

The Effect of Incentive Reward, School Principal Leadership, Work Motivation on the Performance of Senior High School Teachers in Medan

DOI: 10.15804/tner.2018.53.3.05

Abstract

Improving teaching performance is most likely an act that leads to substantial gains in student learning, essential to know the strengths of teachers and those aspects of their practice which could be further developed. The objective of this research is to find out the effect of incentive, leadership, and work motivation on teacher performance. Research findings showed a direct effect of incentive reward on teacher performance, which reached the value of 0.350, whereas the indirect effect of incentive on teacher performance through work motivation was at the value of 0.155. The direct effect of school principal leadership on teacher performance was at the value of 0.156, whereas the indirect effect of school principal leadership on performance through work motivation was 0.094. The direct effect of work motivation on performance reached the value of 0.378.

Keywords: incentive, principal leadership, work motivation and performance

Introduction

The teacher is one of the main assets and human resources in improving the quality of education. The teacher performance refers to their job performance or actual performance, which is interpreted as work achievement or achievement reached by someone. Gibson (2009) suggests that the determining factors of indi-

vidual performance are influenced by the interaction of several factors that support each other in forming a positive performance of the individual. The feedback from the performance assessment will lead to several things such as the guarantee that the teacher gives contribution to and does proper things, an awareness of the impact of teaching performance on the goals wanted (e.g., student satisfaction, performance range, quality, quantity, speed, etc.).

The quality of teacher performance will determine the quality of educational outputs because the teacher is engaged directly with the students in the learning or educating process in a school as an educational institution. The teacher has a double function in the teaching-learning process, i.e., as an educator and a teacher. Therefore, the teacher is automatically responsible for achievement in the educational progress. Based on the findings of field research on teacher performance at SMAN 1 (State Senior High School or SSHS), SMAN 6 and SMAN 8 in Medan, there are problems related to teacher performance in the lesson plans. Results are presented in Table 1.

Table 1. Teacher performance at state senior high schools in Medan

| No | Name of School | Teacher Performance Indicator | Percentage of Implementation | Percentage of Non Implementation |
|----|----------------|-------------------------------|------------------------------|----------------------------------|
| 1 | SMAN 1 | Planning of Learning Activity | 60.5% | 39.5% |
| | | Implementation | 59.5% | 40.5% |
| | | Evaluation | 62.5% | 37.5% |
| 2 | SMAN 6 | Planning of Learning Activity | 60.5% | 39.5% |
| | | Implementation | 58.0% | 42.0% |
| | | Evaluation | 59.0% | 41.0% |
| 3 | SMAN 8 | Planning of Learning Activity | 60.0% | 40.0% |
| | | Implementation | 59.5% | 40.5 % |
| | | Evaluation | 58.0% | 42.0% |

Based on the above description of Gibson's theory concerning determining factors of individual performance, the researcher focused on several variables that contributed to the improvement of teacher performance.

Theoretical analysis

Incentive Reward

Heneman (2007:12) states that incentive reward is given in four phases. The first stage is the measurement of the teacher's performance in doing their work. The second is the design in which the superior designs an appropriate reward to the teacher. The third is the execution, in which the teacher who has shown good performance will be given a reward. In the last phase there is evaluation, in which the incentive reward should be analyzed to find if it really improves the teacher's performance. According Nasrun (2017), an incentive is an effort by an organization to provide an extra income to its employees whom work better and show a positive impact on the improvement of the company.

School Principal Leadership

An organizational structure is a hierarchy of units or work force or functions which are described according to the duties or main activities of the organization to reach its goals (Nasrun, 2017). The school principal has full authority and responsibility to conduct all educational activities at their school. According to Suryadi & Budimansyah (2016), effective leadership is critical to school reforms. It is argued that the chance of any reform improving student learning is remote unless district and school leaders agree with its purposes and appreciate what is required to make it work. Therefore, the leader should design an open and transparent system of information and strategies so that every member of the organization can understand the goals of the organization.

