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The Role of Work Motivation in Linking Compensation and Non-Physical Work Environment to Employee Performance at PT Muawanah Al-Ma'soem

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Abstract: This study analyzes the effect of compensation and the non-physical work environment on employee performance with work motivation as a mediating variable at PT. Muawanah Al-Ma'soem. This research addresses the need to understand how financial and non-financial factors simultaneously influence employee performance through psychological mechanisms. A quantitive method was employed using survey data collected from 98 employees. The data were analyzed using Partial Least Squares-Structural Equation Modeling (PLS-SEM). The findings reveal that compensation and the non-physical work environment have positive and significant effects on employee performance. Work motivation also has a significant positive effect on employee performance and acts as a mediating variable in the relationship between compensation, the non-physical work environment, and employee performance. The theoretical contribution of this study lies in strengthening and extending motivational theory by empirically validating the mediating role of work motivation in linking compensation and non-physical work environment factors to employee performance. Practically, the result suggest that organizations should integrate fair compensation policies and supportive workplace relationships to improve employee performance sustainably.

Keywords: Compensation, Non-Physical Work Environment, Work Motivation, Employee Performance.

INTRODUCTION

Employee performance is a strategic determinant of organizational sustainability, particularly in manufacturing companies that depend on operational stability and workforce consistency. According to Robbins and Judge (2020), employee performance reflects the extent to which individuals successfully carry out tasks in accordance with established standards and organizational objectives. Further explain that performance is influenced by both ability and motivation, indicating that organizational systems play a crucial role in shaping employee outcomes (Mangkunegara, 2019). Investment in employees through compensation and

supportive work systems enhances productivity and long-term organizational value (Becker, 1964).

At PT. Muawanah Al-Ma'soem, internal data from 2023-2025 indicate performance-related challenges. Production realization for key products including cup, bottle 1500 ml, bottle 600 ml, and gallon 19L declined significantly in 2025, with none achieving the annual production target gallon 19L production reached only approximately 55% of its target. Employee turnover increased from 13 employees in 2023 to 34 employees in 2025, resulting in a turnover rate of 35.42%. Attendance records from January to October 2025 also show fluctuating and relatively low presence rates, with several months below 60%. These conditions suggest potential human resource management issues affecting organizational performance.

Compensation is theoretically positioned as a primary extrinsic motivator. Compensation refers to all form of financial and non-financial rewards provided by organizations in return for employee contributions (Hasibuan, 2020). According to Equity Theory, employees assess fairness by comparing their input-output ratios with those of others, which influences their motivation and performance (Adams, 1965). Gani et al. (2023) found that compensation does not directly influence performance but affects it indirectly through job satisfaction. Ananda et al. (2024) reported a significant positive effect of compensation on performance, whereas Abdul Juli et al (2023) found no significant effect. These inconsistencies indicate that compensation may not always influence performance directly and may require mediating mechanisms.

The non-physical work environment also plays a critical role in shaping employee attitudes and behavior. The non-physical work environment includes interpersonal relationships, leadership style, communication patterns, and organizational climate (Sedarmayanti, 2018). The Job Demands-Resources theory explains that supportive work environments function as job resources that enhance motivation and performance (Bekker & Demerouti, 2007). Empirical finding Dwianto et al. (2023) demonstrated that work environment significantly influences performance through work motivation as a mediator. Elis et al. (2023) found a positive and significant effect of non-physical work environment on performance. However, Arief Subagio et al. (2024) reported that non-physical work environment does not significantly affect employee performance.

Work motivation is frequently conceptualized as the psychological mechanism linking organizational practices to performance outcomes. Work motivation is defined as the internal drive that stimulates employees to exert effort and persist in achieving goals (Mangkunegara, 2019). Motivation determines the intensity, direction, and persistence of individual effort toward goal attainment (Robbins & Judge, 2020). Empirical findings Sumarjo et al. (2025) confirmed that work motivation significantly mediates the relationship between compensation, work environment, and employee performance. Conversely, Aprisonia et al. (2025) found that motivation does not significantly mediate these relationships.

