# The Effect of Work Motivation, Competence, and Compensation on Employee Performance Results Through Employee Satisfaction in UPT (Unit Pelaksana Teknis/Technical Implementation Unit) Livestock Breeding and Health Animals in Madura

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Abstract. Resources owned by Government Agencies will not provide optimal results if they are not supported by human resources who have optimal performance. The purpose of this research is to analyze the effect of work motivation, competency, and competency on employee performance results through employee satisfaction at UPT Livestock Breeding and Animal Health in Madura. The method used in this study is a quantitative research method. This type of research is causality research. The sample in this study were 56 employees at UPT Livestock Breeding and Animal Health in Madura using a saturated sampling technique. The analysis technique in this study is Partial Least Square (PLS). The results of the analysis in this study proved that work motivation, competency, and competence have a significant effect on employee satisfaction. The results of the analysis also prove that work motivation, competency, competence, and employee satisfaction have a significant effect on employee performance.

Keywords: Work Motivation; Competence; Employee Satisfaction; Employee Performance

#### I. INTRODUCTION

Government agencies that are public servants are required to be maximal, fast and responsive besides that they are also required to be able to produce a product of goods/services. In accordance with the Main Duties and Functions of UPT Livestock Breeding and Animal Health in Madura which include the following: "UPT Livestock Breeding and Animal Health in Madura, has the task of carrying out some of the technical tasks of the Service in the field of breeding, breeding, livestock cultivation, forage, inspection/testing and diagnosis of animal diseases as well as testing of food and non-food ingredients of animal origin, administrative tasks and community service". (East Java Governor Regulation Number 53 of 2018 Concerning Nomenclature, Organizational Structure,

In the current era of globalization, companies/organizations are required to work more efficiently and effectively. Increasingly fierce competition causes demands to improve the quality and ability of the workforce in order to increase competitiveness in the context of maintaining survival. Goals will be achieved if employees have high performance. The success of an organization in planning and implementing strategy is supported by the performance of its employees. (Hanggarini in Wijaya & Suana, 2013).

The resources that are owned will not provide optimal results if they are not supported by human resources that have optimal performance. Understanding the

importance of human resources in today's global era, one of the efforts that must be achieved by companies is to improve the quality of human resources. By improving the quality of human resources, it is hoped that employees can improve their performance (Wirawan, 2015: 2).

The Civil Service Performance Management System is a systematic process consisting of performance planning; implementing, monitoring, and fostering performance; performance assessment; follow-up; and performance information systems. (Regulation of the Government of the Republic of Indonesia Number 30 of 2019 Concerning Performance Evaluation of Civil Servants Chapter I Article 1). In improving its performance, employees need motivation to achieve goals. Motivation will cause encouragement to someone who causes him to take certain actions to meet his needs. So work motivation is a psychological condition that encourages workers to try to produce goods or services so that a goal can be achieved (Hartati, 2020).

In addition, the competencies possessed by each individual are also considered important in efforts to improve performance. Robbins & Coulter (2018: 55) explains that competence is the skills and abilities in carrying out work activities needed to create the main value for an organization that determines its competitive weapon. According to Adam & Kamase (2019), competency is expected to improve performance and work results, while competency is needed in order to have capabilities that match organizational needs so as to provide the best performance. This is consistent with the

results of Hartati's research (2020) which proved in his research that competency has a partially significant effect on employee performance.

Compensation is also an important factor influencing employee performance, namely fair and equitable compensation.

According to Veithzal (2015: 741), compensation is something employees receive as a substitute for their service contributions to the company. According to Mulyah et al. (2020), in order to achieve the goal of compensation and provide satisfaction for all parties, a compensation program should be established based on fair and reasonable principles, labor laws, and pay attention to internal and external consistency. Compensation programs must be able to answer the question of what drives a person to work and why some people work hard while others work mediocre. The results of Hartati's research (2020) prove that compensation has a significant effect on employee performance partially. Igalens & Roussel in Adam & Kamase (2019) explains that giving uncertain or uncertain wages (flexible pay) does not provide motivation and job satisfaction to workers and is not useful if it is provided permanently or permanently and if it is not permanent it provides employees who are not motivated and do not 'do not produce job satisfaction. . This is in accordance with the findings of Mulyah et al. (2020) which proves that compensation has a significant effect on job satisfaction.

