

**EFFECTS MOTIVATION ON BUSINESS PERFORMANCE: THE MEDIATION
ROLE OF JOB SATISFACTION AND LEADERSHIP (A STUDY IN VILLAGE
CREDIT INSTITUTIONS)**

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ABSTRACT

Bali is not only famous as a thousand Temples Island and a thousand Banks Island, actually, it is also deserved as a thousand financial institutions non-bank island. The latter call is very natural because recently, in Bali there are 1.414 Village Credit Institutions (VCI) spreading in almost all part of traditional Villages in Bali. This research aims to analysis the mediation role of work satisfaction and leadership to the motivation effects of business performance. Taking 65 samples of 65 VCI by giving questionnaires to the leaders of VCI, this research uses Structural Equation Modeling (SEM) with *Smart PLS* as the data analysis tool. The result analysis shows that the work satisfaction and leadership mediates the effects of motivation and business performance. Thus, the intrinsic and extrinsic motivation provision to the leaders of VCI has not been able yet to improve business performance in real.

Keyword: Motivation, Business Performance, Job Satisfaction, Leadership.