

The Influence of Motivation, Compensation, and Competency on Employee Performance Mediated by Job Satisfaction (Case Study at Lembaga Penjamin Simpanan)

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Abstract

This research aims to analyze motivation, compensation, and competence on employee performance as mediated by job satisfaction at the Deposit Insurance Corporation. This research uses a survey method with a sample of 100 people using a proportional stratified random sampling technique. The data collection technique uses a questionnaire whose validity and reliability have been tested. The data analysis technique uses the Partial Least Square (PLS) application version 3.2.9. by evaluating the outer model, the inner model, and path analysis tests. The research results provide conclusions: (1) Motivation has no significant effect on employee performance; (2) Compensation has a significant effect on employee performance; (3) Competency has a significant effect on employee performance; (4) Motivation has no significant effect on job satisfaction; (5) Compensation has a significant effect on job satisfaction; (6) Competency has a significant effect on job satisfaction; (7) Job satisfaction has no significant effect on employee performance; (8) The influence of motivation on employee performance cannot be mediated by job satisfaction; (9) The effect of compensation on employee performance cannot be mediated by job satisfaction; (10) The influence of competency on employee performance cannot be mediated by job satisfaction; (11) The coefficient value of the determinant (R^2) of the Job Satisfaction construct is 0.649, indicating that the influence of Motivation, Compensation, and Competence constructs on Job Satisfaction is 64.9%; (12) The coefficient value of the determinant (R^2) of the Employee Performance construct is 0.640, indicating that the influence of Motivation, Compensation, and Competence Job Satisfaction constructs on Employee Performance is 64%.

Keywords: Motivation, Compensation, Competency, Employee performance, Job satisfaction.

JEL CODES: E24, J28, J33.

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1. Introduction

Guaranteeing customer deposits in Indonesia is the responsibility of the Deposit Insurance Corporation. This institution guarantees bank customers their savings in the event of bank failure or liquidation. The Deposit Insurance Agency also has a role in supervising and providing recommendations to improve bank health. Apart from that, the Deposit Insurance Corporation carries out outreach and education activities to the public about the importance of saving funds in banks and the benefits of deposit insurance provided by the Deposit Insurance Corporation. This can increase understanding and provide confidence to the public regarding the function and role of the Deposit Insurance Agency in maintaining financial system stability. The Deposit Insurance Corporation also responds when a bank failure or financial crisis occurs. Actions taken by the Deposit Insurance Corporation to restore financial system stability can strengthen public confidence in the institution. The Deposit Insurance Corporation together with members of the Financial System Stability Committee (KSSK) consisting of the Ministry of Finance, Bank Indonesia, and the Financial Services Authority always work together and work hard to maintain the stability of the national financial system. Through various strategic policies issued, ultimately the stability of the financial system and national banking can be maintained to this day (www.lps.go.id).

The performance results of the Deposit Insurance Corporation were recorded as very good, this can be seen from the total assets of the Deposit Insurance Corporation in the last five years which have continued to increase, where in 2019 it was recorded at IDR 120.58 trillion until in 2023 it reached IDR 213.69 trillion. The same thing can also be seen in LPS's income in 2023 which managed to record an income of IDR 29.95 trillion or an increase of 7.80% (yoy) compared to the same position in 2022. The results of the Deposit Insurance Corporation's performance audit also always received the title "Fair Without Exceptions". Through effective human resource management, the Deposit Insurance Corporation can strengthen its position as a regulator, improve operational performance, and better face emerging challenges. This can be seen in employee performance achievements through the Key Performance Index (KPI) for 2019 to 2023 in Figure below:

