



# The Influence of Organizational Culture, Compensation and Interpersonal Communication in Employee performance Through Work Motivation as Mediation

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## ABSTRACT

The purpose of this research is to know influence of organizational culture, compensation, interpersonal communication on employee's performance, through work motivations. Sample in this research totaled 92 employee's. Sampling techniques using census method with saturated sampling technique, so the whole population is used as a sample. Variable this research consisting organizational culture, compensation, interpersonal communication, work motivation, employee's performance. Data collection methods used were questionnaires. Analysis of the data used is multiple linear regression analysis and path analysis using SPSS 24. The results showed direct influence on employee's performance indicates organizational culture, compensation are supported, but for interpersonal communication is not supported. The results of research indirect effect on employee's performance through work motivation showed organizational culture, compensation are not supported, but interpersonal communication supported. This research is expected to be beneficial for Badan Pengelola Malibu to improve employee performance.

**Keywords:** Organizational Culture, Compensation, Interpersonal Communication, Work Motivation, Employee's Performance

**JEL Classifications:** M12, M54, N75

## 1. INTRODUCTION

The existence of human resources plays a very important role in the company. Employees as motivated human resources will do an activity or task as well as possible so that it can provide maximum work results. Companies and employees are two things that need each other. If the employees work well and successfully bring progress to the company, the benefits obtained will be picked by both parties. For employees to continue working to meet their needs, while the company can maintain its existence and growth.

Taman Malibu Indah Housing Management or housing manager is Badan Pengelola Malibu Management Agency (BPM), a business entity responsible for environmental cleanliness, safety, comfort, beauty of the park, and community center facilities such as club houses and sports clubs, cafes, feasibility utilities such as Public

Street Striker (PJU) in a residential area. The history of BPM itself is inseparable from the construction of the Taman Malibu Indah (TMI) Medan housing estate in 1988 and began living in 1992. The TMI housing complex is a luxury housing complex that is inhabited by more than 400 households, in terms of environmental management or Estate Management in originally managed directly by the developer. Over time, since 2012 it has been managed by a business entity, BPM. By paying a relatively large Environmental Management Fee (IPL), residents and owners expect good service quality, but in fact almost every day there are complaints from residents that are directed to BPM for the low quality of service due to negligence and work errors of employees who should carry out the duties and responsibilities that have been determined to provide good service to environmental cleanliness, safety, comfort, beauty of the park, and community center facilities and public street lighting. As an outlet for dissatisfaction with the low quality

of services provided, many of the residents postpone the scheduled payment of environmental management fees, which is certainly very disruptive to the company's cash flow.

As stated by (Homburg et al., 2014) that organizational performance is determined by the performance of employees in the organization itself, for that every organization will try to improve the performance of employees who are human resources in achieving organizational goals that have been set. In improving performance, employees must be motivated to work first. Work motivation is the strength or encouragement that exists in employees to act or behave in certain ways. The strength is in the form of an individual's willingness to do something or according to their individual abilities (Agarwala, 2008).

(Grant, 2012), states that work motivation is defined as a condition that influences generating, directing, and maintaining behavior related to the work environment. The low work motivation of BPM employees, is indicated by the low level of work productivity due to laziness, work delays and high absenteeism, due to the absence of deduction of compensation or sanctions for each absence so that every chance not to work, is used to get a higher income.

Organizational culture is an informal way of observing life and membership in organizations that are binding members together and influence what they think about themselves and their work. Even though they are not formal, what they think together about their work or about themselves can be interpreted and bind them together in the organization (Cycyota et al., 2016). For an organization, organizational culture can be likened to a double-edged sword. It can be a key success factor and can also be a major factor in organizational failure (Neves and Eisenberger, 2014).

Initially BPM employees were TMI development company employees who were transferred to BPM employees, and the existing organizational culture was an organizational culture originating from the development company. Existing organizational culture shapes employees to be undisciplined in their presence at work. This can be seen that there is no action for any work mistakes or disciplinary problems that make employees behave as they wish.

