The Effect of Interpersonal Communication on Employee Performance Through Intrinsic and Extrinsic Motivation as Intervening Variables

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Abstract

This study aims to investigate how interpersonal communication impacts employee performance, with intrinsic and extrinsic motivation as mediating factors, at PT. SALSBP in Indonesia. The research adopts a quantitative approach with a sample of 104 company employees selected using the purposive sampling method and the Slovin formula. Path Analysis using SEM Smart PLS-3 is employed for data analysis. The findings reveal that extrinsic motivation significantly influences employee performance, as does interpersonal communication. Additionally, interpersonal communication significantly affects both extrinsic and intrinsic motivation. Intrinsic motivation is also found to have a significant impact on employee performance. Furthermore, the study demonstrates that interpersonal communication influences employee performance through both extrinsic and intrinsic motivation. Notably, the most dominant factor influencing employee performance is extrinsic motivation. This study contributes valuable insights to the understanding of the various factors that influence employee performance, with a specific focus on interpersonal communication, extrinsic, and intrinsic motivation.

Keywords: Employee performance, Extrinsic motivation, Intrinsic motivation, Interpersonal communication.

1. Introduction

In this new era, strong human resources are an undeniable necessity for companies. The business landscape is becoming increasingly complex with unprecedented variations, intensities, and scopes of competition. As a result, companies require resilient employees who can quickly adapt to any changes that arise and perform their duties with proficiency and flexibility. (Jannah, 2021) defines Human Resource Management as a scientific approach to efficiently and effectively managing the relationships and roles of individual resources (labour). Its objective is to optimize the use of these resources to achieve the goals of the organization, employees, and the community to the fullest extent possible.

To improve employee performance is not a simple thing, employee performance is not a stand-alone concept. Every company constantly strives to enhance employee performance as part of its goal achievement efforts. The presence of competent human resources significantly influences the company's overall development. Meanwhile, increasing high-quality human resources requires different methods within a company including work motivation and work communication (Arisanti, Santoso and Wahyuni, 2019).
Motivation can affect performance. As a leader, having the appropriate strategy to motivate employees in fulfilling their duties and responsibilities is crucial. This involves managing the physical work environment, fostering a positive atmosphere, promoting discipline, providing encouragement, and implementing effective reward systems. These actions align with the views of (Tamrin, 2021) which states that the function of leadership is to guide, guide, guide, build giving or build work motivations, drive the organization, establish good communication networks, provide supervision, effective supervision involves guiding and leading followers towards their desired objectives in alignment with established plans and regulations. Ahmad et al. (2020) define motivation as the internal desire, will, and drive that compels individuals to pursue personal achievements or those accomplished by others. Motivation can be categorized into two main types: intrinsic motivation and extrinsic motivation.

According to (Ena, 2020), intrinsic motivation refers to motives that are naturally active or functional without requiring external stimulation, as individuals have an internal drive to engage in specific actions. On the other hand, extrinsic motivation is a driving force that originates from external factors, such as supervision, salary, work environment, and status, as explained by (Jufrizen and Pulungan, 2017). Motivation refers to the cause of a behaviour. Extrinsic motivation is defined as encouragement that comes from outside to do or not do a job.

The motivational problem that occurs with employees is where employees often come late to work. This is due to a lack of instilling intrinsic motivation or self-motivation. Moreover, the frequent occurrence of work delays that surpass the set time limit is often attributed to insufficient external motivation or extrinsic motivation.

According to (Isti’adah, 2017), the essence of communication is the formation and expression of identity. Lack of communication from the leadership will result in decreased employee effectiveness. Unclear communication with subordinates can also cause misunderstandings in the delivery of information and lead to goals expected will not be achieved properly.

Communication problems that often occur with employees are frequent misunderstandings between one employee and another due to a lack of communication (interpersonal communication).

