

**THE RELATIONSHIP BETWEEN INCENTIVES AND
ORGANIZATIONAL PERFORMANCE FOR EMPLOYEES: THE STUDY
OF ISLAMIC PRIVATE UNIVERSITIES IN YOGYAKARTA**

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THE RELATIONSHIP BETWEEN INCENTIVES AND ORGANIZATIONAL PERFORMANCE FOR EMPLOYEES: THE STUDY OF ISLAMIC PRIVATE UNIVERSITIES IN YOGYAKARTA

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ABSTRACT

This study is a quantitative research and aimed to discover the influence of financial incentives and moral incentives toward learning and growth, internal business process, and employees' effort to reach customer satisfaction by employees as the media of organizational performance of three biggest Islamic private universities in Yogyakarta. There are 205 respondents who are working as administrators and lecturers in this research. This study used survey data collection method through questionnaires with a six points likert scale model as the data collection instrument. The data were analyzed by using Classic assumptions test analysis, t test analysis, and f test analysis utilizing SPSS version 25.0. The results of this study showed that (1) financial incentives and moral incentives have a significant relationship toward learning and growth, (2) financial incentives and moral incentives have a significant relationship toward internal business process, (3) financial incentives and moral incentives have a significant relationship toward employees' effort to reach customer satisfaction, (4) financial incentives and moral incentives have a significant relationship toward learning and growth, internal business proses, and employees' effort to reach customer satisfaction as the mediums of organizational performance.

Keywords : *incentives, organizational performance, education, Islamic private universities of Yogyakarta*

I. INTRODUCTION

With diminishing Organizational performance, it is rarely possible for a company to have enough resources to fulfil the needs of its clients. Furthermore,

with diminishing number of clients, the company income will decrease and it will be hard for the company to run well. Soon, the company will experience loss and may not sustain in the market. Therefore, it is important for the company to concern with its organizational performance (Dess and Robinson, cited in Richard, Devinney, Yip, and Johnson, 2009). Moreover, in global era, organizational performance becomes crucial whereas company has to run in a dynamic way and follows rapid changes of the market (Kasarda and Rondinelli 2009; Vosloban 2012).

Referring to Antony and Bhattacharyya (2010) statement, an organizational performance is defined as a gauge of how well an organization's management is and how much value did customers and other stakeholders gain from the organization's management is. It is a measure of the organization results (actual output) compared to its visions, missions, goals, and objectives (intended output). There are four factors used to analyse an organizational performance based on Kaplan and Norton's balance scorecard method. There are financial perspective, innovation and learning perspective, customer perspective, and internal business perspective (Snell and Bohlander, 2013, p.76).

These perspective can be measured by analyzing the employees' performance. A great competitive company can be represented from satisfied, highly-motivated, and loyal employees (Gabčanová, 2011, p.1). Employee incentives is one of factors to reach employees' satisfaction in job. The incentives are rewards or feedback given because the positive desired behavior is presented (Dalkir, 2005). By giving incentives, employee would tend to continue to presents performance associated with positive rewards and avoid performance that lead to negative consequences or punishment. According to Dalkir (2005), incentives are divided into three common classes which are remunerative or financial incentives, moral incentives, and coercive incentives.

Correspondently, the incentives may have impact to create relationship with organizational performance. A few researches studying about this problem especially with research site in Islamic private university. Wherein, this private

university applied religion, morality, and ethical became the primer foundation for university to establish organizational performance. Therefore, there is a possibility that these universities enhance more rewards regarding appreciation and recognition than material rewards to apply their foundation.

II. LITERATURE REVIEW

Financial incentives

Financial incentives are motivation drivers in form of material or money that are given to an individual to reward his/her surpass achievement and for behavior change purpose in order to lead and to keep the individual behavior to act like what had been desired and simultaneously rose the productivity of that individuals themselves (Al-Otaibi, 2017, p.58; Dessler, 2003).

