Influence of Supervision on Employee Performance with Work Motivation as an Intervening Variable

Cheng-Wen Lee
Department of International Business, Chung Yuan Christian University, Taoyuan City, Taiwan

Alum Kusumah*
CYCU Ph.D. Program in Business, Chung Yuan Christian University, Taoyuan City, Taiwan

ABSTRACT

This study examines the influence of supervision on employee performance with work motivation as an intervening variable. Research was carried out at PT FAA, an enterprise in the forestry industry and a supplier of raw wood materials to pulp and paper manufacturing industries in Riau, Indonesia. Questionnaires were distributed to 112 employees. Results reveal the direct influence of the path coefficient between supervision and work motivation. Supervision X1 has a direct positive impact on work motivation Y1 with a coefficient of 0.321. Furthermore, assessing the direct influence of the path coefficient between supervision X1 on employee performance Y1 exercises a direct positive impact of 0.683. The path coefficient of the indirect influence of supervision X1 on employee performance Y2 through work motivation Y1 is positive at 0.692. In summary, indirect influence is more significant than direct influence.

Keywords: Supervision, Work Motivation, Employee Performance.

1. INTRODUCTION

In a contemporary business organization, the primary source of competitive advantage and success are its employees (Skordoulis et al., 2015). Based on this notion, human resource management plays a role in how organizations obtain competitive advantage by managing labor (Riaz, 2017). Sinambela (2016) similarly conveyed that a company’s essential resources are its human resources along with the implementation of management and operational functions to achieve corporate objectives set through proper human resource management. According to Al-Zahrani and Almazari (2014), human resources is a potential resource for companies in developing sustainable competitive advantage, which creates unique competencies such that a company gains robust competitiveness by differentiating products and services.

A company aims to achieve its goals; therefore, it needs employees with excellent performance under their respective duties and authority. The majority of professionals and managers frequently associate employee participation and involvement in organizations with organizational performance. Thus, questions, such as “how should gaps be filled?” and “how should skills and abilities be stimulated among employees to achieve better results based on competency?” arise from time to time to gain rational
understanding and answers from the various perspectives of managers and researchers. Interest in the practice of supervision and motivation has increased due to the need to define the differences in behavior and performance of employees. To date, a comprehensive and universal conclusion has yet to be reached. To fill in this research gap, this study elucidates the influence of supervision and work motivation (as an intervening variable) on employee performance.

We distributed questionnaires to employees of PT FAA to analyze employee performance as a result of supervision with work motivation as an intervening variable. The study was motivated by two phenomena observed during pre-research, namely, 1) policy shifts, which hold that critical positions must be filled by employees who hold a bachelor’s degree at the minimum and 2) the policy for optimizing performance through a rationalization and retention program for employees. Consequently, the workload of employees increased with the implementation of the program. PT FAA is a firm engaged in forestry and supplies raw wood materials to pulp and paper companies in Riau, Indonesia. The company owns and manages plantation forests with operational activities, such as nurseries, planting and maintenance, harvesting, forest protection, research development, as well as fostering communities around industrial forest areas. Supervision in organizations becomes crucial through efforts to maintain and increase work motivation and enhance organizational performance by improving employee performance. In connection with this description, the study aims to examine the effect of supervision practices at PT FAA on employee performance by utilizing work motivation as an intervening variable.

Previous studies, such as that of Suseno (2015), revealed that supervision had a positive and significant effect on work motivation among employees of the Jember Regency inspectorate. Bao and Nizam (2017) stated that motivation brings a significant effect on employee performance in the electronics industry in China. Furthermore, Rulandari (2017) examined the effect of supervision on employee performance. The study asserted that a positive and significant effect was observed for supervision on employee performance in the Office of Social Affairs in the East Jakarta Administrative City.

The present study aims to broaden the literary repertoire in the field of performance management by carrying out research on forestry companies because studies conducted on this industry are few. The results can be used as reference for other companies, contribute to interdisciplinary study activities, develop an in-depth research perspective, and provide insights for the management and improvement of work motivation and mindset of employees. Moreover, analysis results can be useful as an initial source of information for further studies in human resources or interdisciplinary research regarding performance management from the academic and business perspectives.