Employee job satisfaction must be created as well as possible so that employee morale, dedication, love and discipline increase. Robbins & Judge (2017: 41) defines job satisfaction as a general attitude of an individual towards his work where in that job a person is required to interact with colleagues and superiors, follow organizational rules and policies, meet performance standards. Adam & Kamase (2019) explain that job satisfaction causes increased performance so that satisfied workers will be more productive, job satisfaction occurs because of performance so workers who have good performance will get satisfaction.

Based on the background above, this study aims to analyze the effect of work motivation, competence, compensation on employee satisfaction and employee performance results in UPT Livestock Breeding and Animal Health in Madura; as well as foranalyze the effect of work motivation, competency, and employee compensation on employee performance results through employee satisfaction at UPT Livestock Breeding and Animal Health in Madura.

#### **CONCEPTUAL FRAMEWORK**

The following figure illustrates the effects of exogenous variables on endogenous mediated by employee satisfaction variables which are seen as follows.

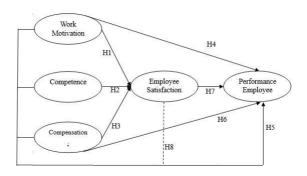


Figure 3.1 Conceptual Framework

#### **Hypothesis**

Based on the formulation of the problem in the previous chapter and the theories described above, the hypothesis formulated in this study is:

- H1: Work motivation has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura
- H2: Competence has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura
- H3: Compensation has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura
- H4: Work motivation has a significant effect on the results of employee performance at UPT Livestock Breeding and Animal Health in Madura
- H5: Competence has a significant effect on the results of employee performance at UPT Livestock Breeding and Animal Health in Madura
- H6 :Compensation has a significant effect on the results of employee performance at UPT Livestock Breeding and Animal Health in Madura
- H7: Employee satisfaction has a significant effect on the results of employee performance at UPT Livestock Breeding and Animal Health in Madura
- H8: Work motivation, competence, and employee compensation have a significant effect on employee performance results through employee satisfaction at UPT Livestock Breeding and Animal Health in Madura

#### **Analysis Models**

Model Analysis in this study can be modeled on the following equation:

Employee Satisfaction (Z) =  $\beta$ 1 Work Motivation (X1) +  $\beta$ 2 Competence (X2) +  $\beta$ 3 Compensation (X3)

Employee Performance Results  $(Y) = \beta 1$  Work Motivation  $(X1) + \beta 2$  Competence  $(X2) + \beta 3$  Compensation  $(X3) + \beta 4$  Employee Satisfaction (Z)

#### II. RESEARCH METHODS

The type of research used in this research is to use a quantitative approach, namely a causal associative research strategy.

In this study there are two variables, namely the independent variable, the intervening variable and the dependent variable. The independent variables in this study are Work Motivation (X1), Competence (X2), and Compensation (X3); The intervening variables in this study are Employee Satisfaction (Z); The dependent variable in this study is Employee Performance Results (Y).

The operational definition of a variable is the meaning of the variable (which is expressed in the concept definition), operationally, in practice, in reality within the scope of the research object/object studied.

Work Motivation (X1). Work motivation in this study was measured through several indicators that refer to (Robbins & Coulter, 2018), namely: (1) Fulfillment of physiological needs; (2) Fulfillment of the need for security; (3) Fulfillment of social needs; (4) Fulfillment of appreciation needs; (5) Fulfillment of self-actualization needs.

Competence (X2). Competence is an ability to carry out or perform a job or task based on skills and knowledge. Competence in this study is measured through several indicators referring to Edison et al. (2016:92-100), including: (a) Knowledge; (b) Expertise (Skill); (c) Attitude.

Compensation (X3). Compensation is something employees receive as a substitute for their service contribution to the company. Compensation in this study is measured through several indicators that refer to Mathis & Jackson (2016: 142), namely: (1) Direct Compensation. (a) Basic Salary; (b) Variable Salary; (2) Indirect Compensation. (a) Health insurance; (b) Facilities.