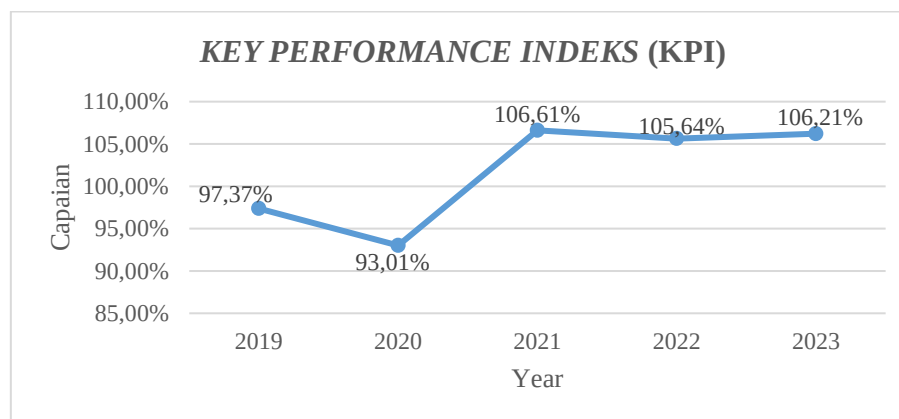


Figure 1.1 Key Performance Index (KPI) for 2019 to 2023

2. Literature Review

2.1 Motivation

According to (Paais & Pattiruhu, 2020) motivation is critical in encouraging employee performance. Motivation, according to David McClelland in Ariani et al. (2023), are factors that encourage a person to carry out a certain activity through indicators from the theory,

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namely the need for achievement, the need for relationships, and the need for strength. In the questionnaire, indicators related to motivation include job satisfaction, intrinsic motivation, monetary rewards, and career development opportunities. Employees prefer motivation in the form of rewards in the form of money because motivation in the form of money will be in line with the employee's work results (Al Mamun & Khan, 2020). Previous research has proven that extrinsic rewards in the form of money are a good source of motivation (Nasir et al., 2022). However, motivation in the form of rewards in the form of money cannot be given and predicted at any time so it is more valuable when given intrinsic rewards in the form of opportunities to work, self-actualization, and promotion. Employees who receive intrinsic rewards perform better than those who don't.

There are many theories about motivation. However, of the many motivation theories that have been explained by experts, only a few need theories can explain work motivation. The “needs theory” that is usually used is the theory put forward by Abraham Maslow, Frederick Herzberg, Alderfer, and Mc. Clelland is also known as satisfaction theory (Rusmansyah, 2022).

The first theory is the theory coined by Abraham Maslow or what is usually called Maslow's Hierarchy of Needs Theory. Maslow in Rusmansyah (2022) explains that humans' desire to fulfill their individual needs has a big influence on their lives. Abraham Maslow in Rusmansyah (2022) revealed that there are five levels of human needs to fulfill everyone's needs and this theory is structured based on a hierarchy formed from a triangle with a wide base and increasingly tapering to the very top. This hierarchy is arranged from physiological needs to self-fulfillment needs.

2.2 Compensation

Incorporating adequate health benefits and quality of service into compensation packages has been shown to have a positive impact on employee performance (Owuze & Akhimien, 2022). According to Sutrisno in Ariani et al. (2023), compensation is recognition of the sacrifice of time, energy, and thought that employees dedicate to the organization. Compensation indicators usually include health benefits, retirement funds, vacations, allowances, and facilities. Ferrara & Giua (2022) suggest that offering compensation based on job hierarchical levels can significantly improve employee performance. Empirical evidence shows a strong relationship between compensation and employee performance with higher levels of compensation leading to increased performance. Arif et al in Ariani et al. (2023). In addition, executive compensation as an important factor in finance shows that when leaders have relationships with company owners, executive compensation plays a more significant role (Cieslak et al., 2021).

2.3 Competency

The definition of competence according to Spencer and Spencer in Lumanauw (2022) is that competence is the basic characteristic of a person (individual) that influences the way of thinking and acting, generalizes about all situations faced, and lasts for a long time in humans. The definition proposed by Spencer and Spencer in Lumanauw (2022) explains that when using the concept of competency there must be "comparative criteria" to prove that a competency element influences good or bad performance. A characteristic cannot be said to be competency unless it can predict something meaningful that happens in the real world. A characteristic that cannot make a change in performance is not competency and cannot be used to evaluate someone's performance.

Based on the description above, it can be concluded that competency is the ability and willingness to carry out a task with effective performance. Kotler and Armstrong in Lumanauw

(2022), state that competence is knowledge, skills, and individual qualities. Meanwhile, Watson Wyatt in Lumanauw (2022) defines competency as a combination of skills, knowledge and behavior that can be observed and applied critically for the success of an organization and the work performance and personal contribution of employees to their organization. Competence is also a basic employee characteristic that influences the way of thinking and acting, generalizes about all situations faced, and lasts for a long time in the employee/employee.

