



## RESEARCH ARTICLE

# Exploring the Determinants of Performance Based on Human Resources Management and Work Motivation

Muthi'atul Khasanah <sup>1\*</sup> | Muammar Afif Al Qusaeri <sup>2</sup> | M. Wahab Khasbulloh <sup>3</sup> | Wiliyanto <sup>4</sup>

<sup>1\*,2,3,4</sup> Faculty of Economics and Business,  
Universitas Bhamada Slawi, Tegal Regency, Central  
Java, Indonesia.

### Correspondence

<sup>1</sup> Faculty of Economics and Business, Universitas  
Bhamada Slawi, Tegal Regency, Central Java,  
Indonesia.  
Email: mutiahb@gmail.com

### Funding information

Universitas Bhamada Slawi.

### Abstract

This study aims to analyze the influence of human resources management and work motivation on employee performance at CV Guna Dharma Klaten. This study used a quantitative approach with a survey method. Respondents consisted of 97 CV Guna Dharma Klaten employees selected using a census technique. The research instrument was a questionnaire measured using a 5-point Likert scale. Data were analyzed using Partial Least Squares (PLS) using SmartPLS 4 software to test the direct relationship between variables. The results indicate that human resources management and work motivation have a significant positive effect on employee performance. The practical implication of this study is the need for an HRM strategy that emphasizes creating work motivation to strengthen employee engagement, thereby achieving sustainable performance improvement. This research contributes to the development of a conceptual model in the field of human resource management to understand the mechanisms for improving employee performance.

### Keywords

Human Resources Management; Motivation; Performance; Employees.

## 1 | INTRODUCTION

Human resource performance has become a crucial determinant of competitive advantage in the modern business landscape. Organizations that effectively harness the potential of their employees often achieve superior performance, remain adaptable to market fluctuations, and sustain long-term success. Employee performance is defined as the degree to which work outcomes meet or exceed the standards and objectives set by the organization. Key performance indicators include aspects such as quantity, quality, punctuality, and the capacity to adjust to changes (Armstrong, 2020). According to Mangkunegara (2021), optimal performance emerges from a blend of skills, knowledge, motivation, and a supportive work environment. Several factors influence employee performance, among which Human Resources Management (HRM) practices and work motivation play pivotal roles. HRM strategies, including recruitment, training, development, and performance evaluation, are fundamental to enhancing employee skills and creating a conducive work atmosphere. In addition, motivation remains a significant factor driving employees to achieve organizational goals. When motivated, employees are more likely to deliver higher levels of productivity, demonstrate strong commitment, and experience greater job satisfaction. Understanding the interplay between HRM practices and motivation is essential for organizations seeking to boost employee performance and maintain a competitive edge in a constantly evolving market.

Human resources are the most valuable asset for any company or organization today. Their role is essential in driving operational success and achieving organizational goals (Aisyaturrida *et al.*, 2021). The quality of human resources significantly impacts task execution, as the effectiveness of any process depends on the skills and capabilities of the people involved. Organizations are constantly focused on improving the quality of their workforce to achieve both short-term and long-term objectives. One of the primary functions of human resource management is ensuring high service delivery, which directly influences overall company performance. The quality of service provided to customers is often a reflection of employees' abilities and competencies. Good service indicates that employees are well-equipped to handle their responsibilities effectively. The success of the company can often be gauged by how well employees contribute to its goals. Creating a strong organizational culture requires effective human resource management practices. By aligning people with the right skills, knowledge, and motivation, companies can foster a supportive work environment that encourages both individual growth and organizational success. When management and HR practices are in harmony, it becomes easier to build a cohesive company culture. Investing in human resources allows organizations to remain competitive and thrive in an ever-changing business environment (Afif *et al.*, 2023).