Olubusayo, Stephen and Maxwell (2014) called financial incentives as monetary incentives and defined that monetary incentives were adopted in the organization to motivate and increase the workers' performance. The monetary incentive is utilized to portray incentive-payment plans which tied incentives directly or indirectly to productivity standard. The monetary incentive itself can be formed into two kinds of things which are direct compensation and indirect compensation. The direct compensation has three forms which are basic salary, commission, and bonus. While, the indirect compensation has six forms which are insurance, profit sharing, retirement plan, overtime pay, travel expense, and subsidized housing.

Moral incentives

Moral incentives are motivation drivers not in form of material or money but more into psychology appreciation and recognition that are given to an individual to reward his/her surpass achievement and for behavior change purpose in order to lead and to keep the individual behavior to act like what had

been desired and simultaneously raised the productivity of that individuals themselves (Jeffords, Scheidt and Thibadoux,1997; Martin, 2010).

Olubusayo, et al. (2014, p.65) used word “non-monetary incentives” as moral incentives and defines that moral incentives are opportunity reward for worker’s excellent job. It can be form into two kinds of things which are tangible nonmonetary incentives and intangible monetary incentives. The tangible nonmonetary incentives can be divided into three forms which are treats, award, and knick-knacks. While the intangible nonmonetary incentives can be divided into two forms which are social reward and task-related reward. The example of social rewards are informal recognition and verbal recognition. While the example of task-related rewards are more responsibility, job rotation, training and development

Organizational Performance

Organizational performance is a gauge of organization output to identify how well an organization’s management and value pillared from the perspective of learning and growth, employees’ effort to reach customer satisfaction, and internal business (Kaplan and Norton,1992, p.79;Miller,2007;Antony and Bhattacharyya, 2010, p.43; Adlouni, 2002, in Al-Nsour 2002, p.89).

The financial perspective has objectives to improve cost structure, grow revenues, and gain more profitability by measuring the market value, revenue, sales, cash flow, operating income, profitability, growth, and shareholder value, return in equity and other financial measurement (Kaplan and Norton, 1992, p.77; Snell and Bohlander, 2013).

The innovation and learning perspective focuses on creating ability to change company in short time, with escalating growth, and increase shareholder’s value. The company should have ability to improve employees’ skills, knowledge, ability and innovation that ties directly with company’s value (Kaplan and

Norton, 1992, p.76). The idea of this perspective is to find the way to be sustained regarding change and improvement.

The customer perspective has objectives to increase the number of customer, increase the value deliver to customer, and customer satisfaction by measuring number of customers, new stores, repeat customers, on time delivery, and other customer measurement directly. Customer perspective focuses on time, quality, performance, service, cost, and delivery (Kaplan and Norton, 1992, p.73).

While, the internal perspective has main factors to be measured which are cycle time, quality employee, skills, and productivity (Kaplan and Norton, 1992, p.75). Total Quality Management, product development cycle, and diminishing time to process customer orders, retailer orders, production, delivering, receiving and other supply chain process can be used as the internal business perspective measurement.

Hypothesis Development

a. Financial Incentives and Learning and Growth

The financial incentives such as bonus for successful idea in individual activities improve problem solving activities in learning (Kerrin and Oliver (2002). Financial incentives encourages innovative technology for organization productivity (Ravi, 2105; Sarwar and Abugre's, 2013). These incentives increase employee's creativity to generate more idea and improve the quality of the ideas submitted (Frey et al, 2013). Schncekenberg (2014) found that financial incentives based on corporate culture towards the open innovation paradigm that will improve crowdsourcing benefits and collective intelligence projects for corporate innovation.

H1: There is a significant relationship between financial incentives and learning and growth in Islamic private universities in Yogyakarta.

b. Moral Incentives and Learning and Growth

The moral incentives have a significant relationship toward learning and growth of company (Al-Nsour (2012). Innovative technology in organization productivity and can be encouraged by giving moral incentives and intrinsic benefits to employee (Ravi's, 2015). Promotions, employee training, and continuous appraisal toward employees' work to bring more innovation in company (Sarwar and Abugre's, 2013). Furthermore according to Schncekenberg's research (2014), moral incentives that dedicated based on open innovation give long-term positive effect on open innovation behavior in company compared to financial incentives. The high or moderate moral incentives influence long-term impact and company innovativeness (Barros and Lazzarini, 2012).