2.4 Employee Performance

Performance according to Bernardin in Chaidir & Zulfikar (2023) is defined as a record of results resulting from specified work activities during a certain period. Employee performance is documentation of individual work results by the specified time. This definition views employee performance as work behavior where work results are related to personal characteristics, including reliability, integrity, perseverance, knowledge, attitudes, and loyalty. Although these factors are not actual performance measurements, according to Bernardin in Chaidir & Zulfikar (2023), they contribute to determining overall performance. In other words, employee performance is not only measured based on the quality and quantity or amount of work but there also needs to be an assessment related to work attitudes and behavior. Performance because of behavior was also stated by Campbell in Chaidir & Zulfikar (2023). This definition does not only see performance as a result but performance also as behavior that needs to be differentiated because work results and behavior can be influenced by organizational system factors (Sunatar, 2023). Another opinion that supports the statement is Brumbach quoted by Chaidir & Zulfikar (2023) that performance means both behavior and results. Behavior originates from the performer and transforms performance from abstraction into action. Behaviors are also outcomes in themselves; they are the product of mental and physical effort applied to a task and can be assessed separately from outcomes. Behavioral signs originating from individuals are converted into actions and apart from that, behavior is also a result that is produced psychologically and physically to produce performance.

2.5 Job Satisfaction

According to Stephen Robbins in Rusmansyah (2022), job satisfaction is defined as a positive attitude towards a job based on an evaluation of job characteristics. Meanwhile, according to Luthans in Rusmansyah (2022), job satisfaction is the result of employees' perceptions of how well their work provides things that are considered important. This can be seen and assessed from the good behavior that employees show towards their work and the environment around them. So, it can be concluded that if an employee is satisfied with his work, it will produce a positive attitude or maximum results. On the other hand, if an employee is dissatisfied with his work, this will result in a negative attitude or less-than-optimal results.

According to Handoko in Indra & Rialmi (2022), job satisfaction is an employee's view of their work in the form of pleasant or unpleasant feelings. So, it can be understood that job satisfaction is related to how enjoyable the work they do is based on an assessment of the work situation they are experiencing. Employees who feel satisfaction at work tend to like their work more than those who don't like it so these employees will carry out their work well.

From several theories above, it can be concluded that job satisfaction is an attitude, either in the form of actions or an emotional attitude that shows an employee's actions that will influence their behavior and performance at work.

3. Research Method

This type of research is quantitative research using data collection instruments in the form of

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questionnaires. Data analysis in this research used the Partial Least Square (PLS) program version 3.2.9.

3.1 Research population

The population used in this research is employees of the Deposit Insurance Corporation with a total number of employees in 2023 (position Dec 2023) namely 503 people.

3.2 Research Sample

Sampling in this study was carried out proportionally according to the distribution of questionnaires given to the entire population. This research uses balanced sampling (proportional stratified random sampling) which is carried out to represent the population proportionally so that the results from the sample can be generalized to the population. From this data, the sample size was obtained using the Slovin formula, as follows.

$$n = N / 1 + Ne^2 = 503 / 1 + 503 \cdot 0,01^2 = 503 / 6,03 = 83,41 \sim 83 \text{ samples}$$

The variables used in research can be classified into:

1. Dependent variable (Y)
In this research, the dependent variables are Job satisfaction (Y)
2. The Independent Variable (X), in this research is:
 - a. Motivation (X₁)
 - b. Compensation (X₂)
 - c. Competency (X₃)
3. This research's intervening variable (Z) is Employee Performance (Z).

