# THE ROLE OF COMPANY ETHICS AS MODERATING THE INFLUENCE OF JOB MOTIVATION AND JOB SATISFACTION TOWARDS EMPLOYEE PERFORMANCE

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## ABSTRACT

This study examines the effect of job motivation and job satisfaction on employee performance, both directly and moderated by business ethics. This research uses a quantitative approach, aims to test hypotheses and include research. This research was conducted at PT Jakarta International Container Terminal (JICT) by taking primary data, in the form of perception or evaluation from respondents. The data collection method used is a survey, using a research instrument in the form of a questionnaire. The sampling technique used is probability sampling. Considering stratified population characteristics, the appropriate sampling technique to be used in this study is stratified proportional random sampling. The sample of this study was 245 of 626 employees who worked at PT JICT. All latent variables are known to have good and decent indicators. Job motivation and job satisfaction of each employee gives a significant and positive influence on employee performance. Company ethics does not moderate the influence between job motivation and job satisfaction of employees significantly affected employee performance. No previous research found that examines company ethics as a moderation of the influence of job motivation and job satisfaction on employee performance. This is a gap as well as novelty of this research.

Keywords: Company Ethics, Job Motivation, Job Satisfaction, Employee Performance.

## **INTRODUCTION**

Indonesia as a maritime country is characterized by ownership of a total sea area of 5.9 million  $\text{km}^2$ , consisting of 3.2 million  $\text{km}^2$  of territorial waters and 2.7  $\text{km}^2$  of waters of the Exclusive Economic Zone. Having a geographical condition in the form of a vast archipelago, Indonesia needs to connect one region to another so that the distribution of development is carried out evenly.

One of the facilities that can be utilized is through sea transportation. Sea transportation is closely related to the role of the port. Lately the Indonesian government has begun to pay serious attention to development towards the sea, including the development of ports. The port has a quite broad role and strategic position. What's more, this is also supported by the launch of sea highway by the government.

The term port based on its type is divided into three, namely (1) main port, (2) collecting port, and (3) feeder port. Indonesian Port (Pelindo) is a State-Owned Enterprise (BUMN) that manages four ports, namely Indonesia Port I, Indonesia Port II, Indonesia Port III, and Indonesia Port IV. One of the developing ports is the Indonesian Port II (Pelindo II), which appears from the target of Pelindo II (Persero) to become a world-class port in 2020.

Each subsidiary and group of companies makes a meaningful contribution to PT Pelindo

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II. One of the companies that made major contributions was PT Jakarta International Container Terminal (JICT). However, there are internal problems within PT JICT, namely related to the relationship between the JICT Workers Union (employees) and the Board of Directors (management). Problems with a bad relationship between two parties can hamper employee performance. In addition to maximizing employee performance, PT JICT also needs to identify other variables that can affect employee performance.

Siengthai & Pila-Ngarm (2016) in his research entitled "*The interaction effect of job redesign and job satisfaction on employee performance*", found that employee performance is influenced by job satisfaction. The effect of job satisfaction on employee performance can be moderated by company ethics as in the study conducted by Fu & Deshpande (2014). The research resulted that ethics as moderation strengthened the effect of job satisfaction on employee performance. On the other hand, Dysvik & Kuvaas (2011) explained that performance is also influenced by work motivation. From the test results found that work motivation has a significant effect on work performance.

In addition, work motivation is also thought to affect employee performance. Arowolo (2012) complements Dysvik & Kuvaas (2011) by adding moderation variables in the form of ethics. Arowolo (2012) in a study entitled "*Ethics, motivation and performance in Nigeria's public service*" aims to analyze the relationship between ethics, motivation and performance of public services in Nigeria. From the results of the study found that ethics significantly influence the influence of work motivation on work performance.

Based on the description that has been described, research information has not been obtained that studies the company's ethics as a moderating influence of motivation and job satisfaction on employee performance.

This study examines the influence given by the relationship between work motivation and job satisfaction of PT JITC employees and employee performance, both directly and moderated by business ethics within PT JITC. The development of the concept or model of employee performance by involving ethical variables as moderation variables is the novelty of this study.

