of a drive, driving force, or strength. In addition, it comes from the English word "*motivation*" meaning motive. Employees work because there is a motive, namely to achieve something, such as income, self-actualization, and awards. Motivation is the impulse to cause an action in the form of attitudes and behaviors that arise from psychological processes (Mahendro & Juni, 2018). Motivation is the encouragement to a series of human behavior processes to achieve their goals, motivation is needed to achieve certain goals. However, if the goal has been achieved, motivation usually decreases so that motivation can be developed if new needs or goals arise (Wibowo & Phil, 2007). Therefore, it can be concluded that motivation is the drive that comes from a person to achieve certain goals, where the drive can affect performance results depending on the conditions that are being faced.

2.5 The Influence between Employee Compensation and Performance

The compensation obtained by employees can certainly improve their performance of the employees themselves. Providing compensation based on performance increases employee productivity because they feel valued and motivated to meet the set targets. Other research reveals that the relationship between compensation and performance depends not only on the amount of salary received but also on the extent to which this compensation system is considered fair and transparent by employees. It can be concluded that the relationship between compensation and employee performance is more complex than just financial reward. Effective compensation for improving performance involves balancing financial and nonfinancial factors. In addition, to maximize performance, the company must consider recognition, development opportunities, and a supportive organizational culture.

2.6 The Influence between Employee Motivation and Performance

Employee performance can be motivated through awards that are presented after employees do something. Awarding both direct and indirect compensation strengthens employee productivity and increases motivation to work better. Rewards can act as positive reinforcement that encourages employees to continuously improve their performance. Another opinion states that high motivation is not only triggered by decent compensation or salary but is also influenced by opportunities to learn, develop, and earn higher rewards personally. Employees who feel valued and are given opportunities for a career will be motivated to improve their performance. Therefore, it can be concluded that employee motivation does not only depend on how much compensation is received but also on the extent to which employees feel valued and given opportunities to develop.

2.7 The Influence of Compensation and Motivation

Compensation is a factor that motivates employees. Rewards for performance, such as bonuses or benefits, play an important role in motivating employees to work better (Thompson & Prottas, 2019). Other researchers state that decent compensation can prevent employee dissatisfaction but is not enough to motivate employees to perform better in the long run. Therefore, companies need to provide more rewards, such as recognition for achievements and opportunities to grow, so that motivation can be maintained (Jo & Shin, 2025). Therefore, it can be concluded that compensation and motivation have a mutually supportive relationship in influencing employee performance. By creating a fair compensation system and rewarding employees, it will create high motivation among these employees (Awoitau, Noch, & Khotimah, 2024).

2.8 The Influence of Compensation and Motivation to Employee Performance

Compensation and motivation are closely interrelated in influencing employee's performance. Chen et al. (2023) states that motivation has an important role in improving employee performance and fair compensation will encourage employees to achieve clearer and more measurable goals. Therefore, fairness in compensation is crucial because unfair awards can reduce employee motivation and performance. Chen et al. (2023) stated that compensation and motivation have a significant impact on employee performance. Fair and performance-based compensation can increase motivation, and rewards received by employees for their achievements can show better performance. Therefore, it can be concluded that compensation and motivation have a mutually supportive relationship in influencing employee performance. Fair compensation, in accordance with the contributions made by employees, increases employee motivation to achieve targets and produce higher performance.

2.9 Framework of Thought

The framework of thought according to Radjab and Jam'an (2017:53) is used to theoretically explain the relationship between the variables used in the research. The framework of thought is intended to describe the related research paradigm as an answer to the research problem. In this study, the influence of compensation and motivation can have an influence on employee performance because the compensation provided by the company and the motivation provided by the company to its employees will have an impact on employee performance in accordance with the company's wishes. Therefore, the following framework was developed:

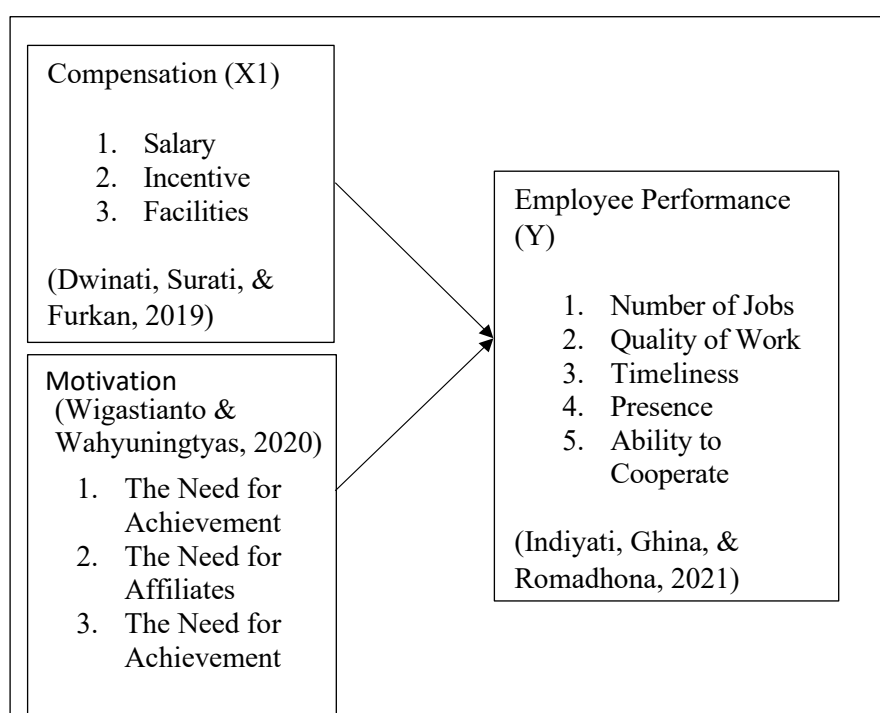


Figure 1. Source Research Framework: processed data (2024)

Based on the above framework, the influence of compensation variables with the sub-variables tested, namely salary, incentives, and facilities and motivation variables with the sub-variables tested, namely achievement, affiliation, and power on employee performance variables with the sub-variables tested, namely quality, quantity, punctuality, effectiveness, independence, and work commitment.

2.10 Research Hypothesis

A hypothesis is a provisional answer or an initial estimate of the emergence of a problem. A hypothesis can be a permanent answer in a study when it has been tested and has the same answer as the initial guess (Muliawan, 2014). Based on the above framework, the hypothesis proposed and proven to be true

is as follows:

H1: Compensation has a significant effect on employee performance at the Bandung Regency Population and Civil Registration Office

H2: Motivation has a significant effect on employee performance at the Bandung Regency Population and Civil Registration Office

H3: Compensation and motivation have a significant effect on employee performance at the Bandung Regency Population and Civil Registration Office

3. Research methodology

3.1 Type of Research

This study is quantitative, based on the research approach conducted by the researcher. This study uses a population of 63 people, namely, employees with ASN status at the Bandung Regency Population and Civil Registration Office.

3.2 Variable Operationalization

Operational variables are needed to determine the variables, dimensions, indicators, and related scales to ensure that research can be carried out correctly. According to Silalahi and Atif (2015), variable operations are the activity of changing the construct into a size or indicator to make it more realistic. Therefore, the operational variables used in this study are shown in the following table:

Table 1. Source Variable Operations: processed data (2024)

Variable	Items
Compensation	Salary alignment with government regulations
	Suitability of salary given on time
	Salary compatibility with living expenses
	Incentives received from institutions
	Providing incentives on a regular basis
	Appropriateness of the amount of incentives received
	Suitability of facility availability for employee welfare
	Availability and feasibility of work facilities
Motivation	Fulfillment of employee needs
	Realistic work goals or targets
	Proud of the results of the work
	Optimal in achieving the goals that have been set
	Completing work with difficult challenges
	Self-development to improve performance at work
	Awards by the company
	Strive to influence colleagues for the better
	Cooperative in discussions

3.3. Data Analysis Techniques

Data analysis is one of the research processes carried out after all the necessary data have been obtained. The accuracy of the use of data analysts greatly determines the accuracy in taking data, therefore data analysis is an activity that cannot be ignored in the research process (Subhaktiyasa, Candrawati, Sumaryani, Sunita, & Syakur, 2025).

