
Investigating the Impact of Financial Compensation, Transformative Leadership Style, and Work Motivation on Job Satisfaction and Performance among Staff Members of the Indonesian House of Representatives (DPR RI)

Andi Anugerah Wijaya¹, Hasanudin²

Abstract:

This research aims to determine and analyze the influence of financial compensation, transformational leadership style, work motivation on the performance of staff members of the DPR RR Nasdem Party faction through job satisfaction. Determination of the population sample was calculated using the Hair formula with a total of 110 samples. Data collection uses questionnaires and interviews and data processing uses Structural Equation Model (SEM). The research results found that financial compensation and work motivation had a significant influence on employee satisfaction and performance. Apart from that, job satisfaction also has a significant influence on employee performance. Meanwhile, the job satisfaction variable is only able to mediate work motivation and financial compensation, while the transformational leadership style cannot be mediated by the job satisfaction variable. For the Nasdem party faction, they can increase the financial compensation given to the staff of DPR members from the Nasdem party faction so that they can increase employee job satisfaction.

Keywords: *Transformative Leadership Style, Job Satisfaction, Employee Performance, Financial Compensation, Work Motivation*

Submitted: 22 March 2024, Accepted: 12 May 2024, Published: 2 June 2024

1. Introduction

In the pursuit of enhancing employee performance, a multifaceted approach encompassing financial compensation, work motivation, and leadership style is crucial. Financial rewards serve as tangible incentives provided by organizations to recognize and retain talented individuals, exerting a significant influence on employees' decision to stay or leave (Hasibuan, 2009; Bastari et al., 2020). Moreover, inadequate financial compensation can lead to turnover issues, particularly when employees perceive their remuneration as insufficient in relation to their contributions (Anwar & Mangkunegara, 2009). Thus, understanding the intricacies of financial compensation and its impact on employee retention remains a pertinent research area, especially within the context of the Indonesian House of Representatives.

¹ Universitas Nasional, Indonesia. nugrahw07@gmail.com

² Universitas Nasional, Indonesia. hasanudinsadikin910@gmail.com

Meanwhile, effective leadership, characterized by the ability to inspire and guide others towards organizational objectives, plays a pivotal role in fostering a conducive work environment (Thoha, 2006). Transformational leadership, in particular, emphasizes charismatic and empathetic leadership qualities, contributing to employee engagement and productivity (Robbani et al., 2021). Further research exploring the application of transformational leadership principles within the unique political setting of the Indonesian House of Representatives could shed light on its efficacy in driving staff performance and organizational outcomes.

Acknowledging the significance of these factors, it becomes imperative to optimize them within the context of the Indonesian House of Representatives (DPR-RI), particularly within the Nasdem Party Faction. With 59 members in the DPR-RI, the quality of human resources supporting these members, notably the staff from the Nasdem Party Faction, is paramount. However, existing challenges such as suboptimal staff performance and issues of discipline and moral hazard pose obstacles to organizational effectiveness (Hasanudin, 2023; Hasanudin & Panigfat, 2023). Moreover, there exists a notable disparity between the workload and available human resources, resulting in uneven task distribution and a lack of clarity regarding roles among staff members (Awaludin et al., 2023; Chi et al., 2023).

This study aims to bridge existing research gaps by comprehensively examining the interplay of financial compensation, work motivation, and leadership style in enhancing employee performance within the Nasdem Party Faction of the Indonesian House of Representatives. The novelty of this research lies in its holistic investigation of how these factors collectively influence staff performance and their broader implications for organizational efficiency. By identifying strategies to optimize these aspects, this study endeavors to provide actionable insights for improving the performance of Members of the Indonesian House of Representatives from the Nasdem Party Faction.

Through a rigorous analysis of empirical data and theoretical frameworks, this research seeks to uncover nuanced insights into the dynamics of employee performance enhancement within the context of the Indonesian House of Representatives. By elucidating the intricate relationships between financial compensation, work motivation, and leadership style, this study aims to offer practical recommendations tailored to the specific needs and challenges faced by the Nasdem Party Faction. Ultimately, the findings of this research endeavor to contribute to the ongoing discourse on organizational effectiveness and human resource management within the political landscape of Indonesia, fostering informed decision-making and driving positive change.