Compensation is important, which is the main motivation or motivation of an employee to work. This means that employees use knowledge, skills, energy and time not solely to prove or devote themselves to the company, but there are other objectives, expect a reward or reward for the results that have been given. According to (Crane et al., 2016) that compensation is all income in the form of money, direct or indirect goods received by employees in return for services provided to the company. Compensation has an influence in improving employee performance, by providing fair compensation by the company (Gula, 2008).

The purpose of giving compensation according to (Saluy et al., 2018), among others, is to bond cooperation between companies and employees. In addition to salaries, all employees are included in the BPJS Health and Employment program, while other compensation provided by BPM to employees consists

of; transport allowances, food allowances, communication allowances in the form of credit, official clothing, craft allowances and overtime payments for excess work hours. Even with this compensation, there are still employees who are often absent and absenteeism is used to get additional income.

Within an organization or company communication activities are among the very important activities. Communication that exists between individuals in an organization is interpersonal communication. Interpersonal communication as the most basic form of communication in an organization, if maintained its intensity, will have a positive effect on the organization, especially superiors and subordinates. Effective interpersonal communication will succeed if it creates good effects, such as understanding, changing attitudes, better relationships will foster trust and openness, and can foster enthusiasm in employees so as to foster high work motivation (Grant, 2012).

At BPM, interpersonal communication greatly influences the course of activities that take place every day, instructions from superiors to subordinates, giving dispositions, administrative work to the implementation of activities. In the BPM environment, there are still obstacles in interpersonal communication between colleagues, between leaders and employees, and some indicators of interpersonal communication are still not good, there is still mutual distrust among fellow employees, lack of mutual assistance between fellow employees.

## 2. LITERATURE REVIEW

Organizational culture is a variety of interactions of the characteristics of habits that affect groups of people in their environment (Gartner, 2004). Sekaran (2014) defines organizational culture as "a field of study devoted to understanding, explaining, and ultimately improving the attitudes and behaviors of individuals and groups in organizations." Organizational culture is discussed, explained, and in a manner broadly develop attitudes and behaviors of individuals and groups in organizations. The primacy of organizational culture is the controller and direction in shaping human attitudes and behaviors that involve themselves in an organization's activities. Al Mehrzi and Singh (2016) concluded that organizational culture was found to be a very important determinant for increasing motivation levels among employees. According to (Reissner and Pagan, 2013) Organizational culture has full strength, influences the individual and his performance even to the work environment.

Compensation is important, which is the main motivation or motivation of an employee to work. Employees use knowledge, skills, energy and time not solely to prove or devote themselves to the company, but there is another purpose, which is to expect compensation or reward for the results that have been given. In addition, the compensation given to employees affects the employee's working conditions. (Hirshleifer and Teoh, 2003) defines compensation as "compensation as all forms of payments or rewards given to employees who arise from their employment." Compensation is any form of payment or compensation given to employees arising from their work. So compensation is one of

the basic reasons for employees to find work. Therefore giving compensation to employees needs special attention from the organization so that the motivation of employees will continue to increase.

In an organization or company, communication activities is one form of activity that is very important and plays a role in determining how far people can work together effectively to achieve the goals that have been determined (Wang, 2009). One type of communication that is high enough frequency is interpersonal communication or interpersonal communication. Interpersonal communication between leaders and subordinates, communication between employees is an important factor in creating an effective organization. As stated by (Anggraeni, 2014) that one of the most tangible characteristics of organizational communication is the concept of relationship. According to (Shokri et al., 2011) This type of communication is considered the most effective in efforts to change a person’s attitudes, opinions or behavior, because of his dialogical nature in the form of conversation. (Ali and Ndubisi, 2011) argue that the quality of interpersonal communication in an organization is very important.

