



THE INFLUENCE OF CAPITAL AND MARKETING ON EMPLOYEE PERFORMANCE WITH KOVARIABEL MOTIVATION OF MSMEs KULON PROGO REGENCY OF YOGYAKARTA SPECIAL REGION
(District Case Study: Kalibawang, Girimulyo, Nanggulan)

By

Ismartaya¹⁾, Harjo Susmoro²⁾, SRM Indah Permata S³⁾, Alfahmi Ristiano⁴⁾ & Arief Ristia Pangestu⁵⁾

¹Management Study Program Faculty of Economics, University of Djuanda Bogor

²Secretariat General National Resilience Council Republic Indonesia

³Direktorat Bela Negara Ditjen Pothan Kemhan

⁴Prodi Teknik Lingkungan Universitas Islam Indonesia

⁵Prodi Kedokteran Universitas Lampung

Email: ¹ismartaya@unida.ac.id, ²Harjosusmoro@gmail.com, ³indahunj@gmail.com,

⁴16513046@students.uii.ac.id & ⁵ariefristiap@gmail.com

Abstract

Employee performance is a form of employee achievement after going through various stages in the work process and can be used to find out the extent of employee success and failure in the work. Based on the observations showed that the performance of MSME employees in Kalibawang, Girimulyo and Nanggulan subdistricts was not optimal. This is allegedly because it is influenced by Islamic capital, marketing, and motivation. The formulation of problems in this research is whether capital and marketing can affect the performance of employees directly or through the Islamic motivation of MSMEs in three subdistricts in Kulon Progo Regency, Yogyakarta. This study aims to find out the influence of capital and marketing on the performance of employees with Islamic motivation covariance on MSMEs Kulon Progo Regency, this study uses the archeal The Posttest Only Control Group with Islamic motivation covariance. Data collection techniques use interviews and questionnaires, while sampling techniques use non probability sampling with a sample number of 68 people. The results showed that capital and marketing have a positive and significant effect on employee performance through Islamic motivation. This can be seen from the results of simple linear regression analysis, multiple linear regression, t test, determination coefficient test, sobel test and path analysis. Islamic motivation as a moderator variable mediates between the capital to the performance of employees who are partial mediation and Islamic motivation as moderator variables that mediate between marketing to employee performance, both of which are full mediation.

Keywords: Capital, Marketing, Islamic Motivation & Employee Performance

INTRODUCTION

Micro, small and medium enterprises or MSMEs in Indonesia each year increase. Increasing the number of MSMEs still needs to experience intensive assistance in order to achieve independent, resilient, and quality MSMEs in order to have the ability to solve problems. The development of MSMEs in Indonesia, especially in Kulon Progo Regency

continues to grow due to the increasing economic growth. The existence of business capital, marketing and motivation is the key to the success of a business. MSME businesses need the existence of business capital, marketing and motivation to increase sales of their products and expand their market reach. This is important so that the products or services offered by MSMEs can be known by



the public. MSMEs are one of the right steps in improving the welfare of the community because it is able to move the economy and provide business opportunities to individuals. With the development of good and structured MSMEs can also reduce social inequality and poverty that we still often find in Indonesia, especially in Kulon Progo Regency, Special Region of Yogyakarta. Therefore, human resources as an important factor in this industry must be developed optimally. But MSME actors still use traditional principles in marketing their products that will make the development of street business in place (Kotler and Keller 2009).

Understanding SMEs in this study refers to the MSME Law No. 20 of 2008, namely: Micro, Small, and Medium Enterprises (MSMEs) is a business activity that is able to expand employment and provide broad economic services to the community, play a role in the process of equalization and increase people's income, encourage economic growth, and realize national economic stability. The main role of SMEs is as the main driver of the wheels of Economic Activities in Indonesia, job opportunities that absorb a lot of labor, an important role that makes the regional economy and community development into a growing, which creates a growing market and always strives to innovate between the company's activities and the latter are as players in improving the international balance of payments through an increasingly tangible role in the composition of exports as well as foreign exchange savings through import substitution products attributed by SMEs (Urata 2002). The contribution of SMEs in an economy can also be seen from contribution in the formation of Gross Domestic Product (GDP). SMEs also have a considerable role in exports and investment. So that the opportunities of SMEs in the future in developing a product in order to penetrate the world market has considerable potential, preferably accompanied by the

development of more creative, innovative and highly motivated products.

