

## Analysis Of The Influence Of Compensation, Work Discipline And Work Environment On Performance Of National Agribusiness Company Employees

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### Abstract:

This study aims to investigate the effects of work environment, motivation, remuneration, and work discipline on employee performance. Data for this study were gathered through the use of questionnaires, literature reviews, interviews, and observation. The population determination method employed in this study includes all employees. This study used a saturated sample technique to collect a total of 100 samples. The data from this investigation were examined with a multiple linear regression model. With respect to the results of the data analysis, the following deductions can be made: Discipline has a good and substantial impact on employee performance. Compensation has a beneficial, albeit small, impact on employee performance. Motivation has a good and significant impact on employee performance. The work environment has a positive and significant impact on employee performance. The independent factors work environment, motivation, compensation, and work discipline have a simultaneous positive and significant impact on the dependent variable employee performance.

**Keywords:** work discipline, compensation, motivation, work environment, employee performance.

### Introduction

In this era of global competitiveness, businesses need to operate with more effectiveness and efficiency. Businesses must be able to boost their competitiveness in order to preserve their survival in the face of increasingly fierce

competition. An entity that assembles individuals commonly referred to as employees to do domestic manufacturing tasks is called a corporation. Nearly all businesses want to maximize their worth and revenues while simultaneously enhancing the wellbeing of their owners and staff (Alex, 2020). The most crucial element in determining a company's success is its workforce. Employees that meet the firm's needs and are capable of completing duties that the company has developed are necessary to meet company objectives. An essential resource that needs to be properly handled by the business in order for it to thrive and compete is its human capital. If dependable human resources are not available to assist technology, it will not be sufficient on its own. This is because human resources are the only resources with feelings, desires, abilities, and expertise. The organization's attempts to accomplish its objectives are influenced by each of these human resource potentials. Without human resources, an organization cannot effectively accomplish its objectives, regardless of how sophisticated its technology, information, or raw materials are (Khasanah et al., 2023).

The agricultural company that is the subject of this study was established in 2010. This business makes fresh-cut veggies and complete goods for the vegetable sector. Through the application of appropriate technology, its development has proceeded pretty quickly. Companies are requesting more vegetable products whole as well as fresh cuts from a wider range of shops and eateries. According to sales data spanning from 2017 to 2019, the company maintained a 28% growth in manufacturing volume. Consequently, it may be concluded that the business is performing well (Parulian & Tannady, 2023). Due to the company's success in providing more than 20 restaurants with a variety of veggies, several new competitors have entered the same market. It's likely that this new rival will outperform established businesses in terms of human resources and production skills. Achievement needs to be balanced with employees' work ethic. In an organization, work discipline is crucial since it conveys an employee's credibility. A high degree of work discipline indicates that employees are credible in delivering the best possible work outcomes for the success of the organization. Since attendance and punctuality have an effect on performance and are closely tied to discipline, they should be taken into consideration (Danim, 2022). An employee's late arrival causes production activities to be disrupted, and sometimes another employee has to do double duty until the employee comes back. This causes ineffectiveness and inefficiency at work.

## **Literature Review**

Factors that can influence employee performance include the employee's own job satisfaction. The employment satisfaction of employees is still often ignored by many businesses. The issue with employment in Indonesia is that wage income cannot keep up with the demands of meeting fundamental necessities such as health and social needs as well as the urge to actualize one's human potential. Employees' level of job satisfaction has a significant impact. An employee cannot produce the most work possible, either in terms of quantity or quality, if he is dissatisfied with his work. Performance is the outcome of an employee's job in terms of quantity and quality that he or she achieves while carrying out their assigned obligations (Sesario, 2016). Employee discontent with their work is reflected in absenteeism rates because workers believe that despite their hard work, their personal job satisfaction is ultimately unfulfilled. Employee performance may be affected as a result, which may negatively impact the business's operations. In an organization, work discipline is crucial since it conveys an employee's credibility. A high degree of work discipline indicates that employees are credible in delivering the best possible work outcomes for the success of the organization. The level of attendance and punctuality are things that should be taken into account, because this is directly related to discipline and has an impact on performance. An employee's late arrival causes production activities to be disrupted, and sometimes another employee has to do double duty until the employee comes back. This causes ineffectiveness and inefficiency at work (Mangkunegara, 2020).

There is no absolute benchmark for the level of employee job satisfaction because each individual employee has different standards of satisfaction. The influence of employee performance has a huge impact on the company. Workplace dynamics, remuneration, and work discipline are metrics that can be used to gauge employee performance. The motivation of people at work is another aspect that affects performance. Employee performance is significantly influenced by motivation (Handayani et al., 2023). Lack of motivation from both internal and external sources can have an impact on an employee's performance and results since it discourages them from giving their work their all. Motivation is a state of mind that pushes workers to go for their highest level of productivity. If an

employee lacks incentive to complete the work, their performance will be low. Conversely, not every worker is inclined to utilize their skills to the fullest extent possible, therefore outside support is still required. For this reason, constant communication between staff members, managers, and other staff members is essential to promoting work motivation in a company (Suyatno et al., 2023). The needs of employees are growing, and they labor in the hopes of being paid enough to cover these requirements. Priority one should be given to meeting the needs for proper work rest, food, housing, and education. In addition to fostering positive connections and communication among coworkers, a supportive work environment can also inspire employees to perform better because it calls for leadership on the part of the leader (Robbins & Coutlier, 2020). Employee and corporate performance are significantly impacted by the degree of discipline and motivation at work (Tannady et al., 2023). When a business can effectively manage its human resources in line with their individual roles and responsibilities and prioritize the well-being of its workforce, it is exhibiting good human resource management. A company cannot run well if employee management, discipline, motivation, and the work environment for employees are not managed well (Sedarmayanti, 2021).