2. Theoretical Background

Various studies have delved into the impact of leadership styles and compensation satisfaction on organizational performance. According to Bastari, Eliyana, and Wijayanti (2020), leadership, particularly transformative leadership, has been

identified as a crucial factor influencing employee motivation and job satisfaction. Similarly, Ferdy, Hasibuan, and Arnesih (2021) found that fair compensation practices have been linked to higher levels of employee engagement and performance. Understanding the interplay between leadership styles and compensation satisfaction can provide valuable insights into enhancing organizational effectiveness.

In an increasingly digitized world, the quality of technology and service provision has become paramount for organizational success. According to Awaludin, Hasanudin, and Alfitriani (2023), studies have shown that organizations with robust technological capabilities and high service quality tend to operate more efficiently and effectively. Moreover, technological advancements have enabled organizations to streamline processes and improve communication, ultimately contributing to improved performance.

Financial compensation remains a significant factor in motivating employees and driving performance. As highlighted by Chi et al. (2023), employees who perceive their compensation as fair and equitable are more likely to be satisfied with their jobs and perform better. Understanding the relationship between financial compensation and performance can inform compensation strategies aimed at maximizing employee productivity and organizational outcomes.

Leadership plays a pivotal role in shaping organizational culture, employee morale, and overall performance. Hasanudin and Budiharjo (2021) emphasized the impact of different leadership styles, such as transformational leadership, on employee motivation, engagement, and job satisfaction. Effective leadership can inspire employees to reach their full potential, foster innovation, and drive organizational success.

Employee commitment to organizational goals and values is essential for achieving high levels of performance. According to Puni, Mohammed, and Asamoah (2018), organizations with strong cultures of commitment tend to have lower turnover rates, higher levels of employee engagement, and better overall performance. Understanding the drivers of organizational commitment can help leaders create supportive work environments that enable employees to thrive and contribute to organizational success.

3. Methodology

This study aims to explore and analyze the influence of financial compensation, transformative leadership style, and work motivation on the performance of staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction through the mediating variable of job satisfaction. The determination of the population sample was calculated using the Hair formula, with a total sample size of 110 individuals. Data collection was conducted using questionnaires and interviews, while data processing was carried out using Structural Equation Model (SEM). The results of the study indicate that financial compensation and work

motivation have a significant influence on job satisfaction and employee performance. Furthermore, job satisfaction also proves to have a significant influence on employee performance. However, the job satisfaction variable can only mediate the influence of work motivation and financial compensation, while the transformative leadership style cannot be mediated by the job satisfaction variable. The recommendation from this study is for the Nasdem Party Faction to improve the financial compensation provided to staff members of the Nasdem Party Faction in the Indonesian House of Representatives in order to enhance employee job satisfaction.

4. Empirical Findings/Result

Table 1. Hypothesis Testing

Dependen	Hub	Independen	C.R	P
Financial Compensation	→	Job Satisfaction	0,954	.003
Transformational Leadership	→	Job Satisfaction	1,67	.612
Work Motivation	→	Job Satisfaction	0,752	.0001
Financial Compensation	→	Employee Performance	0,989	.007
Transformational Leadership	→	Employee Performance	0,812	.009
Work Motivation	→	Employee Performance	1,057	.0001
Job Satisfaction	→	Employee Performance	0,84	.0029

Source: Primary Data Processed, 2024

Based on Table 1, the explanations are as follows, Financial compensation has a positive and significant effect on job satisfaction. It is considered positive because the estimate value is 0.003, and it is considered significant as evidenced by the P-value < 0.05 or $0.003 < 0.05$. Therefore, the first hypothesis is accepted. Transformative leadership style has a positive but not significant effect on job satisfaction. It is considered positive because the estimate value is 0.489, but it is not significant as evidenced by the P-value > 0.05 or $0.612 > 0.05$. Therefore, the second hypothesis is rejected.