2. LITERATURE REVIEW
2.1 Supervision

The subject of supervision has several definitions from different sources. Bernard (2005) stated that supervision represents the ability of superiors to influence the habits of subordinates in carrying out specific actions or jobs. It is an art of influencing others to achieve organizational goals. Bernard further stated that the quality of supervision indicates the level of effectiveness of superiors influences the habit of job performance and completion. Occupying a position with supervisory functions requires an individual
who accepts supervisory responsibilities and possesses good knowledge of the work involved. The individual must have the ability to regulate the job because it is a managerial competency that must be owned and used to determine the effectiveness of performance (Leonard & Trusty, 2016).

In certain situations, supervision and harmonious relationships between supervisors and subordinates consistently increase employee productivity; and thus, positively influences an organization. In contrast, inadequate supervision will adversely affect an organization and employees. An effective supervisory relationship requires a capable supervisor that not only demonstrates technical expertise but also has the ability and responsibility to mentor subordinates (Omisore, 2014).

A supervisor must be capable of preparing himself and his subordinates to anticipate and address unavoidable technological and psychological changes. A supervisor who can promote effective development and changes will give added value to his organization (Leonard & Trusty, 2016). Bernard and Goodyear (2013) stated that a supervisory relationship possesses an evaluative nature and establishes a sustainable goal by (1) upholding professionalism among supervised employees and by (2) improving the quality of service in an appropriate manner, where a supervisor acts as a gatekeeper to facilitate supervised/subordinate employees who will enter a certain position.

Supervision can be measured through the following indicators (Rowe et al., 2012):

1) Support. A supervisor is expected to offer support and guidance to subordinates.

2) Education. A supervisor must be capable of relaying technical and general skills to subordinates. Strategies for teaching include monitoring the progress of subordinates, ensuring they stay “on track” and offering practical advice to improve performance, and recognizing the success and strength of subordinates.

3) Administrative/managerial aspect. A capable manager can improve the experience of subordinates and oversee routine activities effectively.

4) Guardianship. This role is task-oriented in a forward-oriented category, that is, acting as a gatekeeper for the profession and contributing to the future of the profession. Consequently, supervisors maintain quality standards for the profession by acting as a gatekeeper.

2.2 Work motivation (intervening variable)

Several statements explain the definition of work motivation. Nabi et al. (2017) cited that work motivation is a process that begins with psychological needs and activates behavior to achieve a predetermined goal. Motivation represents a characteristic of human psychology that contributes to the level of one’s commitment. However, motivation does not act as a single determinant in accomplishing a job to achieve goals effectively and efficiently. Instead, a complementary combination of ability and knowledge plays a significant role in performing and completing assigned tasks.

Kanfer (2012) described work motivation as a psychological process and mechanism for an individual’s form and commitment in achieving work-oriented ends, formulating plans to attain targets, allocating personal and social resources in a variety of concrete actions and regulating thoughts, displaying appropriate behavior and influencing efforts to achieve goals. However, work motivation is not only a cognitive process. It equally involves the support of biological systems, such as subconscious, sensation, and cognition.
perceptions. Steer (1994) explained that motivation aims to raise employee productivity, improve efficiency, and increase general organizational performance. This concept is aligned with that of Robbins and Coulter (2014), who illustrated motivation as a process of providing energy and support to employees by giving continued directions in achieving corporate goals.

The following indicators can be used to measure work motivation (Takluder and Saif, 2014).
1) Working conditions in the form of equipment quality and friendly work environment
2) Attractiveness and level of challenge in tasks involved
3) Job security related to employee tenure in the organization
4) Salaries, rewards, and promotions
5) Reliable and respectful management that leads by example

2.3 Employee performance

Fadeel (2014) proposed that employee performance represents the manner in which an organization reaches its goals. The author further explained the overall output of an organization results in reconciliation of factors, such as capital, labor, and knowledge. In addition, performance reflects the manner accomplishing work. Afshan et al. (2012) highlighted employee performance as a specific achievement of tasks measured by previously identified and determined accuracy standards, level of completeness of costs, and speed of work completion. Employee performance can manifest in the form of increased production, adaptability to new technology, and high motivation.

According to Mangkunegara (2007), performance represents the efforts of an employee in terms of quality and quantity and in fulfilling his duties according to given responsibilities. From this understanding, we can interpret performance as a result of work that is carried out by a person or group of individuals measured in specific units and times. However, another study pointed out that performance represents the achievement of particular job requirements, which ultimately directly amounts to physical and non-physical outputs (Simamora, 2001).