Work motivation is a psychological force that determines the direction of one’s level of effort and perseverance and is also central to management, because it explains how people behave and how they do work within the organization (Gertner, 2010). In general, work motivation is related to all efforts to achieve goals, while organizational goals can reflect a single interest related to work-related behavior (Cycyota et al., 2016). Meanwhile (Dyer et al., 2008) defines motivation “as a stimulant of the desires and driving force of one’s willingness to work.” This opinion is supported by Kinlaw’s statement in (Lecturer, 2018), that an employee who has high work motivation is someone who constantly tries to do the best thing and is willing to spend extra time and effort to do his work. Employees become motivated when they perceive their work related to something that is important to them. The same thing was stated by (Halbesleben and Wheeler, 2008) that motivation is a mental impulse that moves and directs human behavior which has three main components namely needs, encouragement, and goals.

According to Singh and Jain (2013) “performance can be defined as the achievement of specified tasks measured against predetermined or identified standards of accuracy, completeness, cost and speed.” “The employee’s performance is measured against the performance standards set by the organization. Good performance means how well employees performed on the assigned tasks.” Performance can be defined as the achievement of certain tasks measured against predetermined or identified standards of accuracy, completeness, cost and speed.

Employee performance is the work that can be achieved by someone in carrying out the tasks assigned to him both in quality and quantity based on skills, which are based on work results and processes in carrying out work (Homburg et al., 2014). Performance according to (Chang, 2013), is the output produced by the functions or indicators of a job or a profession within a certain time. In general the dimensions of performance can be

grouped into three types, namely: work results, work behavior, and personal characteristics related to work. (Afrizal et al., 2014) states that “employee performance has been associated with the ability of the individual employees realizing their respective work goals, fulfilling expectations as well as attaining job targets and/or accomplishing a standard that is set by their organizations.” Employee performance is linked to the ability of individual employees to realize their work goals, meet expectations and achieve work targets and/or achieve the standards set by their organizations. Whereas (Kamisah, 2012) state that employee performance is how much they contribute to organizations which include: work quantity, work quality, time utilization and cooperation.

### 3. METHODOLOGY

The sample in this study amounted to 92 employees of the Malibu Management Agency - Medan (BPM). The selection of samples from the population is to use total sampling, namely sampling by taking the population as a sample (Arikunto, 2019). The type of data used is primary data obtained from questionnaire answers filled in by employees which will explain the variables to be studied, namely organizational culture, compensation, interpersonal communication, work motivation and employee performance. The answers given by employees in this study were scored with reference to the Likert scale.

The method of analysis and testing of hypotheses in this study, in accordance with the objectives of the study, is to measure the influence of the independent variables (Organizational Culture, Compensation and Interpersonal Communication) on the dependent variable (Employee Performance), involving mediating variables (Work Motivation). The data technique used is linear regression analysis and multiple path analysis using SPSS 24.

### 4. RESULTS AND DISCUSSION

#### 4.1. Regression Estimation Results 1 (Linear Model 1)

##### 4.1.1. Coefficient of determination

Researchers using the SPSS 24 Program, present the results of data processing for the coefficient of determination in the Table 1.

##### 4.1.2. Simultaneous or simultaneous test (Test F)

Simultaneous or simultaneous test or  $F_{test}$  aims to test the first hypothesis which is to find out the effect or not significantly of the independent variables together (simultaneously) on the dependent variable. Below are the results of the  $F_{test}$  using SPSS 24.

Based on the data in Table 2 it can be seen that  $F_{count} = 39.707$  with a significance level of 0.000b. When compared with  $F_{table}$  at a 5%

**Table 1: Coefficient of determination test results**

Model summary <sup>b</sup>				
Model	R	R square	Adjusted R square	Std. error of the estimate
1	0.758 <sup>a</sup>	0.575	0.561	2.445

<sup>a</sup>Predictors: (Constant), KI, BO, KS

<sup>b</sup>Dependent variable: MK

confidence level ( $\alpha = 0.05$ ) of only 4.012, the  $F_{count}$  value is greater than the  $F_{table}$  value  $\{F_{count} (39,707) > F_{table} (4,012)\}$  so that it can be said that organizational culture ( $X_1$ ), compensation ( $X_2$ ) and interpersonal communication ( $X_3$ ) simultaneously are significant explanatory variables for the work motivation ( $Z$ ) of BPM employees.