Work motivation has a positive and significant effect on job satisfaction. It is considered positive because the estimate value is 0.078, and it is significant as evidenced by the P-value < 0.05 or $(0.0001) < 0.05$. Therefore, the third hypothesis is accepted. Financial compensation has a positive and significant effect on employee performance. It is considered positive because the estimate value is 0.376, and it is significant as evidenced by the P-value < 0.05 or $0.007 < 0.05$. Therefore, the fourth hypothesis is accepted.

Transformational leadership style has a positive and significant effect on employee performance. It is considered positive because the estimate value is 0.454, and it is significant as evidenced by the P-value < 0.05 or $0.009 < 0.05$. Therefore, the fifth hypothesis is accepted. Work motivation has a positive and significant effect on

employee performance. It is considered positive because the estimate value is 0.286, and it is significant as evidenced by the P-value < 0.05 or $(0.0001) < 0.05$. Therefore, the sixth hypothesis is accepted. Job satisfaction has a positive and significant effect on employee performance. It is considered positive because the estimate value is 1.173, and it is significant as evidenced by the P-value < 0.05 or $0.029 < 0.05$. Therefore, the seventh hypothesis is accepted. The hypothesis testing for financial compensation, transformative leadership style on performance through job satisfaction, and work motivation on job satisfaction can be seen in the table below.

Table 2. Sobel Test

Path	Relationship	Path Coefficient		t-value	t-table
		a	b		
KK-KF-KP	KK-KS	0.003		2.73	1.71
	KS-KP	1.173			
GYK-KK-KP	GYK-KS	0.489		0.698907	1.71
	KS-KP	1.173			
MS-KS-KP	MS-KS	0.213		4.65	1.71
	KS-KP	1.173			

Source: Primary Data Processed, 2024

Based on table 2, it can be observed that the Sobel test was conducted because the AMOS output directly shows how the independent variables affect the dependent variable through the intervening variable. Therefore, manual calculations need to be performed, with the numbers sourced from the output of AMOS. The following are the interpretation results from table 6: Financial compensation significantly influences employee performance through job satisfaction. This significant influence is evidenced by the t-test value $> t$ -table or $2.73 > 1.71$. Hence, it can be concluded that hypothesis eight is accepted. Transformative Leadership Style does not significantly influence employee performance through job satisfaction. This lack of significant influence is evidenced by the t-test value $< t$ -table or $0.698907 < 1.71$. Therefore, it can be concluded that hypothesis nine is rejected. Work motivation significantly influences employee performance through job satisfaction. This significant influence is evidenced by the t-test value $> t$ -table or $4.65 > 1.71$. Thus, it can be concluded that hypothesis ten is accepted.

5. Discussion

Financial compensation has a positive and significant effect on the job satisfaction of staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction

Financial compensation is the reward received by employees in the form of money. Financial compensation consists of direct payments in the form of wages, salaries, incentives, commissions, and bonuses. In another sense, financial compensation also includes management compensation such as wages and salaries, or pay for performance, such as incentives and gain sharing. Job satisfaction, on the other hand, is synonymous with personal factors or individual factors and is inherently individualistic. Each individual will have different levels of satisfaction according to

the value system that applies to them, and each individual also has different expectations and needs depending on various aspects of the job .

The results of this study indicate that financial compensation has a positive and significant effect on the job satisfaction of staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction. In this study, four indicators were measured to assess the influence of financial compensation on employee performance: salary, wages, bonuses, and allowances. It is considered that these four indicators have been able to shape the job satisfaction of staff members of the Indonesian House of Representatives from the Nasdem Party Faction. Based on the results of the study, the majority of respondents agreed with these four indicators. This indicates that staff members of the Indonesian House of Representatives from the Nasdem Party Faction have received and experienced the performance and results of their work. These results also indicate that the assurance of needs received is in line with the expectations of employees as it can accommodate all their needs (Hasanudin and Pratama 2023).

