THE EFFECTS OF MOTIVATIONAL FACTORS ON PUBLIC SECTOR EMPLOYEE PERFORMANCE DURING THE COVID-19: A CASE STUDY IN INDONESIA

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Abstract

Good work quality in an organization can be optimal if employees' performance supports it. It is necessary to have things that encourage employees to improve the quality of their performance, one of which is work motivation. The decline in employee performance is suspected by the decrease in the employee's motivation level. This study aims to critically analyze the motivational factors which affect employee perspectives on their performance at the government-managed Financial Education and Training Agency facility in Indonesia during the COVID-19 pandemic from 2020 - 2022. The research design used is quantitative research. The data were obtained by using a questionnaire distributed to the sample used as the object of research, employees of the Finance Education and Training Agency (FETA) of the Republic of Indonesia. The data were then processed and analyzed with the SPSS program. The analysis technique used is simple descriptive analysis and multiple regression analysis. At the same time, the parameters used are employee motivation and performance based on respondents' perceptions with sampling techniques carried out in random sampling. Based on the analysis results, both partially and simultaneously, intrinsic and extrinsic motivation are significantly and positively related to employee performance during the pandemic.

Keywords: COVID-19, Employee Performance, Extrinsic Motivation, Intrinsic Motivation, Pandemic

1. INTRODUCTION

Motivation related to work is an essential topic for the development of businesses and communities, as well as the well-being of individual (Kanfer et al., 2017). According to Kuswati (2020), the motivation has a role as a supporting factor in an organization, both government and private especially in improving performance.

One of the reasons why motivation at work is important is because it influences the skills that people develop, the professions and vocations that they seek, and the way people utilize their resources (e.g., attention, effort, time, and human and social capital) to influence the direction, intensity, and persistence of activities at work (Kanfer et al., 2017). Moreover, Avbar (2016) mentioned that there is a considerable reduction in efficiency when people are unmotivated in an organization.

However, the abrupt arrival of the global COVID-19 outbreak affected many things. COVID-19 has had a devastating effect on the global economy, affecting every industry (Xiang et al., 2021). The COVID-19 crisis has caused organizations to face new business challenges, with people adjusting to new modes of working and interpersonal interactions and relationships undergoing significant changes (Bailey and Breslin, 2021). The changes and the insecurity of job which brought by the COVID-19 pandemic are affecting employees' motivation at work (Hitka et
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al., 2022; Bajrami et al., 2021). And it is the role of human resources (HR) to manage and improve employee motivation affected by the pandemic (Nilasari et al., 2021).

1.1. INTRINSIC AND EXTRINSIC MOTIVATION

Intrinsic and extrinsic motivation are the two most important distinctions to make when determining whether or not a person will engage in a particular activity because of its intrinsic appeal or separable outcome (Deci and Ryan, 1985).

Intrinsic Motivation

Given that intrinsic motivation results in high-quality learning and creativity, it is crucial to identify the factors and forces that foster it as opposed to those that undermine it (Ryan and Deci, 2000). Reiss (2012) described intrinsic motivation can be as simple as “doing something for its own sake”, such as when a child plays baseball for no other reason than because he wants to. Deci and Ryan (1980) defined intrinsic motivation behaviors as behaviors that are performed in the absence of any apparent external contingency that are motivated by a need for competence and self-determination. Depending on whether the object of an activity or its performance provides the primary incentive, the intrinsic motivation derived from that activity may be driven primarily by interest or activity-specific incentives (Rheinberg and Engeser, 2018).

Extrinsic Motivation

Extrinsic motivation is a concept that applies whenever an activity is performed for the purpose of attaining a distinct outcome. Thus, extrinsic motivation contrasts with intrinsic motivation, which refers to engaging in an activity for its own sake, rather than for its instrumental value (Ryan and Deci, 2000).