Employee performance is the outcome of their work, both in terms of quality and quantity, as they fulfil their responsibilities. (Ayu and Kusmaningtyas, 2023) describe employee performance as the measurable result of their labour, encompassing aspects such as the standard of work, quantity, working hours, and collaboration to achieve organizational objectives. (Kuswandi, 2023), defining performance as the measurable achievements attained within specific job roles or tasks and encompassing various factors like work output, quality, job-related expertise, innovation, cooperation, adaptability, proactive behaviour, and individual attributes. According to (Suryadi and Efendi, 2019), performance pertains to the quantity and quality of work undertaken by individuals and/or groups in an organization, adhering to established norms, SOPs (Standard Operating Procedures), criteria, and organizational indicators.
PT. SALSBP is a located timber company in East Kalimantan, Indonesia. Where the workforce has various characteristics to achieve maximum performance. However, on the other hand, there are things that can affect employee performance, for example, lack of motivation within oneself (intrinsic motivation) so that they do not have enthusiasm at work, for example, they are often late for work and the effect of a lack of assertiveness can cause a lack of motivation from outside or from the company environment (extrinsic motivation) such as delays in completing work that exceeds the specified time limit and also frequent misunderstandings between one employee and another employee due to a lack of communication (interpersonal communication).

The primary objective of this study is to examine the impact of interpersonal communication on employee performance, with intrinsic and extrinsic motivation acting as mediating variables within the company.

2. Literature Review

**Human Resource Management**

According to (Bintoro and Daryanto, 2017), Human Resource Management (HRM), commonly known as HRM, is a systematic approach or methodology for efficiently and effectively managing the relationships and roles of individual resources (labour). Its ultimate aim is to optimize the utilization of these resources to achieve the shared goals of the company, employees, and society to the fullest extent.

**Intrinsic Motivation**

According to (Ena, 2020), Intrinsic motivation is the inclination to take action prompted by internal factors inherent within the individual. Those guided by intrinsic motivation find fulfilment only when the activities they engage in yield meaningful results. The impetus to act originates from within the individual, and this is what is referred to as intrinsic motivation.

According to (Utami, 2021), indicators for measuring intrinsic motivation, namely:

- Achievements
  - An employee's success is evident through the attainment of their accomplishments. To ensure the success of employees in their tasks, a leader should create opportunities that enable subordinates to achieve high levels of work performance and productivity.

- Recognition
  - Following the employees' prior accomplishments, it is essential for a leader to acknowledge and recognize their achievements through a formal statement of appreciation.

- The Work It Self
  - Employee performance is significantly influenced by the magnitude of challenges perceived in their work. The level of engagement an employee experiences with their job, including its level of interest, learning potential, and opportunities for assuming responsibilities, plays a crucial role.

- Responsibility
For true responsibility to serve as a motivational factor for subordinates, leaders should refrain from imposing strict supervision and allow subordinates to work independently whenever feasible. Implementing the principle of participation enables subordinates to actively plan and execute their tasks.

- Advancement (Progress)
  - Development serves as a significant motivational factor for subordinates, and leaders can initiate the process by providing training opportunities for more demanding tasks. Once this training is completed, leaders can identify and recommend subordinates who are prepared for advancement, promotion, or further education and training. In doing so, leaders empower their employees to progress and excel in their roles.

**Extrinsic Motivation**

As defined by (Septianti and Frastuti, 2019), extrinsic motivation refers to anything acquired through self-observation or due to suggestions, recommendations, or encouragement from others. It pertains to motivation originating from external sources rather than from within an individual or the work environment, due to the influence of other external factors that cause external stimulation to become extrinsic motivation for individuals. In other words, extrinsic motivation makes someone do something to get something else that benefits them.

According to Herzberg in (Potu, Lengkong and Trang, 2021), indicators classified as extrinsic motivation are:

- Policy and administration
  - Extrinsic motivation in the form of policies and administration involves the application of rules and regulations to employees concerning their work. These policies and administration are typically formulated and documented by the leadership. They serve as guiding principles for employees, providing direction in performing their duties and responsibilities as assigned.

