

The Influence Of Compensation And Work Environment On Employee Performance

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Abstract

This research aims to determine the effect of compensation and work environment on employee performance at PT. Gracia Optima Masterpro. This research uses quantitative methods with a descriptive approach. The analytical method used is multiple linear regression analysis using SPSS 25. The population in this research is employees of PT. Gracia Optima Masterpro with a sample of 97 respondents using a total sampling approach. The results of this research are that if compensation has a high value, the work environment is in good condition and employee performance has a high value, then compensation has a significant positive effect on employee performance, the work environment has a significant positive effect on employee performance and compensation and the work environment have a significant positive effect on employee performance.

Keywords: Compensation, Work Environment, Employee Performance

Abstrak

Penelitian ini bertujuan untuk mengetahui pengaruh kompensasi dan lingkungan kerja terhadap kinerja karyawan pada PT. Gracia Optima Masterpro. Penelitian ini menggunakan metode kuantitatif dengan pendekatan deskriptif. Metode analisis yang digunakan adalah analisis regresi linier berganda dengan menggunakan SPSS 25. Populasi dalam penelitian ini adalah karyawan PT. Gracia Optima Masterpro dengan sampel sebanyak 97 responden dengan menggunakan pendekatan total sampling. Hasil dari penelitian ini adalah kompensasi bernilai tinggi, lingkungan kerja dalam keadaan baik dan kinerja pegawai bernilai tinggi, kemudian kompensasi berpengaruh positif signifikan terhadap kinerja pegawai, lingkungan kerja berpengaruh positif signifikan terhadap kinerja pegawai. serta kompensasi dan lingkungan kerja berpengaruh positif signifikan terhadap kinerja karyawan

Kata Kunci: Kompensasi, Lingkungan Kerja, Kinerja Karyawan

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INTRODUCTION

Management source Power man is field positioning management self in role humans and relationships in nature organization (Bangun, 2012). This matters Because the management source Power man arranges power work something organization to reach objective organization. One of the things that can be reached objective organization is the performance employee. If a performance employee feels influential and positive to an organization matter will have a good impact for organization, the for reach objectives. Human resources in the company play an important role, as one of the benchmarks for employee performance levels. This means that if the quality level of human resources in a company is high or good then the level of employee performance in that company will more easily increase, and vice versa if the quality level of human resources is low or lacking then the level of employee performance in that company will difficult to improve. According to Dessler (2015) performance, it is an action shown by each individual in an organization. So it can be said that individual performance greatly influences the continuity of an organization.

If the performance between individuals runs in accordance with the procedures then the performance of the organization will also run well, and vice versa, if the performance between individuals does not run according to the procedures then the performance of the organization will also be hampered. Companies need to pay close attention to employee performance because with good employee performance, the company's goals will also be achieved. So there are several factors that influence employee performance, such as internal factors and external factors, internal factors that influence employee performance are those that arise from a particular employee, such as attitude, personality, body shape, gender, age, and other factors that arise from someone's personality. Meanwhile, external factors that influence a person's performance come from the person's work environment. For example, organizational rules, attitudes of other employees, salaries received, and so on. So it can be said that external factors that can influence employee performance are salary or *feedback* from the company and also the environment in which the employee works (Sedarmayanti, 2012).

According to Bangun (2012) compensation, it is an important factor and must be considered by many organizations in terms of retaining and engaging quality human resources. Companies need to pay attention to compensation if they want the company's goals to be achieved, commensurate compensation can support the performance of employees in carrying out their responsibilities. As explained by Hasibuan (2019) compensation, it is *feedback* from the company to employees in the form of money, goods, or pleasure, which employees are entitled to receive according to the results of their work. Companies must really regulate the workload carried out by employees because that way the company can adjust how much salary and bonuses employees will get. Rivai (2011) classifies that compensation consists of direct compensation and indirect compensation such as employee welfare and employee services. Without balanced compensation, it will cause problems that will disrupt the running of the company due to low employee performance.

Apart from compensation, an appropriate work environment that can support employee performance is very important. By giving tasks and responsibilities to employees, company management also pays attention to the employee's work environment. Companies must provide a sense of security and comfort to their employees at work. Sedarmayanti (2012) believes that the work environment is everything in the employee environment that can influence him at work. The organization's work environment has a significant influence on the smooth running of production in an appropriate environment, so that employees remain satisfied with the performance of their activities, but can also influence performance improvement.

In this research, PT Gracia Optima Masterpro as the focus of the research is a company located in Ciptomulyo Village, Sukun District, Malang City. This company operates in the printing sector and specializes in printing *cigarette packaging* and *food packaging*. Some of the customers of this company

are cigarette companies and food companies located around the city of Malang. One of the indicators that can be used for low-level performance employees in a company is from the realization of the targets given by the company, meanwhile in the realization of PT targets. Gracia Optima Masterpro only achieved 2 months just from 1-year work, performance experience decline influenced by several factors, such as compensation and environment Work.