3.3.1. Descriptive Analysis

Descriptive analysis, according to Subhaktiyasa et al. (2025), is a statistic used to analyze data by describing the data that has been collected without intending to draw conclusions that apply to the general public or generalization. Descriptive analysis systematically describes the facts, objects, or subjects to be studied as they are. This was done to precisely determine the facts and characteristics of the object being studied.

The descriptive analysis technique in this study was used to obtain information related to the analysis of compensation and motivation for employee performance at the Bandung Regency Population and

Civil Registration Office. We also sought to determine the extent to which compensation and motivation affect employee performance through a questionnaire that was distributed and equipped with four possible answers that respondents must choose.

The interpretation of the score that has been presented is then changed to the form of a continuous line as follows:

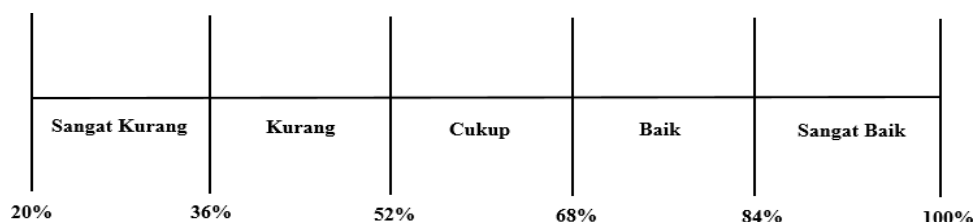


Figure 2. Image Continuum Source: processed data (2024)

3.4. Hypothesis Test

Hypothesis testing was carried out by comparing the t-count value of the table with the t-count value. In this study, there are two types of hypotheses: the null or zero hypothesis and the alternative hypothesis. The null or zero hypothesis is marked with H_0 , while the alternative hypothesis is marked with H_a , H_1 , H_2 , H_3 , and so on. According to Hair, Hult, Ringle, and Sarstedt (2022), hypothesis testing is a procedure to evaluate the strength of evidence from a sample to decide whether the hypothesis being tested is rejected or accepted. Meanwhile, according to Indrawati (2015), the null hypothesis is a hypothesis or conjecture that contradicts the statement to be proved, namely, a hypothesis that is rejected. Meanwhile, alternative hypotheses are hypotheses whose conjectures are correct and accepted by researchers based on *the rule of thumb* of hypotheses:

1. If the coefficient of the direction of the variable relationship (indicated by the original value of the sample) is in line with the hypothesized
2. If the T-Statistic value is more than 1.96 (*two-tiled*) and *the probability value (p-value)* is less than 0.05 or 5%

If the above two *thumb rules* can be influenced, then the research hypothesis is accepted. This study tests three hypotheses.

H1: Compensation has a significant effect on employee performance

H2: Motivation has a significant effect on employee performance

H3: Compensation and motivation significantly affect employee performance.

3.5. Structural Equation Model – Partial Least Square (SEM-PLS)

Using the structural equation (SEM) model, researchers can model and estimate complex interactions between several independent and interdependent variables. Structural equation modeling (SEM) is a simultaneous model that is formed by more than one dependent variable and explained by one or several independent variables. The SEM model is also commonly referred to as a causal or causal model; therefore, SEM is usually seen as a combination of factor analysis and path analysis (Dimiyati, 2019:65). Hair et al. (2022) explained that SEM-PLS is a predictive causal method that aims to explain the variance in the dependent variables of the model.

In this study, the type of SEM PLS used is partial least square path modeling. PLS, according to Musyafii et al. (2022:4), is a technique in variant-based statistics designed to solve multiple regression problems, which will later be evaluated through two models. Hair et al. (2022) explained Hair et al. (2022) that the SEM-PLS model consists of two parts: the measurement model (outer model) and the structural model (inner model).

4. Result and discussion

4.1. Characteristics of Respondents

The data obtained from the results of this study is the value obtained from the distribution of questionnaires to all ASN in the Population and Civil Registration Office of Bandung Regency, with a total of 60 respondents regarding compensation, motivation, and performance variables. These variables are discussed based on the interpretation of the questionnaire results. Respondent data in this study were used to determine the background of the respondents, with the results of the characteristic analysis obtained as follows.