H2: There is a significant relationship between moral incentives and learning and growth in Islamic private universities in Yogyakarta.

c. Financial and Moral Incentives toward Learning and Growth

Association between moral incentives and financial and organizational performance of learning and growth in universities (Hussain, Shah, and Raza, 2012). In today's global era, the incentives should be integrated with goals for improvement in cost reduction, high quality service, and knowledge in order to gain competitive advantage (Hussain, Shah, and Raza, 2012). Financial incentives and moral incentives affect the learning and growth performance of the administrative staff (Al-Otaibi, 2017). Correspondently, lack of financial incentives satisfaction will decrease learning and growth performance. There should be an adequate plus fair compensation and material rewards. A balance appropriate financial incentives and moral incentives should be provided according with the roles and effectiveness of the incentives to create a higher

accomplishment, interest, and successful of work in learning and growth (Osa, 2014).

H3: There is a significant relationship between financial incentives and moral incentives toward learning and growth in Islamic private universities in Yogyakarta.

d. Financial Incentives and Internal Business Process

The financial incentives have a significant relationship toward internal business process of company (Al-Nsour (2012). Financial incentives stimulate employees to follow the job quality standard, keep the quality service, be more focus at work, esteem hard work and efficient in work (Alfandi and Alkawsawneh's, 2014). These incentives improves company's supply chain and works well (Narayana and Raman's, 2004). Research by Sarwar and Abugre's (2013) found that there is a significant roles of financial incentives toward employees' work to be more accurate, convenient, and punctual at work. The financial incentives also encourage employees' coordination and integration, reduce employees' unnecessary services, and improve efficiency for savings deprived of quality decrease (Korda and Eldrige's, 2011).

H4: There is a significant relationship between financial incentives and internal business process in Islamic private universities in Yogyakarta.

e. Moral Incentives and Internal Business Process

The moral incentives have a significant relationship toward internal business process of universities organizational performance (Al-Nsour (2012). Moral incentives stimulate employees to follow job instructions and regulation at work better (Alani and Alkawsawneh's, 2014). Nyaribo and Naykundi (2016) research found that resulted that moral incentives will promote employees' performance in area of efficiency, effectiveness at work process, and service delivery. These

incentives reduce mistakes at work, reduce delay form work, improve work performance, excel in work, have ability to solve problems, and commit more in achieving work objectives accurately and objectively (Al Otaibi, 2017).

H5: There is a significant relationship between moral incentives and internal business proses in the Islamic University of Indonesia in Yogyakarta.

f. Financial Incentives and Moral Incentives toward Internal Business Process

The financial incentives and moral incentives have a significant relationship toward internal business process of universities organizational performance (Al-Nsour, 2012). Association between moral incentives and financial and organizational performance of internal business process in universities (Hussain, Shah, and Raza, 2012). Financial and moral incentives also improve the internal business process for employees in the universities to work more efficient and effective in performing their task (Luccas, Olaniyi, and Peter, 2016). Correspondently, the research by Obeidat and Dwairi (2015) found that a low financial incentives and moral incentives will lead to low organizational performance in internal business process by librarian. A lack of financial incentives satisfaction will decrease the internal business process performance (Al-Otaibi, 2017). There should be an adequate plus fair compensation and material rewards. Also, providing moral support and moral life are important to support internal business process of organizational performance.

H6: There is a significant relationship between financial incentives and moral incentives towards internal business proses in Islamic private universities in Yogyakarta.

g. Financial Incentives and Customer Satisfaction

The financial incentives have a significant relationship toward employees' effort to reach customer satisfaction of company (Al-Nsour, 2012). Financial incentives leads to improve more in providing excellent service to the customers (Hyken's, 2017; West, et al., 2005; Hauser, Simester, and Wenerfelt's, 1994). Basuroy, Gleason, and Kannan (2014) found that financial incentives as long term incentives compensation has positive relationship toward customer satisfaction for a better firm value. Customer service can be advanced because the managers' gain proper financial incentives that align with employee's and organization's interests (Castellaneta's, 2016). Moreover, financial incentives in forms of allowances and incentive package regarding employee satisfaction which leads to increase customer satisfaction, good customer service, and customer loyalty (Sarwar and Abugre, 2013).