Extrinsic motivation is commonly used to entice employees (Turner, 2017). External regulation, which refers to the motivation to engage in an activity in order to receive rewards or avoid punishments, is the most externalized form of motivation (Mitchell et al., 2020). Extrinsic motivation is the motivation to do something in order to attain some external goal or meet some externally imposed constraint (Hennessey et al., 2015).

In general, intrinsic motivation is distinguished from extrinsic motivation by the reward associated with the activity. The reward for intrinsically motivated behavior is the associated sense of competence and self-determination. Extrinsically motivated behavior is rewarded by something distinct from and subsequent to the behavior (Deci et al., 1981). However, external factors can shift the perceived locus of causality of an action from intrinsic to extrinsic if they reduce the level of felt self-determination. This effect is attributed to both tangible rewards (such as a cash bonus) and intangible factors (e.g., deadlines, directives, pressured evaluations, or imposed goals) (Ryan and Deci, 2000).

1.2. PERFORMANCE IN THE WORKPLACE

Individual performance is a fundamental concept in employment and organizational psychology (Sonntag and Frese, 2002). Perceived employee performance is the employee's general opinion of their behavior and contributions to the success of the organization (Sohrab and Khurram, 2011). Moreover, performance is one way to measure the extent of employees’ work effectiveness. (Nilasari et al., 2021). So, understanding what factors influence workplace performance is critical for a number of reasons (Forth and McNabb, 2008).

According to Sonntag and Frese (2002), employee performance can be seen through two aspects: behavioral and outcome aspect. The behavioral aspect refers to what an individual does in
the work situation and relevant for the organizational goals (Campbell et al., 1993), while the outcome aspect refers to the consequence or result of the individual’s behaviour (Sonnentag and Frese, 2002). In this research, the performance refers to the behavioural aspect.

2. RESEARCH METHOD
2.1 Research Strategy

This research will adopt a case study because this research will focus on understanding the phenomena that happen in one specific organization. The case study organization that used in this research is Finance Education and Training Agency (FETA).

Data Collection

This study will use primary data as data collection. The primary data collection method to be used in this research is a questionnaire (Saunders et al., 2019). According to Bryman and Bell (2011), with a (self-completion) questionnaire, respondents respond to questions by filling out the questionnaire on their own. Researchers designed a questionnaire for employees in the case study organization. The measurement scale on the questionnaire uses the Likert scale. The Likert scale is used to measure attitudes, opinions, and perceptions of an individual or group regarding social phenomena. In this social research, the variables have been specified by the researchers and will, therefore, be referred to as research variables. Each instrument item's Likert scale response ranges from extremely positive to extremely negative, or an interval (1-5). Scale 1 is "strongly disagree", scale 2 is "disagree", scale 3 is "neutral", scale 4 is "agree", and scale 5 is "strongly agree" (See Appendix 1).

Questionnaires are distributed online to all employees in the case study organization with simple random sampling. The elimination of the interviewer effect, which can influence respondents' responses, the absence of interviewer variability, and respondents' increased comfort as a result of their ability to manage their time more flexibly when filling out the questionnaire are some of the advantages of using questionnaires (Bryman and Bell, 2011).

Data Analysis

The collected data will then be processed using SPSS (Statistical Package for the Social Sciences) software. There are two primary categories of statistical analysis in human resources research: descriptive and inferential (Anderson et al., 2020). In this study, the primary research data obtained will first be processed to obtain the respondents' demographic attributes (the data's analysis and interpretation in relation to the respondents’ gender, age, educational attainment, and work experience). Then, a normality test is conducted to determine whether or not the residuals in the path model match the normal distribution. A linearity test is then carried out to describe how closely the change in the dependent variable relates to the change in the independent variables (Saunders et al., 2019). Before further processing, validity and reliability tests are carried out to determine the extent to which the data obtained are accurate measures of a phenomenon and can be trusted as a data collection tool and able to reveal actual information in the field.