4.1.1. Characteristics of Respondents by Gender

The characteristics of the respondents obtained from the questionnaire based on gender are presented in the results below.

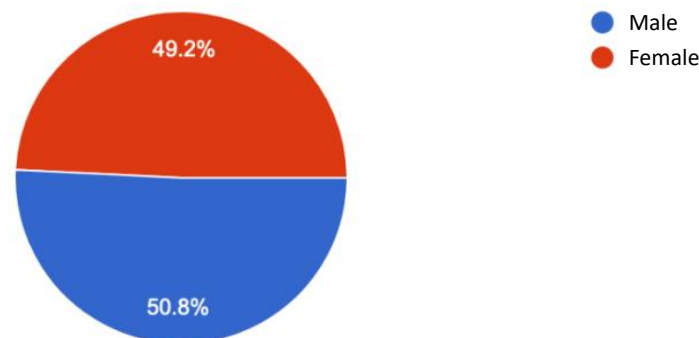


Figure 3. Respondent Characteristics by Gender
Source: Researcher's Processed Products (2025)

The figure above shows that the sample of this study is dominated by 33 men with a percentage of 50.8%, while women are 32 people with a percentage of 49.2%.

4.1.2. Characteristics of Respondents Based on Age

The characteristics of the respondents obtained from the questionnaire based on age are presented in the results section.

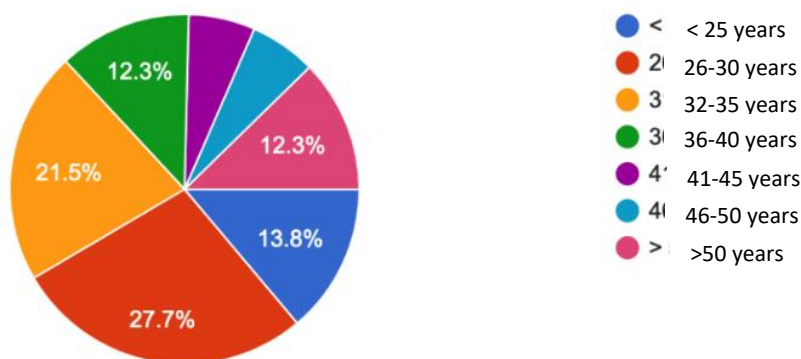


Figure 4. Respondent Characteristics by Age
Source: Researcher's Processed Products (2025)

The figure above shows that the sample in this study is dominated by respondents with an age range of 26-30 years as many as 18 people, 27.7%), while the rest of the respondents have an age range of 31-35 years as many as 14 people, 21.5%), the age range of <25 years (9 people, 13.8%, the age range–36-40 years as many as 8 people, 12.3%), The age range of >50 years (8 people, 12.3%, the age range–41-45 years (6 people, 6.2% and the age range–46-50 years (6 people, 6.2%).

4.1.3. Characteristics of Respondents Based on Length of Work

The characteristics of the respondents obtained from the questionnaire based on the length of work are presented in the results below.

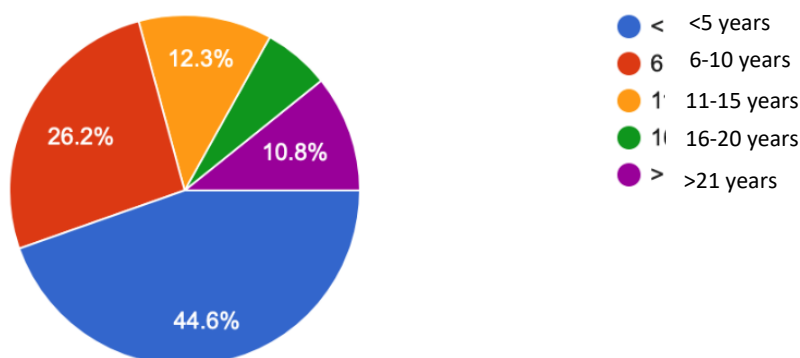


Figure 5. Characteristics of Respondents Based on Length of Work
Source: Researcher's Processed Products (2025)

The figure above shows that the sample in this study is dominated by respondents with a working length of <5 years as many as 29 people with a percentage of 44.6% while the rest of the respondents with a working length of 6-10 years as many as 17 people with a percentage of 26.2%, working time of 11-15 years as many as 8 people with a percentage of 12.3%, working time >21 years as many as 7 people with a percentage of 10.8% and working time of 16-20 years as many as 4 people with a percentage of the percentage is 6.2%.