H7: There is a significant relationship between financial incentives and employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta.

h. Moral Incentives and Customer Satisfaction

The moral incentives have a significant relationship toward customer satisfaction of company (Al-Nsour, 2012). Moral incentives leads to increase customer satisfaction, good customer service, and customer loyalty (Sarwar and Abugre, 2013). The high certificate of appreciation award, praise, nomination, job redesign, and more job autonomy given to employees encourage customer satisfaction (Hasan and Subhani, 2011). Naseem, Sheikh and Malik's (2011) found that appropriate moral incentives are intensively encourage them to work perseverance helpful, friendly, and attentive in customer service and capturing other attention of maximum customer. The moral incentives can reduce customer complaints on quality and impact to increase the product supply (Nandanwar et al., 2010).

H8: There is a significant relationship between moral incentives and employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta.

i. Financial Incentives and Moral Incentives toward Customer Satisfaction

The financial incentives and moral incentives have a significant relationship toward employees' effort to reach customer satisfaction of universities organizational performance (Al-Nsour, 2012). Association between moral incentives and financial and organizational performance of employees' effort to reach customer satisfaction (Hussain, Shah, and Raza, 2012). A low financial incentives and moral incentives will lead to low organizational performance in employees' effort to reach customer satisfaction by employee (Obeidat and Dwairi, 2015). Financial incentives and regular expression of appreciation by managers to employees, and special amenities adjusted with particular cultural norms will improve employees' effort to reach customer satisfaction organization performance (Allen, et al., 2016).

H9: There is a significant relationship between financial incentives and moral incentives toward employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta.

j. Financial Incentives and Moral Incentives toward Learning and Growth, Internal Business Process, and Customer Satisfaction as mediums of Organizational Performance

Association between moral incentives and financial and organizational performance in universities (Hussain, Shah, and Raza, 2012). Financial and moral incentives also improve the employees' organizational performance in the universities (Luccas, Olaniyi, and Peter, 2016). Whereas, employees work more

efficient and effective in performing their task, give more superior performance, better in dealing customer satisfaction, and more productive. Both incentives affect the organizational performance of the administrative staff and lack of financial incentives satisfaction will decrease organizational performance (Al-Otaibi, 2017). There should be an adequate plus fair compensation and material rewards. Research by Dinah, et al. (2016) research found that high extrinsic rewards without adequate intrinsic rewards to employee cannot improve the organization performance.

H10: There is a significant relationship between financial incentives and moral incentives toward learning and growth, internal business proses and employees' effort to reach customer satisfaction as mediums of organizational performance in Islamic private universities in Yogyakarta.

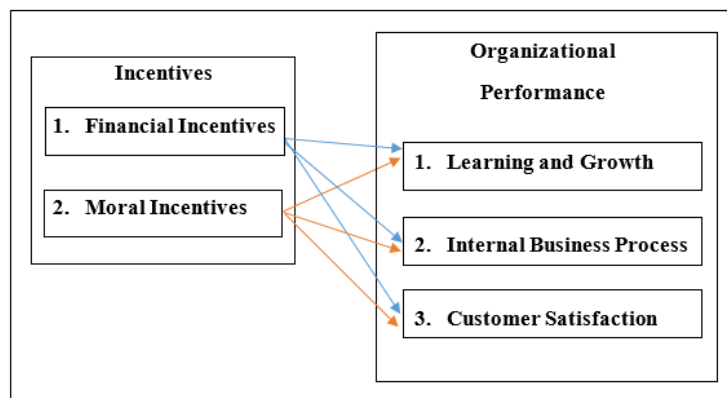


Figure 1. Theoretical Framework of “The Relationship between Incentives and Organizational Performance for Employees: The Study of Islamic Private Universities in Yogyakarta” Research.