4.1.3. Partial test (t-test)

Partial test or t-test has the aim to test the second hypothesis, which is to find out the influence or not significantly of the independent variables individually (partial) on the dependent variable. Below are the results of t-test using SPSS 24 in Table 3.

To determine whether  $H_0$  or  $H_1$  is rejected or accepted, then the value of t-count compares with the value of  $t_{table}$  at a significance level of 5% ( $\alpha = 0.05$ ), where the value of  $t_{table}$  at a significance level of 5% ( $\alpha = 0.05$ ) is 1,662, the following conclusions can be drawn:

1. Organizational Culture Variable, is positive not significant effect on work motivation of BPM employees. This can be seen in the  $t_{count}$  which reached 0.867 below the  $t_{table}$  value of 1.662.
2. Compensation variable, positive and significant effect on employee work motivation BPM. This can be seen in the value of  $t_{count}$  which reaches 6,374 above the  $t_{table}$  value that is equal to 1.662.
3. Interpersonal Communication Variable, is positive not significant effect on motivation BPM employee work. This can be seen in the value of  $t_{count}$  which reaches 1.034 below the  $t_{table}$  value which is equal to 1.662.

4.1.4. Regression model (linear model)

Based on the estimation or regression results, the regression equation can be formulated as follows:

$$Z = 4.338 + 0.071 X_1 + 0.586 X_2 + 0.067 X_3 \quad (1)$$

From the above equation can be interpreted that is a constant value of 4.338 meaning that if the organizational culture variable, compensation, interpersonal communication, motivation to work with 0, it will be followed by employee performance of 4.338.

Table 2: Simultaneous or simultaneous test results (Test F)

ANOVA <sup>a</sup>					
Model	Sum of squares	df	Mean square	F	Sig.
1	712.259	3	237.420	39.707	0.000 <sup>b</sup>
Regression					
Residual	526.175	88	5.979		
Total	1238.435	91			

<sup>a</sup>Dependent variable: MK

<sup>b</sup>Predictors: (Constant), KI, BO, KS

Table 3: Partial test results (t-test)

Model	Coefficients <sup>a</sup>						
	Unstandardized coefficients		Standardized coefficients	t	Sig.	Collinearity statistics	
	B	Std. error	Beta			Tolerance	VIF
1	4.338	1.991		2.179	0.032		
(Constant)							
BO	0.071	0.082	0.084	0.867	0.389	0.509	1.964
KS	0.586	0.092	0.655	6.374	0.000	0.457	2.188
KI	0.067	0.065	0.081	1.034	0.304	0.779	1.284

<sup>a</sup>Dependent variable: MK

1. The regression coefficient shows the positive direction meaning there is a direct (positive) relationship between Organizational Culture and Work Motivation. If Organizational Culture has changed or increased, Work Motivation will also increase and vice versa if Organizational Culture has decreased, Work Motivation will also decrease. Regression coefficient of 0.071 means that if there is a change or an increase in Organizational Culture of 1 (one) unit then Work Motivation will increase by 0.071 unit.
2. The regression coefficient shows the positive direction meaning there is a direct (positive) relationship between Compensation and Work Motivation. If compensation has changed or increased, work motivation will also increase and vice versa if compensation has decreased, work motivation will also decrease. Regression coefficient of 0.586 means that if there is a change or increase in Compensation of 1 (one) unit then Work Motivation will increase by 0.586 units.
3. The regression coefficient shows the positive direction giving meaning there is a direct (positive) relationship between Interpersonal Communication and Work Motivation. If Interpersonal communication changes or increases so motivation will increase and vice versa if interpersonal communication has decreased then motivation Work also declined. Regression coefficient of 0.067 gives the meaning that if there is a change or increase in 1 (one) unit Interpersonal Communication, Motivation Work will increase by 0.067 units.

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + Z \quad (2)$$

4.1.5. Classical assumption test

4.1.5.1. Normality test

Normality test aims to test whether in the regression model, confounding or residual variables have a normal distribution (Ghozali, 2005). As it is known that the  $F_{test}$  and t-test assume that the residual value follows the normal distribution. This test can be done with the histogram approach. The results of the normality test use the histogram approach.

