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The Influence of Compensation and Organizational Culture on Employee Work Motivation in Multinational Companies

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PAPER INFO ABSTRACT

Article history: Received Revised Accepted This study aims to analyze the influence of compensation and organizational culture on employee work motivation in multinational companies. Work motivation is a crucial factor that can drive optimal employee productivity and performance. This study employed a quantitative approach with the Structural Equation Modeling (SEM) analysis method. The sampling technique used the Lemeshow formula, with 115 respondents and data collection was conducted through the distribution of questionnaires with a Likert scale to predetermined respondents. The results show that compensation has a positive effect on work motivation, but this effect is at the threshold of significance. This means that adequate compensation can indeed boost work motivation, but its contribution is not dominant. Conversely, organizational culture has been shown to have a positive and significant influence on employee work motivation. A strong organizational culture, characterized by the implementation of positive values, norms, and collective behavior, can create a work environment that supports increased employee morale and motivation.

Keywords: compensation, organizational culture, work motivation, SEM, multinational companies

INTRODUCTION

In the era of globalization and increasingly competitive business competition, multinational companies are required to continually improve their performance and productivity (Porter, 2023). One of the key factors in achieving these goals is effective human resource management. Employees, as a company's main asset, require serious attention, especially in relation to the aspects of compensation and corporate culture.

Compensation, according to *Suprihatin* (2019), is a reward that can be given to employees by the company in the form of financial or non-financial benefits within a fixed period of time. Compensation is a form of reward that the company gives to employees in exchange for their contributions. Fair and competitive compensation not only serves as a motivator but also has a direct impact on employee satisfaction and loyalty. Meanwhile, a company's culture reflects the values, norms, and habits that are upheld within the organization. A positive culture can create a supportive and harmonious work environment.

For multinational companies with diverse employee backgrounds, it is important to create an inclusive compensation system and a company culture that bridges cultural and value differences among employees. When employees feel valued and work in an environment that aligns with their values, job satisfaction levels will increase, which ultimately has a positive impact on productivity and the achievement of organizational goals.

Fair and competitive compensation can trigger motivation, increase job satisfaction, and reduce turnover (*Tariq et al.*, 2020). In multinational companies, the compensation system must be designed according to international standards, while also considering local conditions, in order to be acceptable and effectively motivate employees. The following are the components of compensation in multinational companies:

Table 1. Multinational Employee Compensation

Compensation Components	Brief Description
Basic Salary	Fixed remuneration given according to position and responsibilities
Health Benefits	Medical expenses, employee and family health insurance
Communication Allowance	Support communication needs while on duty
Annual Bonus	Annual performance-based awards of companies or individuals
Career Development Program	Training, certification, further study scholarships, mobility
Non-Financial Awards	Certificates, work awards, and recognition of achievements

Source: Kasmir (2018), adapted to the HR practices of multinational companies.

In addition to compensation, company culture has an important role in shaping a conducive work environment. Company culture consists of shared values, norms, and habits and becomes a guideline for behavior in the organization (*Schein*, 2016). A positive culture can increase employee engagement, build cooperation, and enhance productivity. Companies that are able to create an inclusive culture will be more successful in managing a heterogeneous workforce (*Khan et al.*, 2022).

According to *Indiyati et al.* (2021), organizational culture is the foundation for a company to stand and survive, where organizational culture also plays a role as a characteristic that distinguishes an organization from others. This culture not only shapes the identity of the organization, but also influences the behavior, work ethic, and motivation level of employees in carrying out their daily duties.

Work motivation itself is an internal and external drive that affects the level of effort and perseverance of employees at work (*Deci & Ryan*, 2017). Compensation and company culture are two important factors that affect work motivation. Research by *Damayanti et al.* (2024) shows that compensation and organizational culture have a positive effect on work motivation, which further impacts employee performance improvement in multinational companies.

Employee tardiness in national companies is generally understood to be the result of low individual work motivation, especially with regard to perceptions of reward, recognition, and job satisfaction. Research by *Hanavi & Handrito* (2023) shows that weak motivation has a direct impact on time discipline, which ultimately lowers employee performance. *Nathasyah et al.* (2024) also found that lack of work motivation, especially in intrinsic aspects such as a sense of responsibility and personal commitment to work, is the main cause of the high rate of delays in the local government environment. This is reinforced by *Irawan et al.* (2022), who in their literature review assert that work motivation and discipline significantly affect each other, and low levels of both are often seen through late or absenteeism behavior. Thus, in the context of local companies, tardiness is understood as an indicator of low motivation, so the solutions that are commonly offered include improving the incentive system, giving awards, and strengthening work motivation internally.