- Quality supervision
  - Inadequate supervision can result in employees feeling disheartened. Leaders need to possess a thorough understanding of how to effectively supervise employees based on their respective roles and responsibilities.

- Interpersonal relations
  - Interpersonal relationships depict the connections among individuals, including subordinates with their superiors and between subordinates and co-workers. In some cases, subordinates might experience difficulty in establishing harmonious interactions with their superiors or co-workers.

**Interpersonal Communication**

In a company or organization, the process of communication between individuals often occurs as a form of interaction between the two individuals. Interpersonal communication involves the transmission of information between individuals. As explained by Luthans in (Pertiwi et al., 2019), communication is considered a fundamental approach to influencing behavioral
changes, acting as a bridge between psychological processes such as perception, learning, and motivation, and language. According to (Hidayat, Kambara and Lutfi, 2018) are as follows:

- **Openness**
  - This refers to a mindset characterized by sincerity, modesty, and impartiality in embracing the viewpoints of others.

- **Empathy**
  - This pertains to the capacity to empathize with others and to see things from another person's perspective.

- **Support**
  - This refers to the support, care, recognition, or aid provided by significant others, whether on an individual or group basis, which offers a sense of comfort and assistance.

- **Positive feeling**
  - Be positive both when expressing opinions or ideas that are contradictory or ideas that support, the process of implementing communication that supports, the process of implementing effective communication.

- **Equality**
  - That is ready to accept members of other communications equal or equivalent.

**Performance**

In a general sense, performance can be comprehended as the outcomes of work that an individual or a group of people within an organization can attain within their designated authorities and responsibilities, aiming to accomplish the organization's objectives lawfully and in alignment with ethical principles. Performance is characterized as the achievements resulting from a person's abilities and actions applied in specific circumstances.

Based on the explanation from (Afandi, 2018) employee performance indicators are as follows.

- **Quantity of work**
  - Various measurement units pertaining to the quantity of work, which can be quantified using numerical values or equivalents.

- **Quality of work**
  - All kinds of measurement units related to the quality or quality of work that can be expressed in numbers or other numerical equivalents.

- **Efficiency in carrying out tasks**
  - Utilize various resources efficiently and economically.

- **Work discipline**
  - Adhere to the relevant regulations.

- **Initiative**
  - The capability to make independent and correct decisions without external instructions, being proactive in identifying appropriate actions in one's surroundings, and persistently pushing forward with tasks even when faced with increasing challenges.
• Accuracy
  o The degree of alignment between work measurements and the achievement of its objectives.
• Leadership
  o The leader's process of influencing and serving as a role model for followers in pursuit of organizational objectives.
• Honesty
  o One aspect of human nature that is challenging to implement.
• Creativity
  o The cognitive processes that encompass the creation of ideas or concepts.

Fig. 1: Conceptual Framework

Note: Conceptual framework after eliminating 1 indicator (IC2) on the interpersonal communication variable.

3. Methods

This research is a quantitative study employing the path analysis approach. The population and sample under investigation are defined as follows. According to (Sugiyono, 2017), the population refers to the target area comprising objects or subjects possessing specific qualities and characteristics, which researchers determine for the purpose of study and drawing conclusions. In this study, the population consists of 141 staff members from PT. SALSBP in East Kalimantan, Indonesia.

(Sugiyono, 2017) argues, the sample constitutes a portion of the total number of individuals possessing the characteristics found within the population. To determine the sample size for this study, the researchers employed the Slovin formula, as follows:

\[
 n = \frac{N}{1 + Ne^2} \quad (1)
\]

Where

N: Population size = 141
n = 104.25 = 104 respondent

In this study, the researchers utilized a non-probability sampling technique called purposive sampling, which is a non-random method where the sample is chosen based on specific characteristics relevant to the analysis’s objectives. Consequently, the researchers selected a sample of 104 individuals, encompassing staff, contract employees, and daily employees. The research solely focuses on employees working at PT. SALSBP, and the sample was determined based on specific characteristics that align with the study’s objectives.

