

THE EFFECT OF COMPENSATION AND WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE AT PT BERSAMA MAKMUR RAHARJA

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ABSTRACT

This study conducted to determine the impact of compensation and work environment on employee performance at PT. Bersama Makmur Raharja, with the formulation of the problem whether compensation and work environment affect employee performance at PT. Bersama Makmur Raharja. This study aimed to determine the effect of compensation and work environment on employee performance at PT. Bersama Makmur Raharja. The sample tested was 30 respondents and the test results showed that each variable, namely compensation and work environment can have a significant effect on employee performance at PT. Bersama Makmur Raharja.

KEYWORDS : Compensation, Work Environment and Employee Performance.



Introduction

According to Dwianto and Purnamasari (2019), employee performance is influenced by compensation. Compensation is all income in the form of money or goods received directly from the company to its employees, for services rendered to the company (Hasibuan, 2019). According to Darmadi (2020), employee performance is also influenced by the work environment. According to Sedarmayanti (2014), the work environment is the overall tools and materials encountered, the environment in which a person works, his work methods, and work arrangements both as individuals and as groups. The work environment is considered to be able to influence employees in completing their work. A conducive environment can make employees feel comfortable, so they can work optimally.

One of the automotive companies currently working on improving employee performance is PT. Bersama Makmur Raharja Malang City branch which located at St. West Candi Mendut Block C No 27, Malang City, East Java. Employee performance at PT. Bersama Makmur Raharja Malang can be said to be quite optimal. But the performance of employees had experienced an increase or decrease in performance. This can be seen from the sales data of PT. Bersama Makmur Raharja experienced an increase or decrease in conditions until mid-2022.

The decline in employee performance could be caused by compensation from the company. Since the Covid-19 pandemic, PT. Bersama Makmur Raharja, they do not provide annual salary increases to their employees. In addition, the sales bonus given is also reduced. In addition to compensation, there are also problems in the work environment, namely the office occupied by the work area is relatively narrow with about 8 employees for each division. Plus the distance between the desks of each employee is also too close. This condition makes some employees feel uncomfortable to work.

Method

The type of research is quantitative research, research with details presented in a systematic, well-planned, and structured, conducted by collecting various information needed and then proceeding with processing and analysis to summarize the situation and problems. The population in this study were workers and consumers of PT. Bersama Makmur Raharja Malang, the number was unknown. The determination of the sample in this study based on the theory of Roscoe (1975) in Sugiyono's research (2014) which states that the sample size selected in this study is between thirty to five hundred elements and the alternative population that has been studied using an accidental sampling technique. Accidental sampling was used as a sample based on a sudden meeting with the researcher and can be used as a sample if it is considered feasible to be used as a data source (Notoatmodjo, 2010). In this

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research, the researcher determined two types of variables, namely the independent variable and the dependent variable. Independent Variable: Compensation and Work Environment, while Dependent Variable: Employee Performance.

The data collection conducted by distribute questionnaires in the form of google forms to the respondents by providing several information or questions to consumers or respondents. The method used in this study was a description of the questionnaire answers that have been distributed to consumers at PT. Bersama Makmur Raharja, the results obtained used descriptive analysis methods to summarize data from respondents. There are various tests in this study, namely: Data Instrument Test, Classical Assumption Test, Model Feasibility Test, and Hypothesis Test. In data processing, researchers used the IBM SPSS (Statistical Package for Social Sciences) program, aimed to know the influence and relationship between variables.