## LITERATURE REVIEW

#### Job Motivation (X1)

Franco (2002) stated that work motivation is the result of a complex and dynamic process, which involves interactions between individuals, the work environment, and the culture of the community. The definition of work motivation is also explained by Deci (1972), he argues that work motivation is when someone is intrinsically motivated if he does an activity without clear rewards, except for doing the activity himself. That person likes to be involved in activities, because he gets good feelings from him (Ryan & Deci, 2000). Kanfer et al. (2013) in Al-Musadieq et al. (2018), distinguish "*motivation for work*" from "*motivation at work*." The first exception relates to internal factors related to individual participation in observable work arrangements, and the last relates to internal factors related to the achievement of individual work. The main indicator of work motivation which can refer to the overall assessment of work participation in an individual's life is work valence (Kanfer et al., 2013).

The notion of work motivation has a two-factor theory proposed by Frederik Herzberg

(Yang, 2011). This theory divides the factors determined for work motivation into two groups, namely motivational factors and hygienic factors; Herzberg claims that motivating factors are intrinsic to work including achievement, recognition of achievement, work itself, responsibility and growth or progress. These factors can contribute to job satisfaction but will not result in job dissatisfaction. On the contrary, the cleanliness factor, which is extrinsic to work, mainly causes job dissatisfaction and cannot cause feelings of job satisfaction. This extrinsic factor consists of company policy, administration, and supervision, interpersonal relations, working conditions, salary, status and security.

Pintrich & Schunk (1996) define motivation as a process that occurs when a person desires to achieve a goal by forming their own mindset to sustain action. Work motivation is also defined as self-motivation for each employee to work more effectively and efficiently (Ambrose & Kulik, 1999). To facilitate employee motivation, systematic planning is considered an important contributor to work motivation, performance and employee satisfaction (Mitchell, 1982).

### **Job Satisfaction (X2)**

Job satisfaction is a direct measure of the utility that workers get from their current job. Job satisfaction is a significant determinant of labor market mobility. Job satisfaction has a relationship effect on work productivity (Tumen & Zeydanli, 2016). Job satisfaction generally implies a positive evaluation of the job and a positive effect of job satisfaction; that is, "*positive emotional states that result from the assessment of one's work or work experience*" (Linz, 2003). Most of the empirical studies identify the main importance of personal characteristics as determinants of job satisfaction such as age, gender and education. Then the job characteristics are also another important factor, such as working hours, salary, promotion prospects and company size (Sutherland, 2013).

Employee job satisfaction is also influenced by the management-employee relationship. Job satisfaction itself affects the productivity of each individual and employee loyalty to the company. Job satisfaction is important in the productivity of each employee which will increase company productivity. If an employee is dissatisfied, this can increase employee turnover intention. Therefore, each company must work hard in understanding the job satisfaction of its employees so that it can have a good impact on the company's economy itself (Tansel & Gazioglu, 2014). The job satisfaction measure was adapted from Wright. A scale of five items of job satisfaction was operationalized. Each item measures the construction of the satisfaction dimension which is the level of satisfaction with work, coworkers, supervision, total salary, and promotion opportunities. Each item is measured on a seven-point scale ranging from "*strongly agree*". Respondents were classified into groups with low and high statisfaction status based on the average score added, with ties to the median assigned to the group with high satisfaction (Lund, 2003).

## **Company Ethics (X3)**

According to Tran (2008), business ethics is a form of applied ethics based on ethical principles in a business context because in a business environment it often raises a problem. Simply put business ethics is whatever the actions and productive behavior of a person are to

prevent individuals or groups from doing something that is not ethical.

In terms of business ethics, practitioners operate on a contractualist paradigm of business ethics, while ethicists idolize a different typological paradigm. The paradigm is based on four factors. First, contractual business ethics are endowed with very cheap conceptual tools. Second, the tool is also well adapted to the application field. Third, the idea of a contract allows normative application. Fourth, norms that regulate business originate from everyday life based on democratic principles. In addition, instrumental, prudential and rule-based approaches will also be applied. First, the moral awareness paradigm is derived from the ethical decision-making model, which is the first step in the ethical decision-making process. The essence of the moral awareness paradigm is to recognize that there are moral problems in the situation. Second, the moral dilemma is based on the major difficulty of finding what to do when faced with a choice between conflicts that moral conditionality cannot override or between conflicts of interest. Business ethics relates to goals and how a person achieves these goals. It studies individuals, companies, the business community, and society as a whole.