In multinational companies, employee delays are more complex, not only due to personal motivation, but also influenced by cultural clashes, hybrid work systems, and inequality of compensation between local and expatriate employees. *Sun et al.* (2023) found that employees with high time autonomy remain disciplined in arrival due to the internal drive to take responsibility and achieve work results professionally. This is reinforced by *Khan et al.* (2024), who show that intrinsic motivation allows employees to respond to hybrid models while maintaining punctuality, even without direct supervision. Both studies emphasize that low tardiness is not solely the result of

managerial control, but rather of strong personal commitment and self-regulation, which are key hallmarks of intrinsic motivation in the modern work environment.

Previous studies have highlighted the importance of compensation in employee motivation and job satisfaction, particularly in multinational companies. *Tariq et al.* (2020) discussed the role of fair compensation in reducing turnover and increasing job satisfaction, especially in organizations with diverse employee backgrounds. However, the study mainly focused on compensation strategies in the broader context of general corporate settings and did not address the specific needs of multinational companies with complex cross-cultural dynamics. Another study by *Suprihatin* (2019) emphasized the significance of compensation as both a financial and non-financial reward, but it lacked an in-depth exploration of how compensation and corporate culture together impact employee satisfaction and productivity in multinational companies.

This study aims to examine the extent to which compensation and company culture influence employee work motivation in multinational companies, as an effort to provide strategic input in global *HR* management. This research is expected to have benefits for parties divided into two important aspects: For academics, the results of this research are expected to contribute to the development of management science, especially regarding human resources and factors that affect employee work motivation. For the next researcher, it is hoped that this study can serve as an additional reference. It is also intended to provide input to the management of multinational companies on the importance of providing fair compensation and creating a conducive company culture to increase employee work motivation.

RESEARCH METHOD

Types of Research

This study aims to understand the extent to which compensation and company culture contribute to the level of employee work motivation in a multinational company environment. The main focus of this study is not only to explain the existing phenomenon, but also to examine the cause-and-effect relationship between variables; thus, the approach used is both descriptive and verifiable.

Descriptive Approach

The descriptive approach aims to provide a comprehensive overview of the real conditions of each research variable based on data obtained in the field. According to *Bahri* (2018), a descriptive approach is research that aims to describe a situation or object of concern in research activities systematically. Meanwhile, according to *Nazir* (2011), the verifiable approach is a research method that aims to determine the quality of the relationship between variables through hypothesis testing with statistical calculations so that proof can be produced to show whether the hypothesis is accepted or rejected.

Quantitative Methods

This study uses a quantitative approach, because data collection and processing are carried out through standardized instruments that are statistically analyzed. According to *Sugiyono* (2017), the quantitative method is a research method based on a positive philosophy that is used to research samples or populations, collect data with research instruments, and analyze quantitative data to describe findings and test set hypotheses.

Of the types, this research is included in both the descriptive and causal categories. Descriptive research is used to identify and understand the main characteristics of each

variable, while causal research is conducted to examine whether there is a direct influence of compensation and organizational culture on work motivation.

In this study, the author did not intervene in the data because the data used were already existing data, and the unit of analysis is the individual. This research employs a *cross-section* design, which means that the research was carried out at a specific point in time. The characteristics of this study are briefly explained as in table 2 below:

Table 2. Research Characteristics

Yes	Research Characteristics	Kind
1	By Method	Quantitative
2	By Purpose	Descriptive
3	By Research Type	Causal
4	Research strategies used	Questionnaire
5	Based on Researcher Involvement	Not Intervening in Data
6	Based on Unit of Analysis	Individual
7	Based on Implementation Time	Cross Section

Source: processed data (2025)

Data collection in this study will involve both secondary and primary data to ensure a comprehensive understanding of the research problem. Secondary data will be gathered through literature studies, reviewing journals, articles, and books related to the impact of compensation and corporate culture on employee satisfaction and loyalty, particularly in multinational companies. This process helps to build the theoretical foundation for the study. For primary data, field research will be conducted using a non-probability sampling technique. Primary data will be obtained through a structured questionnaire distributed via *Google Forms*, targeting 100 respondents. The questionnaire will focus on assessing the relationship between compensation, corporate culture, and employee satisfaction within multinational companies. The questions will be designed to capture responses that provide insights into employee experiences, preferences, and satisfaction with their compensation and work environment.