III. RESEARCH METHODOLOGY

In this testing hypotheses study of quantitative research, data on the two independent variables and the three dependents variables were collected from employees of three big Islamic universities of Indonesia in Yogyakarta. The primary data were gained through questionnaire. While the secondary data were

gain through scholarly journal articles, conference paper, document from scholarly website, and scholarly website.

Population and sample

The population for the study to be comprised of employees from three big Islamic private universities in Yogyakarta. The name of those universities are confidential. The individuals who responded to the survey are employees who have direct relation with student in academic terms. Hence, the respondents are employees actively working as administrative employees and lecturers. A disproportionate random sampling procedure of 7% was used in this study and the total sample size was 205 respondents from population of 2608 employees.

Data collection method

This study used survey data collection method through questionnaires with a six points likert scale model as the data collection instrument. The scale divided into six scales which are 6= strongly agree; 5= agree; 4= slightly agree; 3= slightly disagree; 2= disagree; 1= strongly disagree. Questionnaires were distributed to 360 employees in Bahasa Indonesia language and 205 questionnaires were completed then further used as the valid and reliable data. The study instrument was taken from the previous study by Al-Nsour (2012) which was reliable and has been validated.

Data Analysis Method

The data that had been collected analysed using Statistical Packages for Social Sciences (SPSS) version 25.0 program for a descriptive analysis and test hypotheses. The analysis method are statistic descriptive analysis, validity test, reliability test, t test, F test.

IV. FINDINGS AND DISCUSSION

FINDINGS

Reliability Test Result

Table 1

Reliability Test Result

Statements	Cronbach's Alpha	Remark
Financial Incentives	0.834	Reliable
Moral Incentives	0.861	Reliable
Learning and Growth	0.873	Reliable
Internal Business Proses	0.905	Reliable
Customer Satisfaction	0.879	Reliable

*Sources: processed primary data, year 2018

Validity Test Result

Table 2

Validity Test Result

Financial Incentives				Learning and Growth			
Item	r count	Sig.	Remark	Item	r count	Sig.	Remark
X1.A1	0.464	0.000	Valid	Y1.C1	0.777	0.000	Valid
X1.A2	0.684	0.000	Valid	Y1.C2	0.581	0.000	Valid
X1.A3	0.640	0.000	Valid	Y1.C3	0.800	0.000	Valid
X1.A4	0.738	0.000	Valid	Y1.C4	0.814	0.000	Valid
X1.A5	0.725	0.000	Valid	Y1.C5	0.778	0.000	Valid
X1.A6	0.711	0.000	Valid				
X1.A7	0.657	0.000	Valid				
Moral Incentives				Internal Business Proses			
Item	r count	Sig.	Remark	Item	r count	Sig.	Remark
X2.B1	0.675	0.000	Valid	Y2.D1	0.758	0.000	Valid
X2.B2	0.751	0.000	Valid	Y2.D2	0.796	0.000	Valid
X2.B3	0.536	0.000	Valid	Y2.D3	0.808	0.000	Valid
X2.B4	0.685	0.000	Valid	Y2.D4	0.767	0.000	Valid
X2.B5	0.627	0.000	Valid	Y2.D5	0.774	0.000	Valid
X2.B6	0.650	0.000	Valid	Y2.D6	0.774	0.000	Valid
X2.B7	0.611	0.000	Valid				
X2.B8	0.677	0.000	Valid				
X2.B9	0.663	0.000	Valid				

Learning and Growth				Customer Satisfaction			
Item	r count	Sig.	Remark	Item	r count	Sig.	Remark
Y1.C1	0.777	0.000	Valid	Y3.E1	0.440	0.000	Valid
Y1.C2	0.581	0.000	Valid	Y3.E2	0.450	0.000	Valid
Y1.C3	0.800	0.000	Valid	Y3.E3	0.363	0.000	Valid
Y1.C4	0.814	0.000	Valid	Y3.E4	0.362	0.000	Valid
Y1.C5	0.778	0.000	Valid	Y3.E5	0.413	0.000	Valid