Despite numerous empirical studies, findings regarding the direct and indirect effects of compensation and non-physical work environment on employee performance remain inconsistent, particularly concerning the mediating role of work motivation. Moreover, limited supported by objective organizational indicators such as production achievement, turnover rates, and attendance levels.

METHODS

This study uses a quantitive approach with a decriptive research method. The quantitive approach was chosen to enable objective measurement of the research variables, while the descriptive method aims to systematically describe the conditions of compensation, non-physical work environment, work motivation, and employee performance (Sugiyono, 2022).

This research was conducted at PT. Muawanah Al-Ma'soem, Bandung Regency. The population consisted of all 98 permanent employees. Given the manageable population size, this study applied a saturated sampling (census) technique, whereaby all population members were included as respondents (Sugiyono, 2022).

Data were collected using a structured questionnaire measured on a five-points Likert scale to capture respondents' perceptions of each research variable. Prior to hypothesis testing, the measurement instrument was evaluated for validity and reliability. Convergent validity was assessed throught indicator loading factors and Average Variance Extracted (AVE), while discriminant validity was examined using cross-loadings and the Fornell-Lacker criterion. Instrument reliability was evaluated using Composite Reliability and Cronbach's Alpha, with a minimum threshold value of 0.70 indicating acceptable reliability (Ghozali & Latan, 2020).

Given that all variables were collected using self-reported questionnaires at a single point tome, this study addressed potential common method bias (CMB). Harman's Single Factor Test was conducted to assess whether a single factor accounted for the majority of variance. The result showed that the first factor explained less than 50% of the total variance, indicating that common method bias was not a serious concern.

Data analysis was conducted using Structural Equation Modeling (SEM) with a Partial Least Squares (PLS) approach. PLS-SEM was chosen because this study emphasizes prediction and theory development rather than strict theory confirmation, and because it is robust for small samples and complex mediation models (Hair et al., 2019). The analysis procedure involved evaluating the measurement model (outer model) to assess indicator reliability and validity, followed by evaluation of the structural model (inner model) to examine relationships among latent variables. Hypothesis testing, including both direct and indirect (mediating effects, was performed using the bootstrapping technique. A relationship was considered statistically significant at the 95% confidence level when the t-statistic exceeded 1.96 and the p-value was less than 0.05.

RESULTS AND DISCUSSION

Description of Research Object

PT. Muawanah Al-Ma'soem traces its origin to 1999, when it operated as a bottled drinking water (AMDK) business unit managed by PT. Ma'soem Arias under the supervision of Division III. During its early development phase, the company distributed the "Air Ganesha" brand throught a collaborative partnership with the Institut Teknologi Bandung (ITB). However, due to various operational challenges encountered in practice, the partnership was formally concluded in 2001. Following the termination of the collaboration, the company decided to independently develop and manage its own bottled water brand under the name "Al-Ma'soem".

The company commenced its initial production activities on October, 2003, which also marked the official inauguration of the bottled water manufacturing facility. At this stage, PT. Muawanah Al-Ma'soem introduced several product variants, including 19-liter gallons, 600 ml bottles, and 240 ml cups, all marketed under the "Al-Ma'soem" brand.

Respondent Characteristics

Table a. Respondents Demographics

Characteristics		Total	%
Gender	Male	75	76,5%
	Female	23	23,5%
Age	<20 years	10	10,2%
	21-29 years	49	50%
	30-39 years	19	19,4%

	>40 years	20	20,4%
Educational	Senior High School / Equivalent	47	48%
	Diploma (D3)	26	26,5%
	Bachelor's Degree (S1)	23	23,5%
	Master's Degree (S2)	2	2%
Years of employment	1-5 years	51	52%
	6-10 years	27	27,6%
	11-15 years	12	12,2%
	>15 years	8	8,2%
		98	**100%**

Source: Primary Data Processing (2026)

Table 1 present the demographic characteristics of the respondent involved in this study. The sample is predominantly composed of male employees (76,5%), indicating that the workforce is largely male-dominated. In terms of age, the majority of rspondents fall within the 21-29 years category (50%), suggesting that most participants belong to the productive working-age group. Regarding educational attainment, most respondents report a Senior High School or equivalent qualification (48%), followed by Diploma (26,5%) and Bachelor's Degree holder (23,5%), while only a small proportion possess a Master's Degree (2%). Based on year of employment, the majority of respondents have a tenure of 1-5 years (52%), implying that respondents generally possess sufficient organizational experience to provide reliable and relevant assessments for this study.