After the data are deemed feasible for further processing, F-test and T-test are performed to determine the relationship between the independent and dependent variables and if they have a significant and positive influence on the relationship.
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3. RESULTS AND DISCUSSION

Based on the questionnaires distributed, a general description of the gender, age, position/position, education level, and the number of years of service of the 128 FETA employees who completed the survey was acquired.

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>%</th>
<th>Variable</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENDER</td>
<td></td>
<td></td>
<td>EDUCATION LEVEL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>89</td>
<td>69.5</td>
<td>Diploma</td>
<td>18</td>
<td>14.1</td>
</tr>
<tr>
<td>Female</td>
<td>39</td>
<td>30.5</td>
<td>Degree</td>
<td>67</td>
<td>52.3</td>
</tr>
<tr>
<td>Total</td>
<td>128</td>
<td>100</td>
<td>Postgraduate</td>
<td>43</td>
<td>33.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>128</td>
<td>100</td>
</tr>
<tr>
<td>AGE</td>
<td></td>
<td></td>
<td>WORK PERIOD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 23 years</td>
<td>1</td>
<td>0.8</td>
<td>Less than 2 years</td>
<td>2</td>
<td>1.6</td>
</tr>
<tr>
<td>23 – 30 years</td>
<td>12</td>
<td>9.4</td>
<td>2 – 4 years</td>
<td>2</td>
<td>1.6</td>
</tr>
<tr>
<td>&gt; 30 years</td>
<td>115</td>
<td>89.8</td>
<td>4 – 6 years</td>
<td>5</td>
<td>3.9</td>
</tr>
<tr>
<td>Total</td>
<td>128</td>
<td>100</td>
<td>More than 6 years</td>
<td>119</td>
<td>93.0</td>
</tr>
<tr>
<td>POSITION</td>
<td></td>
<td></td>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structural Officer</td>
<td>18</td>
<td>14.1</td>
<td>Total</td>
<td>128</td>
<td>100</td>
</tr>
<tr>
<td>Functional Officer</td>
<td>13</td>
<td>10.2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff</td>
<td>97</td>
<td>75.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>128</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1 Demographic Characteristics of Respondents
Source: Author's Survey, 2022

Table 1 shows that most respondents were male, amounting to 89 people or 69.5%. The rest are female employees, as many as 39 people or 30.5%. Regarding age, 89.8% were more than 30 years old, 9.4% were between the ages of 23 and 30, and only 0.8% were less than 23 years old. By education level, degree respondents were the most with 52.3% response rate, postgraduate were 33.6% and respondents with diploma degree were 14.1%. In terms of work period, 93% of respondents were employees more than six years, 3.9% were 4 – 6 years, and both 1.6% were less than four years. According to job title, 75.8% of respondents were staff, 14.1% were structural officer (supervisor), and 10.2% were functional officer.

Findings

After the primary data obtained have passed the normality, linearity, validity, and reliability tests, the data are declared 'ready' for the next tests. This test is carried out to answer the hypotheses:

Hypothesis 1 (H1): Intrinsic motivations are significantly and positively related to employee performance during the pandemic

Hypothesis 2 (H1): Extrinsic motivations are significantly and positively related to employee performance during the pandemic

Hypothesis 3 (H3): Both intrinsic and extrinsic motivation are significantly and positively related to employee performance during the pandemic
**H1:** Intrinsic motivations are significantly and positively related to employee performance during the pandemic

Based on the regression analysis that has been done (Table 2), Sig. on intrinsic motivation (0.02) is lower than the probability of 0.05, so it can be concluded that the intrinsic motivation variable has a significant effect on employee performance. Thus, the first hypothesis can be accepted.

![Table 2 T-test Result. Source: Author’s Survey, 2022](image)

In addition, the achievement and responsibility variables have a high mean value. This means employees at FETA consider that achievement and responsibility factors have a more significant influence than other intrinsic motivational factors. The result is in line with research by Schoen (2015) that implicitly measured that achievement motivation is associated with performance, especially creative performance. Moreover, Supriyono and Susmonowati (2022) suggest that, to get people to perform in the organization during the pandemic, management must focus on intrinsic motivation.