*Sources: processed primary data, year 2018

Classis Assumptions

Normality Test Results

Table 3

Normality Test Result by using One-Sample Kolmogorov-Smirnov Test

Regression Model	Z count	Significant	Result
$X_1, X_2 \rightarrow Y_1$	0.059	0.083	Normal
$X_1, X_2 \rightarrow Y_2$	0.055	0.200	Normal
$X_1, X_2 \rightarrow Y_3$	0.058	0.095	Normal
$X_1, X_2 \rightarrow Y_{123}$	0.057	0.200	Normal

*Sources: processed primary data, year 2018

Description:

X_1 : Financial Incentives Y_3 : Customer Satisfaction
 X_2 : Moral Incentives Y_{123} : Organizational
 Y_1 : Learning and Growth Performance
 Y_2 : Internal Business Proses

Multicollinearity Test Results

Table 4

Multicollinearity Test Result

Regression Model	Variable	Tolerance	VIF	Result
$X_1, X_2 \rightarrow Y_1$	Financial Incentives	0.482	2.074	No Multicollinearity
	Moral Incentives	0.482	2.074	No Multicollinearity
$X_1, X_2 \rightarrow Y_2$	Financial Incentives	0.482	2.074	No Multicollinearity
	Moral Incentives	0.482	2.074	No Multicollinearity

Regression Model	Variable	Tolerance	VIF	Result
$X_1, X_2 \rightarrow Y_3$	Financial Incentives	0.482	2.074	No Multicollinearity
	Moral Incentives	0.482	2.074	No Multicollinearity
$X_1, X_2 \rightarrow Y_{123}$	Financial Incentives	0.989	1.011	No Multicollinearity
	Moral Incentives	0.989	1.011	No Multicollinearity

*Sources: processed primary data, year 2018

Heteroscedasticity Test Result

Table 5

Heteroscedasticity Test Result by Using Park Test

Regression Model	Variable	t	Significant	Result
$X_1, X_2 \rightarrow Y_1$	Financial Incentives	-1.790	0.075	No heteroscedasticity
	Moral Incentives	0.582	0.561	No heteroscedasticity
$X_1, X_2 \rightarrow Y_2$	Financial Incentives	0.087	0.381	No heteroscedasticity
	Moral Incentives	-1.40	0.158	No heteroscedasticity
$X_1, X_2 \rightarrow Y_3$	Financial Incentives	-1.719	0.075	No heteroscedasticity
	Moral Incentives	0.582	0.561	No heteroscedasticity
$X_1, X_2 \rightarrow Y_{123}$	Financial Incentives	-.700	0.486	No heteroscedasticity
	Moral Incentives	0.156	0.876	No heteroscedasticity

*Sources: processed primary data, year 2018

T Test Result

Table 6

t Test of $X_1, X_2 \rightarrow Y_1$

Regression Model	Coefficients ^a						
	Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
$X_1, X_2 - Y_1$	1	(Constant)	2,089	,256		8,152	,000
		X1	,147	,065	,178	2,243	,026
		X2	,439	,072	,483	6,088	,000
	Dependent Variable: Y1						
$X_1, X_2 - Y_2$	2	(Constant)	1,805	,204		8,850	,000
		X1	,211	,052	,279	4,049	,000
		X2	,423	,057	,507	7,364	,000
	Dependent Variable: Y2						
$X_1, X_2 - Y_3$	3	(Constant)	2,825	,233		12,134	,000
		X1	,160	,059	,221	2,697	,008
		X2	,328	,066	,410	5,003	,000
	Dependent Variable: Y3						
$X_1, X_2 - Y_{123}$	4	(Constant)	2,248	,232		9,677	,000
		X1	,200	,059	,260	3,372	,001
		X2	,370	,065	,436	5,662	,000
	Dependent Variable: Y123						