The conceptual framework used to describe the relationship between income, operational expenses, and tax expenses on a company's financial performance is as follows:

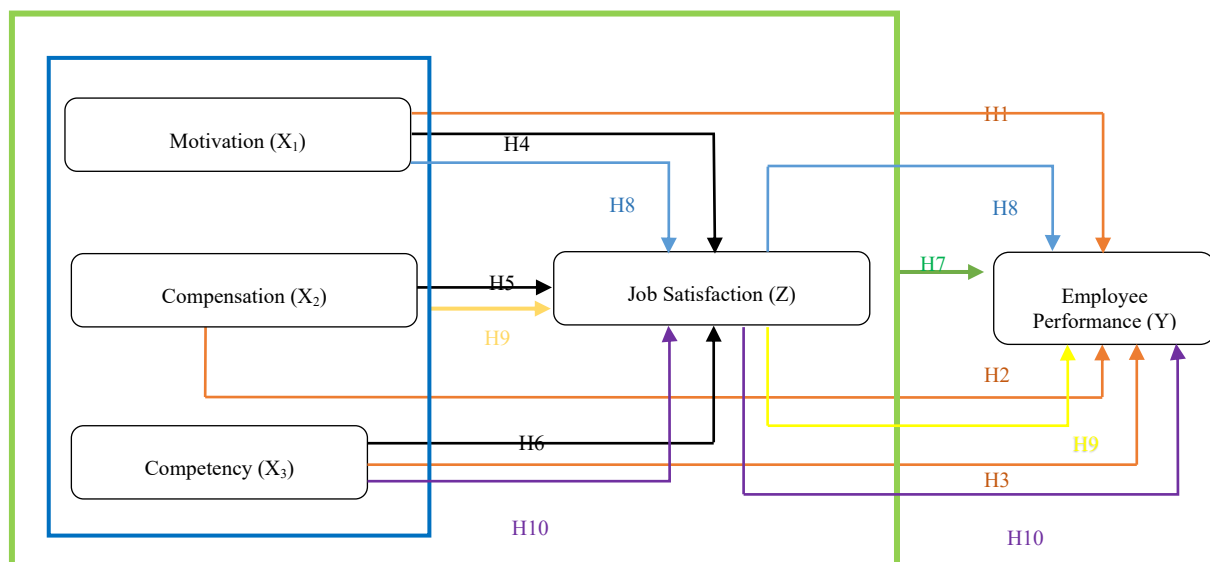


Figure 3.1. Research Model

The hypotheses in this research are:

- H1: Motivation influences employee performance.
 H2: Compensation influences employee performance.
 H3: Competency influences employee performance

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H4: Motivation influences job satisfaction.

H5: Compensation influences job satisfaction

H6: Competence influences job satisfaction.

H7: Job satisfaction influences employee performance.

H8: Motivation influences employee performance which is mediated by job satisfaction.

H9: Compensation influences employee performance which is mediated by job satisfaction.

H10: Competence influences employee performance which is mediated by job satisfaction.

4. Findings and Discussions

4.1 Findings

The data used is panel data, so its use must meet panel data regression testing, namely:

Validity Test Results

Table 1 Motivational Variable Validity Instrument Test Results (X₁)

Dimension	Item	Correlation	Prob.	Remark
Achievement	Ability to solve problems	0,724	0,000	Valid
Confession	Awards	0,747	0,000	Valid
	Praise	0,778	0,000	Valid
Responsibility	Assigning responsibility	0,848	0,000	Valid
	Granting permission/power	0,841	0,000	Valid
The job itself	Job placement	0,744	0,000	Valid
	Challenge	0,702	0,000	Valid
Improvement	Promotion	0,830	0,000	Valid
	Opportunities to improve work abilities	0,694	0,000	Valid

Source: Analyze results from primary data

Based on the table above, it can be explained that the results of the validity test of respondents' responses to the Motivation variable (X₁) are:

1. The achievement dimension consists of one statement item. This item has a probability value lower than the significance level (α) of 0.05, this shows that the item is valid in forming an achievement dimension.
2. The recognition dimension consists of two statement items. These two items have a smaller probability value at the significance level (α) of 0.05, this shows that the two items are valid in forming a recognition dimension.
3. The responsibility dimension consists of two statement items. The two items have a probability value that is smaller at the significance level (α) of 0.05, this shows that the two items are valid in forming a responsibility dimension.
4. The job dimension itself consists of two statement items. These two items have a probability value lower than the significance level (α) of 0.05; this shows that the two items are valid in forming the job dimension itself.