The data collected will be analyzed using Structural Equation Modeling (SEM), as it is well-suited for analyzing complex relationships between multiple variables, such as compensation, corporate culture, and employee satisfaction. SEM allows for both measurement and structural models, which will be used to test the proposed hypotheses in the study. To ensure the validity and reliability of the data, confirmatory factor analysis (CFA) will be performed to validate the measurement model. Additionally, path analysis will be used to examine the direct and indirect relationships between the variables. The data analysis process will also involve assessing model fit indices, such as the Chi-Square/df ratio, RMSEA, CFI, and TLI, to determine the adequacy of the model. The findings from the SEM analysis will help to provide a clearer understanding of the factors influencing employee satisfaction and loyalty, and how multinational companies can optimize their compensation and corporate culture strategies for improved organizational performance.

RESULT AND DISCUSSION Outer Model Analysis Results

Testing of the outer model aims to ensure that the model used in the study has met the eligibility requirements after going through a validation and reliability process. The outer model test includes several stages, including convergent validity testing which is seen through the outer loading value and the average variance extracted (AVE) value.

Furthermore, reliability testing was carried out using composite reliability values. Meanwhile, to test the validity of discriminators, an approach through the Fornell-Larcker criteria was used.

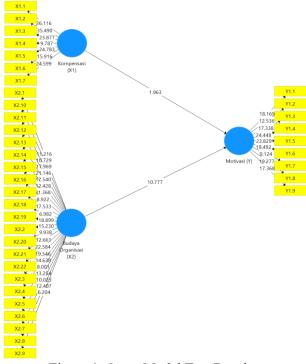


Figure 1. Outer Model Test Results Source: Research data processed (2025)

Validity Test (outer loading)

According to Indrawati (2015), validity describes the extent to which measurement instruments (such as statements in questionnaires) are able to reflect or measure the concept in question according to the purpose of the research. The reliability of the indicators was evaluated through the outer loading and average variance extracted (AVE) values, which were used to measure the convergent validity of each indicator based on questionnaire data that had been filled in by the respondents. The outer loading value indicates how strongly the indicators represent the measured construct, while the AVE value indicates how much of the variance of the construct can be explained by the indicators. In general, the indicator is considered to have good convergent validity if the outer loading value exceeds 0.7 and the AVE value is above 0.5. The results of these tests are the basis for assessing whether each indicator is suitable for use in the research model.

Tabel 2. Outer Loadin	ıg
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X1.1 0,840 X1.2 0,869 X1.3 0,796 X1.4 0,682 X1.5 0,845		Organizational Culture (X2)	Compensation (X1)	Motivation (Y)
X1.3 0,796 X1.4 0,682 X1.5 0,845	X1.1		0,840	
X1.4 0,682 X1.5 0,845	X1.2		0,869	
X1.5 0,845	X1.3		0,796	
· · · · · · · · · · · · · · · · · · ·	X1.4		0,682	
771.6	X1.5		0,845	
X1.6 0,770	X1.6		0,770	
X1.7 0,826	X1.7		0,826	

	Organizational Culture (X2)	Compensation (X1)	Motivation (Y)
X2.1	0,732		
X2.10	0,681		
X2.11	0,779		
X2.12	0,817		
X2.13	0,799		
X2.14	0,699		
X2.15	0,834		
X2.16	0,667		
X2.17	0,784		
X2.18	0,610		
X2.19	0,800		
X2.2	0,728		
X2.20	0,712		
X2.21	0,731		
X2.22	0,821		
X2.3	0,810		
X2.4	0,756		
X2.5	0,654		
X2.6	0,764		
X2.7	0,738		
X2.8	0,747		
X2.9	0,594		
Y1.1			0,787
Y1.2			0,771
Y1.3			0,821
Y1.4			0,844
Y1.5			0,833
Y1.6			0,811
Y1.7			0,671
Y1.8			0,793
Y1.9			0,758

Source: Research data processed (2025)

Based on Table 2 the results of the indicator reliability test show that most of the outer loading values are above 0.70, in accordance with the criteria stated by Hair et al. (2017) which states that the indicator is categorized as valid if it has an outer loading value above 0.70. Some indicators in the Organizational Culture (X2) variable such as X2.9 (0.594), X2.18 (0.610), X2.5 (0.654), X2.16 (0.667), X2.10 (0.681), and X2.14 (0.699) are indeed below the ideal threshold, but are still in the acceptable category because they exceed the minimum value of 0.40. According to Hair et al., (2017) this is still acceptable if the Average Variance Extracted (AVE) value of the construct in question is above 0.50, which indicates that the overall validity of the convergence is still met.