4.1.4. Characteristics of Respondents Based on Last Education

The characteristics of the respondents obtained from the questionnaire based on their last level of education are described in the results below.

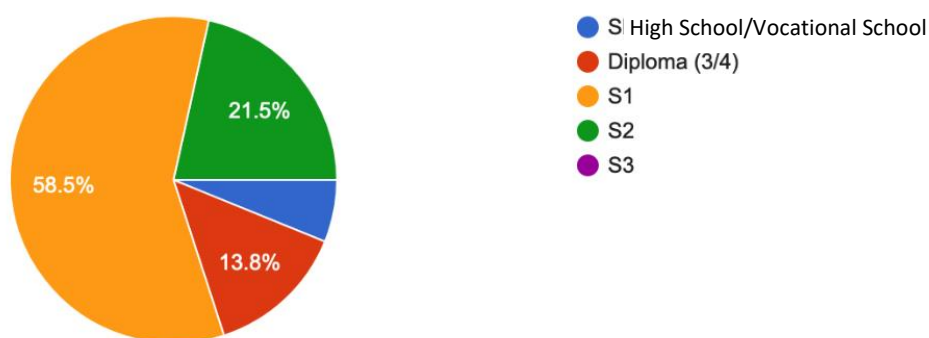


Figure 6. Characteristics of Respondents Based on Recent Education
Source: Researcher's Processed Products (2025)

The figure above shows that the sample of this study is dominated by respondents with the last level of education of S1, as there are 38 people with a percentage of 58.5%, while the remaining respondents with the last level of education of S2 are 14 people with a percentage of 21.5%, the last level of education of Diploma 3/4 is 9 people with a percentage of 13.8%, and the last level of education of high school/vocational school is 4 people with a percentage of 6.2%.

4.2. Research Results

This study uses Partial Least Square (PLS) analysis, which is carried out using the SmartPLS 3.0 program. This analysis was conducted to determine the relationship between the variables studied. This analysis was carried out using the evaluation of the measurement model (Outer Model) and the evaluation of the structural model (Inner Model).

4.2.1. Evaluation of Measurement Model (Outer Model)

The evaluation of the outer model involves four criteria: convergent validity, discriminant validity, composite reliability, and Cronbach's alpha. The following research model was implemented using SmartPLS 3.0.

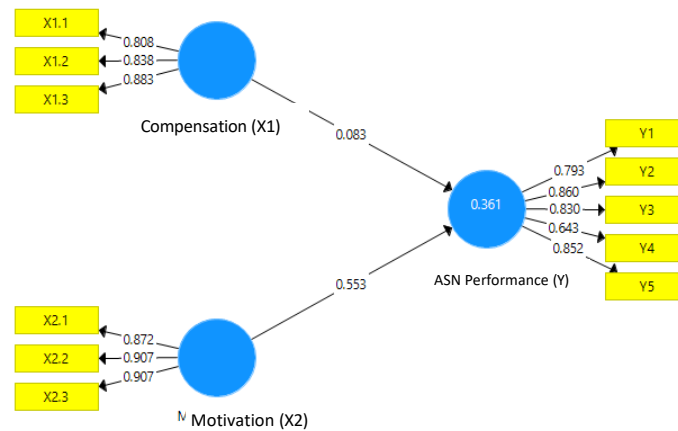


Figure 7. Diagram Outer Model
Source: processed products Author, 2025

4.2.2. Convergent Validity

Convergent validity is a test of construct validity. The parameters used in the convergent validity test were the value of the outer loading or loading factor. The value of the loading factor indicates a correlation between the indicator and its construction. An indicator meets convergent validity well if the indicator has a loading factor value > 0.6 . Based on the measurement results, the output is obtained, as shown in the following table.