Descriptive Analysis

Table 2. Description of Research Variables

No	Variable	Item	Score	Information
1	Compensation	8	3,85	Good
2	Non-Physical Work Environment	7	3,76	Good
3	Work Motivation	9	3,72	Good
4	Employee Performance	9	3,68	Good

Source: Questionnaire Processing Result (2026)

Table 2 present the descriptive statisctics of the research variables. The mean scores range from 3.68 to 3.85, which fall within the interval of 3.41-4.20 and are therefore categorized as "good". However, beyond categorical classification, the relative magnitude of the mean differences provides important preliminary insights. Compensation recorded the highest mean score (3.85), indicating that respondents perceive the compensation system relatively more positively compared to other variables. Nevertheless, the difference between compensation (3.85) and employee performance (3.68) is 0.17 points, suggesting a perceptual gap between organizational rewards and actual performance outcomes. Although this difference is not large in absolute terms, it may indicate that favorable compensation practices do not automatically translate into optimal performance levels. The non-physical work environment (3.76) and work motivation (3.72) show moderately high mean values, yet both remain slightly below compensation. This pattern suggests that while employees perceive organizational support and interpersonal climate as generally positive, these psychosocial factors may not be maximized. Moreover, employee performance has the lowest mean score (3.68), implying that performance outcomes are comparatively weaker than the perceived quality of organizational inputs (compensation and work environment).

Outer Model

1. Outer Loading

Figure 1 present the outer loading values for all indicators used to measure the latent constructs. The result indicate that all indicators have loading factors of 0,70 or higher, thereby statisfying the recommended criterion for convergent validity. This demonstrates that each indicator has a strong correlation with its respective construct and adequately explain the variance of the latent variable.

Because all indicators meet the required threshold, no measurement item were excluded from the model. These findings confirm that the measurement model possesses satisfactory convergent validity and is appropriate for further analysis, including the evaluation of the structural model (inner model).