LITERATURE REVIEW

- a. In the opinion of Ali, A. and Agustin, S. (2015) defines capital as a power to use capital goods. Thus the capital is in the balance sheet next to the credit. The capital goods are items in the company that have not been used in the balance sheet next to the debit.
- b. According to Syafri (2005;211) the capital itself is the owner equity which is a remaining right to the assets of an institution after deducting its obligations.
- c. According to Stanton in Tambajong (2013:1293), marketing is a system of business activities designed to plan, price, promote and distribute products that can satisfy the desire in achieving the company's goals.
- d. According to Kotler and Armstrong (2014:29), "Marketing as the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return", means stating that marketing as a process where the company creates value for customers and builds strong customer relationships to capture the value of customers in return.
- e. According to Melydrum in Sudaryono (2016:41), marketing is a business process that seeks to align the human, financial and physical resources of the organization with the needs and desires of its customers in the context of competitive strategies. So it can be concluded, marketing is an economic activity carried out to meet the needs and desires of consumers with products that have been offered by the company.
- f. According to Priansa (2015:132) Motivation comes from the Latin word "movere" which means encouragement, mobilizer or force that causes an action or action. The word "movere" in English is often matched with



- "motivation" which means the giving of motives, the moon of motive, or things that cause encouragement or circumstances that cause encouragement.
- g. Daft (2010:373) expresses motivation as a force that arises from within or outside one's self and raises the spirit and perseverance to achieve something desired. Work motivation will affect its productivity and as part of the task of a manager is to channel work motivation in achieving organizational goals.
- h. Gibson (2010:165) states that work motivation is the force that drives an employee who elicits and directs employee behavior.
- i. Islam emphasizes the importance of science. Studying it is an obligation for Muslims. Every Muslim who studies means that he has obeyed the commandments of Allah and His Messenger, because studying is the command of Allah SWT without distinguishing between men and women. In a hadeeth of Anas ra: Rasulullah SAW said: that studying is an obligation for every Muslim (HR. Baihaqi).
- j. According to Muhammad Athiyah al-Abrasyi (1985: 44) Islam not only limits the advice to study, even wants that one continuously conduct discussions, research and studies. It is narrated from Anas ra that the Prophet (peace and blessings of Allaah be upon him) said: whoever comes out to seek knowledge, he is in the way of Allah until he returns (HR. Tarmizi).
- k. O my sons, go and seek news of Joseph and his brother, and do not despair of God's mercy. Indeed, there is no despair of Allah's mercy, but a people who disbelieve. (QS Joseph: 87)
- l. According to Moeherionto (2012: 69) The meaning of the word performance comes from the word job performance and is also called actual performance or actual achievements that have been achieved by an employee.
- m. Moeheriono (in Rosyida 2010: 11) In his book concludes the understanding of employee performance or performance deficiency as a result of performance that can be achieved by a person or group of people in an organization both qualitatively and quantitatively, in accordance with their respective authority, duties and responsibilities in an effort to achieve the objectives of the organization legally, not in violation of the law and in accordance with morals or ethics.

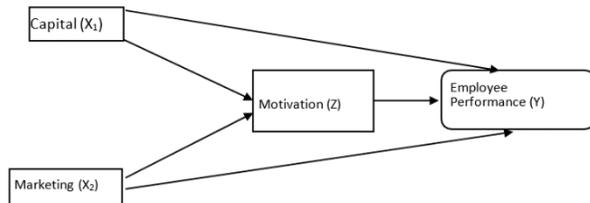
Problem Formulation

From this background, researchers are interested in conducting research in MSMEs in three sub-districts in Kulon Progo namely Kalibawang, Girimulyo and Nanggulan subdistricts entitled "The Influence of Capital and Marketing on Employee Performance through Motivation as a Variable Konvariabel (Case Study of MSMEs in Kalibawang subdistrict, Girimulyo District and Kalibawang District of Kulon Progo Regency of Yogyakarta Special Region Province)". So that the problems can be formulated in this research are as follows:

1. Is there any influence between capital on employee performance?
2. Is there any influence of capital on motivation?
3. Is there any marketing influence on employee performance?
4. Is there any influence of marketing on motivation?
5. Is there any influence of motivation as a moderator variable on Employee Performance?
6. Is there any influence of capital on employee performance through motivation?
7. Is there any marketing influence on employee performance through motivation?