5. The dimension of increasing sharing a shared vision consists of two statement items. These two items have a probability value that is smaller at the significance level (α) of 0.05, this shows that the two items are valid in forming an improvement dimension.

Table 2 Compensation Variable Validity Instrument Test Results (X_2)

Dimension	Item	Correlation	Prob.	Remark
Direct Compensation	The income received is appropriate	0,919	0,000	Valid
	Equality of income levels provided	0,870	0,000	Valid
Indirect Compensation	Providing insurance	0,720	0,000	Valid

Source: Analyze results from primary data

Based on the table above, it can be explained that the results of the validity test of respondents' responses to the Compensation variable (X_2) are:

1. The direct compensation dimension consists of two statement items. The items have a probability value that is smaller at the significance level (α) of 0.05, this shows that the items are valid in forming a direct compensation dimension.
2. The indirect compensation dimension consists of one statement item. The two items have a probability value lower than the significance level (α) of 0.05, this shows that the two items are valid in forming the indirect compensation dimension.

Table 3 Competency Variable Validity Instrument Test Results (X_3)

Dimension	Item	Correlation	Prob.	Remark.-
Knowledge	Sufficient knowledge of the work area	0,745	0,000	Valid
	Work is completed according to the knowledge	0,861	0,000	Valid
	Know the job	0,841	0,000	Valid
Skills	Providing knowledge to colleagues	0,760	0,000	Valid
	Collaboration ability	0,776	0,000	Valid
	Understand and master the job	0,731	0,000	Valid
Behavior	Discipline	0,788	0,000	Valid
	Responsive and diligent	0,716	0,000	Valid
Experience	The experience you have supports the completion of the work	0,767	0,000	Valid

Source: Analyze results from primary data

Based on the table above, it can be explained that the results of the validity test of respondents' responses to the Competency variable (X_3) are:

1. The knowledge dimension consists of three statement items. The items have a probability value lower than the significance level (α) of 0.05, this shows that the items are valid in forming a knowledge dimension.
2. The skills dimension consists of three statement items. The two items have a probability value lower than the significance level (α) of 0.05, this shows that the two items are valid in forming a skills dimension.
3. The behavioral dimension consists of two statement items. The two items have a smaller probability value at the significance level (α) of 0.05, this shows that the two items are valid in forming a behavioral dimension.
4. The experience dimension consists of one statement item. The two items have a probability value lower than the significance level (α) of 0.05, this shows that the two items are valid in forming the experience dimension.

Table 4. Job Satisfaction Variable Validity Instrument Test Results (Z)

Dimensi	Item	Korelasi	Prob.	Keterangan
Reward	Providing rewards by basic needs.	0,742	0,000	Valid
	Providing rewards according to workload.	0,797	0,000	Valid
Promotion	Promotional opportunities	0,809	0,000	Valid
	Clear career path	0,733	0,000	Valid
Supervision	Good supervision from superiors	0,729	0,000	Valid
	Providing direction according to abilities and skills	0,721	0,000	Valid
Work colleague	Good communication with colleagues	0,743	0,000	Valid
	Solidarity in cooperation	0,779	0,000	Valid
The job itself	Freedom to get work done.	0,779	0,000	Valid

Source: Analyze results from primary data

Based on the table above, it can be explained that the results of the validity test of respondents' responses to the Job Satisfaction (Z) variable are:

1. The reward dimension consists of two statement items. The items have a smaller probability value at the significance level (α) of 0.05, this shows that the items are valid in forming the reward dimension.
2. The promotion dimension consists of two statement items. The two items have a probability value that is smaller at the significance level (α) of 0.05, this shows that the two items are valid in forming the promotion dimension.
3. The supervision dimension consists of two statement items. The two items have a probability value lower than the significance level (α) of 0.05, this shows that the two items are valid in forming a supervision dimension.
4. The co-worker dimension consists of two statement items. The two items have a smaller probability value at the significance level (α) of 0.05, this shows that the two items are valid in forming the co-worker dimension.
5. The job dimension itself consists of one statement item. The item has a probability value lower than the significance level (α) of 0.05, this shows that the two items are valid in forming the job dimension itself.