According to Svensson & Wood (2005), corporate ethics is a core value that must support the company's business ethics and must influence the techniques and tools used in implementing Total Quality Management (TQM). Company ethics should be incorporated into a list of core values or what Bergman and Klefsjo (1994) call the 'foundations of TQM'. The addition of corporate ethics to these core values will contribute to the TQM concept. Consideration of company ethics as part of the internal TQM process and not being considered outside of it is an important matter. Therefore, the topic of corporate ethics in TQM is an important issue to discuss and to develop a generic conceptual framework. There is a close relationship between business ethics and company ethics. Business ethics applies from an outside perspective or in the company's business operations, while company ethics has an outside and an inside perspective.

#### **Employee Performance (Y1)**

According to Hasibuan (2006), performance is the result achieved by a person in carrying out the task given to him based on expertise, completion time, experience and sincerity. In other words, performance is the result achieved by a person in accordance with the stipulated conditions in carrying out the tasks assigned to him. Furthermore As'ad in Felgner et al. (2002) suggests that performance is a measure of the extent to which a person is successful in carrying out the assigned task.

There are 3 main factors that affect performance, namely individual (ability to work), work effort (desire to work), and organizational support (job opportunities). Thoyib (2005) suggests that performance is often referred to as what has been produced by individual employees and gets a result of the work done. Organization includes organizational development, compensation, communication, managerial, organizational structure and policies that can affect performance. Thoyib (2005) suggests that another term of performance is the output produced by a person as measured by productivity, absenteeism, turnover, citizenship, and satisfaction.

Brahmasari & Suprayetno (2009) suggests that performance can be in the form of quantitative or qualitative output, creativity, flexibility, dependence, or other things that the organization wants to achieve a goal. Performance is divided into short-term or long-term performance; performance can also be at the individual, group or organizational level.

Performance management is the design of a method that can connect individual goals with organizational goals so that the final goal can be met. An action or completion of a task by someone within a certain and measurable time is another definition of performance. Tika (2006) states that there are 4 (four) elements contained in performance, namely: the results of the work, the time period, the factors that affect employee achievement and the achievement of organizational goals.

According to Notoatmodjo (1992), a person's performance can be measured using several factors such as: ability, capacity, hold, incentive, environment and validity. Performance appraisal is the process of an organization evaluating or assessing employee work. If the performance appraisal is carried out properly, orderly, and correctly it will be able to help increase achievement motivation while increasing the loyalty of the members of the organization in it, and if this happens it will benefit the organization itself. Therefore, performance appraisal needs to be done formally with the criteria set by the organization objectively. Simamora (2006) states that performance appraisal is a useful tool not only for evaluating the work of employees, but also for developing and motivating employees. In performance appraisal, it is not merely assessing the physical results, but the implementation of the work as a whole which involves various fields such as ability, craft, discipline, work relations or special matters according to their respective fields of work are all worthy of being assessed.

### **Conceptual Framework**

This study examines four variables including: Job Motivation (X1) and Job Satisfaction (X2) as independent variables, Company Ethics (X3) as moderating variables, and (4) Employee Performance (Y1) as the dependent variable. The indicators used to measure the Job motivation variable are the need for achievement (X11), the need for strength (X12), and the need for friendship (X13). Indicators used in the measurement of the variable Job satisfaction are the work itself (X21), salary (X22), opportunity or promotion (X23), supervisor (X24), and coworkers (X25). While Employee performance is measured by work performance indicators (Y11), work behavior (Y12), and personal nature (Y13). Whereas Company ethics is measured by indicators of autonomy (X31), honesty (X32), doing good (X33), and fairness (X34).

Previous research is very important as a basis for developing research. The benefit is to find out the results of research conducted by previous researchers, so that it can be compared with the results of current research. The following are previous studies related to this research.

The influence of job motivation towards employee performance: Dysvik & Kuvaas (2011), conducted a study with the title "*Intrinsic motivation as a moderator on the relationship between perceived autonomous work and work performance*". The purpose of this study is to analyze the role of motivation on work autonomy and work performance. This study used a questionnaire as a data collection tool with a sample of 312 employees chosen at random. In this study using PCA as a testing tool. From the test results found that work motivation has a significant effect on work performance.

Barrick et al., (2002) conducted a study entitled "*Personality and job performance: Test of the mediating effects of motivation among sales representatives*". The purpose of this study is to analyze the role of motivation as a moderating influence on personality and work performance of sales. This study uses a questionnaire as a data collection tool with a sample of 164 telemarketing sales from large-scale financial service companies. In this study using correlation

analysis as a testing tool. From the test results found that work motivation has a significant effect on work performance.