The hypotheses used in this study are as follows:



Source: Processed and developed for research, 2019

The hypothesis formulation in this study is as follows:

1. H1: It is suspected that there is an influence between capital on employee performance
2. H2: Suspected influence between capital and motivation
3. H3: It is suspected that there is an influence between marketing on employee performance.
4. H4 : Suspected influence between marketing and motivation
5. H5: It is suspected that there is an influence between motivation as a Variable Convariable to employee performance.
6. H6 : It is suspected that there is a capital influence on employee performance through motivation
7. H7: It is suspected that there is a marketing influence on employee performance through motivation.

RESEARCH METHODS

This research is an experimental research. Experiments were conducted on existing MSME groups because researchers were unlikely to change the structure of existing MSME groups. Thus, this research is categorized as quasi experiments.

This research plan follows the research design of post-test only control experiments while the population in this study is MSMEs in three sub-districts in Kulon Progo namely Kalibawang District, Girimulyo

District and Nanggulan District. While the number of samples in this study as many as 68 respondents. The sampling technique I used was saturated samples, which is a sampling technique by taking all the populations there. The measurement scale uses a likert scale, and the instruments used are questionnaires and interviews. This research uses qualitative and quantitative analysis techniques. Quantitative analysis using spss program, by testing validity and reliability test, then correlation coefficient test, simple linear regression test to know the influence and direction of each independent variable (X) on dependent variable (Y) and variable moderator (Z), after which test the coefficient of determination, and t test is done to see how far the influence of one independent variable individually in explaining the dependent variable, then multiple linear regression to know how dependent variable state (Y)

If two or more independent variables (X) are up and down, as well as sobel test which is a test to find out if the relationship through a mediation variable is significantly capable as a mediator in the relationship. So the researchers tried to use sobel test to find out how far mediation of intervening variables (Z) together can affect the dependent variable (Y). Where Sobel test using z test with the following formula:

$$z = \frac{ab}{\sqrt{(b^2 SE_a^2) + (a^2 SE_b^2)}}$$

Where:

a = independent variable regression coefficient against mediation variables.

b = coefficient of regression of mediation variable to dependent variable.

SE = standart error of estimation from the influence of independent variables on mediation variables.

SE = standart error of estimation from the influence of mediation variables on dependent variables.



RESULTS AND DISCUSSIONS

Researchers to obtain the results of this study used several data analysis including: correlation coefficient test, simple linear regression test, determination coefficient, multiple linear regression test and significance test. Based on the results of tests that have been done in MSMEs in Kalibawang District, Girimulyo District and Nanggulan District of Kulon Progo Regency of Yogyakarta Special Region Province, the results are obtained as follows:

Table 1 . Research Results

No.	Hypothesis Test	Correlation Test	Test Results		Description Hypothesis
			Detreminasi	t/F Hitung	
1	Capital to employee performance	0,629	39,23%	3,607	Ha received
2.	Capital to motivation	0,752	56,74%	3,574	Ha received
3.	Marketing of employee performance	0,630	39,20%	7,682	Ha received
4.	Marketing to motivation	0,408	16,66%	4,281	Ha received
5.	Motivation as a Variable convariable to employee performance	0,293	8,74%	2,942	Ha received
6.	Capital to employee performance through motivation	0,517	27,44%	5,836	Ha received
7.	Marketing of employee performance through motivation	0,686	46,6%	8,985	Ha received

Based on Table 1, it can be known that the results of t (partial significance test) and sobel test (simultaneous or joint significance test) show that:

1. Capital has an influence on employee performance where the value of t calculate (3,607) > t table (1,986) so that the hypothesis is accepted.
2. Capital has an influence on motivation, where the value of t calculate (3,574) > t table (1,986) so the hypothesis is accepted.
3. Marketing has an influence on employee performance where the value of t calculate (7,682) > t table (1,986) so that the hypothesis is accepted.
4. Marketing has an influence on motivation where the value of t calculate (4,281) > t table (1,986)
5. Student motivation has an influence on employee performance where the value t

calculates (2,942) > t table (1,986) so that the hypothesis is accepted

6. Capital has an influence on employee performance through motivation where the value of t calculate (5,836) > t table (1,986) so that the hypothesis is accepted
7. Marketing has an influence on employee performance through motivation where the value of t calculate (8,985) > t table (1,986) so that the hypothesis is accepted

Table 2. Results of Capital Regression Test on Employee Performance Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	3.045	1.614		1.887	.063
TotalX1	.815	.091	.683	8.990	.000

a. Dependent Variable: totally

Based on Table 2, it can be determined that the regression coefficient value for the business capital variable is positive value of 0.815. This indicates that the variable business capital has a positive relationship with Employee Performance, where it can be said that the better the business capital, the better the level of Employee Performance.