The results of this study are consistent with the research conducted by Ida Gede Ayu in 2018, which found a positive and significant influence of financial compensation on job satisfaction. This proves that providing compensation that is perceived as not competitive in the job can lead to anxiety or discomfort in the workplace, which can result in dissatisfaction among some employees and possibly lead them to choose to move to another organization. Financial compensation that does not meet the needs of employees will certainly reflect injustice and make employees feel uncomfortable in their work, leading to dissatisfaction while working. This is because one of the goals of providing compensation is to retain employees who are deemed to have good performance (Hasanudin and Awaloedin 2023).

Transformational Leadership Style has a positive but not significant effect on the job satisfaction of staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction

Transformational Leadership is a leadership model that motivates subordinates, colleagues, and those within its jurisdiction to provide inspiration and achieve performance beyond what is targeted by the organization. In this study, there are four indicators measured to assess the extent to which transformational leadership style provides job satisfaction for staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction: charisma, inspirational motivation, intellectual stimulation, and individualized consideration.

The results of this study indicate that transformational leadership style has a positive but not significant effect on the job satisfaction of staff members of the Indonesian House of Representatives from the Nasdem Party Faction. This indicates that the transformational leadership style is considered unable to increase job satisfaction among staff members of the Indonesian House of Representatives from the Nasdem Party Faction. These findings suggest that the staff of the Indonesian House of Representatives from the Nasdem Party Faction require a leadership style that is out of the box. Transformational leadership through intellectual stimulation, inspirational

motivation, charisma, and individualized consideration has not been effective in promoting job satisfaction and has not become an effective leadership model that can run the organization in unique and flexible ways.

In this regard, the more effective leadership style applied by a leader will have a positive impact, where job satisfaction will be felt by the employees, ultimately driving optimal performance. In this case, a leader's performance with the ability to influence, motivate, and inspire employees to work enthusiastically towards achieving organizational goals plays a role in creating job satisfaction.

The results of this study are not in line with the research conducted by Ni Wayan Henny Sukraeni in 2022, which found that transformational leadership has a significant effect. This is because transformational leadership is effective in shaping employee motivation and job satisfaction. These results also differ from the theory by (Gomes-Mejia et al., 2008), which states that overall, transformational leadership is more likely than transactional leadership to reduce turnover rates, improve performance, and increase employee satisfaction. If employees perceive that the transformational leadership of a leader in the organization is appropriate, job satisfaction felt by employees will be higher, thereby enhancing employee performance.

Work motivation has a positive and significant effect on the job satisfaction of staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction

Motivation can be defined as the driving force that leads someone to strive for the best in what they do. The most well-known motivation theory is Abraham Maslow's hierarchy of needs, which states that within every human being there is a hierarchy of five needs: physiological needs, safety needs, social needs, esteem needs, and self-actualization.

The results of this study indicate that work motivation has a positive and significant effect on the job satisfaction of staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction. Four indicators were used in the study to assess the extent to which work motivation shapes the job satisfaction of staff members of the Indonesian House of Representatives from the Nasdem Party Faction. The research findings revealed that the majority of respondents strongly agreed with all four indicators: physiological needs, safety needs, social needs, and esteem needs. This indicates that staff members of the Indonesian House of Representatives from the Nasdem Party Faction achieve job satisfaction that aligns with their desired needs.

In this regard, social needs, safety needs, and physiological needs are the highest measures of employee motivation, particularly the sense of camaraderie in the workplace, transportation facilities to the workplace, and the provision of attendance bonuses and performance allowances that impact employee job satisfaction. This also indicates that the better the motivation provided to employees, the higher their job satisfaction will be. This is evidenced by the high level of job satisfaction among staff

members of the Indonesian House of Representatives from the Nasdem Party Faction, especially regarding their job itself and payment. The better the sense of camaraderie in the workplace, transportation facilities, and the provision of attendance bonuses and performance allowances provided by the organization, the more satisfied employees are with their current jobs. The results of this study are in line with (Riana et al., 2015), which stated that there is a strong relationship between motivation and employee performance. Therefore, the issue of how to increase employee motivation should receive better attention from the organization.