Kuvaas (2006) conducted a study entitled "*Performance appraisal satisfaction and employee outcomes: mediating and moderating roles of work motivation*". The purpose of this study is to analyze the role of motivation as a moderating effect on employee satisfaction and performance. This study uses a questionnaire as a data collection tool with a sample of 593 employees from 64 banks in Norway. In this study using correlation analysis as a testing tool. From the test results found that work motivation has a significant effect on work performance.

Griffin & Neal (2000) conducted a study entitled "*Perceptions of safety at work: A framework for linking climate safety to safety performance, knowledge, and motivation*". The purpose of this study is to measure perceptions of work safety; this measurement uses several indicators such as performance, knowledge and motivation. This study uses a questionnaire as a data collection tool with a sample of 1264 employees. In this study using PCA as a testing tool. From the test results it was found that motivation and work skills significantly influence work performance.

Taskıran et al. (2017) conducted a study entitled "The effect of occupational selfefficacy *on work performance through intrinsic work motivation*". This study uses a questionnaire as a data collection tool with a sample of 76 employees from several companies in the industrial area of Turkey. In this study using longitudinal analysis as a testing tool. From the test results it was found that self-perception and motivation significantly influence work performance.

The influence of job satisfaction towards employee performance: Siengthai & Pila-Ngarm (2016) conducted a study entitled "*The interaction effect of job redesign and job satisfaction on employee performance*". The results of this study conclude that job satisfaction can be the main link for mobilizing employee performance. Crossman & Abou-Zaki (2003) conducted a study entitled "*Job satisfaction and employee performance of Lebanese banking staff*". The aim of this study is to investigate the relationship between job satisfaction, aspects of individual work, socio-demographic variables and job performance in the Lebanese commercial banking sector. The results of this study are the relationship between job satisfaction and performance; the results showed no significant relationship.

Pawirosumarto et al. (2017) conducted a study entitled "The effect of work environment, Leadership style, and organizational culture towards job satisfaction and its implications towards employee performance in Parador Hotels and Resorts, Indonesia". The results of this study are organizational culture, work environment and job satisfaction have a positive effect on employee performance, but that is not very important; Job satisfaction also does not act as an intermediate variable between work environment, leadership style and organizational culture on employee performance at Parador Hotels and Resorts. Soomro et al. (2018) conducted a study entitled "The relationship between work-life balance, work-family conflict, and family-work conflict with the role of moderating employee performance on job satisfaction". It was found that employees who have a healthy work life balance can carry out their duties effectively and efficiently.

The influence of job motivation towards employee performance moderated by company ethics: Arowolo (2012), conducted a study entitled "*Ethics, motivation and performance in Nigeria's public service*". The purpose of this study is to analyze the relationship between ethics, motivation and performance of public services in Nigeria. In this study using literature studies.

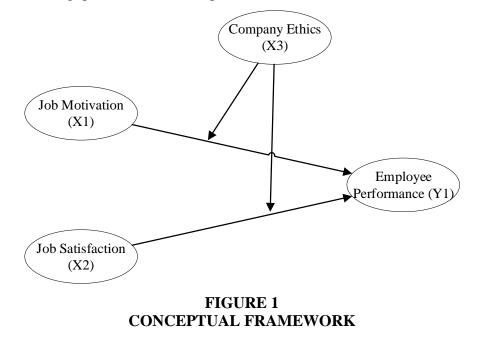
From the results of the study found that ethics significantly influence the influence of work motivation on work performance.

The influence of job satisfaction towards employee performance moderated by company ethics: Fu & Deshpande (2014) conducted research under the title "*The Impact of Caring Climate, Job Satisfaction, and Organizational Commitment on Job Performance of Employees in a China's Insurance Company*". The purpose of this study is to analyze the impact of job satisfaction, work performance and work atmosphere. This study uses a questionnaire as a data collection tool with a sample of 476 employees of insurance companies in China randomly selected. In this study using SEM as a testing tool. From the results of the study found that ethics significantly influence the effect of job satisfaction on work performance (Wang, 2014).

Thus, several hypotheses can be formulated as follows.

