

INFLUENCE OF WORK DISCIPLINE, FINANCIAL COMPENSATION, AND WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE AT PT. WORKS OF ETERNAL DEWATA

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Abstract:

This research examines and analyzes the influence of work discipline, financial compensation, and the work environment on employee performance. This research was conducted at PT. Karya Dewata Abadi with a research sample of 53 respondents taken using saturated sampling techniques. All data obtained from the questionnaire distribution is suitable for use and is then analyzed using multiple linear regression and hypothesis testing (t-test and f-test). The research results show that (1) Work discipline, financial compensation and work environment positively and significantly affect employee performance at PT. Karya Dewata Abadi (2) Work discipline positively and significantly affects employee performance at PT. Karya Dewata Abadi. It means that the more work discipline increases, the more employee performance at PT. Karya Dewata Abadi will increase. (3) Financial compensation positively and significantly affects employee performance at PT. Karya Dewata Abadi. It means that the greater the financial compensation, the greater the employee performance at PT. Karya Dewata Abadi. (4) The work environment positively and significantly affects employee performance at PT. Karya Dewata Abadi. It means that the better the work environment is, the greater the employee performance at PT. Karya Dewata Abadi.

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INTRODUCTION

Human resources are an essential component of a company. Humans always play an active and dominant role in every company because they are planners, actors, and determinants of realizing company goals. Every company tries to find human resources who are competent and have high performance, such as being able to make a good contribution and carry out tasks optimally. A company that needs to manage human resources well will experience problems or have many obstacles to achieving its goals.

Not all employees perform satisfactorily, so the company must observe the causes of poor employee performance in order to improve it. Increasing employee performance can be a consideration for companies to develop human resources, and it will also impact the stability of the company in achieving its stated goals (Laksmi et al., 2023).

Employee Performance. According to Hasibuan (2018: 94), performance is a work result achieved by a person in carrying out the tasks assigned to him, which is based on skill, experience, seriousness, and time. As for employee performance indicators, according to Silaen (2021: 6), they are quality, quantity, timeliness, effectiveness, and commitment.

Work discipline is an attitude of respect and compliance with all regulations set by the company. Work discipline is essential because it will produce good-quality workers, a higher quantity of work, and better working hours, which can influence increased employee performance (Wairooy, 2017). Discipline is essential for the development of a company, especially when it comes to motivating employees to discipline themselves in carrying out work individually and in groups (Saputra, 2018).

Work Discipline. According to Afandi (2018:11), work discipline is "a code of conduct or regulations made by a trade union and known to the Manpower Service, so that people who are members of the organization submit to the existing rules and regulations with pleasure, so that it is

created and formed through the process of a series of behaviors that demonstrate the values of obedience, divinity, regularity, and order." The indicators of work discipline, according to Agustini and Fauzia (2019: 104), are the level of attendance, work procedures, work awareness, and responsibility.

Another effort that can improve employee performance is providing financial compensation. Financial compensation is the total remuneration employees receive from working in the organization in the form of money or other things, such as salaries, wages, bonuses, incentives, health benefits, holiday allowances, meal allowances, leave pay, and others. (Marihot in Saraswati et al., 2020). Financial compensation has a significant influence on employee performance. If performance is rewarded with compensation, employee satisfaction will be achieved.

Financial Compensation. According to Yoyo et al. (2018:8), financial compensation is remuneration consisting of payments received by a person in the form of wages, salaries, commissions, and bonuses. According to Afandi (2018:194), the financial compensation indicators are wages and salaries, incentives, allowances, and facilities.

Work Environment. According to Darmadi (2020:242), the work environment includes anything around employees that influences an individual in carrying out the obligations assigned to him, such as air conditioning, good lighting and so on. According to Sedarmayanti in Qoyyimah et al. (2020), the work environment indicators are lighting, air temperature, noise, use of color, space for movement, ability to work, and employee-employee relationships.