Financial compensation has a positive and significant impact on the performance of employees among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction

Well-managed compensation helps companies achieve their goals and attract, retain, and sustain employees effectively (Prasetyo et al., 2020). Moreover, properly administered compensation should reduce employee grievances and enhance employee performance (Mandika, 2023). Compensation is one of the key factors influencing employees to work for one organization rather than another (Bintoro et al., 2013). The results of this study demonstrate that financial compensation has a positive and significant impact on employee performance among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction. This is evidenced by the good performance in completing tasks assigned by DPR RI members to the staff.

Furthermore, in further research development, it was found that the majority of respondents agreed with the performance of employees, as demonstrated by their work discipline. Work discipline includes timely completion of tasks, satisfaction from DPR RI members in using the services of staff members, and disciplined attendance of employees in the office. Thus, the compensation provided by DPR RI members to the staff of the Nasdem Party Faction serves as its own motivation. These findings align with the results of Husin's research in 2021, which stated that the purpose of providing compensation is to appreciate performance, obtain quality human resources, retain employees, ensure justice, control costs, and comply with government regulations (Karyawan et al., 2021).

This research also aligns with (Ferdie et al., 2021), which revealed a significant relationship between financial compensation and employee performance. Compensation also has a positive effect on improving employee performance, resulting in optimal performance and outcomes in their work. By providing compensation, employees will feel comfortable in performing their duties because their desired needs, as well as those of their families, are met. Good compensation determines optimal employee performance (Ferdie et al., 2021).

Transformational leadership style has a positive and significant impact on the performance of employees among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction

One of the factors influencing employee performance is leadership style (Wijaya and Dewi, 2020). Transformational leadership is a type of leadership that motivates their

followers towards established goals by clarifying roles and task demands (Jufrizen and Lubis, 2020). The results of this study indicate that transformational leadership has a positive and significant impact on employee performance among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction. Transformational leadership is considered effective in enhancing the performance of the Nasdem Party Faction's DPR RI staff because it aligns with the characteristics of employees who are more receptive to input and guidance from leaders. Furthermore, it can be seen from this research that inspirational leadership, which tends to pay optimal attention to each individual, stimulates closeness and influences maximum performance from employees by instilling trust, providing opportunities, and instilling significant confidence in leadership.

From further research development, it can be interpreted that performance reflects the level of achievement in implementing a program or policy to achieve goals, objectives, vision, and leadership concepts embodied through the strategic planning of an organization. Thus, leadership portrayal is a crucial aspect that determines good performance in an organization. Moreover, an increasingly improved leadership style will generate employee satisfaction and consequently impact employee performance (Sugiono et al., 2022). This study supports the findings of Rio Mattajang et al. in 2022 that there is a significant influence of transformational leadership style on employee performance. Based on the explanations above, the fifth hypothesis in this study is accepted.

Work motivation has a positive and significant impact on the performance of employees among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction

Several factors that can enhance or motivate employees to improve include satisfaction (satisfiers), salary improvement, working conditions, organizational policies and administration, as well as improvements in hygiene factors. The results of this study indicate that job motivation has a positive and significant impact on the performance of employees among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction.

In this study, the researcher used four indicators to assess the extent to which job motivation influences the performance of DPR RI staff from the Nasdem Party Faction, namely physical needs, safety needs, social needs, and recognition needs. The results of this study indicate that employees are motivated to perform their duties because they align with the needs identified in these indicators. In a broader sense, the Nasdem Party Faction's DPR RI staff gain strength (energy) that can generate their level of persistence and enthusiasm in carrying out activities, whether originating from within the individual themselves (intrinsic motivation) or from external sources (extrinsic motivation). This is in line with the theory by Robbins and Judge in 2016 that motivation is the result of an individual's interaction with specific situations they face. Motivation is the willingness to exert high levels of effort toward organizational goals conditioned by the effort's ability to meet various individual needs.

Financial compensation significantly influences the performance of employees among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction through job satisfaction

Financial compensation provided must be fair and reasonable so that employees can feel comfortable while working (Permadi et al., 2019). Fairness means being results-oriented, while reasonableness means meeting basic needs and desires, based on the national minimum wage and internal and external fairness. Financial compensation for employees takes the form of any payments or rewards given to employees for their work. Providing compensation commensurate with the type of job and employee position will lead to job satisfaction among employees.