Thus, overall, the results of the indicator reliability test in this model can be declared reliable, as they meet the criteria of convergent validity. Furthermore, the discussion will focus on the results of the construct reliability test through the composite reliability value.

Reliability Test

Table 3. Reliability Test

0	Cronbach's Alpha	Composite Reliability	AVE
Organizational Culture (X2)	0,960	0,964	0,550
Compensation (X1)	0,909	0,928	0,650
Motivation (Y)	0,924	0,937	0,623

Source: Research data processed (2025)

Based on Table 3, the results of the construct reliability test show that the entire Average Variance Extracted (AVE) value exceeds 0.50. An AVE value greater than 0.50 indicates that the proportion of indicator variance described by the construct is quite high, thus meeting the criteria for convergent validity. In addition, the Composite Reliability value for all variables was also above 0.70, namely Organizational Culture (X2) of 0.964, Compensation (X1) of 0.928, and Motivation (Y) of 0.937. This shows that each construct has excellent internal consistency.

Furthermore, Cronbach's Alpha values in all three constructs were also above the threshold of 0.70, which were 0.960 for Organizational Culture (X2), 0.909 for Compensation (X1), and 0.924 for Motivation (Y), respectively. According to Hair et al. (2017), these values indicate that the indicators in each construct have a strong correlation with each other, so they can be relied upon to measure constructs consistently.

Thus, it can be concluded that the measurement instruments in this study have met the requirements for reliability and convergent validity. These results confirm that the constructs used in the study can be relied upon in describing the phenomenon being studied and in supporting the data analysis process as a whole

Discriminant Validity

Discriminant validity is tested using the Fornell-Larcker Criterion approach, which aims to evaluate the extent to which a construct is completely different or discriminating from other constructs in the model. This test was carried out based on questionnaire data that had been filled out by respondents. The Fornell-Larcker Criterion states that discriminant validity is met when the square root value of the Average Variance Extracted (AVE) of a construct is higher than the correlation between other constructs in the model. This shows that the construct is stronger in explaining its own indicators than other constructs. The results of the discriminatory validity test in this study can be seen in detail in Table 4 below:

Tabel	4.	Disc	rim	ninant	. 1	⁷ a	lid	itv
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	Organizational Culture	Compensation (X1)	Motivation
	(X2)		(Y)
Organizational	0,742		
Culture (X2)			
Compensation	0,917	0,806	
(X1)			
Motivation (Y)	0,942	0,888	0,789
Motivation (Y)	0,942	0,888	

Source: Research data processed (2025)

Based on Table 4 the results of the discriminant validity test using the Fornell-Larcker Criterion show that the square root value of the Average Variance Extracted (AVE) for each variable is higher than the correlation value between other constructs. The square root value of AVE is indicated by the diagonal numbers printed in bold, which are 0.742 for Organizational Culture (X2), 0.806 for Compensation (X1), and 0.789 for Motivation (Y).

Each of these values is greater than the correlation values between constructs, for example, the correlation between Organizational Culture and Compensation is 0.917, and between Organizational Culture and Motivation is 0.942. Although the correlation between constructs is high, the discriminant validity is still met because the root value of AVE on each construct remains greater than the correlation of that construct against the other constructs.

Thus, these results show that each construct in the model has a good degree of discriminant validity. This means that each construct in this study really represents a different concept and can be empirically distinguished from each other.

Multicollinearity Test

Table 5. Multicollineari	ty
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i adie 5. Muiti	collinearity
	BRIGHT
X1.1	2,705
X1.2	3,002
X1.3	2,222
X1.4	1,547
X1.5	2,691
X1.6	1,977
X1.7	2,604
X2.1	2,285
X2.10	2,253
X2.11	3,239
X2.12	3,347
X2.13	3,818
X2.14	2,321
X2.15	3,758
X2.16	2,487
X2.17	3,065
X2.18	1,712
X2.19	3,284
X2.2	2,561
X2.20	2,439
X2.21	2,655
X2.22	3,765
X2.3	3,128
X2.4	2,425
X2.5	2,524
X2.6	2,758
X2.7	2,754
X2.8	2,586
X2.9	1,795
Y1.1	2,176
Y1.2	2,347
Y1.3	2,868
Y1.4	2,959
Y1.5	2,824
Y1.6	2,432
Y1.7	1,702
Y1.8	2,253
Y1.9	2,219

Source: Research data processed (2025)

Based on Table 5, the results of the Variance Inflation Factor (VIF) test used to detect the presence of symptoms of multicollinearity between indicators in the research model are shown. Based on the results, all VIF values were recorded below the number 5, and most were below 3. This indicates that there is no significant multicollinearity between the indicators in the model.

