

# The Effect of Rewards on Yogyakarta Grab Car Partners' Job Satisfaction with Motivation as an Intervening Variable

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**Keywords:** Rewards, motivations, and job satisfaction.

**Abstract:** The present study aims to determine the effect of rewards on Yogyakarta Grab Partners' job satisfaction with motivation as an intervening variable. It employed a quantitative method. The population consisted of 160 Partners, and, of these, 110 were included as the respondents. Sampling in this study uses a table to determine the appropriate sample size of a certain population as developed by Isaac and Michael for the percentage error of 1%, 5%, and 10%. Path analysis was conducted to analyze the data. The results of the test and analysis reveal that rewards have a positive effect on Yogyakarta Grab Car Partners' job satisfaction. On the other hand, they have an indirect effect on job satisfaction as mediated by motivation.

## 1 INTRODUCTION

Companies in performing their activities need several factors that support their efforts to improve performance and productivity. Qualified human resources are among important factors without which any activity in any agency or department will remain sub-optimally executed.

Each department must realize that the success of tasks and functions implementation depends, for the most part, on the quality of human resources (HR). By human resources, we mean those who dedicated their efforts, talent, and creativity to their company. However sophisticated the facilities and infrastructures of an agency, it will not be moving forward for further development without capable employees.

To help a company move forward and grow, it has to develop employees' skills that, in turn, will affect their satisfaction with their jobs. Job satisfaction can be created through the implementation of a reward system that complies with employees' expectations. Reward system is critical to employees' motivation and their performance quality that, in the end, will improve their job satisfaction.

The reward is defined as a thing given to motivate employees to help improve their productivity (Tohardi, 2002). A reward system that conforms to employees' expectations is expected to

optimize their performance and achievement. In any organization, employees are required to meet predetermined targets, and it is expected that these targets can motivate them to improve their performance. In addition, these targets will stimulate further their effort to produce satisfactory outputs and improve their work.

According to McClelland, when someone perceived an urgent need, he or she will be motivated to strive to meet the need.

Hasibuan (2008) stated that job satisfaction is an emotional attitude that signifies a love of the job. Such an attitude is reflected in the employee's morale, discipline, and performance. Some employees may have job satisfaction that differs from some others, despite being in the same type of job, and this depends on their respective needs and the system they adopted.

In this modern era, many companies provide online-based transportation services. One of them is Grab. Such an increase in demand for online transportation services is indirectly demanding all Grab partners to optimally improve their performance. This large company also adopts a reward and motivation system for its partners. Their performance is periodically monitored using an android app—such as the quality of services they provided to their customers. Many Grab partners, such as Grab Taxi, who remain not satisfied with their current job. From Grab app can see that Grab Taxi rates remain higher than those of ordinary Grab

Car. This may be one of the reasons why customers' interest in Grab Taxi diminished and, in turn, causing low of job satisfaction among Grab Taxi partners.

The objectives of the present study are: (1) to determine and analyze the effect of reward on job satisfaction; (2) to determine and analyze the effect of reward on job satisfaction as mediated by motivation.

## 2 LITERATURE REVIEW

### 2.1 Reward

Reward is something given to motivate employees to help them achieve high productivity (Sondang, 2002). Indicators of rewards, according to Sondang, are:

#### 2.1.1 The Job Itself

The job itself as characterized by attractiveness, opportunity to learn, and to practice to take responsibility as well as to love the job.

#### 2.1.2 The Wage

The right of workers or laborers as given or paid in the form of money to them in compliance with a certain work agreement.

#### 2.1.3 The Co-workers

Cooperation between co-workers in carrying out the tasks.

### 2.2 Job Satisfaction

Job satisfaction is a general attitude of an individual toward his or her job (Robbins, 2002). Indicators of job satisfaction according to Robbins are:

#### 2.2.1 Mentally Challenging Job

In general, individuals prefer jobs that provide opportunities to use their skills and abilities and provide a variety of tasks, freedom and feedback about their performance.

#### 2.2.2 Appropriate Rewards

Employees want a payment system that is fair, unambiguous, and in compliance with their expectations.

### 2.2.3 Favorable Working Condition

Employees need a work environment that is comfortable for their personal selves and that allows them to perform well.

### 2.2.4 Supportive Colleagues

Supportive colleagues are reflected in mutual respect, loyalty and tolerance between one another, open attitude, and intimacy between employees

### 2.3 Motivation

Motivation came up when someone perceived urgency for meeting a need, and, thereby, he or she will be motivated by the need (McClelland, 2008). Indicators of motivation, according to McClelland, are as follows:

#### 2.3.1 Need for Achievement

Employees will strive to present their highest achievement in a realistic yet challenging way for their career advancement.

#### 2.3.2 Need for Power

It is defined as the desire to control or influence the surroundings, to have authority over others and to have ideas to win the games.

#### 2.3.3 Need for Affiliation

It is defined as the desire to form close and warm relationships. Individuals reflect the desire to have close relationships, cooperative and friendship with others.

