Mediating effect of motivation on employees’ performance in a private hospital, Indonesia

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Abstract. Quality human resources in a hospital is very important in producing excellent services, both medical personnel those are paramedics and non-medical personnel who work together in one unit that must be developed and maintained well in order to be able to produce excellent service and compete in welcoming the era of globalization. Increased incomes experienced by some people in Indonesia create new lifestyles that are far from health so that greater community vulnerability to disease and this is a new challenge for hospitals to improve services in the health sector. The research seeks to explain important factors that affect employee performance in a private hospital. The novelty of the research is to look for and compare the direct and indirect effects between factors that affect performance, especially the role of motivation as a mediating variable. The research uses 100 samples taken from employees of one private hospital in Indonesia. The result finds out that there is a significant influence between work environment, competence, and motivation on performance both directly and indirectly.

Keywords: motivation effect, employees’ performance, private hospital

1. Introduction
In the past decade, hospitals have been listed as important companies in the community to obtain health services in which hospital is currently experiencing very rapid growth. In addition to competing with other hospitals, hospitals must also be smart in competing with midwife practices, doctors’ practices, and other health services. Companies in Indonesia always experience growth along with the increasing economy every year [1] and one of them is a company engaged in the health sector. The hospital is a labor-intensive and capital-intensive company with various professional groups to produce an excellent service for the community. Quality human resources in a hospital is very important in producing excellent services, both medical personnel, paramedics and non-medical personnel is one unit that must be developed and maintained well in order to be able to produce excellent service and compete in welcoming the era of globalization which will come.

Increased incomes experienced by some people in Indonesia create new lifestyles that are far from health so that greater community vulnerability to disease [2] and this is a new challenge for hospitals to improve services in the health sector. The work environment is a very important component when employees perform work activities in the hospital because the work environment in the hospital has a high level of risk associated with public health services and the use of medical devices, where it can affect the performance of existing employees in a hospital in carrying out their duties, both directly and indirectly. By paying attention to the work environment and creating good working conditions, it is
expected to be able to provide motivation to work, as well as to have an influence on the enthusiasm or enthusiasm of employees at work.

The competencies in hospitals relating to employees include the knowledge, skills and attitudes / behavior of an employee in the field of medical services. This employee competency development cannot be formed automatically. Competence must be developed in a planned manner in accordance with the direction of hospital business development in order to become a force to support the achievement of hospital goals.

Implementation of supply chains in the pharmaceutical sector that is not easy enough in Indonesia is also a challenge because of the high level of regulation in Indonesia \[3\] so that the health sector is one that is difficult to obtain, especially for private hospitals, for this reason, hospital management is expected to manage the work environment in the hospital well. The good and effective work environment can improve employee performance and vice versa if the hospital work environment is bad or not good then the employee's performance decreases and has a negative impact on hospital conditions. Therefore, there are physical and mental influences for employees, then it takes an effort to design a work environment that is conducive to doing the work process.

Based on the background of study, the researchers are interested in conducting a research on the effect of work environment and competence on motivation and its impact on employee performance at a private hospital in Indonesia.

2. Literature review

Motivation becomes a matter of much discussed in the discussion of human resources, it is because motivation is expected that each employee will work hard and enthusiastically to achieve high work productivity. \[4\] that an individual's motivation to perform is affected by the immediate consequences surrounding the performance and motivation implies that there is more to it than that. Individual motivation is a partly function of a person's long-term history. Likewise \[5\] that managing motivation for performance improvement is related to the use of power and leaders, whatever the culture of a country or organization. The easy goal is to teach managers how to measure the results of handling their team and to change the way they work if needed. Management development is based on four key factors that greatly affect the organization.

A comfortable work environment is not only influenced by lighting and sound, the next factor is air or air circulation and safety. The air is too humid can also interfere with employee performance. In the opinion of \[6\] stated about creating a pleasant work environment that can meet the needs of employees will provide satisfaction and encourage their morale. In another discussion the lack of attention to the work environment will have a negative impact that will result in reduced morale, this phenomenon occurs because employees in carrying out tasks experience interference, so less enthusiastic and less enthusiastic in completing their duties. For this reason, the design of the work environment as well as the work behavior of employees can also be shaped so that they can contribute to performance. Safety and health in a well-managed work environment will increase the effectiveness of performance if considered together. Likewise, the design of work correctly requires attention to the physical arrangements at work. How a work environment that is around the job is utilized, can affect the work performance of the job.

Competence is one of the important things in human resources, because it has benefits including explained by \[8\] specifically clarifying work standards and expectations to be achieved, employee selection tools, maximizing productivity, the basis for development remuneration system, facilitate adaptation to change, align work behavior with organizational values, as argued by \[9\] it is said that valued resources will work wholeheartedly to provide the best for the organization. Likewise, the competency that supports performance is taken from the opinion of \[10\] that people who have introspective personalities proactively utilize the level of centrality in the organization to increase their influence in the organization.

Based on the opinion of \[11\] that the work environment is a very important component when employees perform work activities. By paying attention to a good work environment or creating working
conditions that are able to provide motivation to work, it will bring an influence on the enthusiasm or enthusiasm of employees in working.

Based on the opinion of [12] that competence always contains a purpose or goal, which is an impetus for motives or traits that cause an action to obtain an outcome. [13] added in the international journal that no vision, no strategy can be achieved without being able to empower employees. Interpreted that without ability, there is no vision and strategy to work.