According to Hair et al. (2017), a VIF value exceeding 5 can indicate the presence of multicollinearity, while a VIF value below 3 indicates that multicollinearity is not a significant problem. Therefore, all indicators in this model can be said to be free of multicollinearity problems and can still be used independently in measuring their respective constructs. Thus, the results of the VIF test show that this research model has good quality and is suitable for further analysis.

R Square (R2)

	Table 6. R Square	
	R Square	R Square Adjusted
Motivation (Y)	0,891	0,889
	G D 1.1.	1 (2025)

Source: Research data processed (2025)

Based on Table 6, it is known that the R Square value for the Motivation variable (Y) is 0.891, while the R Square Adjusted value is recorded at 0.889. The R² value of 0.891 indicates that 89.1% of the variability of the Motivation variable (Y) can be explained by independent variables in the model, namely Organizational Culture (X2) and Compensation (X1). The remainder, at 10.9%, was explained by other factors outside the model studied.

According to Hair et al. (2017), the R^2 value ≥ 0.75 falls under the category of substantial predictive ability. Thus, it can be concluded that the structural model in this study has very strong predictive qualities, especially in explaining the factors that affect motivation. This shows that the model built is quite good and relevant in the context of the research being conducted.

Q Square

	Table 7. Q Sq	uare	
	SSO	SSE	Q^2 (=1-SSE/SSO)
Organizational Culture (X2)	2530,000	2530,000	
Compensation (X1)	805,000	805,000	
Motivation (Y)	1035,000	478,462	0,538

Source: Research data processed (2025)

Based on Table 7, the results of the analysis of the Q Square (Q²) value or predictive relevance obtained through the Blindfolding method in the Partial Least Squares-Structural Equation Modeling (PLS-SEM) model. Based on the table, it can be seen that the Q² value for the endogenous variable Motivation (Y) is 0.538, while for the exogenous variables Organizational Culture (X2) and Compensation (X1), the Q² value is not calculated because they function as predictor variables, not predictors.

With a Q² value of 0.538, it can be concluded that the model has high predictive relevance to the Motivation variable. This means that Organizational Culture and Compensation as exogenous constructs have been proven to be able to strongly predict endogenous variables of Motivation in the context of this study. Overall, these results show

that the constructed structural model has excellent predictive qualities, and can be reliably used in explaining the dynamics of the relationships between the variables studied.

Hypothesis Testing Results

Hypothesis testing was carried out to evaluate the influence of independent variables on dependent variables in the research model. This analysis is based on the value of the path coefficients as well as the value of the t-statistics. The decision-making criterion uses a significance level of 95%, where a hypothesis is stated to be supported if the t-statistical value > 1.65, and rejected if the t-statistic < 1.65. In addition, the results can also be seen based on the p-value, where the hypothesis is accepted if the p-value < 0.05, and rejected if the p-value > 0.05. The complete results of the hypothesis testing are presented in the following Table 8:

Table 8. Hypothesis Test Results

	Original	Sample	Std	T	P
	Sample	Mean	Deviation	Statistics	Values
Organizational Culture (X2) -	0,804	0,808	0,075	10,77	0,00
> Motivation (Y)				7	0
Compensation (X1) ->	0,151	0,146	0,077	1,963	0,05
Motivation (Y)					0

Source: Research data processed (2025)

1) H1 Hypothesis Testing

The results of the analysis show that the first hypothesis is supported, but it is at the threshold of significance. The T-Statistic value of 1.963 is greater than 1.65, and the P-Value value of 0.050 is right at the threshold of significance 0.05. This means that Compensation (X1) has a significant but relatively weak influence on Motivation (Y). A standard coefficient of 0.151 indicates that each one unit increase in compensation will increase motivation by 0.151. These findings imply that although the effect of compensation on motivation is present and significant, its contribution is not as great as the influence of organizational culture.