Work Motivation

In Indonesia, teachers are obliged to develop the learning plan, implement quality teaching, as well as assess and evaluate learning outcomes (Handayani, 2016). Therefore, to fulfill this task the teacher needs to have high motivation. To produce work enthusiasm in the minds and encourage work effectively, the teacher needs to develop motivation (Nasrun, 2017). Teacher work motivation is a condition that makes the teacher eager or encouraged to reach certain goals through the implementation of their duty.

Teacher Performance

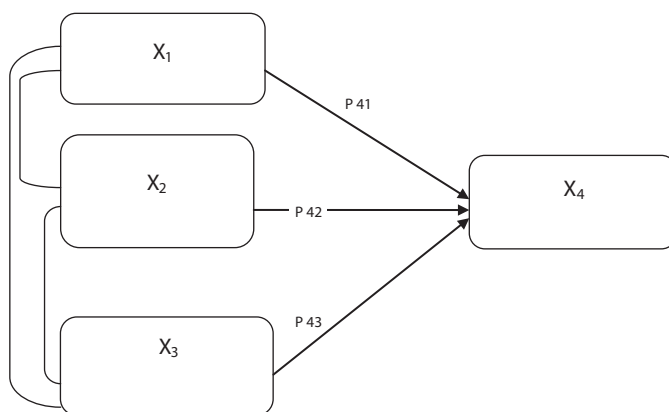
Performance is action in work. Performance can also be defined as work achievement or work implementation or work results. Minner (1992) explains that performance is the acceptable behavior expected by an organization. Griffin

(1997) states that performance is the total behavior related to the work expected by an organization to be demonstrated.

In relation to teacher performance in conducting teaching-learning activities, then, the professional duty of the teacher can be elaborated according to the Laws of the Republic of Indonesia No.14, 2005, article 20 (a), About Teachers and Lecturers such as: to design the learning process, to execute the quality learning process as well as to assess and evaluate the learning outcomes.

Hypothesis

Based on the above theoretical analysis, the theoretical model of the research variables can be designed as presented in Figure 1:



where:

X_1 – Incentive Reward

X_2 – School Principal Leadership

X_3 – Work Motivation

X_4 – Teacher Performance

Figure 1. Research paradigm

Research methodology

The method applied in the presented research can be classified as an ex post facto design with the consideration that the research was a non-experimental type. The population of the research consisted of all State Senior High School teachers in Medan. Based on the data collected, there were 1446 SSHS teachers working in

Medan. The research sample was 16.67% of the population, which was 240.50 to be rounded off as 241 people. The instrument for data collection was a closed-ended questionnaire. The validity of the instrument was measured by using the Moment Product correlation, whereas the instrument reliability was established with the use of the Inter-rater Reliability and Cronbach Alpha. Further, path analysis measure with AMOS 18 program.

Research findings and discussion

Findings

The descriptive analysis discusses the mean scores, minimum scores, maximum scores, range, median, mode and standard deviation.

Table 2. Summary of the statistical description of research data

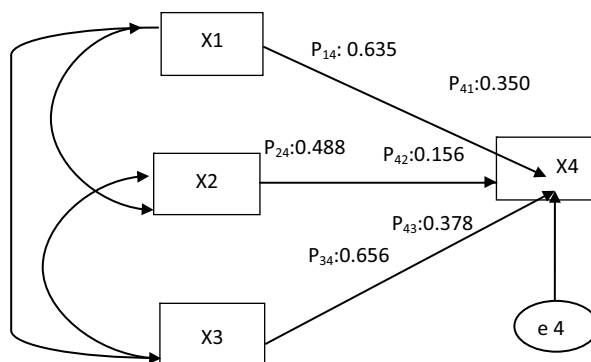
| Analysis | Variable | | | |
|---------------------------|----------|--------|--------|--------|
| | X1 | X2 | X3 | X4 |
| Data collected (N) | 241 | 241 | 241 | 241 |
| Minimum Scores | 72 | 81 | 63 | 82 |
| Maximum Scores | 168 | 180 | 173 | 170 |
| Range | 96 | 99 | 110 | 88 |
| Number of class intervals | 9 | 9 | 9 | 9 |
| Intervals | 12 | 13 | 14 | 11 |
| Mean | 124.15 | 141.78 | 128.56 | 133.46 |
| Standard Deviation | 18.84 | 22.41 | 24.98 | 19.72 |
| Median | 122.59 | 145.02 | 132.09 | 135.73 |
| Mode | 112.72 | 151.55 | 131.46 | 138.52 |
| Ideal minimum scores | 34 | 37 | 35 | 34 |
| Ideal maximum scores | 170 | 185 | 175 | 170 |
| Ideal Mean | 102 | 111 | 105 | 102 |
| Ideal Standard Deviation | 22.67 | 24.67 | 23.33 | 22.67 |