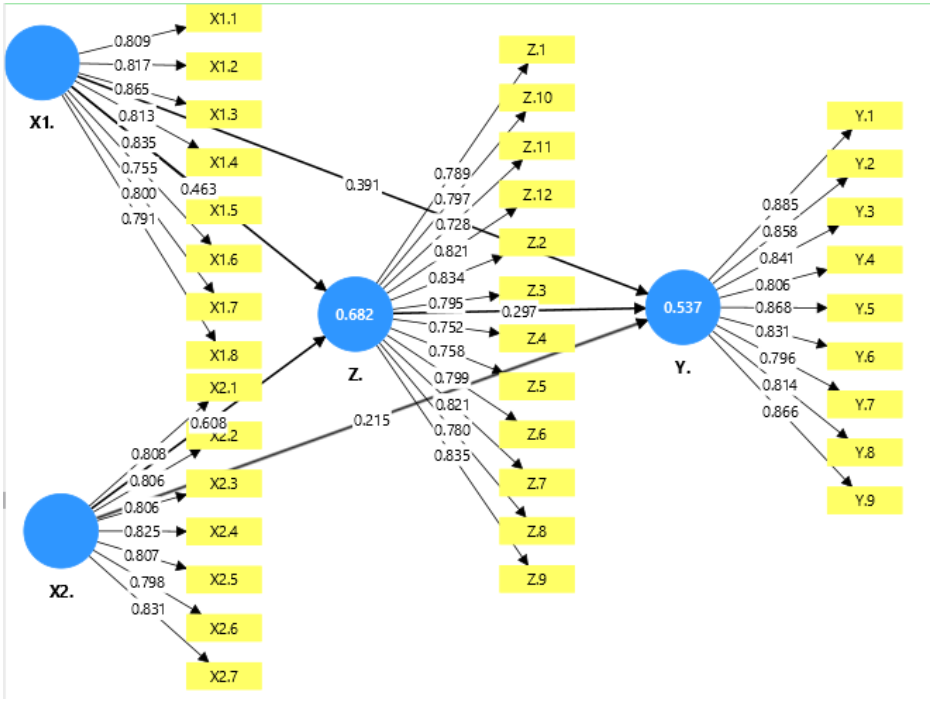


Figure 1. Outer Loading Test

2. Internal Consistency Reliability

Table 3. Construct Reliability and Validity

	Cronbach's alpha	(rho_a)	Composite reliability	Average variance extracted (AVE)
Compensation (X1)	0.926	0.930	0.939	0.658
Non-Physical Work Environment (X2)	0.914	0.916	0.931	0.659
Employee Performance (Y)	0.948	0.951	0.956	0.707
Work Motivation (Z)	0.946	0.948	0.953	0.629

Source: Data Processed by Researchers (2026)

Table 3 present the result of construct reliability and validity testing. The findings show that all constructs have Cronbach's alpha and composite reliability values exceeding the recommended threshold of 0.70, indicating strong internal consistency among the measurement items. In addition, the Average Variance Extracted (AVE) values for all variables are above 0.50, confirming adequate convergent validity. These results demonstrate that the indicators consistently and reliably measure their respective constructs, and therefore the measurement model is considered reliable and valid for further structural analysis, in line with the criteria suggested (Ghozali & Latan, 2020).

3. Discriminant Validity Test

Discriminant validity was first evaluated using the cross-loading criterion by comparing each indicator's loading on its associated construct with its loadings on other constructs. Discriminant validity is considered satisfactory when an indicator exhibits the highest loading on the construct it is intended to measure (Ghozali & Latan, 2020).

Table 4. Cross Loading

	Compensation (X1)	Non-Physical Work Environment (X2)	Employee Performance (Y)	Work Motivation (Z)
X1.1	0.809	0.115	0.455	0.495
X1.2	0.817	0.020	0.497	0.426
X1.3	0.865	0.267	0.586	0.524
X1.4	0.813	0.017	0.435	0.357
X1.5	0.835	0.080	0.473	0.391
X1.6	0.755	0.131	0.402	0.424
X1.7	0.800	0.217	0.541	0.508
X1.8	0.791	0.214	0.450	0.520
X2.1	0.141	0.808	0.331	0.514
X2.2	0.138	0.806	0.464	0.584
X2.3	0.163	0.806	0.439	0.580
X2.4	0.154	0.825	0.361	0.572
X2.5	0.112	0.807	0.350	0.528
X2.6	0.025	0.798	0.315	0.533
X2.7	0.226	0.831	0.474	0.585
Y.1	0.548	0.477	0.885	0.652
Y.2	0.531	0.399	0.858	0.543
Y.3	0.506	0.290	0.841	0.483
Y.4	0.542	0.411	0.806	0.582
Y.5	0.606	0.433	0.868	0.565
Y.6	0.450	0.389	0.831	0.593
Y.7	0.354	0.410	0.796	0.523
Y.8	0.441	0.498	0.814	0.557
Y.9	0.504	0.360	0.866	0.534
Z.1	0.502	0.479	0.537	0.789
Z.10	0.421	0.555	0.506	0.797
Z.11	0.361	0.507	0.493	0.728
Z.12	0.467	0.574	0.533	0.821
Z.2	0.525	0.582	0.627	0.834
Z.3	0.511	0.531	0.526	0.795
Z.4	0.292	0.535	0.529	0.752
Z.5	0.467	0.556	0.473	0.758
Z.6	0.449	0.539	0.527	0.799
Z.7	0.528	0.522	0.517	0.821
Z.8	0.311	0.611	0.478	0.780
Z.9	0.528	0.563	0.587	0.835

Source: Data Processed by Researchers (2026)

As presented in Table 4, all indicators show higher loading values on their respective constructs than on other construct. This indicates that each indicator has a stronger explanatory power for its own construct compared to other. Therefore, the result confirm that the measurement model satisfies discriminant validity requirements based on the cross-loading approach.