Work motivation plays a key role in linking organizational conditions to actual work behavior. It refers to both internal and external drives that encourage individuals to take action, maintain effort, and direct their behavior toward achieving organizational goals. Caissar *et al.* (2022) point out that work motivation is essential for individuals to meet targets or accomplish objectives within their roles. When employees are motivated, they are more likely to stay focused, productive, and committed, which benefits the organization as a whole. Empirical studies consistently demonstrate that motivation positively influences employee performance (Norkhalisah *et al.*, 2024). These findings underline the critical role that motivation plays in driving performance, affecting productivity, job satisfaction, and the quality of work. However, the relationship between motivation and performance is often complex, shaped by various individual and organizational factors, such as the work environment, leadership approach, and personal goals. Motivation can come from both intrinsic and extrinsic sources, and understanding how these forces interact is vital for organizations aiming to improve employee performance. By creating an environment that supports both types of motivation, organizations can encourage employees to perform at their best, leading to improved outcomes across the board.

This study aims to analyze the impact of human resource management and work motivation on employee performance at CV Guna Dharma Klaten, using a quantitative approach and PLS-SEM for hypothesis testing. The model is expected to fill gaps in both methodology and empirical evidence found in existing research, providing valuable insights for human resource management practices in similar organizations. By examining how HR practices and motivation influence employee performance, the research aims to offer practical recommendations that can help improve organizational effectiveness. The results are expected to benefit businesses looking to enhance their human resource strategies and boost overall performance.

## 2 | BACKGROUND THEORY

### Human Resources Management and Employee Performance

Companies or organizations cannot survive without human labor, even if they possess significant capital and advanced technology. Without human support as a resource, technological progress will not achieve the company's goals (Wulandari *et al.*, 2023). Employee performance can be influenced by human resource management. Human resource planning is the best method to meet the company's needs. One management approach, known as competency-based human resource management, aligns human resource activities within an organization with key competencies that should

be prioritized (Susilo, 2020). Efforts to improve the quality of company services are based on human resource management and the organization's corporate culture, which aims to meet the needs and expectations of the public by providing high-quality services (Zainurrafiqi & Gazali, 2024). Human resource management (HRM) plays a crucial role and is part of overall management, starting with recruitment, including human resource planning, job analysis to determine the most suitable positions, and training and development. Previous research by Amjad *et al.* (2021) and Mardianty & Sari (2025) found that HRM has a significant impact on employee performance. By improving the quality of human resources, the performance of the company will also improve. H1: Human Resource Management has an effect on Employee Performance.

### Work Motivation and Employee Performance

Work motivation is one of the key factors determining the level of performance achievement. Employees with high motivation tend to work with enthusiasm, are target-oriented, and remain consistent in completing tasks. Work motivation is the driving force that directs, sustains, and enhances an individual's behavior in performing tasks to achieve specific goals. Ryan & Deci (2020) differentiate work motivation into intrinsic motivation, which comes from personal satisfaction in carrying out tasks, and extrinsic motivation, which is influenced by external factors such as salary, rewards, and promotions. In the context of an organization, work motivation plays a crucial role in determining productivity levels, work quality, and employee engagement (Gagné *et al.*, 2019). Research by Loon *et al.* (2020) shows that high work motivation can improve the speed and quality of task completion. Furthermore, Self-Determination Theory explains that intrinsic motivation tends to be more enduring and positively impacts psychological well-being compared to motivation focused solely on external rewards. Work motivation is also strongly linked to performance. Employees with high motivation tend to view their work positively, feel more satisfied, and are committed to delivering their best results (Spector, 2021). Additionally, work motivation can be a key determinant of an organization's success in achieving its strategic goals. Previous research by Norkhalisah *et al.* (2024) indicates that work motivation influences employee performance. H2: Work motivation has an effect on employee performance.