![Table 3 Descriptive Analysis on Intrinsic Motivation Result. Source: Author’s Survey, 2022](image)

It is known that intrinsic motivation affects employee performance. This means that if the intrinsic needs related to employee work targets with indicators of achievement, recognition, the work itself, responsibility, and development can be facilitated appropriately by the leaders at FETA, then even in crisis conditions such as a pandemic, it can motivate employees to work hard and improve their performance in the form of good quality and quantity of work, timely completion of work, as well as bring about good effectiveness and independence in work.

On the other hand, attention needs to be given to the recognition aspect, which gets a low score when compared to the other four aspects of intrinsic motivation. Recognition is ideal for acts that are intrinsically driven, such as creativity, commitment, and initiative which are a source of strategic differentiation because they translate into innovation and creativity, service above and beyond the call of duty, and a willingness to change and progress (Hansen et al., 2002). Moreover, recognition increases the degree of productivity and performance on the job, whether it is a first-time performance or a repeated activity on the job, and reinforces the employee's behavior...
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(Morrell, 2011). However, although nearly all organizations in his study have a recognition program, only 36% of those surveyed had a budget for it (ibid). This can be normal considering that government institutions such as FETA certainly do not have the flexibility as private companies regarding the budget.

To overcome this, organizations can try to provide non-cash rewards as recognition. One such is social reinforcement; acknowledging performance by peers, superiors, family, and friends is one of the most significant incentives for a well-done job. This social reinforcement is not the result of receiving an incentive but rather the knowledge that others are aware of employees' excellent achievements (Jeffrey, 2004).

H2: Extrinsic motivations are significantly and positively related to employee performance during the pandemic

The data obtained show that the value of Sig. on extrinsic motivation is <.001 (Table 4). This result is lower than the probability set at 0.05. Thus, it can be stated that extrinsic motivation positively and significantly influences employee performance at FETA during the pandemic. Therefore, the second hypothesis can be accepted.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>9.321</td>
<td>2.813</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Intrinsic Motivation</td>
<td>.275</td>
<td>.086</td>
<td>.306</td>
</tr>
<tr>
<td></td>
<td>Extrinsic Motivation</td>
<td>.291</td>
<td>.085</td>
<td>.329</td>
</tr>
</tbody>
</table>

Table 4 T-test Result. Result. Source: Author's Survey, 2022

If we look at each of the variables in extrinsic motivation, the interpersonal relationship component has the highest value compared to other variables. The high score of the interpersonal relation variable is interesting because even though the pandemic forces workers to spend a lot of work at home and in front of the computer, interpersonal relationships can be maintained and still influence the motivation of workers at FETA during the pandemic.

On the other hand, the two lowest extrinsic motivation variable scores came from policies and administration, and compensation. The COVID-19 pandemic caused conditions to become unstable on all lines; added by the implementation of social distancing and work from home, not all employees are involved in carrying out the organization’s policy and administration, making business processes run improperly (Ubaidillah and Riyanto, 2020). The conditions of rapid change due to the pandemic have made policy and administrative changes considered not yet a strong motivating factor for workers during a pandemic. In fact, based on a study by Tovmasyan and Minasyan (2020) in Armenia, the statistical testing reveals a significant association between the...
influence of the organization's policy on work motivation and playing an essential role in the organization's performance.

It is necessary to improve the organization's policies and administration regarding employees, especially regarding precise working hours in a pandemic. The pandemic conditions change work patterns where employees find it difficult to divide time between work and personal life. Therefore, policies and administration that are in favor of workers, it can make employees feel comfortable and that they have a purpose.

Furthermore, although offering competitive compensation, rewards, promotion, and job security can improve employee job performance because these elements are critical to improving employee work performance (Zafar et al., 2020), FETA employees still think that compensation is not a major factor in motivating them during the pandemic.