Table 3. Capital Regression Test Results Against Motivation Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	6.697	1.384		4.849	.000
TotalX1	.452	.077	.519	5.832	.000

a. Dependent Variable: totalz

Based on Table 3 it can be found that the value of the v regression coefficient for the capital variable is positive value of 0.452. This indicates that capital variables have a positive relationship with motivation, where it can be said that the better the capital, the higher the level of motivation.



Table 4. Results of Marketing Regression Test on Employee Performance Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1	11.727	1.942		6.042	.000
(Constant)				2	.004
totalX2	.373	.127	.294	2.938	

a. Dependent Variable: totally

Based on Table 4 it can be found that the regression coefficient value for the marketing variable is positive value of 0.373. This indicates that marketing variables have a positive relationship with employee performance, where it can be said that the better marketing, the better the level of employee performance.

Table 5. Motivational Terhadap Marketing Regression Test Results Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1	8.936	1.352		6.595	.000
(Constant)				4.283	.000
totalX2	.378		.407		

a. Dependent Variable: totalZ

Based on Table 5 it can be found that the regression coefficient value for marketing variables is positive value of 0.378. This indicates that marketing variables have a positive relationship with capital, where it can be said the better the marketing, the higher the motivation level.

Table 6. Motivational Regression Test Results On Employee Performance Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1	4.813	1.657		2.903	.006
(Constant)	.884			7.676	.000
TotalZ		.115	.627		

a. Dependent Variable: totally

Based on Table 6 it can be found that the regression coefficient value for the motivation variable is positive value of 0.884. This

indicates that motivation variables have a positive relationship with employee performance, where it can be said that the higher the motivation, the better the level of employee performance.

CONCLUSION

- The effect of capital variables on employee performance variables, based on data analysis and hypothesis testing that I conducted in this research, it is known that:
 - Capital has an influence on employee performance where the value of t calculate $(3,607) > t$ table $(1,986)$ so that the hypothesis is accepted.
 - It is known that the regression coefficient value for the Capital variable is positive value of 0.815. This indicates that the Capital variable has a positive relationship with employee performance, where it can be said that the greater the capital given, the better the level of Employee Performance
- The effect of capital variables on motivation variables, based on data analysis and hypothesis testing conducted in this research, it is known that:
 - Capital has an influence on motivation, where the value of t calculates $(3,574) > t$ table $(1,986)$ so that the hypothesis is accepted.
 - It is known that the regression coefficient value for capital variables is positive value of 0.452. This indicates that capital variables have a positive relationship with motivation, where it can be said that the better the capital, the higher the motivation level.



3. The effect of Marketing variables on Employee Performance Variables, based on data analysis and hypothesis testing conducted in this research, it is known that:
 - a. Marketing has an influence on employee performance where the value of t calculate (7,682) > t table (1,986) so that the hypothesis is accepted.
 - b. It is known that the regression coefficient value for the pemasran variable is positive at 0.373. This indicates that marketing variables have a positive relationship with employee performance, where it can be said that the better the marketing, the better the employee performance.
4. The influence of Marketing variables on motivation variables, based on data analysis and hypothesis testing conducted in this research, it is known that:
 - a. Marketing has an influence on motivation where the value t calculates (4,281) > t table (1,986)
 - b. It is known that the regression coefficient value for marketing variables is positive value of 0.378. This indicates that marketing variables have a positive relationship with motivation, where it can be said the better the marketing, the higher the motivation level.
5. The influence of motivation variables on employee performance variables, based on data analysis and hypothesis testing conducted in this research, it is known that:
 - a. Motivational ability has an influence on employee kineja where the value of t calculate (2,942) > t table (1,986) so that the hypothesis is accepted.
 - b. It is known that the regression coefficient value for the motivation variable is positive value of 0.884. This indicates that motivation variables have a positive relationship with employee performance, where it can be said that the higher the motivation, the better the level of employee performance.
6. The influence of capital variables on employee performance variables, based on data analysis and hypothesis testing conducted in this study, it is known that: Capital has an influence on employee performance through motivation where the value of t calculate (5,836) > t table (1,986) so that the hypothesis is accepted.
7. The influence of Marketing variables on employee performance variables, based on data analysis and hypothesis testing conducted in this study, it is known that :P the exchange has an influence on Employee Performance through Motivation where the value of t calculate (8,985) > t table (1,986) so that the hypothesis is accepted.

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