A conducive atmosphere is needed in an environment, and places for various equipment and work equipment are arranged according to their function. A conducive atmosphere is also needed between employees to expedite the production process and work completion (Sunarsi, 2020). A good work environment will improve performance, whereas an inadequate work environment will reduce employee performance and ultimately reduce employee performance motivation.

METHODS

This research was conducted at PT. Karya Dewata Abadi, located in Jl. Trengguli 1 Gg.1 No. 3, Penatih, Denpasar District Tim., Denpasar City. A research object is a condition explaining the situation of the object to be studied. The objects of this research are work discipline, financial compensation, work environment, and employee performance. The population in this study was 53 employees of PT Karya Dewata Abadi. This research used a saturated sampling technique. Data was collected by distributing questionnaires, observations, interviews, and documentation studies. Test the research instruments used, namely validity tests and reliability tests. The data analysis techniques used are the classical assumption test (normality test, multicollinearity test, heteroscedasticity test), multiple linear regression analysis, and hypothesis testing using the F test and t-test.

RESULT AND DISCUSSION

Table 1. Multiple Linear Regression Test Results

Variable	Regression Coefficients		t	Sig.
	B	std. Error		
Work discipline (X ₁)	0.475	0.151	3.148	0.003
Financial compensation (X ₂)	0.264	0.101	2.619	0.012
Working environment (X ₃)	0.281	0.089	3.171	0.003
(Constant)	:			0,869
F Statistik	:			38,146
Sig F	:			0.000
R ²	:			0,682
R	:			0,837

Source: Data processed in 2023

Based on the table above, the multiple linear regression equation can be written as follows:

$$Y = 0.869 + 0.475X_1 + 0.264X_2 + 0.281X_3$$

The multiple linear regression equation can be described as follows:

α = Constant value of 0.869, meaning that if work discipline (X1), financial compensation (X2) and work environment (X3) are equal to zero, then employee performance is 0.869.

b1= +0.475 indicates that work discipline positively affects employee performance. If work discipline increases, employee performance will increase.

b2= +0.264 indicates that financial compensation positively affects employee performance; if financial compensation increases, employee performance will increase.

b3= +0.281 shows that the work environment positively affects employee performance; if the work environment is good, then employee performance will increase.

Table 2. F Test Results

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1013.057	3	337.686	38.146	.000 ^b
Residual	433.773	49	8.853		
Total	1446.830	52			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Work Environment, Financial Compensation, Work Discipline

Source: Data processed in 2023

Based on the table above, it is known that Fcount (38.146) > Ftable (2.79) with a significance value of F of 0.000<0.05, so H0 is rejected. It means that the variables of work discipline (X1), financial compensation (X2), and work environment (X3) simultaneously have a significant effect on employee performance (Y) at PT. Karya Dewata Abadi.

Table 3. t Test Results

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.869	1.580		.550	.585
Work Discipline	.475	.151	.361	3.148	.003
Financial Compensation	.281	.101	.242	2.619	.012
Work Environment	.281	.089	.374	3.171	.003

a. Dependent Variable: Employee Performance

Source: Data processed in 2023

Determine the real level;

$$(\alpha) = 5\% = 0.05 \text{ and } dF = (n-k) = 49, \text{ so that the value of } t_{table} = (0.05; 49) = 1.677$$

- It was explained that count (3.148)>ttable (1.677) with a significance level of 0.003 <0.05 so H0 was rejected and Ha was accepted, which means that the work discipline variable had a significant positive effect on employee performance at PT. Karya Dewata Abadi.
- It was explained that tcount (2.619) > ttable (1.677) with a significance level of 0.012<0.05 so that H0 was rejected and Ha was accepted, which means that the financial compensation variable had a significant positive effect on employee performance at PT. Karya Dewata Abadi.

- c. Explained that $t_{count} (3.171) > t_{table} (1.677)$ with a significance level of $0.003 < 0.05$, so that H_0 is rejected and H_a is accepted, which means that work environment variables have a significant positive effect on employee performance at PT. Karya Dewata Abadi.