**Employee Satisfaction (Z).** Employee satisfaction is a feeling that supports or does not support employees related to their work or their condition. Employee satisfaction in this study is measured through several indicators that refer to the theory of Luthans et al. (2021:243) namely: (a) The work itself; (b) Income/salary; (c) Promotional opportunities; (d) Supervision; (e) Colleagues.

Employee Performance Results (Y). Performance results are work achievements or work results achieved by HR both in quality and quantity per unit time period in carrying out their work duties. In accordance with Presidential Regulation Number 29 of 2014 concerning the Performance Accountability System for Government Agencies and Government Regulation Number 30 of 2019 concerning Performance Evaluation of Civil Servants. The results of the performance in this study are performance reports at UPT Livestock Breeding and Animal Health in Madura, which consist of: (1) Total production of Madura cattle breeds according to quality standards; (2) Total production of fodder forage seeds; (3) Number of animal health laboratory test results

The sample population in this study were 56 employees at UPT Livestock Breeding and Animal Health in Madura. In this study the sampling technique taken was saturated sampling technique.

The type of data used in this research is quantitative. The method used in this study is a quantitative research method. This type of research is

causality research. The primary data source used in this study is the method of distributing questionnaires.

Data analysis techniques used the Partial Least Square (PLS) method with smart PLS software version 3.0.

### III. ANALYSIS RESULTS AND DISCUSSION **Data analysis**

In this study, researchers used PLS data analysis techniques with using SmartPLS 3.0 Partial Least Square Software, after the researchers examined the results of the questionnaires that had been distributed, the results were as follows:

#### **Outer Model Test**

Outer model often also called (outer relation or measurement model) specifies the relationship between the variables studied and the indicators.

#### **Convergent Validity**

Testing the measurement model through the loading factor was carried out to determine the validity of the indicators by looking at the convergent validity values of the indicators in the model. Each indicator in the model must meet convergent validity, which has a value of > 0.5. If each indicator already has a loading factor value of > 0.5, the evaluation step can be continued. However, if not, reductions must be made for indicators that have a Convergent validity value of < 0.5 by carrying out further iterations until the loading factor value for each indicator is > 0.5.

**Table 1 Validity Test (Convergent Validity)** 

	Original Sample Estimate	Mean of Subsamples	Standard Deviation	T-Statistics
- 1	2	Work Motivation	on (X1)	ð)
X1.1	0.803	0.802	0.040	20.119
X1.2	0.717	0.715	0.065	11005
X1.3	0.738	0.726	0.072	10,266
X1.4	0.856	0.853	0.038	22,775
X1.5	0.817	0814	0.046	17,923
	C	Competency	(X2)	* *******
X2.1	0.711	0.702	0.088	8057
X2.2	0.825	0.820	0.055	14,977
X2.3	0879	0879	0.037	23,788
-	3	Compensation	(X3)	8,
X3.1	0.732	0.728	0.062	11,711
X3.2	0.772	0.762	0.069	11.124
X3.3	0.851	0.852	0.033	25,714
X3.4	0811	0.809	0.048	17035
		Employee Satisfa	ction (Z)	01
Z. 1	0.689	0.666	0.107	6,416
Z. 2	0.812	0.809	0.053	15,457
Z. 3	0.719	0.708	0.086	8,317
Z. 4	0821	0.820	320 0.043	
Z. 5	0.645	0.649	0.089	7,262
-	I	imployee Perform	nance (Y)	90
Y. 1	0.800	0.797	0.051	15,628
Y.2	0.810	0.807	0.051	16015
Y.3	0.753	0.754	0.048	15,708
Y.4	0.670	0.658	0.079	8,461

Source: Appendix 6, processed by researchers

Based on the table above the indicator items for all variables in research is declared valid as a measuring tool for the construct, because the value of convergent validity is above 0.5.