As a result, interviews have been done with a number of PT employees. Gracia Optima Masterpro states that bonuses given by the company are Still Not yet in accordance with the performance that has been generated by employees. Employees also stated that not quite enough answer work given to employees Still Not yet worth it with incentives provided by the company to employees. Then there are those statements from a number of employees related to the environment working at PT. Gracia Optima Masterpro. The employee stated that on the environment work part production circulation the air in the room the Still not circulated well, the employee also stated that there are a number of lacking relationships between fellow employees influenced factor age differences far h/there is an age gap between employees. Compensation and the environment Work employees can influence the performance employee in the company so that matter This must reviewed more in for company.

LITERATURE REVIEW

Performance according to Mangkunegara (2017) performance is the achievement of work results based on the quality and quantity of an employee over a certain period of time, based on his duties and responsibilities. Apart from that, according to Dessler (2015) performance, it is the result of work carried out by someone who carries out tasks based on skill, experience, and willingness and on time according to the standards and criteria set by the company. Nawawi (2011) states performance is something that functions from motivation and ability. To finish a task or work somebody duly own degrees willingness and level of ability certain. Willingness and skills somebody not Enough Effective to do something without a clear understanding of what is done and how to do it. An indicator according to Mangkunegara (2017) there are 6, namely quality, quantity, accuracy time, effectiveness, independence, and commitment work.

Compensation is a form of corporate responsibility given to employees who have completed the tasks and responsibilities assigned by the company. According to Hasibuan (2019) compensation is remuneration from the company to employees for what the employee has done in completing his responsibilities. Fair compensation can encourage employee participation so that employees can work responsibly and contribute to company operations. Rivai (2011) states that compensation is defined as all income, in the form of money, direct or indirect goods, received by employees as compensation for services provided to the company. Compensation is an important part of employee relations. compensation includes direct cash payments, indirect payments in the form of employee benefits, and incentives that encourage employees to work harder to achieve higher productivity (Bangun, 2012). Rivai (2011) summarizes several opinions that compensation is divided into 2 groups, namely compensation direct and compensation no direct. According to Hasibuan (2019) compensation indicators there are 4, namely salary, incentives /bonuses, allowances, and welfare employee.

According to Nawawi (2011) a good work environment, it is a work environment that provides a feeling of comfort for employees in carrying out their duties, which ultimately affects their work performance. A good and pleasant work environment can increase employee morale in the company, which also triggers employees to work as best as possible so that production in the company runs smoothly, which ultimately has a positive impact on the company's employees. On the other hand, Nabawi (2019) the work environment is everything in the employee's environment that can influence him at work. The organization's work environment has a significant impact on the smooth running of production in an appropriate environment, so that employees remain satisfied with the performance of their activities, but can also influence performance improvement. Sedarmayanti (2014) the work

environment is a set of tools and materials that come into contact, the work environment in which a person works and a good and healthy work environment in the organization encourages employees to be more motivated to use all their abilities in carrying out the tasks assigned and not deviate from the company's initial goals or mission. Employees need a comfortable work environment to be calmer and more focused at work. Sedarmayanti (2011) states that in general, the type of work environment is divided into 2, namely physical work environment and non-physical work environment. Environmental indicators Work according to Sedarmayanti (2014) is lighting, temperature air, spatial planning, security work, and relationships between superiors nor employee.

Based on research by Hamdani (2016); Ardi (2021) ; Palupiningtyas dan Aryaningtyas (2022) states that compensation has a significant effect on employee performance. Based on research by Sugiarti (2020); Suryani (2019); Herlina (2020) state that The work environment has a significant effect on employee performance. Based on research Rukmini (2016); Nanulaitta (2018); Trisna dan Guridno (2021) stated in the results of their analysis that compensation and the work environment had a significant effect on employee performance. With so, the hypothesis in the study This is as follows:

H 1: Compensation influential positive significant to performance employee

H 2: Environment Work influential positive significant to performance employee

H 3: Compensation and the environment Work influential positive significant to performance employee