Table 5. Discriminant Validity Fornell-Larcker Criterion

	Compensation (X1)	Non-Physical Work Environment (X2)	Employee Performance (Y)	Work Motivation (Z)

Compensation (X1)	0.811			
Non-Physical Work Environment (X2)	0.173	0.812		
Employee Performance (Y)	0.597	0.487	0.841	
Work Motivation (Z)	0.568	0.688	0.668	0.793

Source: Data Processed by Researchers (2026)

The result Table 5 indicate that the square root of AVE for each construct is greater than inter-construct correlations. This confirms that each construct shares more variance with its indicators than with other constructs, thereby supporting discriminant validity.

Table 6. Discriminant Validity Heterotrait-Monotrait Ratio

	Compensation (X1)	Non-Physical Work Environment (X2)	Employee Performance (Y)	Work Motivation (Z)
Compensation (X1)				
Non-Physical Work Environment (X2)	0.191			
Employee Performance (Y)	0.626	0.514		
Work Motivation (Z)	0.596	0.738	0.701	

Source: Data Processed by Researchers (2026)

As reported in Table 6 all HTMT values fall below 0.85. These results suggest that the constructs are conceptually different and free from discriminant validity issues.

Inner Model

1. Collinearity Test

Collinearity among predictor constructs was assessed using the Variance Inflation Factor (VIF). VIF values below 5 indicate that multicollinearity does not pose a threat to the structural model estimation (Ghozali & Latan, 2020).

Table 7. Collinearity Test

	Compensation (X1)	Non-Physical Work Environment (X2)	Employee Performance (Y)	Work Motivation (Z)
Compensation (X1)			1.704	1.031
Non-Physical Work Environment (X2)			2.194	1.031
Employee Performance (Y)				
Work Motivation (Z)			1.143	

Source: Data Processed by Researchers (2026)

As presented in Table 7 the VIF range from 1.031 to 3.143, which are well below the recommended threshold. This confirms that collinearity is not a concern in the model.

2. Coefficient of Determination (R^2)

The coefficient of determination (R^2) was used to evaluate the predictive accuracy of the structural model. R^2 represents the proportion of variance in endogenous constructs explained by exogenous construct (Ghozali & Latan, 2020).

Table 8. Coefficient of Determination (R^2)

	R-square	R-square adjusted
Employee Performance (Y)	0.537	0.522

Work Motivation (Z)	0.682	0.675

Source: Data Processed by Researchers (2026)

As shown in Table 8 employee performance (Y) has an R^2 value of 0.537, indicating moderate explanatory power. This implies that 53.7% of the variance in employee performance is accounted for by Compensation (X1), Non-Physical Work Environment (X2), and Work Motivation (Z).

Work Motivation (Z) exhibits an R^2 value of 0.682, suggesting moderate predictive capability. Overall, the structural model demonstrates acceptable explanatory strength.

3. Effect Size (f^2)

Effect size (f^2) was analyzed to determine the relative impact of each exogenous construct one endogenous constructs. The magnitude of f^2 values is interpreted as small (0.02), medium (0.15), and large (0.35) (Cohen,1988).

Table 9. Effect Size (f^2)

	Compensation (X1)	Non-Physical Work Environment (X2)	Employee Performance (Y)	Work Motivation (Z)
Compensation (X1)			0.194	0.653
Non-Physical Work Environment (X2)			0.046	1.129
Employee Performace (Y)				
Work Motivation (Z)			0.061	

Source: Data Processed by Researchers (2026)

Based on Table 9 The results indicate that compensation (X1) has a medium effect on employee performance (Y) (f^2 = 0.194), suggesting that compensation contributes meaningfully to performance improvement, although it is not the primary driver. Meanwhile, the non-physical work environment (X2) shows a small effect on employee performance (f^2 = 0.046), and work motivation (Z) also demonstrates a small effect on employee performance (f^2 = 0.061). This implies that although these variables are statistically significant, their direct contributions to performance are relatively modest when evaluated individually. A more notable finding emerges in the structural path toward work motivation (Z). Compensation (X1) exhibits a large effect on work motivation (f^2 = 0.653), indicating that improvements in compensation substantially enhance employees' motivational levels. However, the non-physical work environment (X2) demonstrates an exceptionally high effect size on work motivation (f^2 = 1.129).