Table 5. Employee Performance Variable Validity Instrument Test Results (Y)

Dimension	Item	Correlation	Prob.	Remark
Quality of work	Opportunity to take initiative in achieving work targets	0,730	0,000	Valid
	Completion of work well and thoroughly	0,828	0,000	Valid
Quantity	Fulfill all workload	0,748	0,000	Valid
	Minimize the error rate when working	0,855	0,000	Valid
Execution of tasks	Completion of work on time	0,773	0,000	Valid
	Completion of work faster than specified	0,816	0,000	Valid
Responsibility	Completion of work to completion	0,738	0,000	Valid

Source: Analyze results from primary data

Based on the table above, it can be explained that the results of the validity test of respondents' responses to the Employee Performance (Y) variable are:

1. The work quality dimension consists of two statement items. The items have a smaller probability value at the significance level (α) of 0.05, this shows that the items are valid in forming the work quality dimension.
2. The quantity dimension consists of two statement items. The two items have a probability value that is smaller at the significance level (α) of 0.05, this shows that the two items are valid in forming the quantity dimension.
3. The task implementation dimension consists of two statement items. The two items have a probability value lower than the significance level (α) of 0.05, this shows that the two items are valid in forming the task implementation dimension.
4. The responsibility dimension consists of one statement item. The two items have a probability value lower than the significance level (α) of 0.05, this shows that the two items are valid in forming a responsibility dimension.

Reliability Test Results

Table 6. Summary of Research Variable Reliability Instrument Test Results

No	Latent Variables	Cronbach's Alpha	Category
1.	Motivation (X ₁)	0,911	Reliable
2.	Compensation (X ₂)	0,785	Reliable
3.	Competency (X ₃)	0,916	Reliable
4.	Job satisfaction (Z)	0,907	Reliable
5.	Employee performance (Y)	0,894	Reliable

Source: Analyze results from primary data

Based on Table 6, it can be stated that the five latent variables formed by the indicators are proven to have good reliability. This is indicated by all Cronbach's alpha values greater than 0.70.

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Structural Model Evaluation Testing (Inner Model)

Several indicators, including the coefficient of determination R^2 , show that the inner model was evaluated in this research.

R-Square (Coefficient of Determination)

Table 7. R-Square Value

Structure	Construct	R-Square
Structure I	Job satisfaction	0.649
Structure II	Employee performance	0.640

Source: Analyze results from primary data

Based on table 4.17 it can be explained as follows:

1. Structure I
The determinant coefficient (R^2) value of the Job Satisfaction construct is 0.649, indicating that the influence of the Motivation, Compensation, and Competency construct on Job Satisfaction is 64.9% and the remaining 35.1% is explained outside this research model.
2. Structure II
The determinant coefficient (R^2) value of the Employee Performance construct is 0.640, indicating that the influence of Job Satisfaction on Employee Performance is 64% and the remaining 36% is explained outside this research model.

Path Analysis

1. Direct Effect

Table 8. Direct Effect Test Results

Track	Original Sampel Estimate	T-count	P-Value	Remark
Motivation → Employee performance	0.012	0.127	0.053	Not significant
Compensation → Employee performance	0.236	2.914	0.004	significant
Competency → Employee performance	0.719	9.793	0.000	significant
Motivation → Job satisfaction	0.151	1.939	0.899	Not significant
Compensation → Job satisfaction	0.512	6.796	0.000	significant
Competency → Job satisfaction	0.401	6.622	0.000	significant
Job Satisfaction → Employee performance	-0.09	0.965	0.335	Not significant

Source: Analyze results from primary data

Based on Table 8, the results of the direct influence test can be explained, namely:

2. The calculated t-value of the influence of Motivation on Employee Performance is

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- 0.127 and the p value of the influence of Motivation on Employee Performance is 0.053. Because the t-value < 1.96 or p-value > 0.05 , it can be said that motivation does not have a significant effect on employee performance.
3. The calculated t value of the influence of compensation on employee performance is 2.914 and the p value of the influence of compensation on employee performance is 0.004. Because the calculated t-value is > 1.96 or the p-value < 0.05 , it can be said that compensation has a significant effect on employee performance. Compensation influences employee performance by 0.236.
 4. The calculated t value of the influence of Competency on Employee Performance is 9.793 and the p value of the influence of Competency on Employee Performance is 0.000. Because the calculated t-value is > 1.96 or p-value < 0.05 , it can be said that Competency has a significant effect on Employee Performance. Competency influences employee performance by 0.719.
 5. The calculated t-value of the influence of Motivation on Job Satisfaction is 1.939 and the p value of the influence of Motivation on Job Satisfaction is 0.899. Because the calculated t-value is < 1.96 or the p-value is > 0.05 , it can be said that motivation does not have a significant effect on job satisfaction.
 6. The calculated t-value of the influence of Compensation on Job Satisfaction is 6.796 and the p value of the influence of Compensation on Job Satisfaction is 0.000. Because the calculated t-value is > 1.96 or the p-value < 0.05 , it can be said that compensation has a significant effect on job satisfaction. Compensation reduces Job Satisfaction by 0.512.
 7. The calculated t-value of the influence of Competency on Job Satisfaction is 6.622 and the p value of the influence of Competency on Job Satisfaction is 0.000. Because the calculated t-value is > 1.96 or p-value < 0.05 , it can be said that Competency significantly affects Job Satisfaction. Competency affects Job Satisfaction by 0.401.
 8. The calculated t-value of the influence of Job Satisfaction on Employee Performance is 0.965 and the p value of the influence of Job Satisfaction on Employee Performance is 0.335. Because the calculated t-value is < 1.96 or p-value > 0.05 , it can be said that Job Satisfaction does not have a significant effect on Employee Performance.
 9. The table above shows that the results of the multicollinearity test have been successful, where the results are taken from the coefficients table and all tolerance values are > 0.100 . All VIF values are < 10.00 , meaning that the data shows that there is no multicollinearity in the research data.

10. Indirect Effect

Table 9. Direct Effect Test Results

Track	Path Coefficien t	T-count (O/STDEV)	P- Value
Motivation → Job satisfaction → Employee performance	-0.014	0.911	0.363
Compensation → Job satisfaction → Employee performance	-0.046	0.878	0.380
Competency → Job satisfaction → Employee performance	-0.036	0.956	0.339

Source: Analyze results from primary data

Based on Table 9 above, it can be concluded that:

1. The calculated t value of the influence of Motivation on Employee Performance which is mediated by Job Satisfaction is 0.911 and the p value of the influence of Motivation

on Employee Performance which is mediated by Job Satisfaction is 0.363. Because the t -value < 1.96 or p -value > 0.05 , it can be said that Job Satisfaction cannot mediate the influence of Motivation on Employee Performance.

2. The calculated t -value of the influence of Compensation on Employee Performance mediated by Job Satisfaction is 0.878 and the p -value of the influence of Compensation on Employee Performance mediated by Job Satisfaction is 0.380. Because the calculated t -value is < 1.96 or the p -value is > 0.05 , it can be said that Job Satisfaction cannot mediate the influence of Compensation on Employee Performance.
3. The calculated t value of the influence of Competency on Employee Performance which is mediated by Job Satisfaction is 0.956 and the p value of the influence of Competency on Employee Performance which is mediated by Job Satisfaction is 0.339. Because the calculated t -value is < 1.96 or the p -value is > 0.05 , it can be said that Job Satisfaction cannot mediate the influence of Competency on Employee Performance.

4.2 Discussion

The Effect of Motivation on Employee Performance

The results of this study indicate that motivation does not have a significant effect on employee performance or in other words, changes in employee motivation are not related to changes in their performance.

The results of this research support previous research conducted by Habeahan (2023) and R. Hidayat (2021) showing that motivation does not affect employee performance. A similar thing was also found in research conducted by Fadillah & Nasution (2022) that motivation does not guarantee that employee performance will be better. So, employee motivation must be further increased so that employees are more active in carrying out their work and it can have a positive impact on employee performance.

Effect of Compensation on Employee Performance

The results of this research indicate that compensation has a significant effect on employee performance. So, the higher the compensation an employee receives, the higher the performance the employee will show.

The results of this study support previous research conducted by Maizar et al. (2023) and Purwanto et al. (2023) stated that compensation has a positive and significant effect on employee performance. Yasa et al. (2023) in their research also stated that work motivation has a positive and significant effect on employee performance. So, companies need to maintain or even increase current compensation.