- Respondents are employees based on years of service.
- Respondents by position.
- Age of respondents ranged from 20-50 years.

4. Result and Discussion

4.1 Measurement Indicator (Outer Model)

Validity Value

Table 1: Outer loading

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Employee Performance</th>
<th>Extrinsic Motivation</th>
<th>Interpersonal Communication</th>
<th>Intrinsic Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>EM.1</td>
<td></td>
<td>0.767</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EM.2</td>
<td></td>
<td>0.819</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EM.3</td>
<td></td>
<td>0.839</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.1</td>
<td></td>
<td>0.549</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.2</td>
<td></td>
<td>0.859</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.3</td>
<td></td>
<td>0.778</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.4</td>
<td></td>
<td>0.715</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.5</td>
<td></td>
<td>0.597</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.6</td>
<td></td>
<td>0.862</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.7</td>
<td></td>
<td>0.665</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.8</td>
<td></td>
<td>0.651</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP.9</td>
<td></td>
<td>0.854</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC.1</td>
<td></td>
<td></td>
<td></td>
<td>0.718</td>
</tr>
<tr>
<td>IC.3</td>
<td></td>
<td></td>
<td></td>
<td>0.777</td>
</tr>
<tr>
<td>IC.4</td>
<td></td>
<td></td>
<td></td>
<td>0.783</td>
</tr>
<tr>
<td>IC.5</td>
<td></td>
<td></td>
<td></td>
<td>0.810</td>
</tr>
<tr>
<td>IM.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IM.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IM.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IM.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IM.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

According to the data presented in the outer loading table, each item or indicator in the study has a value greater than 0.50. The limit value for external load (> 0.5 with a sample size of 120 respondents), as established by Hair et al. in (Santos, 2017), remains applicable as long as the
construct's validity and reliability meet the necessary criteria. Therefore, all indicators are considered to have valid indicator validity.

**Discriminant Validity**

Table 2: Cross loading

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Employee Performance</th>
<th>Extrinsic Motivation</th>
<th>Interpersonal Communication</th>
<th>Intrinsic Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>EM.1</td>
<td>0.759</td>
<td>0.767</td>
<td>0.712</td>
<td>0.617</td>
</tr>
<tr>
<td>EM.2</td>
<td>0.693</td>
<td>0.819</td>
<td>0.809</td>
<td>0.619</td>
</tr>
<tr>
<td>EM.3</td>
<td>0.715</td>
<td>0.839</td>
<td>0.653</td>
<td>0.519</td>
</tr>
<tr>
<td>EP.1</td>
<td>0.549</td>
<td>0.478</td>
<td>0.386</td>
<td>0.462</td>
</tr>
<tr>
<td>EP.2</td>
<td>0.859</td>
<td>0.767</td>
<td>0.712</td>
<td>0.617</td>
</tr>
<tr>
<td>EP.3</td>
<td>0.778</td>
<td>0.696</td>
<td>0.710</td>
<td>0.608</td>
</tr>
<tr>
<td>EP.4</td>
<td>0.715</td>
<td>0.639</td>
<td>0.653</td>
<td>0.519</td>
</tr>
<tr>
<td>EP.5</td>
<td>0.597</td>
<td>0.470</td>
<td>0.502</td>
<td>0.503</td>
</tr>
<tr>
<td>EP.6</td>
<td>0.862</td>
<td>0.759</td>
<td>0.718</td>
<td>0.634</td>
</tr>
<tr>
<td>EP.7</td>
<td>0.665</td>
<td>0.512</td>
<td>0.583</td>
<td>0.581</td>
</tr>
<tr>
<td>EP.8</td>
<td>0.651</td>
<td>0.595</td>
<td>0.577</td>
<td>0.497</td>
</tr>
<tr>
<td>EP.9</td>
<td>0.854</td>
<td>0.742</td>
<td>0.701</td>
<td>0.621</td>
</tr>
<tr>
<td>IC.1</td>
<td>0.662</td>
<td>0.659</td>
<td>0.718</td>
<td>0.634</td>
</tr>
<tr>
<td>IC.3</td>
<td>0.651</td>
<td>0.595</td>
<td>0.777</td>
<td>0.497</td>
</tr>
<tr>
<td>IC.4</td>
<td>0.583</td>
<td>0.590</td>
<td>0.783</td>
<td>0.404</td>
</tr>
<tr>
<td>IC.5</td>
<td>0.678</td>
<td>0.796</td>
<td>0.810</td>
<td>0.608</td>
</tr>
<tr>
<td>IM.1</td>
<td>0.511</td>
<td>0.482</td>
<td>0.515</td>
<td>0.755</td>
</tr>
<tr>
<td>IM.2</td>
<td>0.494</td>
<td>0.476</td>
<td>0.476</td>
<td>0.715</td>
</tr>
<tr>
<td>IM.3</td>
<td>0.608</td>
<td>0.523</td>
<td>0.550</td>
<td>0.721</td>
</tr>
<tr>
<td>IM.4</td>
<td>0.677</td>
<td>0.624</td>
<td>0.593</td>
<td>0.782</td>
</tr>
<tr>
<td>IM.5</td>
<td>0.559</td>
<td>0.570</td>
<td>0.479</td>
<td>0.720</td>
</tr>
</tbody>
</table>