- *H*<sub>1</sub> Job motivation has influence towards employee performance
- *H*<sub>2</sub> Job satisfaction has influence towards employee performance
- *H*<sub>3</sub> *Company ethics strengthen the effect of job motivation towards employee performance*
- *H*<sub>4</sub> *Company ethics strengthen the effect of job satisfaction towards employee performance*

The hypothetical model can be shown in Figure 1. This research uses a quantitative approach, aims to test hypotheses and include research (explanatory research). The variables studied were Job satisfaction, Job motivation, Employee performance and Company ethics variables as moderating variables. This research was conducted at PT JICT (Jakarta International Container Terminal) (Persero) by taking primary data, in the form of perceptions or assessments from respondents. So a survey was conducted by submitting the questionnaire directly to PT JICT employees as respondents. The time of data collection in this study is planned for one month, namely from January to February 2020. The data collection method used is a survey, using a research instrument in the form of a questionnaire. The survey was conducted directly, namely by distributing questionnaires to respondents.



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#### **RESEARCH METHODS AND MATERIALS**

The sample units and analysis units in this study are individuals, namely PT JICT (Persero) employees. Thus, the population in this study were all employees of PT JICT (Persero), namely as many as N=626 people. PT JICT (Persero) employees can be classified based on their education, which includes Primary, Junior High, Senior High, Diploma, Bachelor, and Master. The education degrees are subsequently named grade 4, 5, 6, 7, 8 and 9. The sampling technique used is probability sampling. Considering stratified population characteristics, the appropriate sampling technique to be used in this study is stratified proportional random sampling. Based on the calculation of the Slovin Formula (Sekaran, 2007), the sample in this study was 245 JICT employees. Respondents in this study are the same as the sample units, namely PT JICT (Persero) employees who were selected as samples. PT JICT (Persero)'s employee research respondents were divided into six grades based on an educational background. Each respondent was asked to provide an assessment or perception of all variables studied. Data analysis using the PLS (Partial Least Square) analysis model using the help of a WarpPLS computer program package (Solimun et al, 2017). WarpPLS is a SEM software package that is unique not only because of its implementation of factor-based SEM, but also because it enables nonlinear analyses.

### **RESULTS AND DISCUSSION**

#### **Descriptive Statistics**

Descriptive statistics is part of statistics studying how to collect data and present data so that young people are understood. With the word descriptive statistics function explains the situation, symptoms, or problems. This study uses a research instrument in the form of a Likert scale questionnaire with 5 answer choices so that each subject has a value between 1-5.

#### Job Motivation (X1)

The output in Table 1 Shows that the indicator of job motivation variable that has the lowest score characteristic is the need for strength (X12) with an average score of 2.95, while the

Table 1JOB MOTIVATION (X1)				
Indicat or	Minimum	Maximum	Std. Devi ation	Average
X11	1.00	4.67	0.73	3.03
X12	1.00	5.00	0.73	2.95
X13	1.00	5.00	0.86	3.06
Average of X1				3.01

Indicator of job motivation variable that has the highest score characteristic is the need for friendship (X13) on average score of 3.06. The average score of the variable job motivation is 3.01 out of 5.

Table 2   JOB SATISFACTION (X2)					
Indicator Minimum Maximum Std. Deviation Averag					
X21	1.00	4.67	0.76	3.01	
X22	1.00	5.00	0.89	2.85	
X23	1.00	5.00	0.88	2.98	
X24	1.00	5.00	0.82	3.01	
X25	1.00	5.00	0.89	3.05	
	Average of X22.98				

## Job Satisfaction (X2)

The output in Table 2 shows that the job satisfaction indicator variable that has the lowest score characteristic is salary (X22) with an average score of 2.85, while the job satisfaction indicator variable that has the highest score characteristic is a colleague (X25) with an average score at 3.05. The average score of the job satisfaction variable is 2.98 out of 5.

## **Company Ethics (X3)**

Table 3COMPANY ETHICS (X3)				
Indicator	Minimum	Maximum	Std. Deviation	Average
X31	1.00	5.00	0.85	2.97
X32	1.00	5.00	0.75	2.95
X33	1.00	5.00	0.89	3.00
X34	1.00	5.00	1.31	2.93
	Average of X32.96			

The output in Table 3 shows that the company ethics variable indicator that has the lowest score characteristic is fairness (X34) with an average score of 2.93, while the company ethics variable indicator that has the highest score characteristic is doing good (X33) with an average score of 3.00. The average score of the company ethics variable is 2.96 out of 5.