Based on the F test (simultaneously), $F_{count} (38.146) > F_{table} (2.79)$ is obtained with the significance value of F being $0.000 < 0.05$, so H_0 is rejected. It means that the variables work discipline (X1), financial compensation (X2) and work environment (X3) simultaneously have a significant effect on employee performance (Y) at PT Karya Dewata Abadi, with a value of $R^2 = 68.2\%$, which means that it is 68.2% of employee performance at PT. Karya Dewata Abadi's work is influenced by work discipline variables (X1), financial compensation (X2) and work environment variables (X3), while the remaining 31.8% is influenced by other variables not examined in this research.

The influence of work discipline on employee performance was obtained by $t_{count} (3.148) > t_{table} (1.677)$ with a significance level of $0.003 < 0.05$, so that H_0 was rejected and H_a was accepted, which means that the work discipline variable had a significant positive effect on employee performance at PT. Karya Dewata Abadi. The regression coefficient b_1 (work discipline variable) is 0.475, indicating that the more work discipline increases, the more employee performance at PT Karya Dewata Abadi.

The influence of financial compensation on employee performance was obtained by $t_{count} (2.619) > t_{table} (1.677)$ with a significance level of $0.012 < 0.05$, so that H_0 was rejected and H_a was accepted, which means that the financial compensation variable had a significant positive effect on employee performance at PT. Karya Dewata Abadi. The regression coefficient b_2 (financial compensation variable) is 0.264, indicating that the more excellent the financial compensation, the greater the employee performance at PT. Karya Dewata Abadi.

The influence of the work environment on employee performance is obtained by $t_{count} (3.171) > t_{table} (1.677)$ with a significance level of $0.003 < 0.05$, so that H_0 is rejected and H_a is accepted, which means that the work environment variable has a significant positive effect on employee performance at PT. Karya Dewata Abadi. The regression coefficient b_3 (work environment variable) is 0.281, indicating that the better the work environment, the more employee performance at PT. Karya Dewata Abadi.

CONCLUSION

Based on the research results, work discipline, financial compensation, and work environment positively and significantly influence employee performance at PT. Karya Dewata Abadi. High work discipline has been proven to improve employee performance, showing that more disciplined employees tend to be more productive and efficient. Apart from that, adequate financial compensation also positively affects employee performance, indicating that good financial rewards encourage employees to work better. A conducive and comfortable work environment also significantly impacts employee performance, indicating that a good work atmosphere can increase productivity and job satisfaction. Overall, these three factors are critical in improving employee performance at PT. Karya Dewata Abadi.

To improve employee performance at PT. Karya Dewata Abadi, recommended for PT. Karya Dewata Abadi's works are as follows:

First, Work discipline at PT. Karya Dewata Abadi's work as a whole is quite good, but there is a statement on the work discipline variable with the lowest average score, namely, "I always obey the working hour's rules determined by the company." Therefore, the leadership of PT. Karya Dewata Abadi provides written sanctions to employees who violate the working hours determined by the company.

Second, Financial compensation at PT. Karya Dewata Abadi's work as a whole is quite good. However, there is a statement on the financial compensation variable with the lowest average score: "I receive a salary in accordance with my responsibilities and work abilities." Therefore, PT. Karya Dewata Abadi provides decent salaries for employees based on the results of the employees' work so that employees feel satisfied and appreciated.

Third, the Work environment at PT. Karya Dewata Abadi's work as a whole is quite good. However, there is a statement on the work environment variable with the lowest average score: "The employee work environment is calm and free from machine noise". Therefore, PT. Karya Dewata Abadi installed sound dampeners in each employee's room to prevent noise from outside and inside the company.

Fourth, Employee performance at PT. Dewata Abadi's work as a whole is quite good. However, there is a statement on the employee performance variable with the lowest average score: "I can work to achieve/exceed targets." Therefore, PT. Karya Dewata Abadi compensates employees who can work to achieve or exceed targets to motivate other employees to work better.

For further research, it is hoped that it will be able to examine variables other than the variables already in this research that can influence employee performance and be able to expand the scope of research or can also change research locations that are not only focused on one research location, thereby providing a more comprehensive view. and capable of general implementation.

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