The calculation of path coefficients was made with the help of the SPSS series 18. Results are presented in Table 3.

Table 3. Summary of the results of path coefficient calculation

| Variable | Correlation | Effect on Variable X4 | | | Unidentified Effect |
|----------|-------------|-----------------------|-----------------|-------|---------------------|
| | | Direct Effect | Indirect Effect | Total | |
| X1 | 0.635 | 0.350 | 0.172 | 0.522 | 0.113 |
| X2 | 0.488 | 0.156 | 0.110 | 0.266 | 0.222 |
| X3 | 0.656 | 0.378 | 0 | 0.378 | 0.278 |

Based on the description of the calculation of the path coefficient presented in Table 6, it was concluded that the incentive reward (X1) had a direct effect on teacher performance (X4) with the value of 0.350 and the correlation coefficient of 0.635, which means that there was a high or strong correlation. The direct effect of school principal leadership (X2) on teacher performance (X4) was 0.156 with the correlation coefficient of 0.488, which means that there was a medium or adequate correlation. Further, the direct effect of work motivation (X3) on teacher performance (X4) was 0.378 with the correlation coefficient of 0.656, which means that there was a high or strong correlation. The calculation of path coefficients also showed that there was an indirect effect of incentive reward (X1) on teacher performance (X4) through work motivation (X3) with the value of 0.155. Similarly, the indirect effect of school principal leadership (X2) on teacher performance (X4) through work motivation (X3) resulted in the value of 0.094. Based on the calculation of the path coefficients, the path equation was $X4 = 0.350X1 + 0.156X2 + 0.378X3$ and so the path diagram can be drawn as follows:

**Figure 2.** Diagram of path analysis

After the calculation was made by using the formula and putting the values into the coefficient correlation, a summary of the test results of path coefficients and correlation coefficients can be presented in Table 4.

Table 4. Summary of correlation coefficients, path coefficients, and significance

| Correlation Coefficient | Path Coefficient | tcount | ttable | | Notation |
|-------------------------|------------------|----------|-----------------|-----------------|-----------------------|
| | | | $\alpha = 0.05$ | $\alpha = 0.01$ | |
| r14 =0.635 | P41=0.350 | 16.432** | 1.97 | 2.33 | Very Significant Path |
| r24 =0.488 | P42=0.156 | 8.645** | 1.97 | 2.33 | Very Significant Path |
| r34=0.656 | P43=0.378 | 17.771** | 1.97 | 2.33 | Very Significant Path |

**very significant

Based on the summary of calculation results presented in Table 4, it was found out that the value of t_{count} of the three path variables was greater than the t_{table} value at $\alpha = 0.05$, so it can be stated that the three path coefficients were very significant. Therefore, all the paths were very significant.

Discussion

Performance is a level of achievement in executing a task and an ability to accomplish the goals that have been set. Every individual has a different level of performance: high, middle and low. As explained earlier, an incentive reward is an effort to encourage employees to work more seriously and enthusiastically on the improvement of their performance. In managing a company, the factor of labor force should be paid full attention, especially the incentive reward should be commensurate with the work outcome produced. This is in line with the view by Vroom (1988:314), who argues that employees with good performance should get a reward which will give them satisfaction. Almost similar to this is the view by Arikunto (2003:43), who states that performance is also influenced by external factors such as utilities, facilities, incentive or salary, work atmosphere and work environment.