Table 2. Loading Factor Results

Construct	Loading Factor	R critical	Criteria (Loading Factor ≥ 0.6)
X1.1 <- Compensation (X1)	0,808	0,60	Valid
X1.2 <- Compensation (X1)	0,838	0,60	Valid
X1.3 <- Compensation (X1)	0,883	0,60	Valid
X2.1 <- Motivation (X2)	0,872	0,60	Valid
X2.2 <- Motivation (X2)	0,907	0,60	Valid
X2.3 <- Motivation (X2)	0,907	0,60	Valid
Y1 <- ASN Performance (Y)	0,793	0,60	Valid
Y2 <- ASN Performance (Y)	0,860	0,60	Valid
Y3 <- ASN Performance (Y)	0,830	0,60	Valid
Y4 <- ASN Performance (Y)	0,643	0,60	Valid
Y5 <- ASN Performance (Y)	0,852	0,60	Valid

Source: Researcher's Processed Products, 2025

Based on the table above, it can be seen that all loading factors have a value of > 0.6 , which means that all indicators in this study have good validity. To strengthen the results of convergent validity, the average variance extracted (AVE) test was conducted as follows.

Table 3. Average Variance Extracted Value

Latent	Average Variance Extracted (AVE)	Critical R	Criterion (AVE ≥ 0.5)
Compensation (X1)	0,712	0,5	Valid
Motivation (X2)	0,802	0,5	Valid
ASN Performance (Y)	0,639	0,5	Valid

Source: Researcher's Processed Products, 2025

Based on table 3 above, it can be seen that all variables have an AVE value of > 0.5 . This indicates that one latent variable can explain more than half of the variants of the indicator in the mean so that all variables meet convergent validity.

4.2.3. Discriminant Validity

Discriminant validity is an indicator that shows the extent to which items owned by variables differ from other items used to measure other variables (Indrawati, 2015). Discriminant validity was carried out with three events, namely Cross Loading, Fornell Larcker and Heterotrait Monotrait Ratio (HTMT).

Table 4. Cross Loading

	Compensation (X1)	Motivation (X2)	ASN Performance (Y)
X1.1	0,808	0,367	0,249
X1.2	0,838	0,398	0,228
X1.3	0,883	0,515	0,406
X2.1	0,497	0,872	0,510
X2.2	0,439	0,907	0,536
X2.3	0,466	0,907	0,555
Y1	0,345	0,431	0,793
Y2	0,260	0,450	0,860
Y3	0,367	0,507	0,830
Y4	0,318	0,233	0,643
Y5	0,240	0,637	0,852

Source: Researcher's Processed Products, 2025

Based on the table above, it can be seen that all indicators have a higher correlation with their constructs than with other constructs. Therefore, it can be concluded that the research model has good discriminatory validity.

Table 5. Fornell Larcker Results

	ASN Performance (Y)	Compensation (X1)	Motivation (X2)
ASN Performance (Y)	0,800		
Compensation (X1)	0,371	0,844	
Motivation (X2)	0,596	0,521	0,895

Source: Researcher's Processed Products, 2025

The table above shows that the Fornell-Larcker is the root of the measurement value of the AVE value. The AVE value was higher than the correlation with the other variables. Therefore, this research model satisfies Fornell and Larcker's criteria of all latent variables being greater than the correlation with other constructs.

Table 6. Heterotrait-Monotrait Ratio (HTMT) Results

	ASN Performance (Y)	Compensation (X1)
ASN Performance (Y)		
Compensation (X1)	0,430	
Motivation (X2)	0,650	0,598

Source: Researcher's Processed Products, 2025

The HTMT analysis results showed that the HTMT value obtained was < 0.90 , so it can be interpreted that the validity of discrimination is a valid construct.

4.3. Reliability Test

Reliability tests are a useful tool for measuring the consistency of questionnaires, which are indicators of a construct. In this study, the Cronbach's alpha formula and composite reliability were used for the reliability test. Cronbach's alpha is a measure of internal consistency reliability that assumes that indicators have the same load, while composite reliability is a representation of a coefficient that usually shows the consistency of a construct (Hair et al., 2022). The following are the results of the reliability test.