An f^2 value above 1.00 is categorized as very large and suggests an extremely strong explanatory contribution of the non-physical work environment to work motivation. This indicates that psychosocial workplace conditions such as leadership support, communication quality, and interpersonal relationships play a dominant role in shaping employees' motivational states within this organization. Nevertheless, such a very large effect size requires careful interpretation. An f^2 value exceeding 1.00 may indicate that the non-physical work environment accounts for a substantial portion of variance in work motivation, potentially reflecting high conceptual proximity between the constructs. It may also suggest that motivational perceptions in this organizational context are strongly embedded in daily relational experiences rather than financial considerations. Therefore, while the result confirms the dominance of psychosocial factors, it also highlights the importance of ensuring clear discriminant validity between constructs to avoid conceptual overlap.

Overall, the effect size analysis reinforces the conclusion that although compensation contributes to performance, the non-physical work environment functions as the most powerful predictor of work motivation, which in turn supports employee performance. This finding strengthens the argument that psychosocial workplace improvements should become a strategic managerial priority.

Hypothesis Testing

1. Direct Effects

Hypothesis testing was performed using the bootstrapping procedure. Statistical significance was determined base on t-statistics greater than 1.96 and p-values below 0.05 at a 95% confidence level (Ghozali & Latan, 2020).

Table 10. Total Direct Effect

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
Compensation (X1)-> Employee Performance (Y)	0.391	0.393	0.079	4.936	0.000
Compensation (X1)-> Work Motivation (Z)	0.463	0.459	0.070	6.568	0.000
Non-Physical Work Environment (X2) -> Employee Performance (Y)	0.215	0.217	0.093	2.324	0.020
Non-Physical Work Environment (X2) -> Work Motivation (Z)	0.608	0.613	0.061	10.009	0.000
Work Motivation (Z) -> Employee Performance (Y)	0.297	0.293	0.118	2.526	0.012

Source: Data Processed by Researchers (2026)

As presented in Table 10 all structural relationships are statistically significant. Compensation positively affects Employee Performance and Work Motivation. Similarly, the Non-Physical Work Environment positively influences both endogenous constructs. Work Motivation also demonstrates a significant positive effect on Employee Performance.

2. Indirect Effects

Table 11. Total Direct Effect

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
Compensation (X1)-> Employee Performance (Y)	0.137	0.135	0.059	2.340	0.019
Non-Physical Work Environment (X2) -> Employee Performance (Y)	0.181	0.180	0.076	2.376	0.018

Source: Data Processed by Researchers (2026)

Indirect effects were examined to assess the mediating role of Work Motivation. The result in Table 11 indicate that Compensation and the Non-Physical Work Environment significantly influence Employee Performance through Work Motivation. These findings confirm that Work Motivation Functions as a mediating variable within the structural model.

Discussion

The empirical findings demonstrate that compensation has a positive and significant effect on work motivation. However. The magnitude of its effect is lower than that of the non-physical work environment. This indicates that while financial rewards remain important, they are not the most dominant driver of employee motivation in this organizational context. Recent empirical studies support this interpretation. Gani et al. (2023) found that compensation influences performance indirectly through psychological variables, suggesting that financial incentives alone are insufficient to generate sustained motivational intensity. Similarly, Ananda et al. (2024) emphasize that the effectiveness of compensation depends on employees' perceptions of fairness and transparency rather than nominal value alone.