The table above reveals that the Extrinsic Motivation indicators (EM.1 to EM.3) have higher load factors compared to the other variables. Specifically, the load factor for EM.1 in Extrinsic Motivation (0.767) is greater than that of Employee Performance (0.759), Interpersonal Communication (0.712), and Intrinsic Motivation (0.617). Similar patterns can be observed among the remaining indicators. As a consequence, potential connections are more effective at predicting certain block indicators compared to others.

**Construct Reliability and Construct Validity**

The assessment of component dependability is conducted as follows. Construction dependability is used as an indicator of the reliability of the underlying variables. To be deemed reliable, a value must exceed 0.70. The Cronbach Alpha value represents the reliability score.

Table 3: Construct Reliability and Construct Validity

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach's Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Performance</td>
<td>0.881</td>
<td>0.894</td>
<td>0.906</td>
<td>0.523</td>
</tr>
<tr>
<td>Extrinsic Motivation</td>
<td>0.735</td>
<td>0.734</td>
<td>0.850</td>
<td>0.654</td>
</tr>
<tr>
<td></td>
<td>0.776</td>
<td>0.779</td>
<td>0.855</td>
<td>0.597</td>
</tr>
</tbody>
</table>
Confidence in the accuracy of metrics assessing their underlying components consistently (Memon, Umrani and Pathan, 2017) is ensured through the use of evaluation tools such as Cronbach's Alpha and Combined Reliability. To be considered dependable, a combined reliability score and predicted Cronbach's alpha value of > 0.7 are required (Sarstedt et al., 2019). The table above indicates that each construct surpasses the threshold of 0.7 for Cronbach's alpha value, confirming their reliability. For instance, the latent variable Extrinsic Motivation exhibits a Cronbach alpha value of 0.735, which is greater than 0.7. This pattern is observed in all other variables with values exceeding 0.7 as well. As a result, every construct can be regarded as reliable.

Convergent Validity

Convergent validity is established when factor measurements demonstrate significant correlation with each other (Ghozali and Latan, 2015). The Standard Deviation Extracted value is used to evaluate the convergence validity of the reflective index configuration. A minimum AVE (Average Variance Extracted) value is required of 0.5, because this indicates that this variable can explain 50% or more of the item variation from the previous table, as stated in (Sarstedt et al., 2019). As observed, each latent variable has an AVE value greater than 0.5. For example, the latent variable representing employee performance has an AVE of 0.523, which is greater than 0.5. The same applies to other variables with an AVE value exceeding 0.5.