Table 7. Reliability Test Results

Latent	Cronbach's Alpha	Composite Reliability
Compensation (X1)	0,808	0,881
Motivation (X2)	0,876	0,924
ASN Performance (Y)	0,859	0,898

Source: Researcher's Processed Products, 2025

Based on the results of the reliability test, the Cronbach's alpha value was > 0.60 and the composite reliability value was > 0.70 . These results show that the data have good reliability.

4.4. Structural Model Evaluation (Inner Model)

4.4.1. R Square

It is used to identify the extent of influence of each independent variable on the dependent variable. A higher R-squared value indicates that the prediction model used in the study is improving. The criteria for R-squared are if the R R-squared value of 0.67 indicates a strong model, a value of 0.33 indicates a moderate model, and a value of 0.19 indicates a weak model (Musyaffi, Khairunnisa, & Respati, 2022).

Table 8. R Square Results

Variable	R Square	Strong Relationships
ASN Performance (Y)	0,361	Moderate

Source: Researcher's Processed Products, 2025

From the table above, it is known that the R square value for the performance variable is 0.361, which means that the compensation and motivation variables affect the performance variable by 36.1%, while the remaining 63.9% is influenced by other variables that are not studied in this study.

4.4.2. F Square

The F-square test aims to determine the relative influence of independent latent variables on dependent latent variables. The measurement of F square has criteria where if the value of F square is 0.02, then the influence is small or weak; if the value of F square is 0.15, then the influence is medium or medium;

and if the value of F square is 0.35, then the influence is large or strong. Based on the results of the tests conducted, the results of the F square are obtained as follows:

Table 9. F Square Results

Variable	Effect Size	Rating
ASN Performance (Y)		
Compensation (X1)	0,008	Small
Motivation (X2)	0,348	Big

Source: Researcher's Processed Products, 2025

The results of the calculation above show that the compensation variable on performance is classified as having a small influence with an F square value of 0.008, and the motivation variable on performance is classified as having a large influence with an F square value of 0.348.

4.4.3. Q Square

Predictive relevance is used to determine the level of relevance between the independent and dependent variables. Q² is used as a measure of the predictive power of the model that predicts data that are not used in the estimation of model parameters (Hair et al., 2022).

Table 10. Q Square Results

Variable	R Square	1-R Square
Employee Performance (Y)	0,361	0,639
Q2 =	Q2 = 1-(1-0.3613) = 36.1%	
Error =	Q2 = 100% - 36.1% = 63.9%	

Source: Researcher's Processed Products, 2025

The results of the calculation above show that the Q square value is greater than 0, which means that the observed value has been reconstructed well so that the model has predictive relevance. The relative structural model had a 36.1% influence on the measurement of observations for endogenous latent variables, and as many as 63.9% were model errors.

4.5. Goodness of Fit (GoF)

This index is used to evaluate measurement and structural models, in addition to providing simple measurements for the overall prediction of the model. A GoF value of 0.10 is concluded that GoF is in the small category, a GoF value of 0.250 is in the medium category, and a GoF value of 0.36 is in the large category. The GoF index is calculated from the square root of the average communality index and the average R-squared as follows:

$$\begin{aligned}
 \text{GoF} &= \sqrt{\text{Avg AVE} \times \text{Avg R}^2} \\
 &= \sqrt{0,718 \times 0,361} \\
 &= 0.509
 \end{aligned}$$

Based on the results of the calculation above, the GoF value obtained is 0.509, which is a large value.

4.6. Hypothesis Test

The hypothesis test or path coefficient aims to test the hypothesis, showing the direction of the variable relationship (positive or negative). The criteria used in the hypothesis test are P values, t-statistics, and significance values between indicators. If the value is greater than 0, the relationship is said to be positive, and if the value is less than 0, the relationship is said to be negative.

Table 11. Hypothesis Test Results

	Path Coefficient	T Statistics	P Values	Ket
X1 -> Y	0,068	0,586	0,558	Rejected
X2 -> Y	0,590	5,512	0,000	Accepted
X1 -> X2 -> Y	0,355	6,107	0,000	Accepted

Source: Author's Preparation, 2025

This study used a significance level of 5%; therefore, the criteria for P values must be less than 0.05. The other hypothesis test indicator is seen from T statistics with a value that must be greater than T in table (1.65). The results of the hypothesis test are as follows:

1. There was a positive but insignificant effect of compensation on performance. The path coefficient showed a of 0.068, which was found based on the findings of the analysis that showed a positive direction. In this study, the hypothesis was rejected with the explanation that the path coefficient value showed a positive direction, but the statistical t value of $0.586 < 1.65$ was supported by a p value of $0.558 > 0.05$. This finding can be interpreted as compensation having a positive but not significant effect on the performance of the Bandung Regency Population and Civil Registration Office.