In the histogram graph Figure 1 shows that the variables are normally distributed.

4.1.6. Multicollinearity test

The multicollinearity test results of the independent variables namely Organizational Culture, Compensation, Interpersonal Communication and Work Motivation, according to Table 4 as follows:

Based on Table 4, it can be seen that the tolerance value is still below the number 1 or above 0.1. This shows the correlation

coefficient between the independent variables does not occur multicollinearity, also if seen from the value of the Variance Inflation Factor (VIF) is also still below 5, then it means no multicollinearity occurs on the independent variables.

4.1.7. Heteroscedasticity test

This test is carried out in a regression model whether in a regression model there is an inequality of variance from residuals from one observation to another. If the variance of the residuals from one observation to another is fixed, then it is called homokedacity. Conversely, if the variance is different, it is called heteroscedasticity. The good regression model is a regression model that does not occur heteroscedasticity. From the graph presented in the image below, visible points spread randomly and do not form certain patterns and clearly in Figure 2.

4.2. Regression Estimation Results (Linear Model 2)

4.2.1. Coefficient of determination

Researchers using the SPSS 24 Program, present the results of data processing for the coefficient of determination in the Table 5 below:

4.2.2. Simultaneous or simultaneous test (Test F)

Simultaneous or simultaneous test or  $F_{test}$  aims to test the first hypothesis which is to find out the effect or not significantly of the

independent variables together (simultaneously) on the dependent variable. Below are the results of the  $F_{test}$  using SPSS 24.

Based on the data in Table 6 it can be seen that  $F_{count} = 76.049$  with a significance level of 0.000b. When compared with  $F_{table}$  at a 5% confidence level ( $\alpha = 0.05$ ) which is only 2.32, the  $F_{count}$  value is greater than the  $F_{table}$  value  $\{F_{count} (76.049) < F_{table} (2.32)\}$  so that it can be said that Organizational Culture, Compensation, Interpersonal Communication and Simultaneous motivation is a significant explanatory variable for the Employee Performance of the Malibu Management Agency.

4.2.3. Partial test (t-test)

Partial test or t-test has the aim to test the second hypothesis, which is to find out the influence or not significantly of the independent variables individually (partial) on the dependent variable. The following are the results of the t-test using SPSS 24 in Table 7:

To determine whether  $H_0$  or  $H_1$  is rejected or accepted, then the value of  $t_{count}$  compares with the value of  $t_{table}$  at a significance level of 5% ( $\alpha = 0.05$ ), where the value of  $t_{table}$  at a significance level of 5% ( $\alpha = 0.05$ ) is 1,662, as seen in Table 8, it can be the following conclusions are drawn:

Organizational culture variable ( $X_1$ ) has a significance value of  $0.004 < \alpha = 0.05$  with a regression coefficient of 2.958. Based on these results, then  $H_1$  is accepted which means there is an influence of organizational culture on performance.

Organizational culture variable ( $X_2$ ) has a significance value of  $0.000 < \alpha = 0.05$  with a regression coefficient of 4.976. Based on