2) H2 Hypothesis Testing:

The results of the analysis show that the second hypothesis is supported and significant, which means that Organizational Culture (X2) has a significant influence on Motivation (Y). A T-Statistic value of 10.777 far exceeds the minimum limit of 1.65 for a one-way test, and a P-Value of 0.000 is less than 0.05. This indicates that the influence exerted by organizational culture on employee motivation is very strong and statistically significant. A standard coefficient of 0.804 indicates that every one-unit increase in Organizational Culture will increase Motivation by 0.804.

H1 Hypothesis Test Results: The Influence of Compensation Culture on Motivation

The results of the second hypothesis test showed that compensation had a significant but relatively weak influence on employee motivation, with a statistical T-value of 1.963 and a p-value of just 0.050. Although the contribution is not as strong as the organization's culture, the effect of compensation on motivation remains relevant. These findings are in line with the results of research by Zebua and Oktafiani (2024) which showed that compensation had a significant effect on motivation and performance, although in their study, motivation had a more dominant influence. This means that compensation remains a motivating factor, although it is not the only one.

The results of this study are in line with Martha's (2024) research, which examines the effect of rewards on motivation, job satisfaction, and performance. In his research, rewards or other forms of compensation have a significant effect on increasing employee

motivation. This suggests that providing both financial and non-financial incentives can encourage employee morale and engagement, although the results may not always be stronger than the influence of other cultural and psychological factors. Research by Pranata et al., (2023) also supports these findings, by showing that financial compensation has a significant positive influence on employee performance at PT Coca-Cola Europacific Partners Indonesia. Research by Hiondarjo and Utami (2019) also shows that compensation and motivation both have a positive influence on performance, which suggests that compensation plays an important role as an early driver of work motivation, although it needs to be supported by other factors.

The implication of the finding that compensation has a significant influence although not dominant on motivation suggests that management needs to broaden its understanding of the concept of compensation. Compensation should not only be seen as a financial gift such as a salary or incentive, but also includes non-financial aspects, such as recognition of achievements, self-development opportunities, and career path clarity. These elements have a high psychological and emotional value for employees and play an important role in building intrinsic motivation. Therefore, companies need to design a compensation system that is comprehensive, fair, and able to generate a sense of appreciation among employees, so as to create stronger and more sustainable work motivation.

H2 Hypothesis Test Results: The Effect of Compensation on Motivation

The results of the first hypothesis test showed that organizational culture had a significant effect on employee motivation with a T-statistical value of 10.777 and a p-value of 0.000. This value far exceeds the threshold of significance, which indicates that organizational culture plays an important role in encouraging employee morale. These findings are in line with the research of Damayanti, Widiyani and Rosyid (2024) which shows that organizational culture has a positive influence on work motivation. In the study, motivation was also shown to play a mediator in the relationship between organizational culture and performance, further emphasizing the importance of the role of culture in shaping employee motivation.

Furthermore, these results are also strengthened by research by Astuti, et al., (2023) who found that organizational culture has a significant influence on employee performance, with motivation being one of the important pathways in these relationships. In their research on PT Pos Indonesia employees in Padang, a good organizational culture has been proven to increase morale and encourage optimal performance achievement. Therefore, organizations need to pay attention to how internal values, norms, and practices can shape a motivating work environment. Reginald & Andani's (2022) research also provides additional insights into the influence of organizational culture on motivation. Although in their research organizational culture has a negative influence on motivation, it shows that not all organizational cultures are motivating, depending on how they are applied.

The implication of these findings is the need for companies to create and maintain a healthy, inclusive, and supportive work culture for employee engagement. Cultural values that value open communication, teamwork, and appreciation for individual contributions can create an environment conducive to the growth of intrinsic motivation. Research by Hasan et al., (2022) also shows that company culture has a positive influence on employee performance, even when compensation and work environment do not have a significant influence. This is also in line with the views in the research of Pranata, Rianawati, and Arimbawa (2023), who found that a healthy organizational climate, along

with leadership and compensation styles, is able to drive improved performance. This means that organizational culture can create sustainable motivation when accompanied by supportive leadership and a positive work environment.

CONCLUSION

Based on the results of data analysis and hypothesis testing that have been carried out, it can be concluded that: Compensation (XI) also has a positive influence on employee work motivation (Y), even though its significance is at the threshold. This means that providing proper compensation can encourage work motivation, but its contribution is not as strong as that of organizational culture. Organizational culture (X2) has a positive and significant effect on employee work motivation (Y). The stronger the organizational culture that is implemented, the higher the work motivation felt by employees. These findings show that a work environment characterized by positive organizational values, norms, and behaviors is able to generate high morale.

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