#### **Discriminant Validity**

Discriminant validity test aims to test the validity of the indicator block. Discriminant validity test for indicators can be seen in the cross loadings between indicators and their constructs as shown in Table 4.13. An indicator block is called valid if the value of each indicator in measuring its construct variable (= indicator block) is dominantly higher than the value of each of these indicators in measuring other construct variables.

**Table 2 Cross Loadings** 

Items -	Variable					
	(X1)	(X2)	(X3)	(Z)	(Y)	
X1.1	0.803	0.326	0.631	0.517	0.548	
X1.2	0.717	0.230	0.504	0.340	0.388	
X1.3	0.738	0.268	0.489	0.372	0.377	
X1.4	0.856	0.365	0.508	0.462	0.540	
X1.5	0.817	0.389	0.549	0.544	0.506	
X2.1	0.266	0.711	0.237	0.321	0.523	
X2.2	0.379	0.825	0.483	0.381	0.506	
X2.3	0.344	0879	0.485	0.502	0.562	
X3.1	0.465	0.467	0.732	0.494	0.568	
X3.2	0.619	0.352	0.772	0.441	0.548	
X3.3	0.608	0.353	0.851	0.560	0.649	
X3.4	0.474	0.431	0811	0.499	0.575	
Z. 1	0.304	0.327	0.382	0.689	0.296	
Z. 2	0.543	0.471	0.496	0.812	0.484	
Z. 3	0.358	0.322	0.417	0.719	0.372	
Z. 4	0.539	0.392	0.502	0821	0.638	
Z. 5	0.337	0.329	0.512	0.645	0.659	
Y. 1	0.524	0.559	0.690	0.461	0.800	
Y.2	0.501	0.541	0.603	0.492	0.810	
Y.3	0.431	0.517	0.529	0.713	0.753	
Y.4	0.382	0.346	0.389	0.399	0.670	

Source: Appendix 6, data processed

The cross loading values in Table 2 are obtained as a whole from the forming construct which is stated to have a good discriminant. Where the correlation value of the indicator to the construct must be greater than the correlation value between the indicator and the other constructs.

#### **Average Variance Extracted (AVE)**

AVE aims to test the reliability of construct variables. AVE aims to establish that the construct variable has a good Discriminant validity value. The AVE value is declared satisfactory if > 0.5. The results of the AVE test appear in Table 3 as follows:

**Table 3 Value AVE** 

	Average Variance Extracted(AVE)
Work Motivation (X1)	0.621
Competency (X2)	0.653
Compensation (X3)	0.628
Employee Satisfaction (Z)	0.548
Employee Performance (Y)	0.578

Source: Appendix 6, data processed

The results of the AVE values for the indicator blocks that measure constructs can be stated to have good discriminant validity values because the AVE value is > 0.5. This means that all construct variables are declared reliable.

#### **Composite Reliability**

Another test is the composite reliability of the indicator blocks that measure constructs (Ghozali, 2013:78). The condition is that if the composite reliability value is > 0.60 it is interpreted as very satisfactory (Ghozali, 2013: 78).

**Table 4 Composite Reliability** 

	Composite Reliability		
Work Motivation (X1)	0891		
Competency (X2)	0849		
Compensation (X3)	0.871		
Employee Satisfaction (Z)	0.857		
Employee Performance (Y)	0.845		

Source: Appendix 6

Based on Table 4 it can be explained that from the provisions of composite reliability it can be stated that all the constructs studied meet the criteria of composite reliability, so that each construct can be positioned as a research variable. This indicates that compositely all variables have sufficient internal consistency in measuring the latent/construct variables measured so that they can be used in further analysis.