4.2. Structural Model (Inner Model)

After ensuring that the inferred model meets the requirements of the external model, the inner models of the structural model will be evaluated. This evaluation involves examining the R-square values of the variables

Table 4: R-Square

<table>
<thead>
<tr>
<th>Variables</th>
<th>R-Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Performance</td>
<td>0.921</td>
</tr>
<tr>
<td>Extrinsic Motivation</td>
<td>0.820</td>
</tr>
<tr>
<td>Intrinsic Motivation</td>
<td>0.507</td>
</tr>
</tbody>
</table>

The R-square value on the Employee Performance variable shown in the table above is 0.921. This shows that the variance of employee performance of 92.1% can be explained by interpersonal communication, extrinsic motivation and intrinsic motivation. In addition, interpersonal communication affects extrinsic motivation by 82.0% and intrinsic motivation by 50.7%.

Hypothesis test

Table 5: Hypothesis test result
<table>
<thead>
<tr>
<th>Relationship</th>
<th>Original sample mean</th>
<th>Sample mean</th>
<th>Standard Deviation</th>
<th>T Statistic</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extrinsic Motivation → Employee Performance</td>
<td>0.531</td>
<td>0.525</td>
<td>0.085</td>
<td>6.238</td>
<td>0.000</td>
</tr>
<tr>
<td>Interpersonal Communication → Employee Performance</td>
<td>0.321</td>
<td>0.323</td>
<td>0.065</td>
<td>4.930</td>
<td>0.000</td>
</tr>
<tr>
<td>Interpersonal Communication → Extrinsic Motivation</td>
<td>0.905</td>
<td>0.908</td>
<td>0.015</td>
<td>60.492</td>
<td>0.000</td>
</tr>
<tr>
<td>Interpersonal Communication → Intrinsic Motivation</td>
<td>0.712</td>
<td>0.714</td>
<td>0.060</td>
<td>11.877</td>
<td>0.000</td>
</tr>
<tr>
<td>Intrinsic Motivation → Employee Performance</td>
<td>0.164</td>
<td>0.168</td>
<td>0.055</td>
<td>2.967</td>
<td>0.003</td>
</tr>
<tr>
<td>Interpersonal Communication → Extrinsic Motivation → Employee Performance</td>
<td>0.481</td>
<td>0.476</td>
<td>0.077</td>
<td>6.259</td>
<td>0.000</td>
</tr>
<tr>
<td>Interpersonal Communication → Intrinsic Motivation → Employee Performance</td>
<td>0.117</td>
<td>0.121</td>
<td>0.043</td>
<td>2.703</td>
<td>0.007</td>
</tr>
</tbody>
</table>

According to the table above, the conclusions are as follows:

- Extrinsic motivation has a significant effect on employee performance with a sig. 0.000 < 0.05.
- Interpersonal communication has a significant effect on employee performance with a sig. 0.000 < 0.05.
- Interpersonal communication has a significant effect on extrinsic motivation with a sig. 0.000 < 0.05.
- Interpersonal communication has a significant effect on intrinsic motivation with a sig. 0.000 < 0.05.
- Intrinsic motivation has a significant effect on employee performance with a sig. 0.003 < 0.05.
- Interpersonal Communication has a significant effect on employee performance through extrinsic motivation with a sig. 0.000 < 0.05.
- Interpersonal Communication has a significant effect on employee performance through intrinsic motivation with a sig. 0.007 < 0.05.