Figure 1: Histogram graph

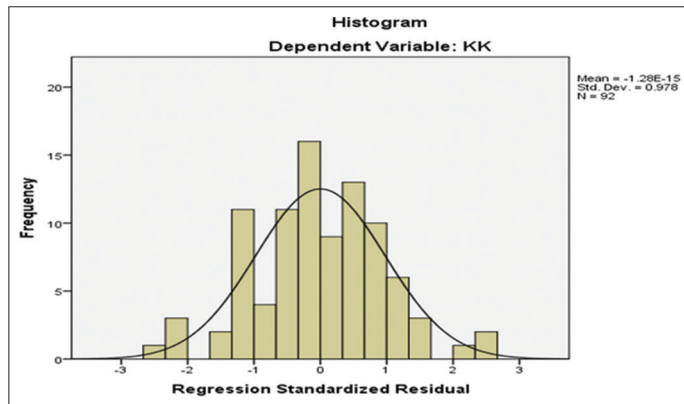


Figure 2: Scatterplot graph

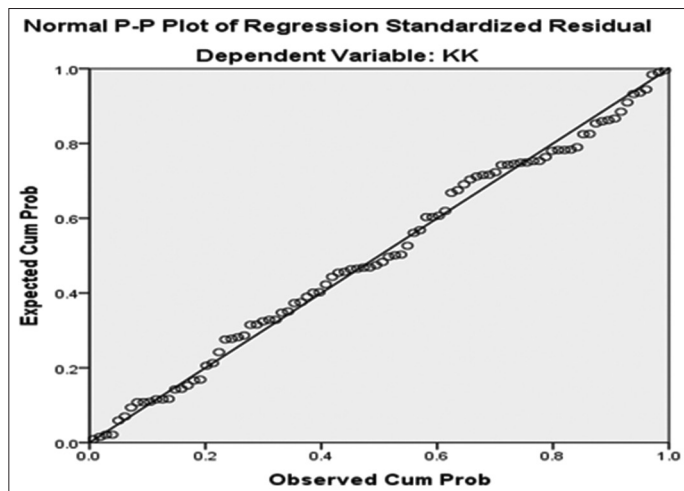


Table 4: Tolarence value and VIF

No	Variabel	Tolerance	VIF
1	Budaya organisasi ( $X_1$ )	0.505	1.981
2	Kompensasi ( $X_2$ )	0.313	3.198
3	Komunikasi interpersonal ( $X_3$ )	0.769	1.300
4	Motivasi (Z)	0.425	2.354

VIF: Variance inflation factor

Table 5: Coefficient of determination test results

Model	Model summary <sup>b</sup>			
	R	R square	Adjusted R square	Std. error of the estimate
1	0.882 <sup>a</sup>	0.778	0.767	2.773

<sup>a</sup>Predictors: (Constant), MK, KI, BO, KS

<sup>b</sup>Dependent variable: KK

Table 6: Simultaneous or simultaneous test results (Test F)

Model	ANOVA <sup>a</sup>				
	Sum of squares	df	Mean square	F	Sig.
1	2338.320	4	584.580	76.049	0.000 <sup>b</sup>
Regression					
Residual	668.756	87	7.687		
Total	3007.076	91			

<sup>a</sup>Dependent variable: KK

<sup>b</sup>Predictors: (Constant), MK, KI, BO, KS

these results, then H1 is accepted which means there is a positive effect of compensation on performance.

Interpersonal communication variable ( $X_3$ ) has a significance value of  $0.352 > \alpha = 0.05$  with a regression coefficient of  $-0.936$ . Based on these results, then H3 is rejected, which means there is no positive effect of interpersonal communication on employee performance.

Work motivation variable ( $Z$ ) has a significance value of  $0.000 < \alpha = 0.05$  with a regression coefficient of  $4.500$ . Based on these results, H4 is accepted which means there is a positive influence of work motivation on employee performance.

**4.2.4. Regression model (linear model)**

Based on the estimation or regression results, the regression equation can be formulated as follows:

$$Y = -2.011 + 0.278 X_1 + 0.627 X_2 - 0.069 X_3 + 0.544 Z \quad (3)$$

From the above equation can be interpreted that is a constant value of  $-2.011$  means that if the organizational culture variable, compensation, interpersonal communication, motivation to work together with 0, it will be followed by employee performance of  $-2.011$ .

Organizational culture variable ( $X_1$ ) of  $0.278$  means that if there is an increase in organizational culture every one unit, it will be followed by an increase in employee performance by  $0.278$ .

The compensation variable ( $X_2$ ) of  $0.627$  means that if there is an increase in compensation every one unit, it will be followed by an increase in affective commitment of  $0.627$ .