#### **Inner Model Test**

This test is used to evaluate the relationship between latent constructs as hypothesized in the study, based on the PLS output, the following figure is obtained:

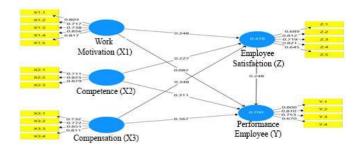


Figure 2 PLS Research Model Source: Appendix 4

The results of the inner weight value in Figure 2 above show that Employee Performance is influenced by Work Motivation, Competence, and Compensation, and Employee Satisfaction. while Employee Satisfaction is influenced by Work Motivation, Competence, Compensation which is shown in the following equation.  $Y = 0.087 \ X1 + 0.311 \ X2 + 0.367 \ X3 + 0.248$   $Z \ Z = 0.248 \ X1 + 0.227 \ X2 + 0.348 \ X3$ 

#### **Hypothesis Test**

To answer the research hypothesis, the t-statistics can be seen in Table 5 below:

**Table 5 Hasil Hypothesis Testing** 

	Original Sample (O)	Sample Means (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )
Work Motivation (X1) -> Employee Satisfaction (Z)	0.248	0.238	0.146	1,700
Competence (X2) -> Employee Satisfaction (Z)	0.227	0.228	0.091	2,486
Compensation (X3) -> Employee Satisfaction (Z)	0.348	0.369	0.131	2,648
Work Motivation (X1) -> Employee Performance (Y)	0.087	0.098	0.164	0.535
Competence (X2) -> Employee Performance (Y)	0.311	0.324	0.092	3,396
Compensation (X3) -> Employee Performance (Y)	0.367	0.341	0.161	2,281
Employee Satisfaction (Z)  Semployee Performance (Y)	0.248	0.257	0.100	2,478

Source: Appendix 6

The test results show that: (a) Work Motivation is not have a significant effect on Employee Satisfaction, because the statistical T value is 1,700 which means it is smaller than 1.96, so the H1 hypothesis reads "Work motivation has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura", can be declared not accepted. (b) Competence has a significant effect on Employee Satisfaction, because the statistical T value is 2,486 which means it is greater than 1.96, so the H2 hypothesis reads "Competence has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura", can be declared acceptable. (c) Compensation has a significant effect on Employee Satisfaction, because the statistical T value is 2,648 which means it is greater than 1.96, so the H3 hypothesis reads "Compensation has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura", can be declared acceptable. (d) Work Motivation has no significant effect on Employee Performance, because the statistical T value is 0.535 which means it is smaller than 1.96, so the H4 hypothesis reads "Work motivation has a significant effect on employee performance at UPT Livestock Breeding and Animal Health in Madura", can be declared not accepted. (e) Competence has a significant effect on Employee Performance, because the statistical T value is 3,396 which means it is greater than 1.96, so the H5 hypothesis reads "Competence has a significant effect on employee performance at UPT Livestock Breeding and Animal Health in Madura", can be declared acceptable. (f) Compensation has a significant effect on Employee Performance, because the statistical T value is 2,281 which means it is greater than 1.96, so the H6 hypothesis reads "Compensation has a significant effect on employee performance at UPT Livestock Breeding and Animal Health in Madura", can be declared acceptable. (g) Satisfaction Employee have a significant effect on Employee Performance, because the statistical T value is 2,478 which means it is greater than 1.96, so the H7 hypothesis reads "Employee satisfaction has significant effect on employee performance at UPT

Livestock Breeding and Animal Health in Madura", can be declared acceptable.

#### **Structural Model Testing (Inner Model)**

In assessing the model with PLS begins by looking at the R-square for each dependent latent variable. Changes in the R-square value can be used to assess the effect of certain independent latent variables on the dependent latent variable whether it has a substantive effect. For endogenous latent variables in a structural model that has an R2 of 0.67 indicating that the model is "good", an R2 of 0.33 indicates that the model is "moderate", an R2 of 0.19 indicates that the model is "weak" (Ghozali, 2013: 81). The PLS output is as explained below:

Table 6 Value R-Square

	R-Square		
Work Motivation (X1)			
Competency (X2)			
Compensation (X3)			
Employee Satisfaction(Z)	0.478		
Employee Performance (Y)	0.700		

Source: Appendix 6

For independent variables Work Motivation (X1) and Competence (X2) and Compensation (X3) which affect variables Employee Satisfaction (Z) in the structural model has an R2 value of 0.478 which indicates that the model is "Moderate", meanwhile Work Motivation (X1) and Competence (X2), Compensation (X3), and Employee Satisfaction (Z) which affects the Employee Performance variable (Y) in the structural model has an R2 value of 0.700 which indicates that the model is "Good".