The findings of this study indicate that financial compensation has a significant effect on employee performance among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction through job satisfaction. This may be because employee satisfaction tends to be oriented towards all forms of monetary needs. Providing financial compensation in the form of money also serves as a measure of the extent of performance provided by employees. The results of the study are consistent with the research by (Endrias, 2024), which states that there is a significant effect of financial compensation on employee performance mediated by job satisfaction. This study also supports the research conducted by Robby Sandhi Dessyarti in 2018, which suggests that financial compensation has a positive and significant effect on employee performance through job satisfaction.

Transformational leadership style does not have a significant effect on the performance of employees among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction through job satisfaction

Transformational leadership style is a leadership approach that motivates subordinates to work towards achieving organizational goals and satisfying their needs at a higher level. This will impact the performance of their subordinates, thus it can be said that there is a reciprocal relationship between transformational leadership style and performance. This is supported by (Robbins, 2010), which states that if a leader successfully influences subordinates with their vision, instills charisma, motivates and inspires them, stimulates intellectual creativity, and appreciates their employees, then it can be ensured that employees will work well, sincerely, and be loyal to the company, thus improving their performance.

The findings of this study indicate that transformational leadership style has an insignificant effect on the performance of employees from the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction through job satisfaction. This can be interpreted as the job satisfaction resulting from the leadership style has not been able to maximize the performance of the employees from the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction. Additionally, the performance of employees is still largely triggered by the financial compensation provided rather than the leadership style.

In the study, it can be seen that the job satisfaction variable is not able to mediate the transformational leadership style variable towards employee performance. Transformational leadership style in this case is a moral leadership to improve human behavior. In transformational leadership, members and their leaders create increasingly higher morals. These findings also refer to empirical research conducted by (Dwijayanti, 2014), which found that transformational leadership style and job satisfaction have a positive but not significant effect on employee performance. This result is also consistent with research conducted by (Arthawan and Mujiati, 2017), which states that transformational leadership style and job satisfaction have a positive but not significant effect on employee performance.

Work motivation significantly influences the performance of employees among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction through job satisfaction

Motivation is defined as a driving force or impulse within humans that can generate, direct, and organize behavior (Darmawan, 2013). Behavioral direction refers to the behavior chosen by an individual in the workplace, measured through the desire to complete tasks and adherence to rules. Effort level relates to how hard an individual works according to the chosen behavior, measured through seriousness in work and the desire to improve from previous efforts (Dewi et al., 2021).

The results of this study show that there is a significant relationship between work motivation and employee performance through job satisfaction. This can be observed from the satisfaction level of respondents in performing tasks and responsibilities. One indication of high satisfaction levels is the high enthusiasm displayed in performing office activities for staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction. Furthermore, good performance reflects the strong motivation of employees in giving their best performance. This indicates that with the fulfillment of all needs or desires of employees, a feeling of satisfaction is created, and employees whose satisfaction levels are high also experience an automatic increase in performance. These research findings align with the study conducted by (Murti and Srimulyani, 2013) on "The Influence of Motivation on Employee Performance with Job Satisfaction as a Mediating Variable in the Madiun City Water Company (PDAM)". The results of this study found that motivation significantly affects job satisfaction, job satisfaction significantly affects employee performance, and job satisfaction acts as a mediating variable between motivation and employee performance.

Job satisfaction has a positive and significant impact on the performance of employees among the staff of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction

Job satisfaction is an individual's perception of their job or positive and enjoyable experiences. Employees' perceptions of their work experiences can be known by whether they feel happy or unhappy with their job (Wijono, 2015). The research results show that job satisfaction has a positive and significant effect on the performance of staff members of the Indonesian House of Representatives (DPR RI) from the Nasdem Party Faction. This is demonstrated by respondents' satisfaction with

their work and the needs provided. Respondents generally demonstrate good performance due to factors such as wages, job characteristics, and coworker support. Their work is assisted by supportive coworkers to complete tasks well. Additionally, the wages provided meet their needs, making them feel comfortable and willing to give their best in their work.