*Sources: processed primary data, year 2018

F Test Result

Table 7

F Test of $X_1, X_2 \rightarrow Y_1$

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
$X_1, X_2 - Y_1$	Regression	23,235	2	11,617	64,038	,000 ^b
	Residual	36,646	202	,181		
	Total	59,881	204			
$X_1, X_2 - Y_2$	Regression	16,081	2	8,041	53,652	,000 ^b
	Residual	30,273	202	,150		
	Total	46,354	204			
$X_1, X_2 - Y_3$	Regression	16,081	2	8,041	53,652	,000 ^b
	Residual	30,273	202	,150		
	Total	46,354	204			
$X_1, X_2 - Y_{123}$	Regression	21,939	2	10,969	73,548	,000 ^b
	Residual	30,127	202	,149		
	Total	50,066	204			

*Sources: processed primary data, year 2018

R² (Coefficient Determination)

Table 8

R² Test Result

Regression Model	Model Summary				
	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
X1→ Y1	1	,525 ^a	,276	,272	,46222
	Predictors: (Constant), X1				
X2→ Y1	1	,611 ^a	,373	,370	,43014
	Predictors: (Constant), X2				
X1,X2→ Y1	1	,623 ^a	,388	,382	,42593
	Predictors: (Constant), X2, X1				
X1→ Y2	1	,644 ^a	,414	,411	,38097
	Predictors: (Constant), X1				
X2→ Y2	1	,708 ^a	,501	,498	,35173
	Predictors: (Constant), X2				
X1,X2→ Y2	1	,734 ^a	,538	,534	,33910
	Predictors: (Constant), X2, X1				
X1→ Y3	1	,516 ^a	,266	,262	,40940
	Predictors: (Constant), X1				
X2→ Y3	1	,569 ^a	,323	,320	,39306
	Predictors: (Constant), X2				
X1,X2→ Y3	1	,589 ^a	,347	,340	,38712
	Predictors: (Constant), X2, X1				
X1→ Y1	1	,694 ^a	,421	,416	,38619
	Predictors: (Constant), X2, X1				

*Sources: processed primary data, year 2018

DISCUSSION

Table 1 shows that the Cronbach's Alpha of each variables is closer to 1. Hence, all variables are reliable and have consistency as a measuring tool. Table 2 shows that all of financial incentives items, moral incentives items, learning and growth items, internal business proses items, and customer satisfaction items have r count that are higher than 0.137 and significant value that are lower than 0.05. Hence, all items are valid to be used.

According to the normality test result by using a Kolmogorov-Smirnov test, Table 3 shows that the Z score > 0.05 and the significant value > 0.05 . Hence, the model regression meets normality assumption and the data distribution is normal. According to the output of multicollinearity test, Table 4 shows that the tolerance value $>$ or not equal to 0.1. Moreover, the value of Variance Inflation Factor (VIF) output is lower than or not equal to 10. Hence, multicollinearity does not exist in the data. Therefore, it can be concluded that the data meets multicollinearity test. The Heteroscedasticity test output in table shows that all regression models do not contain heteroscedacity with the significant value of residual absolute > 0.05 and the t count $<$ than t table.

According to Table 5, because all variable's t count is higher than 1.97, the F count is higher than 2,42, and the significant value is lower 0.05, hence all of Hypotheses nulls are rejected and all of Hypotheses alternatives are **accepted**. Therefore, firstly, there is a significant relationship between financial incentives and learning and growth in Islamic private universities in Yogyakarta (H1). Because of the positive relationship, the higher the financial incentives given to employee, then the higher the learning and growth.toward learning and growth in Islamic private universities in Yogyakarta. Additionally, financial incentives variable gives 27.2% contribution toward learning and growth. This contribution is the highest among all relationship in this study.