The suitability of the structural model can be seen from Q2, as follows:

Q2 = 1 - [(1 - R1)\*(1 - R2)] = 1 - [(1 - 0.478)\*(1 - 0.700)] = 1 - [(0,522)\*(0.300)] = 1 - [0,157] = 0,843

#### **DISCUSSION**

#### The Effect of Work Motivation on Employee Satisfaction at UPT Livestock Breeding and Animal Health in Madura

Based on the results of the study, it was found that work motivation has no significant effect on employee satisfaction, because the statistical T value is 1,700 which means it is smaller than 1.96. This means the hypothesis that reads "Work motivation has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura", was declared not accepted.

The results in this study prove that work motivation does not have a significant effect on employee satisfaction but has a positive direction of influence. The positive influence that occurs can be interpreted as having a direct influence between work motivation and employee satisfaction. This can be interpreted that the higher the motivation possessed by employees in work, it will further increase employee satisfaction.

The findings in this study prove that high employee satisfaction can be formed through good work motivation. By looking at these results then when UPT Livestock Breeding and Animal Health in Madura want to increase the feeling of satisfaction by employees at work, it is very important for companies to pay attention to the level of motivation.

The findings in this study do not support the results of research conducted by Adam and Kamase (2019)which proves that motivation positive and significant effect on work satisfaction.

## The Effect of Competence on Employee Satisfaction at UPT Livestock Breeding and Animal Health in Madura

Based on the results of the study, it was found that competence has a significant effect on employee satisfaction, because the statistical T value is 2,486 which means greater than 1.96. This means the hypothesis that reads "Competence has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura", declared accepted.

The findings in this study prove that competency has a significant effect on employee satisfaction by having a positive influence. This positive influence can be interpreted that there is a unidirectional influence, so it can be interpreted that the higher the competence possessed by employees, the more they can increase employee satisfaction at work. By looking at these results it can be interpreted if UPT Livestock Breeding and Animal Health in Madura If you want to increase employee satisfaction at work, it is very important for agencies to pay attention to the level of competence possessed by employees.

However, the results in this study are not in line with the findings proven by Adam and Kamase (2019) who proved in their research that competence has an insignificant positive effect on work satisfaction.

#### The Effect of Compensation on Employee Satisfaction at UPT Livestock Breeding and Animal Health in Madura

Based on the research results, it was found that compensation has a significant effect on employee satisfaction, because the statistical T value is 2,648, which means greater than 1.96. This means the hypothesis that reads "Compensation has a significant effect on employee satisfaction at UPT Livestock Breeding and Animal Health in Madura", declared accepted.

Mulyah et al (2020), so that compensation goals are achieved and provide satisfaction for all parties, a compensation program should be established based on fair and reasonable principles, labor laws, and pay attention to internal and external consistency .By looking at these results it can be interpreted if UPT Livestock Breeding and Animal Health in Madura If you want to increase employee satisfaction at work, it is

very important for companies to provide supportive compensation for each of their employees.

The results in this study are in line with the findings of research conducted by Mulyah et al (2020) found that compensation has a significant effect on employee job satisfaction.

#### The Effect of Work Motivation on Employee Performance at UPT Livestock Breeding and Animal Health in Madura

Based on the results of the study, it was found that work motivation has no significant effect on employee performance, because the statistical T value is 0.535 which means smaller than 1.96. This means the hypothesis that reads "Work motivation has a significant effect on employee performance at UPT Livestock Breeding and Animal Health in Madura", was declared not accepted.

The findings in this study prove that increasing employee performance can be increased by work motivation but the effect is small because the results obtained are not significant. In improving its performance, employees need motivation to achieve the goals of the company. So work motivation is a psychological condition that encourages workers to try to produce goods or services so that a goal can be achieved (Hartati, 2020). Thus, if the UPT Livestock Breeding and Animal Health in Madura wants to improve the performance of its employees, then it is very important for the leadership to increase the provision of encouragement as a form of motivation for employees.