Bingol (in Metin and Kaplan, 2018) defined employee performance as the fulfillment or completion of work through the level of success of the efforts made by employees in carrying out their jobs. Employee performance is affected by the knowledge and skills of employees in achieving expectations or targets through an evaluative process. Job assessment is equally important and required to deliver decisions about employees regarding salary increases, promotions, and other forms of rewards based on the results of evaluating completed work (Ombanda, 2018).

In the present study, the indicators used to measure employee performance are as follows (Nurcahyo, 2011):
1) Quantity of work
2) Quality of work
3) Timeliness of work completion
4) Standard operating procedures (SOPs)
5) Accountability

2.4 Intervening variable

Intervening variables are those that theoretically affect the relationship between independent variables. In this context, the dependent variable is considered to have an indirect relationship with the independent variable. Hence, independent variables
indirectly affect the changes in or emergence of dependent variables (Sugiyono and Susanto, 2015).

2.5 Framework

The framework that underlies this study is the extent to which supervision affects employee performance at PT FAA with motivation as an intervening variable. Figure 1 depicts the conceptual framework.

![Figure 1. Framework](image)

2.6 Hypothesis

H1: Supervision positively influences employee performance.

H2: Supervision positively influences work motivation.

H3: Supervision positively influences employee performance through work motivation.

3. METHODOLOGY

This study is an empirical analysis that uses a quantitative approach to verify the influence of the variables under study by testing the hypotheses (Istijanto, 2010). Data were collected through the survey method using questionnaires, which were distributed to employees of PT FAA with a population of 156. To determine the sample, the purposive sampling method was utilized, and the questionnaire was given exclusively to the employees of PT FAA with a service tenure of \( \geq 2 \) years. This time period was used as a variable because it was required in the data collection (Sugiyono, 2013). According to the criteria, the number of respondents represents 112 samples.

Various sources of data have been collected to produce information. Hence, data accumulated from information sources are in the form of primary and secondary data. Primary data pertain to the results of the questionnaire. The responses were measured using a Likert scale and scaled with a positive value (Claveria, 2018) to measure the employees’ levels of agreement or disagreement with a series of statements that measure a concept (Istijanto, 2010). To support the present study, secondary data were derived from documentation and scientific literature, especially from studies on supervision, motivation, and performance.

Quantitative analysis was performed by undergoing validity and reliability tests. Validity is verified by determining the ability of the scale to measure the expected concept (Sekaran and Bougie, 2013). Sekaran and Bougie explained that an instrument becomes valid if it can measure what it requires and is capable of revealing data from adequately examined variables. The high and low validity of an instrument demonstrates the extent
to which the data collected do not deviate from the description of the intended variable. Significance testing is carried out by comparing the value of r-count with r-table for the degree of freedom (df) = n − 2. If the r-count is positive and higher than that of the r-table, then it is declared valid. The estimation error of validity is 0.05.

Reliability testing represents a tool for measuring the reliability of a questionnaire, which is an indicator of the capability of variables to assess the extent to which measurement results remain consistent despite repetitive testing. The test was carried out by calculating the alpha coefficient from each testing for one variable. A variable is considered reliable if it delivers alpha > 0.60 (Sekaran and Bougie, 2013).

After testing for validity and reliability, the traditional assumption test was carried out. Examining traditional assumption aims to provide certainty that the regression equation obtained displays accuracy in estimation and is unbiased and consistent. The classic assumption test consists of the following: (1) a multicollinearity test that aims to test whether or not a correlation is observed in the independent variables of a regression model, that is, a good regression model does not contain correlation between independent variables; (2) an autocorrelation test that determines whether or not a correlation exists between intrusive errors in periods \( t \) and \( t − 1 \) in the linear regression model; (3) a heteroscedasticity test that identifies whether or not variance inequalities occur from the residuals of one observation to another in the regression model. Homoscedasticity and heteroscedasticity refer to residual variance and dissimilarity, respectively, from one observation to another. Lastly, (4) a normality test examines whether the residual or confounding variable regression models gain a normal distribution (Sugiyono, 2013).