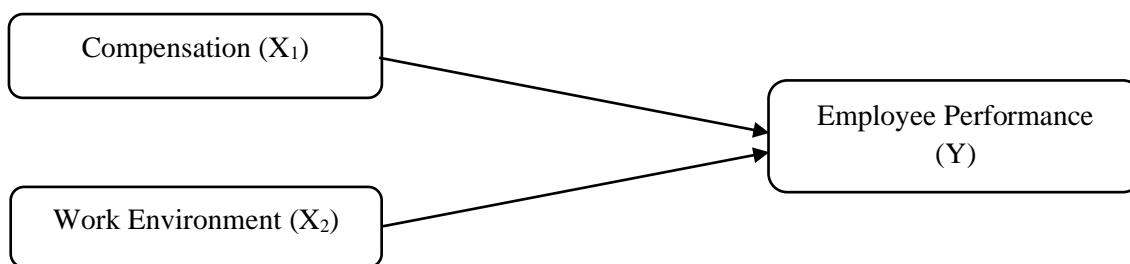


Figure 1. Research Framework

RESEARCH METHODS

Study This is a study quantitative with use formula statistics and calculations mathematical in the test. Study This was carried out at PT. Gracia Optima Masterpro is located in the Village Ciptomulyo, District Breadfruit, Malang City. Population in study This is all over employees at PT. Gracia Optima Masterpro, East Java, Malang City. Where deep study This uses the technique of probability sampling, with a total sampling approach. Study This using 97 respondents. In terms of This researcher spread a questionnaire in the form a Google Form to respondents. In research, This researcher used SPSS 25 as a tool for data analysis.

RESULTS AND DISCUSSION

After distributing questionnaires to test the instrument to 97 respondents, it was declared valid and reliable. Next, the researcher carried out tests to prove the existing hypothesis. The following are the results of respondent characteristics, instrument tests, classical assumption tests, data analysis techniques, and also hypothesis testing. Based on the results data collection is obtained from profile respondents in study This or characteristics of respondents in study this. Following is characteristics respondents served in Table 1 as follows:

Table 1. Respondent Characteristics

Respondent Characteristics	Variation	Respondent	Percentage
Gender	Man	61	62.8%
	Female	26	37.2%
Age	< 21 years old	26	26.8%
	22 - 25 years old	47	48.4%
	26 - 35 years old	14	14.4%
	> 36 years old	10	10.4%
Last education	SMA/SMK	53	54.6%
	D3/D4/S1	31	31.9%
	Other	13	13.5%
Status	married yet	34	35.1%
	Already Marry	63	64.9%
Length of work	< 1 year	17	17.5%
	15 years	68	70.1%
	6 - 10 years	9	9.2%
	> 10 years	3	3.2%

Source: *Primary data processed (2023)*

Results data spread questionnaire carried out a researcher to 97 respondents is known that type sex PT employees. Gracia Optima Masterpro dominated men by 62.8%, age dominated by 22 – 25 years by 48.4%, education final dominated by SMA/SMK at 54.6%, dominated status Already Marry amounting to 64.9%, and length of service dominated by 1 – 5 years amounting to 70.1%.

Table 2. Validity Test Results

Variable	Statement	R Count	R Table	Information
Compensation	X1.1	0.558	0.199	Valid
	X1.2	0.549	0.199	Valid
	X1.3	0.570	0.199	Valid
	X1.4	0.532	0.199	Valid
	X1.5	0.535	0.199	Valid
	X.1.6	0.606	0.199	Valid
	X1.7	0.606	0.199	Valid
	X1.8	0.517	0.199	Valid
Work Environment	X2.1	0.578	0.199	Valid
	X2.2	0.506	0.199	Valid
	X2.3	0.593	0.199	Valid
	X2.4	0.587	0.199	Valid
	X2.5	0.519	0.199	Valid
	X2.6	0.592	0.199	Valid
	X2.7	0.572	0.199	Valid
	X2.8	0.514	0.199	Valid
	X2.9	0.547	0.199	Valid
	X2.10	0.539	0.199	Valid
Employee Performance	Y1	0.583	0.199	Valid
	Y2	0.563	0.199	Valid
	Y3	0.556	0.199	Valid
	Y4	0.523	0.199	Valid
	Y5	0.550	0.199	Valid
	Y6	0.591	0.199	Valid

Y7	0.583	0.199	Valid
Y8	0.568	0.199	Valid
Y9	0.512	0.199	Valid
Y10	0.567	0.199	Valid
Y11	0.522	0.199	Valid
Y12	0.501	0.199	Valid

Source: *Primary data processed (2023)*

Based on table 2, from the table correlation that has been obtained seen that the calculated r value of each indicator is bigger from the r table (0.199). So you can have concluded all statement items on the questionnaire declared valid.

Table 3. Recapitulation of Reliability Test Results

Variable	Cronbach's Alpha	Criteria	Information
Competence	0.609	0.6	Reliable
Work Motivation	0.675	0.6	Reliable
Employee Performance	0.630	0.6	Reliable

Source: *Primary data processed (2023)*

Based on table 3, reliability test results in the table above show that all variables used in the study have a mark *Cronbach's Alpha* more of 0,6. With So, you can conclude that all over variables used in the study Are reliable. Normality test used for know what data is used in study this normally distributed or no. Data used can declared normal if mark the significance of Kolmogorov-Smirnov shows mark significance > 0.05 . The following is a test for normality of data in research This:

Table 4. Classical Assumption Test Results

One-Sample Kolmogorov-Smirnov Test	
Asymp . Sig. (2-tailed)	0,200

Source: *Primary data processed (2023)*

From the results of the normality test carried out seen that Asymp. The resulting sig is more big of 0,05 which shows that data is used in the study This is normally distributed. The multicollinearity test aims to test what is the regression model finds exists correlation between variables independent or not.