**Table 7: Partial test results (t-test)**

Model	Coefficients <sup>a</sup>						
	Unstandardized coefficients		Standardized coefficients	t	Sig.	Collinearity statistics	
	B	Std. error	Beta			Tolerance	VIF
1							
(Constant)	-2.011	2.318		-0.868	0.388		
BO	0.278	0.094	0.210	2.958	0.004	0.505	1.981
KS	0.627	0.126	0.450	4.976	0.000	0.313	3.198
KI	-0.069	0.074	-0.054	-0.936	0.352	0.769	1.300
MK	0.544	0.121	0.349	4.500	0.000	0.425	2.354

<sup>a</sup>Dependent variable: KK

**Table 8: Direct effects results**

Model	Coefficients <sup>a</sup>						
	Unstandardized coefficients		Standardized coefficients	t	Sig.	Collinearity statistics	
	B	Std. error	Beta			Tolerance	VIF
1							
(Constant)	0.348	2.492		0.140	0.889		
BO	0.317	0.103	0.240	3.067	0.003	0.509	1.964
KS	0.946	0.115	0.679	8.219	0.000	0.457	2.188
KI	-0.033	0.081	-0.026	-0.403	0.688	0.779	1.284

<sup>a</sup>Dependent variable: KK

**Table 9: Path I test results**

Model	Unstandardized coefficients		Standardized coefficients	t	Sig.
	B	Std. error	Beta		
1					
(Constant)	4.338	1.991		2.179	0.032
BO	0.071	0.082	0.084	0.867	0.389
KS	0.586	0.092	0.655	6.374	0.000
KI	0.067	0.065	0.081	1.034	0.304

<sup>a</sup>Dependent variable: MK

**Table 10: Path II test results**

Model	Unstandardized coefficients		Standardized coefficients	t	Sig.
	B	Std. error	Beta		
1					
(Constant)	-2.011	2.318		-0.868	0.388
BO	0.278	0.094	0.210	2.958	0.004
KS	0.627	0.126	0.450	4.976	0.000
KI	-0.069	0.074	-0.054	-0.936	0.352
MK	0.544	0.121	0.349	4.500	0.000

<sup>a</sup>Dependent variable: KK

Interpersonal communication variable ( $X_3$ ) of  $-0.069$  means that if every interpersonal communication increases every one unit, it will be followed by a decrease in employee performance by  $0.069$ .

Work motivation variable ( $Z$ ) of  $0.544$  means that if every work motivation occurs in one unit, it will be followed by an increase in employee performance by  $0.544$ .

#### 4.2.5. Path test (path analysis)

Path test is used to test the effect of intervening variables. Path analysis is an extension of multiple linear regression analysis, (Ghozali, 2011, p. 249). Path analysis is the use of regression analysis to estimate causality relationships between variables (causal models) that have been predetermined based on theory.

Based on the three Tables 8-10 above, the path test results can be interpreted that the results of direct influence ( $0.240$ ) are greater than indirect effects ( $0.029$ ) so it can be concluded that there is no influence of organizational culture on employee performance through work motivation as mediation and H5 is rejected.

The results of direct influence ( $0.679$ ) are greater than indirect effects ( $0.229$ ) so it can be concluded that there is no positive effect of compensation on employee performance through work motivation as mediation and H6 is rejected.

The results of direct influence ( $-0.026$ ) are smaller than indirect effects ( $0.028$ ) so it can be concluded that there is an influence of interpersonal communication on employee performance through work motivation as mediation and H7 is accepted.

## 5. CONCLUSION

Based on the test results, the results of the analysis and discussion that have been described in the previous chapter, it can be concluded that the results of the study indicate that the first found positive and significant influence of organizational culture on employee performance. This means that a high organizational culture will increase employee performance.

Both results show that there is a positive and significant effect of compensation on employee performance, meaning that getting high compensation will also increase employee performance.

Third, the results of the study indicate that there is no positive influence of interpersonal communication on employee performance, meaning that employees who have high interpersonal communication may not necessarily have high employee performance.

Fourth, the results of the study indicate that there is a positive and significant influence of work motivation on employee performance. This means that high work motivation, employee performance will be higher.

Fifth, the results of testing the organizational culture hypothesis on employee performance were unsuccessfully mediated by work motivation.

Sixth, the results of testing the compensation hypothesis on employee performance were unsuccessfully mediated by work motivation.

Seventh, the results of testing interpersonal communication hypotheses on employee performance are successfully mediated by work motivation.

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