ABSTRACT

This research is replicated from Drake, et. al's research (2007) and has modified by researcher. This research aims to examine relations of empowerment, motivation, and employee performance. Besides that, in this research also to examines the impact of feed back and insentive on non management employees.

This reaserch uses the empirical uses random sampling technique in the data collection. Data were collected using a survey on 160 nonmanagement employees from private enterprise in Purwokerto. Data analysis uses structural Equation Model (SEM) with program AMOS 16.0

Result of this research indicate that all of hypothesis that have been proposed are accepted. Hypothesis 1 showed feed back significantly positive influence the empowerment. Hypothesis 2 showed reward system significantly positive influence the empowerment. Hypothesis 3 showed empowerment significantly positive influence the motivation and hypothesis 4 showed motivation significantly positive influence employees performance.

Keywords: Empowerment, motivation, employee performance, feed back, reward system, structural equation model (SEM).