These findings are consistent with a study conducted by Sabuhari et al. in 2020, which found a significant relationship between job satisfaction and employee performance (Sabuhari et al., 2020). The research results are supported by (Mangkunegara, 2013), which states that job satisfaction is a benchmark because in job satisfaction, individuals compare the value that supports work implementation as input and the value perceived by employees as outcomes. Thus, the more satisfied employees are with their work and what they obtain from it, the higher their performance will be, as they are stimulated to do more based on what they receive.

6. Conclusion

The study findings underscore the significant impact of financial compensation on the job satisfaction of staff members affiliated with the Nasdem Party Faction in the Indonesian House of Representatives (DPR RI). Across various indicators such as salary, wages, bonuses, and allowances, financial incentives were found to play a crucial role in enhancing job satisfaction levels among employees. However, while transformational leadership demonstrated a positive association with job satisfaction, its effects were deemed insignificant. This suggests a need for innovative leadership approaches that better resonate with the needs and expectations of staff within the Nasdem Party Faction. Conversely, work motivation emerged as a key determinant of job satisfaction, with motivated employees exhibiting higher levels of satisfaction, particularly in fulfilling physical needs. Moreover, the study revealed that financial compensation significantly influences staff performance, as evidenced by their efficient completion of tasks and good work discipline. Similarly, transformational leadership was found to have a positive and significant effect on staff performance, highlighting its importance in driving organizational goals and activities. Additionally, work motivation significantly contributed to staff performance, emphasizing the need for organizations to foster a motivating work environment conducive to high levels of engagement and productivity. Overall, the study underscores the importance of addressing employee satisfaction across all aspects of compensation and benefits, tailoring leadership styles to align with employee needs, and fostering a motivating work environment to enhance employee engagement and performance.

References:

- Adenia, T. F., & Mohamed, M. (2022). The Impact of Principal's Transformational Leadership and Compensation Satisfaction on Work Motivation: A Case among Honorary Teachers of Private Islamic High Schools in Indonesia. *Development*, 11(4), 570-582.

- Awaludin, D. T., Hasanudin, Hasanudin, & Alfitriani, Y. (2023). Pengaruh Kualitas Pelayanan, Teknologi Informasi & Kemudahan Pengguna Dengan Terhadap Pelaporan Pajak E-Filing. *Jurnal Rekayasa Informasi*, 12(2), 107–117.
- Anwar, P. M., & Mangkunegara, P. (2009). *Manajemen Sumber daya manusia*. Bandung: PT. Remaja Rosdakarya.
- Bastari, A., Eliyana, A., & Wijayanti, T. (2020). Effects of transformational leadership styles on job performance with job motivation as mediation: A study in a state-owned enterprise. *Management Science Letters*, 10(12), 2883-2888.
- Bintoro, J. A., Utami, H. N., & Hakam, M. S. (2013). Pengaruh kompensasi finansial dan non finansial terhadap kepuasan kerja dan prestasi kerja karyawan, 1(1), 141–150.
- Chi, H., Vu, T. V., Nguyen, H. V., & Truong, T. H. (2023). How financial and non-financial rewards moderate the relationships between transformational leadership, job satisfaction, and job performance. *Cogent Business & Management*, 10(1), 2173850.
- Ferdy, F., Hasibuan, R., & Arnesih, A. (2021). Pengaruh Kompensasi Finansial Terhadap Kinerja Pegawai. *J. Manajemen, Organ. Dan Bisnis*, 1(4), 583–592. doi: 10.33373/jmob.v1i4.3782
- Hasanudin, & Budiharjo, A. A. (2021). Pengaruh Kepemimpinan, Lingkungan Kerja Dan Komitmen Organisasi Pada Kinerja Pegawai Melalui Kepuasan Kerja (Studi Badan Nasional Sertifikasi Profesi). *Manajemen, Ekon. dan Akunt.*, 5(3), 1119–1139.
- Hasanudin, Hasanudin. (2023). Exploring the Interplay of Investment Knowledge, Motivation, Minimum Capital, and Risk Perception in Shaping Students' Interest in Capital Markets. *Jurnal Manajemen Dan Kewirausahaan*, 11(2), 162–170.
- Hasanudin, Hasanudin, & Awaloedin, D. T. (2023). Penyuluhan Tentang Pemanfaatan Digital Marketing Bagi Umkm Di Kabupaten Sumedang Jawa Barat. *Jurnal Abdimas Bina Bangsa*, 4(1), 695–704.
- Hasanudin, Hasanudin, & Haryati, N. (2023). Review Of The Al-Sharf Academic On The Purchase And Sale Transactions Of Digital Cryptocurrency Assets In Tokocrypto Application. *Iqtishod: Jurnal Pemikiran Dan Hukum Ekonomi Syariah*, 2(2), 102–114.
- Hasanudin, Hasanudin, & Panigfat, F. (2023). Unlocking MSME Performance: The Interplay of Financial Literacy, Financial Inclusion, and Financial Technology Lending with Venture Capital Mediation. *Shirkah: Journal of Economics and Business*, 9(2), 137–148.
- Hasibuan, M. S. (2009). *Manajemen sumber daya manusia*. Jakarta: Graha Ilmu, Yogyakarta.
- Jufrizen, J., & Sitorus, T. S. (2021). Pengaruh Motivasi Kerja dan Kepuasan Kerja Terhadap Kinerja Dengan Disiplin Kerja Sebagai Variabel Intervening. *Pros. Semin. Nas. Teknol. Edukasi Sos. dan Hum.*, 1(1), 841–856.
- Juniari, N. K. E., Riana, I. G., & Subudi, M. (2015). The effect of motivation on work satisfaction and employee performance of government employees at STP Nusa Dua Bali. *E-Jurnal Ekon. dan Bisnis Univ. Udayana*, 4(11), 823–840.