Based on [14] that good working conditions are conditions that can support the completion of work by employees. All facilities needed to do or complete work for employees is something that must be met by the company or organization. Of course, with the hope that the more complete the facilities, the better the performance and productivity will increase significantly.

Based on the opinion of [15] that competence contains understanding, one of which is a causal relationship is the competence can cause or be used to predict one's performance. This means that if someone has high competence, then he will have high performance as well (as a result).

Based on [11] motivation becomes important because with motivation it is expected that every employee will work hard and enthusiastically to achieve high work productivity. Also explained by the opinion of [16] that the contribution of work motivation to performance cannot be ignored. Although the ability of employees is very good if their motivation is low, of course their performance will also be low.

Based on the theoretical basis and problems, the research develops a conceptual research based on the variables studied as shown in Figure 1.

Figure 1. Research Framework

3. Methodology
The research applies a quantitative research or deductive-hypothetical reasoning, which in [17] deductive-hypothetical reasoning is where the research objective is to measure the relationship (association or causality) between variables of concern in studies. This is in line with the aim of the research which is knowing how much influence the work environment and competence have on motivation and its impact on employee performance. The research uses a census method.

The population are some employees of a private hospital totalling 135 employees, taken by using a sampling technique based on the Slovin formula [18]:

\[ n = \frac{N}{1+N(e^2)} \]  

(1)

In this case, the researcher uses an error of 5%, thus the sample size which is calculated based on the Slovin formula is 100 employees.
4. Results and discussions
The coefficient of determination is determined by the adjusted R square value as can be seen in Table 1.

Table 1. Coefficient Determination

|        |               |               |               |
|--------|---------------|---------------|---------------|
| $R$    | 0.668         |               |               |
| $R^2$  | 0.447         |               |               |
| $R^2_{Adjusted}$ | 0.430 |               |               |

The results of the regression calculation can be seen that the coefficient of determination (adjusted R2) obtained is 0.430. This means that 43% of the variation in employee performance variables can be explained by work environment, competence, and motivation variables, while the remaining 57% is explained by other variables not proposed in the research, 57% can be other variables such as previous research conducted by [19] getting the results that variables such as work-life balance have a great influence on performance and satisfaction. This result provides an opportunity for researchers as a continuation in this study to find the biggest factors that affect performance

Table 2. Result Path Analysis

| Variables | Coefficient | Direct | Indirect | Total |
|-----------|-------------|--------|----------|-------|
| X1 - Y    | 0.347       | 0.347  | -        | 0.347 |
| X2 - Y    | 0.201       | 0.201  | -        | 0.201 |
| X1 - Z    | 0.317       | 0.317  | 0.399    | 0.163 |
| X2 - Z    | 0.267       | 0.267  | 0.231    | 0.091 |
| Y - Z     | 0.383       | 0.383  | -        | 0.394 |
| $\varepsilon_1$ | 0.032       | 0.032^2 | -        | -     |
| $\varepsilon_2$ | 0.027       | 0.027^2 | -        | -     |

Based on the statistical results, Table 2 presents that all hypotheses (H1-H7) are accepted, that is, there is a significant influence. The influences on this model are all positive, that is, if the independent variable increases, it also causes an increase in the dependent variable. The next stage is to discuss the results of the research based on theory and previous study.

The work environment has a positive and significant effect on employee work motivation. This result shows that with support a comfortable work environment and support fluency in carrying out the task, it will increase work motivation the employees, these results are consistent with research conducted by [6]. Competence has a positive and significant effect on employee work motivation. These results indicate that by having competence in carrying out tasks, it will increase the work motivation of employees, these results are consistent with research conducted by [8]–[10]. Motivation has a positive and significant effect on employee performance. These results indicate that by having high motivation in working, it will improve the performance of employees, these results are consistent with research conducted by [11], [16]. Motivation becomes a variable that mediates between work environment and employee performance. This means that with a good work environment it will affect the increase in employee motivation and with high work motivation will affect the increase in employee performance. Motivation becomes a variable that mediates between competence and employee performance. This means that having competence in carrying out work will have an effect on increasing employee work motivation and with high work motivation will have an effect on improving employee performance.

The new finding in the research is that the indirect effect on the work environment mediated by motivation has a greater value than the direct effect, this explains that the work environment requires motivation to improve performance optimally. Different things are found in the effect of competence
and performance, the direct effect of competence is far greater than the indirect effect through motivation, so ineffective motivation becomes a mediation between these two relationships, specifically competence and performance. This can happen because competence directly impacts performance and does not require specific motivation to produce results on employee performance in private hospital companies. Hospital employees have a heavy workload and work demands that are heavy, so competence is needed to do these things without the need for a motivational role that impacts on their performance.

5. Conclusion
Based on the analysis, it can be concluded that all hypotheses (H1–H7) are accepted, that is, there is a significant influence. The influences on this model are all positive, that is, if the independent variable increases, it also causes an increase in the dependent variable. The new finding is that the indirect effect on the work environment mediated by motivation has a greater value than the direct effect and the effect of competence and performance, the direct effect of competence is far greater than the indirect effect through motivation, so ineffective motivation becomes a mediation between these two relationships.

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