## 3 | METHOD

This study uses a quantitative approach with a survey method. Respondents include employees of CV Guna Dharma Klaten, selected through a census technique, resulting in a total of 97 participants. The data collection tool is a questionnaire using a 5-point Likert scale to measure responses. Data analysis is performed using Partial Least Squares (PLS) with the SmartPLS 4 software to examine the direct relationships between the variables. The quantitative approach allows for gathering numerical data that can be analyzed statistically to uncover patterns and relationships among the variables involved. A 5-point Likert scale was chosen for the questionnaire to capture varying levels of agreement or disagreement on statements related to human resource management, work motivation, and employee performance. This scale is commonly used in research to provide structured responses across a range of opinions. By using a census technique, the study ensures that every employee at CV Guna Dharma Klaten is included, eliminating sampling bias and ensuring that the findings represent the entire workforce. Including all employees in the sample also enhances the validity of the study. PLS analysis is ideal for this study because it allows for testing complex relationships between multiple variables and can handle smaller sample sizes effectively. Using SmartPLS 4, the research will test the direct effects of human resource management and work motivation on employee performance, offering valuable insights into the factors influencing performance at CV Guna Dharma Klaten.

## 4 | RESULTS AND DISCUSSION

### 4.1 Results

The outer loading values indicate how well the observed indicators relate to their respective latent variables. For Employee Performance, the indicators KK1 (.889), KK2 (.903), and KK3 (.898) all show strong loadings, suggesting that these indicators effectively measure the underlying construct. For Human Resources Management, the indicators HRM1.1 (.912), HRM1.2 (.814), and HRM1.3 (.823) also display strong relationships with the latent variable, with HRM1.1 having the highest loading, reflecting its significant role in measuring HRM. In Work Motivation, the indicators WM1.1 (.870), WM1.2 (.837), and WM1.3 (.918) show good loadings, with WM1.3 being the highest. This suggests that this indicator plays a key role in assessing work motivation. The outer loading values demonstrate that the indicators are reliable in measuring their respective latent variables, ensuring the quality of the measurement model.

Table 1. Outer Loading Results

Variable	Indicator	Outer Loading
Employee Performance	KK1	.889
	KK2	.903
	KK3	.898
Human Resources Management	HRM1.1	.912
	HRM1.2	.814
	HRM1.3	.823
Work Motivation	WM1.1	.870
	WM1.2	.837
	WM1.3	.918

Based on Table 1, all indicators in the study have outer loading values above 0.70, which indicates that each indicator demonstrates good convergent validity in measuring its respective construct. This shows that the measurement model is effective in capturing the intended latent variables. Higher outer loading values suggest a stronger relationship between the observed indicators and the constructs they represent. These findings align with the standard criteria for convergent validity in PLS-SEM analysis, where values above 0.70 are considered acceptable.

The results indicate that all variables meet the necessary requirements for reliability and convergent validity, confirming the robustness of the measurement model. This is essential in ensuring that the constructs accurately reflect the phenomena they are meant to measure. Valid indicators also strengthen the reliability of the research findings. In addition, an R-Square analysis was performed to determine how much of the variability in the dependent variables can be explained by the independent variables in the model. A high R-Square value suggests that the model is effective in explaining the observed phenomenon. Table 2 provides the results of the R-Square test for each dependent variable, offering a clear picture of the model's explanatory power. This helps to understand how well the independent variables account for the variations in the dependent variables and illustrates the model's effectiveness in explaining the data.

Table 2. R-Square test results

Variable	R-Square Adjusted
Employee performance	.638

Based on Table 2, the R-Square ( $R^2$ ) value shows how much the independent variables explain the dependent variable in the research model. Employee Performance has an adjusted  $R^2$  value of 0.638, indicating that 63.8% of the variation in employee performance is explained by the independent variables in the model. This suggests that the independent variables have a moderate impact on explaining employee performance. While the model does a good job of capturing the factors that affect performance, other unmeasured factors may still contribute to the remaining variation. The  $R^2$  value demonstrates that the model offers a solid understanding of the factors influencing employee performance, though it is not all-encompassing.