H1: There is a positive but insignificant effect of compensation on performance.

2. There was a significant positive influence between the relationship of motivation and performance. The path coefficient showed a of 0.590 was found based on the findings of the analysis which showed a positive direction. The hypothesis was accepted because the path coefficient showed a positive direction and a statistical t-value of $5.512 > 1.65$ with a p-value of $0.000 < 0.05$. This finding can be interpreted as motivation having a positive and significant effect on the performance of the Bandung Regency Population and Civil Registration Office. **H2: There is a significant positive relationship between motivation and performance.**
3. There was a significant positive influence between the relationship of compensation and motivation on the performance. The path coefficient showed a of 0.355, based on the analysis results that showed a positive direction. The hypothesis was accepted because the path coefficient showed a positive direction and a statistical t-value of $6.107 > 1.65$, with a p-value of $0.000 < 0.05$. This finding can be interpreted as meaning that compensation and motivation have a positive and significant effect on the performance of the Bandung Regency Population and Civil Registration Office.

H3: There is a significant positive effect of compensation on motivation and performance.

5. Conclusion

5.1 Conclusion

Based on the results of the research conducted on "The Effect of Compensation and Motivation on the Performance of ASN at the Population and Civil Registration Office of Bandung Regency," the following conclusions were obtained:

1. Based on the results of the analysis that has been carried out, a percentage value of 79.9% was obtained and entered into the good category.
2. Based on the results of the analysis that has been carried out, a percentage value of 83.4% was obtained and included in the good category.
3. Based on the results of the analysis that has been carried out, a percentage value of 86.5% is obtained, which is included in the very good category.
4. There is a positive but insignificant effect of compensation on performance at the Bandung Regency Population and Civil Registration Office.
5. There is a positive and significant influence of motivation on performance at the Bandung Regency Population and Civil Registration Office.
6. There is a positive and significant influence of compensation and motivation on performance at the Bandung Regency Population and Civil Registration Office.

5.2 Suggestions

Based on the research that has been conducted, there are several suggestions for both practical and theoretical aspects that will be given by the researcher in accordance with the results of the analysis that has been carried out regarding the influence of compensation and motivation on ASN's performance.

5.2.1. Practical Aspects

The following suggestions can be given by researchers to the Population and Civil Registration Office of Bandung Regency by looking at the results of the analysis of the variables tested:

1. Compensation was considered to be in the good category. The lowest score was obtained for the salary dimension, regarding the compensation received being insufficient to meet daily needs. Although it can be said to be biased, the agency needs to re-evaluate the compensation given to employees so that employees can feel fulfilled about their living needs every month from the compensation they receive.
2. Motivation at the Bandung Regency Population and Civil Registration Office was in the good category. The lowest score was obtained for the dimension of the need for affiliation regarding discussions outside of work. Based on this, agencies should determine time and space limits to help employees understand when they can talk about topics outside of work and when they should focus on work.
3. The results of the study show that the performance of ASN at the Population and Civil Registration Office of Bandung Regency is included in the very good category. The lowest score was in the punctuality dimension, which is regarding the time to go home, employees feel that their work home schedule sometimes does not match the predetermined time. Therefore, agencies should pay attention to the work assigned to their employees so that employees can go home in accordance with the regulations that have been set.

5.2.2. Theoretical Aspects

The following are suggestions related to the theoretical aspects aimed at future researchers:

1. It is suggested that research related to the relationship between compensation, motivation, and performance be developed by expanding on the latest theories.
2. Further deepening the relationship between the influence of compensation variables on performance.
3. Using other variables or adding other variables, such as work environment or workload, in this study to expand the combination of relationships between new variables that have not been studied before.
4. Future research should use different theories, methods, or dimensions.

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