Path analysis is used for statistical analysis. By using path analysis, the hypotheses are tested by using the regression equation and path structure as follows:

\[
Y_1 = PY_1 X_1 + \varepsilon_1 \\
Y_2 = PY_2 X_1 + PY_2 Y_1 + \varepsilon_2
\]

**Figure 2. Path diagram**

Notes:
P = Path coefficient

- \( Y_1 \) = Work motivation
- \( Y_2 \) = Employee Performance
- \( X_1 \) = Supervision

\( \varepsilon_1 \) and \( \varepsilon_2 \) = Residuals

**4. FINDINGS AND DISCUSSION**

**4.1 Characteristics of Respondents**
Table 1 Demographics of respondents

<table>
<thead>
<tr>
<th>Description</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>80</td>
<td>71.6</td>
</tr>
<tr>
<td>Female</td>
<td>32</td>
<td>28.4</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20–30 years</td>
<td>20</td>
<td>17.6</td>
</tr>
<tr>
<td>30–40 years</td>
<td>56</td>
<td>49.8</td>
</tr>
<tr>
<td>40–50 years</td>
<td>29</td>
<td>26.1</td>
</tr>
<tr>
<td>&gt;50 years</td>
<td>7</td>
<td>6.5</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High School</td>
<td>72</td>
<td>64.2</td>
</tr>
<tr>
<td>Diploma</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>27</td>
<td>23.8</td>
</tr>
<tr>
<td>Work experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2–10 years</td>
<td>13</td>
<td>11.3</td>
</tr>
<tr>
<td>10–20 years</td>
<td>64</td>
<td>56.7</td>
</tr>
<tr>
<td>20–30 years</td>
<td>31</td>
<td>27.8</td>
</tr>
<tr>
<td>&gt;30 years</td>
<td>5</td>
<td>4.2</td>
</tr>
</tbody>
</table>

N = 112

Male respondents comprised 71.6% of the total number of respondents. The ages of employees ranged from 30 to 40 (49.8%), from 40 to 50 (26.1%), from 20 to 30 (17.6%), and > 50 years (6.5%). Respondents with high school education reached a significant percentage (64.5%) followed by undergraduates (23.8%) and diploma holders (12%). Work experience ranged from 10 to 20 (56.7%), from 20 to 30 (27.8%), from 0 to 10 (11.3%), and > 30 years (4.2%).

4.2 Validity and Reliability Tests

4.2.1 Validity Test

Based on the results of the validity test, one statement each from the supervision and work performance variables was considered invalid due to r-count < t-table. A total of 14 out of 15 statements remained valid for each of the supervision and work performance variables. The calculation results of the validity test for valid statements obtained the correlation values between the item and total scores. A comparison of these values was carried out using the r-table values with a significance value of 0.05 and n = 112. The obtained r-table value is 0.1840. However, r-count is higher than r-table (r-count > r-table). Therefore, the statement items are declared valid and feasible for use in the questionnaire.

4.2.2 Reliability Test

Results of reliability testing indicate Cronbach’s alpha values of supervision (X1) = 0.888, work motivation (Y2) = 0.877, and employee performance (Y2) = 0.859. Each variable scored a Cronbach’s alpha of higher than 0.60. Values of more than 0.60 indicate that the research instruments of the questionnaire are reliable.
Table 2 Reliability test

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervision (X₁)</td>
<td>0.888</td>
</tr>
<tr>
<td>Work motivation (Y₁)</td>
<td>0.877</td>
</tr>
<tr>
<td>Employee performance (Y₂)</td>
<td>0.859</td>
</tr>
</tbody>
</table>

4.3 Classic Assumption Test

4.3.1 Multicollinearity Test

The multicollinearity test is carried out by observing tolerance and variance inflation factor (VIF) values. A tolerance value < 10 or equal to VIF value > 10 typically indicates multicollinearity. The results revealed with tolerance = 0.897 > 10 and VIF value = 1.115 < 10. Therefore, all independent variables show no multicollinearity.