The fact that there is a direct effect of the incentive reward on teacher performance and an indirect effect of the incentive reward on performance through work motivation has been proven in this research. The estimation shows that the path coefficient between the effect of the incentive reward on teacher performance

is significant and the value of the direct contribution is 35%. This finding supports the suggestion by Buchan (2000:34), who states that the incentive reward must be best given by: (1) choosing the right strategies by applying organizational strategies totally, (2) making it appropriate with the goals of organization and types of job, (3) determining the incentive reward by limiting the reformation policy and modifying incentive policies. Heneman (2007:34) states that the incentive reward is a kind of stimulation or drive which can provoke enthusiasm or work ethos of an individual in improving their work achievement.

Meanwhile, data analysis shows that there is a direct effect of school principal leadership on teacher performance and an indirect effect of school principal leadership on the performance of the SSHS teachers in Medan through work motivation and this has been proven in this research. The findings support the theory that leadership style has a positive effect on the improvement of performance (Nastiezaie & Musavinejad, 2018). An effective leadership style and ability to motivate the employees will be a foundation and pillar to improve employee performance, which in turn will develop the organization. In addition, school reforms would be even more successful through establishing school principals as professional agents of change, who help teachers transform their instructional behavior and improve learning (Suryadi & Budimansyah, 2016).

Teacher work motivation is a good predictor of the improvement of the teacher's performance. This suggests that efforts to improve the performance of the SSHS teachers in Medan can be made through the improvement of work motivation. Similarly, the research findings are confirmed by Colquitt, LePine, and Wesson (2009:8), who claimed that work motivation directly influences performance. Based on the research findings, teacher work motivation plays an important role in improving the performance of the teachers in Medan. This means that the higher the work motivation is, the higher the performance of the teacher becomes.

Conclusions and suggestions

It is necessary to design a policy and training programs for teachers and principals for the maximization and conditioning of the school principals' leadership, improvement of the teachers' professional competence and work motivation through workshop and training activities as well as seminars for all the principals and teachers of SSHS in Medan.

The effect of school principal leadership on the performance of the State Senior High School teachers in Medan based on the research findings shows that the

quality of school principal leadership in SSHS of Medan is categorized as quite good. Through school principal leadership, the teachers are not only motivated but also inspired to demonstrate their performance. The Municipal Administration (Head of the Education Service of Medan) in appointing school principals should refer to the criteria and prerequisites as established, such as having a certificate of school principal, work period, and rank.

References

- Arikunto, S. (1998). *Research Procedures of Survey: Practical Approach*. Jakarta: Rineka Cipta.
- Buchan, J., Thompson, M., O'May, F. (2000) Incentive and remuneration strategies in health care: a research review. In press.
- Colquitt, LePine, Wesson (2009). *Organizational Behaviour: Improving Performance And Commitment in The Workplace*. New York: McGrawHill.
- Gibson, L.J, Ivancevich, M.J., Donnely, H.J. (2009). *Organization and Mngement*. Erlangga, Jakarta.
- Griffin 1997. *Management*. New Delhi: AITBS Publishers & Distributor.
- Handayani, D.R.T. (2016). Teacher Motivation Based on Gender, Tenure and Level of Education. *The New Educational Review*, Vol. 45, No. 3.
- Heneman, L.H. (2007). *Implementing Total Rewards Strategies*. SHRM Foundation's Effective Practice Guidelines Series.
- Minner (1992). *Industrial Organizational Psychology*. New York: McGraw- Hill.
- Nasrun, N. (2017). The Effect of Incentive Reward, Teacher Psychological Competence, and School Principal Leadership on Teacher Work Motivation in Senior High Schools in Medan. *The New Educational Review*, Vol. 47, No. 12.
- Nastiezaie, N., Musavinejad, S.H. (2018). Predicting the Effectiveness of School Principals Based on Fiedler's Leadership Model. *The New Educational Review*, Vol. 51, No. 1.
- Suryadi, A., Budimansyah, D. (2016). Advance School Leadership, Progress Teaching Approach and Boost Learning: The Case of Indonesia. *The New Educational Review*, Vol. 45, No. 3.
- Vroom, V.H., Jago, A.G. (1988). *The New Leadership: Managing Participation in Organizations*. Prentice-Hall.