- Retrieved
from <https://ojs.unud.ac.id/index.php/EEB/article/download/14189/12270>
- Mandika, I. P. O. (2023). Pengaruh Kompensasi Finansial dan Komitmen Organisasi Terhadap Prestasi Kerja Karyawan Pada Subak Bali Agro Tabanan, 3(2), 211–221.
- Mattajang, A. Nurwulandari, & Y. Yoshua. (2022). Pengaruh kepemimpinan transformasional, kepuasan kerja, dan pelatihan terhadap employee engagement melalui kinerja pegawai di Mayapada Hospital. *Fair Value Jurnal Ilmiah Akuntansi dan Keuangan*, 5(2), 837–848. <https://doi.org/10.32670/fairvalue.v5i2.2372>
- Nurlina, N. (2022). Examining linkage between transactional leadership, organizational culture, commitment and compensation on work satisfaction and performance. *Golden Ratio of Human Resource Management*, 2(2), 108-122.
- Puni, A., Mohammed, I., & Asamoah, E. (2018). Transformational leadership and job satisfaction: the moderating effect of contingent reward. *Leadership & Organization Development Journal*, 39(4), 522-537.
- Prasetyo, A., Sudaryanto, E., & Atika, D. (2020). Pengaruh Kompensasi Finansial dan Kompensasi Non Finansial Terhadap Turnover Intention Karyawan Pada PT Distribusi Kosmetika Indonesia, 25(2), 1–8.
- Robbani, G. G., Kholil, K., & Sukwika, T. (2021). Pengaruh Kepemimpinan Transformasional dan Komitmen Organisasional terhadap Kinerja Staf Fraksi PKS DPR RI. *J. Appl. Manag. Res.*, 1(2), 128–137. doi: 10.36441/jamr.v1i2.370
- Sugiono, A. Nurwulandari, & Y. Dining. (2022). Kepuasan kerja memediasi pengaruh gaya kepemimpinan, budaya organisasi, dan motivasi terhadap kinerja karyawan Bank BTN kantor cabang Jakarta Kuningan. *Fair Value Jurnal Ilmiah Akuntansi dan Keuangan*, 4(8), 3279–3296. <https://doi.org/10.32670/fairvalue.v4i8.1377>
- Toha, M. (2006). *Kepemimpinan dalam manajemen*. Jakarta: Raja Grafindo Persada.