4.3.2 Autocorrelation Test

To test for autocorrelation, the Durbin–Watson (DW) test is performed by requiring an intercept in the model without a variable lag between independent variables. The results of the DW value testing should not reach a limit of \( \text{dl} < d < 4 - \text{du} \) at the 5% significance level, the number of sample 112 samples and with 2 independent variables. The values in the DW table show that \( \text{dl} = 1.6738 \), and the model of the supervisor in terms of work motivation achieves a value of 1.6738 < 1.692 < 4 - du. Furthermore, the results of the models of supervision and motivation of work toward employee performance are 1.6557 < 1.922 < 4 - du. Therefore, no autocorrelation exists.

4.3.3 Heteroscedasticity Test

The Glejser test, which is used to assess heteroscedasticity, is performed based on decision-making. If the significance value (Sig.) is > 0.05, then heteroscedasticity is not a concern in the regression model.

Table 3 Heteroscedasticity (Glejser test)

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Variables</th>
<th>(Constant)</th>
<th>Supervision (X₁)</th>
<th>Work motivation (Y₁)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-standard Coefficients</td>
<td>B</td>
<td>1.615</td>
<td>−0.16</td>
<td>−0.005</td>
</tr>
<tr>
<td>{:}</td>
<td>Std. Error</td>
<td>1.007</td>
<td>0.018</td>
<td>0.014</td>
</tr>
<tr>
<td>Standard Coefficients</td>
<td>β</td>
<td>−</td>
<td>−0.89</td>
<td>−0.038</td>
</tr>
<tr>
<td>{:}</td>
<td>t</td>
<td>1.603</td>
<td>−0.882</td>
<td>−0.375</td>
</tr>
<tr>
<td>Sig</td>
<td>0.112</td>
<td>0.380</td>
<td>0.078</td>
<td></td>
</tr>
</tbody>
</table>

We interpreted the results of the heteroscedasticity test by using the Glejser test and according to the output table of the coefficients (Table 2) with the Abs_RES variable as the dependent variable. Supervision (X₁) and work motivation (Y₁) (Sig.) reached 0.380 and 0.078, respectively, which are higher than 0.05. Therefore, heteroscedasticity is not a concern in the regression model.
4.3.4 Normality Test

The normality test was carried out by using the Kolmogorov–Smirnov normality test and was verified by using the Shapiro–Wilk test to examine normal distribution based on decision-making. A significance value of p > 0.05 indicates a proper distribution of the research data.

<table>
<thead>
<tr>
<th>Normality test</th>
<th>Variables</th>
<th>Supervision (X₁)</th>
<th>Work motivation (Y₁)</th>
<th>Employee performance (Y₂)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kolmogorov–Smirnov</td>
<td>Statistic</td>
<td>0.097</td>
<td>0.068</td>
<td>0.086</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
<td>0.101</td>
<td>0.200</td>
<td>0.402</td>
</tr>
<tr>
<td>Shapiro–Wilk</td>
<td>Statistic</td>
<td>0.977</td>
<td>0.987</td>
<td>0.981</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
<td>0.055</td>
<td>0.333</td>
<td>0.110</td>
</tr>
<tr>
<td>Dof = 112</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The results of the Kolmogorov–Smirnov produced Sig. values as follows: supervision (X₁) = 0.101, work motivation (Y₁) = 0.200, and employee performance (Y₂) = 0.402. Outcomes from the Kolmogorov–Smirnov test reached significance values of p > 0.05. The Kolmogorov–Smirnov test results were reinforced by the Shapiro–Wilk test results with Sig. values of X₁ = 0.055, Y₁ = 0.333, and Y₂ = 0.110, which are p > 0.05. Therefore, data were normally distributed based on the two tests.

4.4 Hypothesis Testing

4.4.1 Results

To examine the proposed hypotheses, testing on the path coefficients was conducted for each variable. The results are as follows. The first model value of the β standard coefficient is 0.321 (Table 4). This finding indicates that the path supervision value of work motivation is 0.321 with the regression model as follows:

\[ Y₁ = 34.707 + 0.409 \text{ Work motivation} + e₁. \]

A positive constant value in the first model (34.707) indicates the positive influence of the independent variable (supervision). If supervision X₁ increases or influences one unit, then work motivation variable Y₁ will also increase. Supervision (X₁) with a regression coefficient of 0.409 for work motivation Y₁ denotes that if the performance or quality of supervision has increased by one unit, then work motivation will increase by 40.9% with the value of positive relationships between variables.