Result

Validity Test

Table 1. Validity Test Results

Item	R-Count	R-table	Sig.(2-tailed)	A	Conclusion
X1.1	0,057	0.361	0,000	0.05	Valid
X1.2	0.658	0.361	0,000	0.05	Valid
X1.3	0.545	0.361	0,000	0.05	Valid
X1.4	0.495	0.361	0,000	0.05	Valid
X2.1	0.733	0.361	0,000	0.05	Valid
X2.2	0.364	0.361	0,000	0.05	Valid
X2.3	0.643	0.361	0,000	0.05	Valid
Y.1	0.840	0.361	0,000	0.05	Valid
Y.2	0.373	0.361	0,000	0.05	Valid
Y.3	0.442	0.361	0,000	0.05	Valid
Y.4	0.624	0.361	0,000	0.05	Valid
Y.5	0.542	0.361	0,000	0.05	Valid

Source: Processed IBM SPSS 22 (2022)

The research instrument can be said to be valid if the value of sig. (2-tailed) for each total variable is smaller than the research significance level (Sig. (2-tailed) ≤ 0.05). Based on the results of the validity test which states that all items measuring the research variables have an R-count that was greater than the R-Table, and the value of Sig.2 (0.000 < 0.05), it can be seen that the research instrument is a questionnaire used to measure compensation and work environment on employee performance is valid.

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Reliability Test

Table 2. Reliability Test

Item	Cronbach's Alpha	R-Table	Conclusion
X1	0.743	0.361	Reliabel
X2	0.743	0.361	Reliabel
Y	0.743	0.361	Reliabel

Source: Processed IBM SPSS 22 (2022)

The research instrument can be said to be reliable if the Cronbach's Alpha value was greater than 0.361. Based on the results of the reliability test, stated that the Cronbach's Alpha value of each item that measures the research variable was greater than 0.361. The result showed that the research instrument is a questionnaire used to measure compensation and work environment on employee performance at PT. Bersama Makmur Raharja and the results is reliable.

Classic Assumption Test

Table 3. Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized	Predicted
		Value	
N			30
Normal Parameters ^{a,b}	Mean		19,9000000
	Std. Deviation		1,23133965
			0,132
Most Extreme Differences	Absolute		0,132
	Positive		-0,099
	Negative		0,132
Test Statistic			0,132
Asymp. Sig. (2-tailed)			0.191 ^c

Source: Processed IBM SPSS 22 (2022)

Based on the Kolmogorov-Smirnov test, a significant Asymp value was 0.191 and concluded that the value was greater than 0.05 ($0.191 > 0.05$) so that the residual value is normal.

Table 4. Multikolinieritas Test

Model	Coefficients ^a							
	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta	Tolerance			VIF	
1	(Constant)	2,041	2,551		0,800	0,431		
	X1	0,383	0,165	0,291	2,318	0,028	0,756	1,323
	X2	0,972	0,190	0,641	5,116	0,000	0,756	1,323

Source: Processed IBM SPSS 22 (2022)

The test results above concluded that there is no multicollinearity between the independent variables because from all the VIF results the independent variable was more than 10, and the tolerance value was more than 0.1.

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Table 5. Heteroskedastisitas Test

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0,654	1,759		0,372	0,713
1 X1	0,028	0,114	0,055	0,250	0,804
X2	-0,044	0,131	-0,075	-0,339	0,737

Source: Processed IBM SPSS 22 (2022)

From the test results above, it showed that the sig value for the variable Compensation (X1), Work Environment (X2) > 0.05 so it can be concluded that there are no symptoms of heteroscedasticity.

Model Feasibility Test

Table 6. Determination Test

Model	Model Summary			
	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.824a	0.680	0.656	0.87624

Source: Processed IBM SPSS 22 (2022)

Obtained an R Square value of 0.680 which indicated that there is an influence between the coefficient of the variable X on Y which equal to 68%.

Table 7. F Test

Model	ANOVA ^a				
	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	43,970	2	21,985	28,634	0.000 ^b
Residual	20,730	27	0,768		
Total	64,700	29			

Source: Processed IBM SPSS 22 (2022)

Based on the data in table 4, it can be seen that the calculated F value was 28,634 with a Sig value. 0.000. While the F-table value for the significance value or $\alpha = 0.05$ was 3.340. Because the value of F-count > F-table (28,634 > 3,340) and Sig. < (0.000 < 0.05), this means that the formed regression model meets the goodness of fit model or the regression model that formed is feasible and can be used to predict purchasing decisions at PT. Bersama Makmur Raharja.