Table 3. Path Coefficients

Variable	Original sample	t Statistic	P value
Human Resources Management – Employee Performance	.480	5.516	.001
Work Motivation – Employee Performance	.264	2.814	.003

Based on Table 3, all relationships between variables show p-values below 0.05, indicating statistical significance. The relationship between Human Resources Management and Employee Performance at CV Guna Dharma Klaten has a total coefficient of 0.480 with a p-value of 0.001, suggesting a highly significant positive impact. Meanwhile, the effect of Work Motivation on Employee Performance at CV Guna Dharma Klaten has a total coefficient of 0.264 with a p-value of 0.003, which is also significant. Overall, these findings confirm that both human resources management and work motivation contribute to improving employee performance at CV Guna Dharma Klaten, and the results are statistically significant.

## 4.2 Discussion

The data analysis findings reveal that Human Resources Management significantly influences employee performance at CV Guna Dharma Klaten. This indicates that the better the Human Resources Management, the better the employee performance, as effective HRM provides support and motivation to employees to behave and act in accordance with the company's rules and regulations. Human Resources Management serves as the HR management function that oversees human resources as effectively as required by the company. HRM is a part of general management that focuses on

managing human resources. Companies must carry out HRM to determine the quality and quantity of human resources needed. HRM also includes the recruitment process and specialized training to select potential, skilled, and responsible candidates for positions. This study is supported by research from Amjad *et al.* (2021) and Mardianty & Sari (2025), which found that HRM significantly affects employee performance. Therefore, Human Resources Management can be said to influence employee performance, as employees' needs begin with the human resources requirements, managed through training and management to enhance performance.

The study also shows that work motivation positively affects employee performance at CV Guna Dharma Klaten. Employees with high motivation, both intrinsic and extrinsic, will strive to complete their work well and on time. Self-Determination Theory (Deci & Ryan, 1985) explains that intrinsic motivation, driven by interest, challenge, and personal satisfaction, can result in higher-quality performance compared to motivation driven solely by external factors. In an organizational setting, motivation fostered through opportunities for development, recognition of achievements, and a supportive work environment encourages employees to consistently perform at their best. These findings are consistent with research by Norkhalisah *et al.* (2024), which shows that work motivation plays a critical role in improving performance, whether through increased creativity, commitment, or proactive behavior.

## 5 | CONCLUSIONS AND FUTURE WORK

The findings of this study show that both Human Resources Management and work motivation have a significant positive impact on employee performance at CV Guna Dharma Klaten, both individually and together. Strong Human Resources Management plays an essential role in directly enhancing employee performance by providing the necessary support, training, and resources for employees to succeed in their roles. Likewise, high work motivation contributes directly to improved performance, as motivated employees are more focused, productive, and committed to achieving their goals. These results emphasize the importance of HR strategies that focus on improving Human Resources Management and boosting work motivation. By developing effective HR practices and fostering a motivating environment, companies can see lasting improvements in employee performance. This can be achieved through better recruitment processes, targeted training, employee recognition, and creating a culture that supports engagement and job satisfaction. Ultimately, the combination of solid HRM practices and motivated employees is crucial for achieving organizational success. Companies that invest in both areas are likely to see higher productivity, innovation, and employee retention. The research suggests that continuous evaluation and improvement of HR practices, along with strategies that enhance motivation, will lead to long-term positive outcomes in employee performance.