The second model calculation result of the path value for direct supervision of employee performance is 0.683, whereas that for the work motivation variables is 0.009. Subsequently, the regression model is formulated as follows:

\[ Y₂ = 1.019 + 0.691 \text{ Supervision} + 0.007 \text{ Work motivation} + e₂. \]
Table 5 Path coefficient

<table>
<thead>
<tr>
<th>Model/s</th>
<th>Non-standardized Coefficients</th>
<th>Std. Coefficients</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Standard Error</td>
<td>β</td>
<td></td>
</tr>
<tr>
<td>1st</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>model</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>34.707</td>
<td>5.943</td>
<td>-</td>
<td>5.840</td>
</tr>
<tr>
<td>Supervision (X₁)</td>
<td>0.409</td>
<td>0.115</td>
<td>0.321</td>
<td>3.555</td>
</tr>
<tr>
<td>Dependent variable: Work motivation (Y₁)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2nd</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>model</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>1.019</td>
<td>1.132</td>
<td>-</td>
<td>0.900</td>
</tr>
<tr>
<td>Supervision (X₁)</td>
<td>0.691</td>
<td>0.20</td>
<td>0.683</td>
<td>29.032</td>
</tr>
<tr>
<td>Work motivation (Y₁)</td>
<td>0.007</td>
<td>0.01</td>
<td>0.009</td>
<td>0.427</td>
</tr>
<tr>
<td>Dependent variable: Employee performance (Y₂)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In the second model, the constant value obtained is positive (1.019). Positive constant values indicate that the influence of the independent variables is positive. If an independent variable upgrades by one unit, then employee performance will increase. The regression coefficient for the influence of supervision (X₁) on employee performance (Y₂) is 0.69, which implies that if supervision increases by one unit, then employee performance will increase by 69% with a positive relationship value. Work motivation (Y₁) has a regression coefficient of 0.007 on employee performance (Y₂). In other words, if employee motivation increases by one unit, then employee performance will increase by 0.7% with a positive relationship value.

**H1: Supervision has a positive influence on employee performance.**

H1 states that supervision has a positive influence on employee performance and is thus supported. Notably, this result is confirmed by a path coefficient value of 0.691.

**H2: Supervision has a positive influence on work motivation.**

This hypothesis posits that supervision has a positive influence on work motivation and is supported with a path coefficient value of 0.409

**H3: Supervision has a positive influence on employee performance through work motivation.**

H3 states that supervision has a positive influence on employee performance through work motivation and is thus supported. A path coefficient value of 0.007 confirms this hypothesis.

4.4.2 Direct and Indirect Influences

Table 6 illustrates either the direct or indirect effect of each variable. Table 6 shows that a path coefficient value of 0.409, which indicates a direct positive influence of supervision X₁ on work motivation Y₁. Subsequently, assessing the direct influence of the path coefficient between supervision (X₁) on employee performance (Y₁) points to a direct positive influence (0.691). Furthermore, the path coefficient of the indirect effect of supervision X₁ through work motivation Y₁ on employee performance Y₂ is positive.
at 0.007, with a total influence of 0.698. This finding reveals that indirect influence is greater than direct influence.

Table 6 Direct and indirect influences of variables

<table>
<thead>
<tr>
<th></th>
<th>Direct influence</th>
<th>Indirect influence</th>
<th>Total influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>PY₂X₁</td>
<td>0.409</td>
<td></td>
<td>0.409</td>
</tr>
<tr>
<td>PY₂Y₁</td>
<td>0.691</td>
<td>0.007</td>
<td>0.698</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. CONCLUSION AND RECOMMENDATION

The results of data analysis revealed that supervision possesses a positive effect on employee performance through work motivation as an intervening variable. This finding supports H1, H2, and H3 with a positive B coefficient value for each hypothesis.

The results provide theoretical and practical implications for companies. The outcomes are available as an input for companies, especially for firms engaged in forestry and managing human resources. This study recommends businesses to adopt approaches and formulate policies that promote motivation, create effective and efficient supervisory practices to improve employee performance, and enhance firm performance according to previously set company targets.

Future studies are highly recommended especially in the field of human resource management and performance management. Furthermore, investigating the influence of supervision and performance motivation on employee performance is applicable not only to the forestry industry but also to banking, marketing, and education. Various methods of analysis can be used, such that further comparison can enrich the literature on these fields.

REFERENCES