4.3. Discussion

Interpersonal communication involves the exchange of information, ideas, feelings, and perspectives among two or more individuals. Within the workplace setting, interpersonal communication plays a crucial role in influencing the relationships between employees and their overall performance. When interpersonal communication works well, employees tend to better understand expectations, get clear feedback, and feel more involved in the work environment. Effective interpersonal communication includes several aspects, such as listening attentively, expressing oneself clearly, conveying messages with respect, and avoiding unnecessary conflict. Openness and honesty are also key in building strong communication between colleagues.

Extrinsic motivation is a form of motivation that originates from external elements, such as rewards or punishments. In the work environment, extrinsic motivation can be manifested
in the form of bonuses, awards, promotions or public recognition of employee achievements. This extrinsic factor aims to encourage employees to achieve better performance or achieve the goals set by the company. Although extrinsic motivation can provide the initial drive, its reliance on external rewards can have a limited impact in the long term. Employees driven solely by extrinsic motivation may be less committed and less likely to stay with the company if the rewards are reduced or eliminated.

Intrinsic motivation is a type of motivation that arises from within the individual himself. It is an inner drive or satisfaction that comes from personal achievement, an interest in the work itself, a sense of accomplishment, or a desire to learn and grow. Employees who are intrinsically motivated tend to be more sustainably motivated because they find satisfaction in the work they do. If employees are given the opportunity to manage their own work (autonomy), have opportunities to continually learn and develop (mastery), and see the impact and meaning of their work (goals), they are more likely to have high intrinsic motivation.

The influence of interpersonal communication, extrinsic motivation, and intrinsic motivation on employee performance has a very important role. Effective interpersonal communication allows employees to better understand expectations, feedback, and important information needed to carry out their jobs efficiently and effectively. Extrinsic motivation can provide initial incentives and encouragement for employees to achieve certain work goals or to improve their performance. However, extrinsic motivation has limitations because employees may only focus on external rewards and become discouraged when those rewards are absent. Intrinsic motivation is more sustainable and stronger in influencing employee performance. When employees feel connected to their work, feel in control of their tasks, and feel their work is meaningful, they tend to achieve higher performance. A good combination of extrinsic and intrinsic motivation can be a powerful force in driving employee performance. Recognition of achievement (extrinsic motivation) can increase intrinsic satisfaction and help encourage employees to be more enthusiastic about achieving work goals.

It is important for corporate leaders to understand the important role of interpersonal communication and the different types of motivation in influencing employee performance. By establishing good communication, providing the right extrinsic encouragement, and creating an environment that supports intrinsic motivation, companies can improve employee performance and achieve business goals more effectively.

The variable of extrinsic motivation receives the lowest score in the statement "Good interpersonal relationships can improve work quality." Similarly, the variable of Interpersonal Communication receives the lowest score in the statement "Does not differentiate between communicating with anyone." Furthermore, the Intrinsic Motivation variable gets the lowest score in the statement "Working in a company makes my abilities and skills develop." To address these gaps, a productive culture can be established through the implementation of the Daily Management System (DMS). The DMS is a structured approach aimed at managing the organization's daily operations and tasks to ensure smooth functioning and goal achievement. This system involves active participation from all levels of the organization, from employees to managerial staff, with the core principles of measurement, control, and continuous improvement (Wahjoedi, 2023).

5. Conclusion
From the results of this study it can be concluded that:

- Extrinsic motivation has a significant effect on employee performance.
- Interpersonal communication has a significant effect on employee performance.
- Interpersonal communication has a significant effect on extrinsic motivation.
- Interpersonal communication has a significant effect on intrinsic motivation.
- Intrinsic motivation has a significant effect on employee performance.
- Interpersonal Communication has a significant effect on employee performance through extrinsic motivation.
- Interpersonal Communication has a significant effect on employee performance through intrinsic motivation.
- Extrinsic motivation is the most dominant variable affecting employee performance.
- The relationship between interpersonal communication variables, extrinsic motivation and intrinsic motivation on employee performance is very strong at 92.1%.
- To achieve optimal employee performance, it is advisable to adopt the implementation of a daily management system according to existing conditions.

References

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