**H3:** Both intrinsic and extrinsic motivation are significantly and positively related to employee performance during the pandemic.

Based on the output table of the SPSS application in Table 6, it is known that the value of Sig. is equal to 0.001. Because of the value of Sig. 0.001 < 0.05, then according to the basis of decision-making in the F-test, it can be concluded that the hypothesis is accepted and shows that both intrinsic and extrinsic motivation have a significant and positive influence on employee performance.

**Table 6 Anova Table Result. Source: Author’s Survey, 2022**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>907.685</td>
<td>2</td>
<td>453.841</td>
<td>31.226</td>
<td>&lt;.001*</td>
</tr>
<tr>
<td>Residual</td>
<td>1816.786</td>
<td>125</td>
<td>14.554</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2724.469</td>
<td>127</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Work Performance
b. Predictors: (Constant), Extrinsic_Motivation, Intrinsic_Motivation

4. CONCLUSION

Based on the data analysis, the following conclusions were obtained: Firstly, this study classified work motivation into intrinsic and extrinsic work motivation and hypothesized that work motivation belongs to personal resources and external forces. Secondly, the findings indicated that there is an intrinsic motivation effect on employees’ performance during the pandemic. When a person is intrinsically motivated, he or she is moved to perform for the sake of fun or challenge rather than because of external prods, pressures, or rewards (Ryan and Deci, 2000). The results showed that FETA employees’ intrinsic motivation had a positive and significant effect on their work performance. Specifically, the sense of achievement and responsibility significantly influences employees to give their best on their work even though the pandemic hit hard the way people working.

Thirdly, the findings also indicated that there is an extrinsic motivation effect on FETA’s employees’ performance. Although intrinsic motivation is definitely an important sort of motivation, the majority of activities people engage in are not intrinsically motivated (Ryan and Deci, 2000). The results of this research showed that FETA employees’ extrinsic motivation had a significant effect on their work performance. Interpersonal relationships, which are difficult to sustain in a pandemic, gave significant proportions on pushing the FETA employees’ motivation.
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during difficult times. To sum up, the findings of this study indicate the importance of considering measures to foster employees’ intrinsic and extrinsic motivation to improve work performance.

However, even though that FETA employees’ intrinsic motivation in considered as high, the organization cannot ignore the effect of recognition to the outstanding employees. In addition, regarding the extrinsic motivation, FETA top management should be aware to every policies and administration impact to the employees’ motivation.

Recommendation

Recommendations that can be taken from this research are: First, FETA leaders should continue to try to carry out activities oriented towards increasing their workers’ extrinsic and intrinsic motivation. Several ways to improve worker motivation, according to CIPD (2021), include setting goals followed by the commitment of all its members, providing positive feedback, recognizing outstanding performers through compliments, gratitude, private notes or emails, public awards, or publication of their achievements in the organization newsletters, and giving monetary rewards.

Furthermore, because human motivation is complex and essential, successful management development in the future must include theoretical and practical education about the different types of motivation, their sources, their effects on performance, and their susceptibility to various influences. One way to help the organization understand how their workers behave is by using people analytics to gather and analyze data about people in the workforce (CIPD, 2021). Using people analytics becomes crucial because it can understand an organization's strengths and weaknesses, know-how motivation changes over time, and the main factors that motivate or demotivate people.

Third, FETA human resource development through intervention in learning and development. Organizations can provide motivational training to managers and leaders so that they can apply motivational theories and methods to workplace settings and learn how a leadership style stimulates and demotivates personnel.

Fourth, administration should prioritize making the workplace helpful and pleasant so that supervisors can maintain positive relationships with employees. Employees will be more interested in their positions if they are on a permanent basis, which will ultimately benefit the organization. Top management should ease firm policies and put employees first. Employee unhappiness can be avoided by implementing hygiene factors; thus, managers should focus on it. Extrinsic motivation makes employees more energetic and enthusiastic as well as significantly more effective and productive, which ultimately improves workforce performance.
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