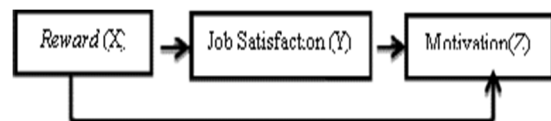


Figure 1. Conceptual Framework

## 3 RESEARCH METHODS

The present study employed a quantitative method using statistic calculation as the analytical basis. The population consisted of 160 Partners and, of these, 110 were included as the respondents. Sampling in this study uses a table to determine the appropriate sample size of a certain population as developed by

Isaac and Michael for the percentage error of 1%, 5% and 10%.

### 3.1 Validity and Reliability Testing

To measure the correlation between variables, we use Bartlett Test of Sphericity. When the result is less than 0.5, this means that the correlation matrix has a significant correlation with a number of variables. The item validity statement can be seen in Corrected item-total Correlation that, according to Azwar (2012), can be considered as valid when  $R_{table} > R_{Count}$ , or at a significance level below 0.05. According to Ghozali (2006), a construct or variable is considered reliable when the Cronbach alpha level is less than 0.6.

### 3.2 Data Analysis Techniques

The model or technique of data analysis used in this study is Path Analysis. It is an extension of the multiple linear regression models. In other words, it is an extension of regression analysis to estimate the relationship quality between predetermined variables on a theoretical basis. What path analysis can do is determining the relationship between three or more variables, and it cannot be used to confirm or reject imaginary causality hypothesis.

## 4 RESULTS AND DISCUSSION

### 4.1 Research Result

Path analysis model for phase 1 describes the effect of work motivation (X) on job satisfaction (Z) expressed in the following formula:

$$Z = P2X (1)$$

Table 1. Results of Path Analysis for Phase 1

Variable	Koef. Path	t	Sig.t	Sig. 5%
Reward	0.727	11.003	0,000	Signifikan
Variabel dependen: motivasi				
R Square = 0.529				

The path analysis for phase 1 produces the following regression equation:

$$\text{Motivation} = 0.727 \text{ reward}$$

Path analysis for phase 2 that describes the effect of reward (X) and motivation (Z) on employee job satisfaction (Y) can be expressed by the following formula:

$$\text{Job satisfaction} = P1 \text{ reward} + P3 \text{ motivation}$$

Table 2. Results of Path Analysis for Phase 2

Variable	Koef. Path	t	Sig.t	Sig. 5%
Reward	.286	3.333	.001	Significant
Motivation	.559	6.512	.000	Significant
Dependent Variable: job satisfaction				
Adj R Square = 0.621				

The path analysis for phase 2 in Table 2 produces the following regression equation:

$$\text{Job Satisfaction} = 0.286 \text{ reward} + 0.559 \text{ motivation}$$

The overall estimation results of the hypothesis relationship model among three variables in this study can be presented in the following path diagram:

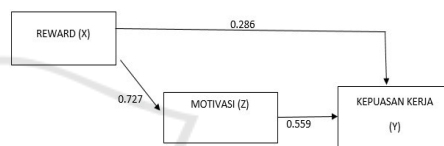


Figure 2: Path Diagram.

### 4.2 Relationship between Variables

Table 3. Direct Effect, Indirect Effect and Total Effect of Reward on Job Satisfaction are mediated by motivation

<b>Direct Effect</b>
$X \rightarrow Y$
(p1)
= 0.286
<b>Indirect Effect</b>
$X \rightarrow Z \rightarrow Y$
(p2 x p3) = 0.727 x
0.559
= 0.406939
<b>Total Effect</b>
<b>Direct Effect + Indirect Effect =</b>
0.286 + 0.406939 = 0.692393

### 4.3 Discussion

#### 4.3.1 The Direct Effect of Reward on Job Satisfaction

The results of path analysis show that reward has a significant effect on job satisfaction.

The company provides rewards when the employees' performance complies with or exceeds the predetermined standard. The company needs to pay special attention to the partners' job satisfaction by giving them rewards in accordance with their work performance. Job dissatisfaction can lead to employees' or partners' turnover and decreased work morale among them. To increase employees' job satisfaction, improvement of the reward system is a necessary step to take.

#### **4.3.2 The Indirect Effect of Reward on Job Satisfaction as Mediated by Motivation**

The results of path analysis indicate that reward has an indirect effect on job satisfaction through motivation. Partners' motivation will drive them to work optimally to achieve job satisfaction. The effect of motivation is so strong that it should be considered to be one of the important factors by the company in order to keep its partners motivated. Partners' perception of reward--in addition to other compensations--given by the company will determine their work behavior. The reward could improve work motivation only if the partners perceived that they are fairly rewarded. Partners who show a high level of work motivation tend to feel happy and satisfied because they have met the need(s) that motivate them. Therefore, the amount of reward received by partners will improve their motivation and job satisfaction.

## **5 CONCLUSION**

Based on the results of data analysis and discussion, the following conclusions are withdrawal influences the satisfaction of foreign tourists on heritage attractions in Kota Gede, Yogyakarta. The quality of the destination influences the satisfaction of foreign tourists on heritage attractions in Kota Gede, Yogyakarta. Tourist motivation influences the satisfaction of foreign tourists on heritage tourism in Kota Gede, Yogyakarta. Tourism, destination quality, and tourist motivation together have an influence on tourist satisfaction with heritage tourism in Kota Gede, Yogyakarta.

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