## REFERENCES

- Afif, M., Mariyanti, T., Septiani, N., & Dolan, E. (2023). Factor affecting employee motivation to increase performance of sharia banks in Indonesia on Islamic perspective. *ATM: Aptisi Transactions on Management*, 7(2), 131–142. <https://doi.org/10.33050/atm.v7i2.1860>
- Aisyaturrido, Wibowo, I., & Nuridin. (2021). The effect of leadership and work environment on job satisfaction through motivation as a mediation variable in PT. Trinitan Plastic Industries. *International Journal of Business and Social Science Research*, 2(2), 7–15. <https://doi.org/10.47742/ijbssr.v2n2p2>
- Armstrong, M. (2020). *Armstrong's handbook of human resource management practice* (15th ed.). Kogan Page.
- Amjad, F., Abbas, W., Zia-UR-Rehman, M., Baig, S. A., Hashim, M., Khan, A., & Rehman, H. ur. (2021). Effect of green human resource management practices on organizational sustainability: The mediating role of environmental and employee performance. *Environmental Science and Pollution Research*, 28(22), 28191–28206. <https://doi.org/10.1007/s11356-020-11307-9>
- Caissar, C. *et al.* (2022). Pengaruh motivasi kerja dan disiplin kerja terhadap kinerja karyawan pada PT. Antam Tbk (UIBPEI) Pongkor. *Acman: Accounting and Management Journal*, 2(1), 11–19.
- Deci, E. L., Olafsen, A. H., & Ryan, R. M. (2017). Self-determination theory in work organizations: The state of a science. *Annual Review of Organizational Psychology and Organizational Behavior*, 4, 19–43. <https://doi.org/10.1146/annurev-orgpsych-032516-113108>

- Gagné, M., Tian, A. W., Soo, C., Zhang, B., Ho, K. S. B., & Hosszu, K. (2019). Different motivations for knowledge sharing and hiding: The role of motivating work design. *Journal of Organizational Behavior*, 40(7), 783–799. <https://doi.org/10.1002/job.2364>
- Loon, M., Otae-Ebede, L., & Stewart, J. (2020). The paradox of employee psychological well-being practices: An integrative literature review and new research agenda. *The International Journal of Human Resource Management*, 31(22), 2761–2793. <https://doi.org/10.1080/09585192.2018.1479877>
- Mangkunegara, A. P. (2021). *Manajemen sumber daya manusia perusahaan* (5th ed.). PT Remaja Rosdakarya.
- Mardianty, D., & Sari, A. J. (2025). The effect of career development and work motivation on employee performance in a transportation agency. *Jurnal Ilmiah Manajemen Kesatuan*, 13(4), 2245–2256. <https://doi.org/10.37641/jimkes.v13i4.3269>
- Norkhalisah, Budiman, A., & Noorrahman, M. F. (2024). Pengaruh motivasi kerja terhadap kinerja pegawai pada Dinas Pendidikan dan Kebudayaan Kabupaten Balangan. *Jurnal MSDM*, 1(2), 276–280.
- Ryan, R. M., & Deci, E. L. (2020). Intrinsic and extrinsic motivation from a self-determination theory perspective: Definitions, theory, practices, and future directions. *Contemporary Educational Psychology*, 61, 101860. <https://doi.org/10.1016/j.cedpsych.2020.101860>
- Spector, P. E. (2021). *Job satisfaction: Application, assessment, cause, and consequences* (4th ed.). SAGE Publications.
- Susilo, D. (2020). Revealing the effect of work-from-home on job performance during the COVID-19 crisis: Empirical evidence from Indonesia. *The Journal of Contemporary Issues in Business and Government*, 26(1), 23–40. <https://doi.org/10.47750/cibg.2020.26.01.002>
- Wulandari, E., Adiba, E. M., & Septiana, N. I. (2023). Determinants of job satisfaction and job performance among staff of Islamic banks. *JISEL: Journal of Islamic Economic Laws*, 6(2), 89–109. <https://doi.org/10.23917/jisel.v6i2.21476>
- Zainurrafiqi, & Gazali. (2024). Supply chain digitalization, green supply chain, supply chain resilience toward competitiveness and MSMEs performance. *JAM: Jurnal Aplikasi Manajemen*, 22(1), 175–192. <https://doi.org/10.21776/ub.jam.2024.022.01.14>

How to cite this article: Khasanah, M., Qusaeri, M. A. A., Khasbulloh, M. W., & Wiliyanto. (2025). Exploring the Determinants of Performance Based on Human Resources Management and Work Motivation. *Indonesian Journal Economic Review (IJER)*, 5(2), 311–316. <https://doi.org/10.59431/ijer.v5i2.627>