Table 8. Regression Model Formation

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2,041	2,551		0,800	0,431
1 X1	0,383	0,165	0,291	2,318	0,028
X2	0,972	0,190	0,641	5,116	0,000

Source: Processed IBM SPSS 22 (2022)

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Based on the B value, a multiple linear regression model can be formed as follows:

$$Y = 2,041 + 0,383X1 + 0,972X2 \dots\dots\dots (1)$$

Based on the results of the regression model formed, it can be seen that the regression constant has a positive value of 2.041, which means that without X1 (compensation), X2 (work environment), consumers who become research respondents already have purchasing decisions. The regression coefficient on X1 (compensation) was positive at 0.383. This means that the higher the compensation, the higher the performance. And for every 1 increase in compensation, it will increase employee performance by 0.383 units. The regression coefficient on X2 (work environment) was positive at 0.972. This means that the better the work environment, the higher the employee's performance. And for every 1 increase in the work environment will increase employee performance by 0.972 units.

Table 9. T Test

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2,041	2,551		,800	,431
1 X1	,383	,165	,291	2,318	,028
X2	,972	,190	,641	5,116	,000

Source: Processed IBM SPSS 22 (2022)

X1,X2 affect Y

H1 : The compensation variable with the t-count was 2.318 on employee performance (Y) and was significant at 0.028. As indicated by t-count 2.318 > t-table 0.683 with a value of 0.05, so Ho rejected and Ha accepted or it concluded that the compensation variable has a positive and significant effect on employee performance.

H2 : The work environment variable with the t-count was 5.116 on employee performance (Y) and was significant at 0.000. Or indicated by t-count 5.116 > t-table 0.683 with a value of 0.05. so Ho rejected and Ha accepted or it concluded that the work environment variable has a positive and significant effect on employee performance.

Discussion

The Effect of Compensation on Employee Performance at PT. Bersama Makmur Raharja

Based on the results of the research above, the effect of compensation on employee performance was obtained t-count 2.318 > t-table 0.683, it can be said that compensation has a positive and significant effect on employee performance. This showed that what has been given by PT. Bersama Makmur Raharja to the employees were sufficient and accordance with their expectations, if the compensation provided by the company is good, the employee's performance will increase and lead to increased services. According to the results of previous research conducted by Fery Setiawan & Kartika Dewi (2014) with research on the Effect of

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Compensation and Work Environment on Employee Performance at CV. Berkat Anugrah where compensation and work environment has a positive and significant impact on employee performance.

The Effect of Work Environment on Employee Performance at PT. Bersama Makmur Raharja

Based on the results of the research above, the effect of the work environment on employee performance was obtained $t\text{-count } 5.116 > t\text{-table } 0.683$, it can be said that the work environment has a positive and significant effect on employee performance. This showed that what has been given by PT. Bersama Makmur Raharja to the employees were sufficient and accordance with their expectations, if the compensation provided by the company is good, the employee's performance will increase and lead to increased services. According to the results of previous research conducted by Fery Setiawan & Kartika Dewi (2014) with research on the Effect of Compensation and Work Environment on Employee Performance at CV. Berkat Anugrah where compensation and work environment has a positive and significant impact on employee performance.

Conclusion

From the results and discussion in this study, it can be concluded that Compensation as a Variable (X1), and Work Environment as a Variable (X2) are known to have a positive and significant effect on Employee Performance as a Variable (Y) at PT. Bersama Makmur Raharja. Based on the results of this study, the more compensation given to employees, the better the employee's performance, and the more comfortable the work environment, the easier it will be for employees to do their work which results in improved service. And the limitations faced by researchers in this study were when collecting data through questionnaires to respondents because at this stage sometimes respondents did not fill out the link that had been given.

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