The findings in this study are not the same as the findings Adam and Kamase (2019)which proves that motivation positive and significant effect on performance. Likewise with the findings Treasure (2020) which proves that motivation significant effect on employee performance.

## The Effect of Competence on Employee Performance at UPT Livestock Breeding and Animal Health in Madura

Based on the results of the study, it was found that competence has an effect on employee performance, because the statistical T value is3,396which means greater than 1.96. This means the hypothesis that reads "Competence has a significant effect on employee performance at UPT Livestock Breeding and Animal Health in Madura", declared accepted.

The results obtained through testing this hypothesis found that competency has a significant effect on employee performance by having a positive direction of influence. The direction of this positive influence can be said that the higher the competency ownership of each employee at work, the higher the employee's performance at work will be. By looking at these results it can be interpreted that if UPT Livestock Breeding and Animal Health in Madura If you want to improve the performance of its employees, it is very important for companies to improve the competence of their employees through providing better training.

This result is in line with the findings Treasure (2020)which proves that Competence partially significant effect on employee performance. However, these results

are not the same as the findings of Adam and Kamase (2019) who found in their research that competence has a positive and insignificant effect on performance.

#### The Effect of Compensation on Employee Performance at UPT Livestock Breeding and Animal Health in Madura

Based on the results of the study, it was found that compensation has an effect on employee performance, because the statistical T value is2,281which means greater than 1.96. This means the hypothesis that reads "Compensation has a significant effect on employee performance at UPT Livestock Breeding and Animal Health in Madura", declared accepted.

The results obtained through testing this hypothesis found that compensation has a significant effect on employee performance by having a positive direction of influence. The direction of this positive influence can be said that the higher the compensation received by employees at work, it will further improve employee performance at work. Hasibuan (2017), defines that compensation is all income in the form of money, goods directly or indirectly received by employees in return for services provided to the organization.

This result is in line with the findings of Febriani (2016) which proves that work motivation has a positive and significant effect on civic organizational behavior (OCB).

#### The Effect of Employee Satisfaction on Employee Performance at UPT Livestock Breeding and Animal Health in Madura

Based on the research results, it was found that Employee Satisfaction has an effect on Employee Performance, because the statistical T value is equal to 2,478 which means greater than 1.96. This means the hypothesis that reads "Employee satisfaction has a significant effect on employee performance at UPT Livestock Breeding and Animal Health in Madura", declared accepted.

Based on the results of testing the hypothesis, it is found that Employee Satisfaction has a significant influence on Employee Performance with a positive influence. This positive influence can be said that there is a direct influence between Employee Satisfaction and Employee Performance, which means that the higher the employee engagement in work, the higher the Employee Performance. So that high employee performance can be formed through high employee satisfaction.

The findings in this study found that employee satisfaction has a significant effect on employee performance. By looking at these results, it can be said that if the UPT of Livestock Breeding and Animal Health in Madura wants to improve employee performance, it is very important for companies to pay attention to the level of employee engagement in work.

The findings in this study also support the findings Treasure (2020) which proves that compensation partially significant effect on employee performance.

#### IV. CONCLUSIONS AND SUGGESTIONS

#### Conclusion

Based on the results of the analysis obtained, the following conclusions can be drawn:

- Work Motivation has no effect on Employee Satisfaction.
- (2) Competence affects Employee Satisfaction.
- (3) Compensation affects Employee Satisfaction.
- (4) Work Motivation has no significant effect on Employee Performance.
- (5) Competence affects Employee Performance.
- (6) Compensation affects Employee Performance.
- (7) Employee Satisfaction affects Employee Performance

#### Suggestion

Based on the results of the analysis and discussion carried out, the researcher provides several suggestions that can contribute to improving employee performance and for further research. The suggestions are as follows: (1) It is expected UPT Livestock Breeding and Animal Health in Madura is better at providing adequate compensation for employees so as to increase employee satisfaction and trigger increased employee performance. (2) It is hoped that future research that wants to research the same topic can use other variables that can affect the level of employee performance so that they can develop the research results that have been obtained in this study.

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