## **Employee Performance (Y1)**

Table 4     EMPLOYEE PERFORMANCE (Y1)						
Indicator	Indicator Minimum Maximum Std. Deviation Average					
Y11	1.00	5.00	0.78	2.95		
Y12	1.00	5.00	0.72	2.99		
Y13	1.00	4.67	0.76	2.99		
Average of Y1				2.98		

The output in Table 4. shows that the indicator of employee performance variables that have the lowest score characteristics is the work result (Y11) with an average score of 2.95, while the employee performance variable indicators that have the highest score characteristics

are work behavior (Y12) and personal traits (Y13) with an average score of 2.99. The average score of the variable employee performance is 2.98 out of 5.

#### **Partial Least Square**

Evaluation of structural models can be done by looking at a number of model fit sizes including Average full collinearity VIF (AFVIF), Tenenhaus Goodness of Fit, and Sympson's Paradox Ratio.

Table 5 GOODNESS OF FIT				
Index Criteria Result Conclusion				
Average full collinearity VIF	acceptable if <=5, ideally <=3.3	AFVIF=9.976	Not Acceptable	
Tenenhaus GoF small >=0.1, medium >=0.25, large > =0.36		GoF=0.835	Large	
Sympson's paradox ratio	acceptable if $>=0.7$ , ideally $=1$	SPR=0.800	Acceptable	

In Table 5 it is known that the resulting AFVIF value >3.3 indicates that the nonmulticollinearity requirements are not met. There are multicollinearity problems between exogenous variables. While the GoF value obtained is large, that is 0.835, which means that the measure of explanation strength of the model is considered broad. Then obtained the SPR value of 0.800> 0.7 indicates that there is no causality problem in the research model.

On Table 6 presented below, it can be seen about the measurement model, measurement weight values, and *p*-values of each indicator in each variable.

Table 6 LOADING FACTOR				
Indicator				
X11	0.776	< 0.001	Significant	
X12	0.808	< 0.001	Significant	
X13	0.799	< 0.001	Significant	
X21	0.746	< 0.001	Significant	
X22	0.737	< 0.001	Significant	
X23	0.629	< 0.001	Significant	
X24	0.739	< 0.001	Significant	
X25	0.747	< 0.001	Significant	
X31	0.726	< 0.001	Significant	
X32	0.811	< 0.001	Significant	
X33	0.789	< 0.001	Significant	
X34	0.662	< 0.001	Significant	
Y11	0.807	< 0.001	Significant	
Y12	0.781	< 0.001	Significant	
Y13	0.786	< 0.001	Significant	

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In Table 6 it is found that the indicator of the need for strength (X12) with a loading factor of 0.808 and p-value<0.001 is the best indicator that significantly influences job motivation (X1). It can be concluded that the job motivation of PT JICT employees is very much determined by the strength of the employees which includes appreciation, position and power. In addition, the most dominant indicator affecting job satisfaction (X2) is the indicator of coworkers (X25) with a loading factor of 0.747 and p-value of <0.001. PT JICT employees' satisfaction with their work is most dominantly influenced by their colleagues and relationships formed with colleagues. While the most dominant indicator (Y11) with a loading factor of 0.807 and a p-value of <0.001. This indicates that the work of PT JICT's employees largely determines the performance of PT JICT's employees.

There are mediating variables in this research, company ethics (X3). The honesty indicator (X32) with a loading factor of 0.811 and p-value<0.001 is the best indicator that significantly influences company ethics (X3). The honest attitude adopted by PT JICT largely determines the creation of good business ethics for PT JICT.

Based on the results presented in Table 3, all latent variables are known to have good and decent indicators. Overall the most dominant indicator contributing to latent variables is the indicator of the need for strength (X12).

TABLE 7 HYPOTHESIS TESTING				
Hypothesis	Path Coeff.	p-value	Conclusion	
Direct Effect				
Job Motivation (X1) → Emplo yee Performance (Y1)	0.296	<0.001	Significant	
Job Satisfaction (X2) → Empl oyee Performance (Y1)	0.473	< 0.001	Significant	
Moderation Effect: Company H	Ethics (X3) as n	noderation		
Job Motivation $(X1) \rightarrow Employyee Performance (Y1)$	0.001	0.493	Not Significant	
Job Satisfaction (X2) → Empl oyee Performance (Y1)	0.006	0.463	Not Significant	

Based on Table 7, the results of hypothesis testing can be explained as follows:

H1 accepted, there is a significant influence of the relationship Job motivation (X1) on employee performance (Y1). SEM analysis results show that the interaction coefficient between work motivation and employee performance is 0.296 with a *p*-value of <0.001 indicating that the effect of work motivation is positive so that work motivation significantly strengthens the performance of PT JICT employees.