Effect of Competency on Employee Performance

The results of this analysis show that competence has a significant effect on employee performance.

The results of this research support previous research conducted by Asniwati (2022) and Sudiarso (2021) which stated that competency has a positive and significant effect on employee performance. Razak (2021) also found the same thing in his research, stating that competency influences employee performance. So, to improve employee performance, the Deposit Insurance Corporation needs to maintain existing competencies in its company. This is done so that employees can be more active in carrying out their work so that it can have a positive impact on their performance.

The Effect of Compensation on Job Satisfaction

The results of this study show that compensation has a significant effect on job satisfaction.

The results of this research support previous research conducted by Dharmiarto et al. (2021) and research by Astuti et al. (2024) stated that compensation has a positive and significant

effect on job satisfaction. The same thing is also supported by research by Aisha & Juhaeti (2023) and Aritonang & Febrian (2023) which states that compensation has a positive and significant effect on job satisfaction. So, it can be concluded that a high level of compensation influences employee job satisfaction.

Effect of Competency on Job Satisfaction

The results of this study show that competence has a significant effect on job satisfaction.

The results of this research support previous research conducted by Nurmalaya & Endratno (2022) and Janah et al. (2023) stated that the competency variable has a significant and influential effect on job satisfaction. This is also supported by research conducted by Wulandari et al. (2024) and Toreh et al. (2022) which states something similar.

Effect of Job Satisfaction on Employee Performance

The results of this study indicate that job satisfaction does not significantly influence employee performance.

The results of this study support previous research by Bague et al. (2024) and Fitri et al. (2021) which states that job satisfaction has a negative and insignificant effect on employee performance. So, employee satisfaction does not guarantee that the employee's performance will be better.

The Effect of Motivation on Employee Performance Mediated by Job Satisfaction

The results of this study indicate that job satisfaction is unable to mediate the influence of motivation on employee performance.

The results of this study support previous research conducted by Nadapdap et al. (2022) and Sembiring & Tanjung (2021) which show that job satisfaction is unable to mediate motivation on employee performance.

The Effect of Compensation on Employee Performance Mediated by Job Satisfaction

The results of this study indicate that job satisfaction is unable to mediate the effect of compensation on employee performance.

The results of this research support previous research conducted by Azizah (2020) and Yuliantika (2020) which showed that job satisfaction was unable to mediate compensation on employee performance.

The Effect of Competency on Employee Performance Mediated by Job Satisfaction

Based on the results of this research, shows that job satisfaction is unable to mediate the influence of competence on employee performance.

The results of this research support previous research conducted by Sundari & Putri (2023) and Janah et al. (2023) which states that job satisfaction is unable to mediate the influence of competence on employee performance.

5. Conclusion

Based on the results of the analysis of the influence of the Motivation variable (X_1), Compensation variable (X_2), and Competency variable (X_3) on Employee Performance (Y) mediated by Job Satisfaction (Z), several research conclusions can be obtained as follows:

1. Motivation does not affect employee performance.
A high level of motivation does not affect the increase in employee performance at the Deposit Insurance Corporation.
2. Compensation influences employee performance.
Increasing compensation can affect employee performance at the Deposit Insurance Corporation.
3. Competence influences performance.

- High competency will improve employee performance at the Deposit Insurance Corporation.
4. Motivation does not affect Job Satisfaction.
A high level of motivation does not affect the level of job satisfaction at the Deposit Insurance Corporation.
 5. Compensation influences job satisfaction.
Increasing compensation will affect employee job satisfaction at the Deposit Insurance Corporation.
 6. Competence influences job satisfaction.
A high level of competency will also influence the level of job satisfaction at the Deposit Insurance Corporation.
 7. Job satisfaction does not affect employee performance.
Increasing job satisfaction does not affect the increase in employee performance at the Deposit Insurance Corporation.
 8. Job satisfaction is unable to mediate the influence of motivation on employee performance.
 9. Job satisfaction is unable to mediate the influence of compensation on employee performance.
 10. Job satisfaction is unable to mediate the influence of competency on employee performance.

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