More notably, the non-physical work environment exerts a stronger influence on work motivation compared to compensation. This finding suggests the dominance of psychosocial factors in shaping employee attitudes. Dwianto et al. (2023) report that interpersonal relationships, communication quality, and leadership support significantly enhance motivational states. In the context of PT. Muawanah Al-Ma'soem, where turnover reached 35.42% and attendance levels fluctuated below 60% in several months, relational and psychological comfort factors may play a more immediate role in determining employees' willingness to remain engaged. This indicates that employees may prioritize respectful treatment, supportive supervision, and positive work climate over purely monetary considerations. The stronger role of psychosocial factors can also be interpreted in light of the Job Demands–Resources (JD-R) framework (Bakker & Demerouti, 2007), which posits that job resources such as social support and organizational climate stimulate motivation more sustainably than extrinsic rewards. In relatively small or medium-scale manufacturing organizations, daily interpersonal interactions tend to be more intensive, making the quality of the non-physical environment highly salient. Thus, in this local organizational context, motivation appears to be shaped more by relational experiences than by compensation alone.

Both compensation and the non-physical work environment were found to have direct positive effects on employee performance. However, the effect size analysis indicates that psychosocial conditions contribute more substantially to performance outcomes. This aligns with findings by Subagio et al. (2024), who argue that workplace climate influences performance not only directly but also through increased engagement and collaboration. In contrast, compensation primarily functions as a performance stabilizer rather than a performance accelerator.

Work motivation itself significantly influences employee performance, confirming its central role as an explanatory mechanism. Putra and Sutisna (2023) demonstrate that motivated employees display higher persistence, initiative, and accountability. In this study, motivation partially mediates the relationship between compensation, non-physical work environment, and performance, indicating that organizational practices influence performance both directly and indirectly through psychological processes. This mediation effect clarifies previous inconsistent findings reported by Aprisonia et al. (2025), who found weak mediation effects in different organizational settings.

Importantly, the dominance of the non-physical work environment over compensation provides a critical insight: performance improvement strategies in PT. Muawanah Al-Ma'soem should not rely solely on financial adjustments. Instead, strengthening leadership communication, fostering respectful interpersonal relationships, and enhancing organizational climate may yield more sustainable motivational and performance gains. Given the observed production decline and high turnover rate, managerial interventions should prioritize psychosocial improvements alongside equitable compensation policies.

Overall, the findings suggest that in this local manufacturing context, psychosocial work conditions function as stronger motivational drivers than financial incentives. This shifts the

managerial focus from purely economic mechanisms toward integrated human-centered management practices. By emphasizing relational quality, leadership support, and motivational reinforcement, organizations can more effectively address performance instability and workforce retention challenges.

CONCLUSION

This study confirms that compensation and the non-physical work environment significantly influence employee performance, both directly and indirectly through work motivation. Empirically, compensation contributes to enhancing employee motivation and performance; however, the non-physical work environment demonstrates a stronger influence on motivation, indicating the dominance of psychosocial factors in shaping employee attitudes within this organizational context. Work motivation functions as a significant mediating variable, explaining how organizational practices translate into performance outcomes. These findings highlight that improvements in performance are not solely driven by financial incentives but are strongly reinforced by supportive interpersonal relationships, communication quality, and organizational climate.

Theoretically, this study strengthens the behavioral perspective in human resource management by demonstrating that organizational policies affect performance through psychological mechanisms. By integrating economic determinants (compensation) and psychosocial determinants (non-physical work environment) within a PLS-SEM structural framework, this research contributes to the refinement of motivation-based performance models, particularly in manufacturing and small-to-medium enterprise contexts.

Practically, the findings imply that managerial strategies should not rely exclusively on financial adjustments. Although equitable compensation remains important, enhancing leadership support, communication effectiveness, and workplace relationships appears to generate stronger motivational impact. Therefore, organizations seeking sustainable performance improvement should adopt integrated HR policies that balance financial rewards with psychosocial work environment development.

Despite its contributions, this study has several limitations. First, the research employed a cross-sectional design, which restricts the ability to draw causal inferences over time. The relationships identified reflect conditions at a single point rather than dynamic organizational changes. Second, the use of self-report questionnaires raises the possibility of common method bias and perceptual subjectivity, even though statistical procedures were applied to minimize this risk. Third, the study was conducted in a single company, limiting the generalizability of findings to other organizational contexts, industries, or regions.

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