H2 accepted, there is a significant influence of the Job satisfaction (X2) relationship on employee performance (Y1). SEM analysis results show that the interaction coefficient between work motivation and employee performance is 0.73 with a *p*-value of <0.001 indicating that the

effect of job satisfaction is positive so that work motivation significantly strengthens the performance of PT JICT employees.

H3 denied: This means that the company ethics variable (X3) does not significantly strengthen or weaken the effect of Job motivation (X1) on employee performance (Y1) marked by SEM analysis results which show that the path coefficient obtained is positive with a value of 0.001 with a *p*-value of 0.493. It can be concluded that the existence of business ethics does not significantly strengthen the effect of work motivation on the performance of PT JICT's employees.

H4 denied, this means that the company ethics variable (X3) does not significantly strengthen or weaken the effect of Job satisfaction (X2) on employee performance (Y1) marked by SEM analysis results which show that the path coefficient obtained is positive at 0.006 with a *p*-value of 0.463. It can be concluded that the existence of business ethics does not significantly strengthen the effect of job satisfaction on the performance of PT JICT's employees.

The R-squared value of the model is 96.4%, which means that job motivation (X1) and job satisfaction (X2) variables and company ethics moderation (X3) variables together explain 96.4% employee performance variables (Y1). While the remaining 3.36% is explained by other variables outside the model.

#### DISCUSSION

Issues regarding the work environment and the factors underlying employee performance need to be examined in depth by the company to ensure that employee performance continues to run in accordance with the wishes of the company. Employees as the driving force of the company, so if there is a decrease in employee performance needs to be immediately known and overcome the causes so that the company's rate does not experience a decline. Employee performance issues within PT JICT must be examined more closely to determine the underlying factors.

Some of the variables studied include work motivation and job satisfaction. In addition, the poor relationship between employees and management of PT JICT also needs to be investigated. PT JICT's business ethics in this study is one of the factors suspected to moderate work motivation and job satisfaction in influencing the performance of PT JICT's employees.

Table 7 shows that work motivation has a significant effect and has a positive direction on employee performance. This indicates that PT JICT's high employee performance can be influenced by PT JICT's high work motivation. To improve the performance of its employees, PT JICT needs to provide more motivation to its employees to improve performance. These results are consistent with previous studies conducted by Dysvik & Kuvaas (2011), Barrick et al. (2002), Kuvaas (2006), Griffin & Neal (2000) and Taskıran et al. (2017).

In addition, job satisfaction of PT JICT's employees also significantly influences performance and has a positive direction. Employees who have a high level of satisfaction will provide a good performance for the company. PT JICT needs to implement policies that can motivate and provide satisfaction to its employees at work. These results support the findings presented by Siengthai & Pila-Ngarm (2016) and Soomro et al. (2018), but different from the findings of Crossman & Abou-Zaki (2003) and Pawirosumarto et al. (2017) which explains that job satisfaction does not significantly influence employee performance.

Whereas the company ethics in Table 7 gives an insignificant contribution in

moderating the influence of work motivation and job satisfaction on the performance of PT JICT employees. This result is different from the findings of Arowolo (2012) and Fu & Deshpande (2014) who explained that business ethics can significantly influence the influence of work motivation and job satisfaction on employee performance.

#### CONCLUSION

Job motivation can drive employee performance significantly and positively, with the most dominant indicator of work motivation being the need for strength. While increasing job satisfaction can significantly improve employee performance, the most dominant indicator of job satisfaction is by co-workers. The most dominant employee performance indicator is the work result, while the most dominant indicator of company business ethics is honesty. Company ethics as moderate variable does not significantly strengthen or weaken the effect two variables (Job motivation and Job satisfaction) on employee performance.

Based on the result, PT JICT should increase job motivation and job satisfaction of their employees in order to spur the performance of their employees. To increase employee motivation, companies need to meet the needs of their employees, especially in matters relating to strengthening employees in the work environment. While increasing employee job satisfaction can be done by improving the pattern of relations between workers and their coworkers.

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