Secondly, there is a significant relationship between moral incentives and learning and growth in Islamic private universities in Yogyakarta (H2). Because of the positive relationship, the higher the moral incentives given to employee, then

the higher the learning and growth.toward learning and growth in Islamic private universities in Yogyakarta. Additionally, financial incentives variable gives 37% contribution toward learning and growth. Thirdly, there is a significant relationship between financial and moral incentives toward learning and growth in Islamic private universities in Yogyakarta (H3). Because of the positive relationship, the higher the financial and moral incentives given to employee, then the higher the learning and growth. Additionally, financial and moral incentives variables give 38.2% contribution toward learning and growth.

Fourthly, there is a significant relationship between financial incentives and internal business process in Islamic private universities in Yogyakarta (H4). Because of the positive relationship, the higher the financial incentives given to employee, then the higher the internal business process in Islamic private universities in Yogyakarta. Additionally, financial incentives variable gives 41.1% contribution toward internal business process. Fifthly, there is a significant relationship between moral incentives and internal business process in Islamic private universities in Yogyakarta (H5). Because of the positive relationship, the higher the moral incentives given to employee, then the higher the internal business process in Islamic private universities in Yogyakarta. Additionally, moral incentives variable gives 49.8% contribution toward internal business process.

Sixthly, there is a significant relationship between financial and moral incentives toward internal business process in Islamic private universities in Yogyakarta (H6). Because of the positive relationship, the higher the financial and moral incentives given to employee, then the higher the internal business process in Islamic private universities in Yogyakarta. Additionally, financial and moral incentives variables give 53.4% contribution toward internal business process. This contribution is the highest among all relationship in this study. Seventhly, there is a significant relationship between financial incentives and employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta (H7). Because of the positive relationship, the higher the financial incentives given to employee, then the higher the employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta. Additionally, financial incentives

variable gives 26.2% contribution toward employees' effort to reach customer satisfaction.

Eighthly, there is a significant relationship between moral incentives and employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta (H8). Because of the positive relationship, the higher the moral incentives given to employee, then the higher the employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta. Additionally, moral incentives variable gives 32% contribution toward employees' effort to reach customer satisfaction. Ninthly, there is a significant relationship between moral incentives and employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta (H9). Because of the positive relationship, the higher the moral incentives given to employee, then the higher the employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta. Additionally, moral incentives variables gives 34% contribution toward employees' effort to reach customer satisfaction.

Finally, there is a significant relationship between financial and moral incentives toward employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta (H10). Because of the positive relationship, the higher the financial and moral incentives given to employee, then the higher the employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta. Additionally, financial and moral incentives variables give 41.6% contribution toward employees' effort to reach customer satisfaction.

V. CONCLUSION AND SUGGESTION

CONCLUSION

According to data analysis result of distributed questionnaires to the three biggest Islamic private universities in Yogyakarta employees, several conclusion are made as follows:

1. there is a significant and positive relationship between financial incentives and moral incentives toward learning and growth in Islamic private universities in Yogyakarta.
2. there is a significant and positive relationship between financial incentives and moral incentives toward internal business process in Islamic private universities in Yogyakarta.
3. there is a significant and positive relationship between financial incentives and moral incentives toward employees' effort to reach customer satisfaction in Islamic private universities in Yogyakarta.
4. there is a significant and positive relationship between financial incentives and moral incentives toward learning and growth, internal business process, and employees' effort to reach customer satisfaction as mediums of organizational in Islamic private universities in Yogyakarta.

SUGGESTION

1. In term of Financial and Moral Incentives for Islamic private universities in Yogyakarta

The Islamic private universities in Yogyakarta should keep and improve the performance of both of incentives toward employee's performance that aligned with organizational performance. Especially,

financial incentives toward learning and growth, because this relationship give the lowest contribution.

2. For future researchers who choose Islamic private universities in Yogyakarta as a research cite

The researcher suggests for the next future research also can develop the research to be more specific for more detail data output and less consumption of time also energy. Corresponding with Y and Z generation, incentives are quite important to make these young, more creative, and intelligent employees from those generation to remain in the company.

3. For readers

The readers can use this research as references in condition to analyze and compare this research with other studies with similar topic to cover some possible existed weakness in the research.

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