Table 5. Multicollinearity Test Results

Variable	Tolerance	Vif	Information
Compensation	0.934	1.071	Non Multicollinearity
Work Environment	0.943	1.071	Non Multicollinearity

Source: *Primary data processed (2023)*

From table 5 it can be seen that the results of the multicollinearity test do not show symptoms of multicollinearity. This is characterized by a tolerance value of more than 0.1 and a VIF value below 10. The heteroscedasticity test is used to determine whether the regression in this study is said to be good if it is not heteroscedasticity by looking at the significant value of the independent variable with

the residual value. If the correlation between the dependent variable and the residual is obtained at a significant level of > 0.05 , then it can be concluded that heteroscedasticity does not occur.

Table 6. Heteroscedasticity Test Results

Variable	Sig.	Information
Compensation (X1)	0.553	Does not experience heteroscedasticity
Work Environment (X2)	0.585	Does not experience heteroscedasticity

Source: *Primary data processed (2023)*

Based on table 6, the test results show that the sig. all variables are > 0.05 so it can be concluded that heteroscedasticity does not occur. Analysis used For know exists influence variable free that is compensation (X1) and environment work (X2) against variable bound that is performance employee (Y).

Table 7. Multiple Linear Regression Analysis

Model	Coefficient	
	B	Std. Error
Constant	52,954	5,392
Compensation	0.541	0.128
Work Environment	0.679	0.156

Source: *Primary data processed (2023)*

Based on Table 7 of the values above, the following multiple linear regression equation is obtained: $Y = 52.954 + 0.541 X1 + 0.679 X2$. The linear equation can be defined as a regression coefficient for the variable The variable coefficient X2 of 0.679 states that every improvement in the work environment will have an effect on increasing the employee performance variable (Y) which has a positive sign.

Table 8. Recapitulation T-test Results X1 to Y

Variable	Q	Sig T	Information
Compensation	4,328	0,000	Significant

t- table = 1.660

Source: *Primary data processed (2023)*

In table 8 values t - count test statistics the bigger than t - table ($4.328 > 1.660$) and the value is significantly smaller instead of $\alpha = 0.05$. Testing This shows that the hypothesis First accepted, which means compensation variable (X1) has an effect significant to k employee performance (Y). That matter is appropriate with research conducted by, Ardi (2021) and Palupiningtyas dan Aryaningtyas (2022) which states Hamdani (2016) that compensation is influential in a way positive and significant.

Table 9. Recapitulation T-test Result X2 to Y

Variable	Q	Sig t	Information
Work environment	3,944	0,000	Significant

T-table = 1.660

Source: *Primary data processed (2023)*

In table 9 values t - count test statistics the bigger than t - table ($3.944 > 1.660$) and the value is

significantly smaller instead of $\alpha = 0.05$. Testing This shows that the hypothesis is second accepted, which means variable environment work (X2) has an effect significant to k employee performance (Y). That matter is appropriate with research conducted by, Suryani (2019) and Herlina (2020) which states Sugiarti (2020) that environment Work influential positive and significant.

Table 10. Recapitulation F -test Results X1 and X2 to Y

Variable	F	Sig t	Information
Employee Performance	109.81	0,000	Significant

f-table = 3.09

Source: *Primary data processed (2023)*

In table 10 values calculated for f-test statistics, the bigger from the f-table ($109.81 > 3.09$) and the value is significantly smaller instead of $\alpha = 0.05$. Testing This shows that hypothesis third accepted, which means variable compensation (X1) and environment work (X2) have an effect significant to the performance of employee (Y). This matter in accordance with research conducted by, Nanulaitta (2018) and Trisna dan Guridno (2021) which states Rukmini (2016) that compensation and environment work are influential in a way positive and significant.

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of research conducted regarding the influence of compensation and the environment work on employee performance. It can be assumed that with good compensation the performance of PT employees. Gracia Optima Masterpro can improve employee performance. Likewise with the employee environment, where when the work environment is good it can improve employee performance at PT. Gracia Optima Masterpro This research also proves that compensation and environment Work can increase the performance of employees at PT. Gracia Optima Masterpro, with good compensation and environment the same works well, so can increase the performance of employees at PT. Gracia Optima Masterpro. Study This can become a reference for PT. Gracia Optima Masterpro can maintain the compensation given to employees so that with method can make employees give their best for the company. With always maintaining a good environment employees can increase their performance employees, so that PT. Gracia Optima Masterpro can Keep going give performance the best for realizing matter.

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