### **Methodology**

The heads of personnel as well as a number of employees were the target audience for the questionnaires, literature reviews, interviews, and observation methods utilized in this study's data collection process. observation, specifically through doing in-person observations at the business or by observing additional activities carried out by employees. Preliminary data gathering methods, or structured interviews, were presented to HRD, the head of the production division, and chosen participants. Although the questions in this instance have been written in advance to serve as a guide, you are still free to choose questions that are different but still pertinent to the goals of the study. Using a questionnaire, researchers can gather data by asking respondents a series of pre-written questions. The data is then analyzed to draw conclusions from the study. A library search, a book, or online literature pertaining to the research topic is necessary for literature study, which is data gathering methods to support research and data in the field. All employees are included in the population determination approach used in this study. There was a total of 100 samples taken using a saturated sample approach in this study. A Likert measurement scale is used in data analysis processing to be used in this research once the data has been gathered and the research sample has been established. IBM SPSS, Microsoft Excel, and a calculator are used to process the data. The model applied to the data analysis in A multivariate linear regression model is employed in this study.

### **Case studies**

The findings of the study demonstrate that work-discipline factors affect worker performance. The present study's findings are consistent with earlier studies indicating that employee performance is influenced by discipline characteristics. This is consistent with other research, which claims that work discipline is a gauge that managers use to interact with staff members in an attempt to get them to modify their behavior and to raise awareness of and willingness to abide by company policies and relevant social norms. As seen from the results of the respondents' assessment categories for the motivation variable, the average answer was in the medium category with 68% of the total respondents. This shows that employee discipline at work is seen from work discipline indicators, namely, "I always obey and adhere to the regulations set by the company" by 65%, "I am always on time in carrying out my duties" by 63%, "I carry out my duties well according to procedures" by 63%, and "I have good attendance at work" by 58%. The purpose of work discipline is to govern how human resources interact with one another inside the organization so that they can fulfill their tasks and duties in a way that the business expects of them. It's critical that there be work discipline. Every employee needs to internalize this since discipline is what keeps people motivated to fulfill their responsibilities. The company's goals can be accomplished with strong discipline; however, if work discipline deteriorates, this will become a barrier and pose challenges in reaching the company's objectives. As a result, each employee must be aware of and follow all applicable corporate regulations.

The study's findings indicate that employee performance is unaffected by the remuneration variable. The

study's findings support earlier research that found there is no discernible relationship between pay and worker performance. The majority of respondents who responded "disagree" to statements 1, the company's salary is adequate at 53%, and question 3 demonstrate this. The wages paid by the company are adequate at 78%. This shows that the compensation indicators provided, such as salary, incentives, and allowances, have no effect on employees. Based on the existing indicators, there are several issues regarding the company's existing compensation, which is still not appropriate, especially the one that is striking regarding the wages stated by the company. This is because employees consider that the reward system provided is not appropriate or meets standards, and employees consider that the compensation provided is not appropriate. There is no correlation between an employee's performance and their salary because the former is still not commensurate with the latter's working hours. One of the responsibilities of human resource management (HRM) is to provide compensation. HRM is concerned with all forms of individual rewards given to employees in exchange for their performance of organizational tasks. All income earned by employees in exchange for services rendered to the company, whether in the form of cash or direct or indirect goods, is referred to as compensation. Based on the aforementioned explanations, it can be concluded that higher employee performance at work is directly correlated with better compensation offered by the company. This means that employees will perform better on all of their assignments, which will inevitably impact the growth of the company.

The research results show that motivational variables influence employee performance. The research results are in accordance with previous research indicating that motivation influences employee performance. Since motivation is an incentive to perform an action, it's common to think of motivation as the force behind an individual's conduct. The way a person feels about his work in general is a measure of job satisfaction. Individuals who are dissatisfied with their work will have a negative attitude toward it, whilst those who are highly satisfied with their jobs would have a positive attitude. The average response fell into the medium category, with 65% of respondents, as can be shown from the findings of the respondents' assessment categories for the motivation variable. "The work I do for the purpose of earning a salary" had the highest average score (50%) among the work motivation factors based on respondents' responses. "The work I do to fulfill my primary need for food and drink" is fifty percent. "Family factors make me enthusiastic about working" (58%). Physiological needs are basic needs that must be met, because physiological needs are the basic motive for someone who wants to work and can provide high productivity for the company. An employee's motivation greatly affects their performance. If there is strong job drive, an employee can perform more effectively and efficiently. Workplace dynamics, interpersonal interactions, chances for professional advancement, and the availability of incentives or awards can all affect an employee's level of motivation at work. A setting that is conducive to work can inspire workers to do tasks promptly, accurately, and effectively. Good working relationships between leaders and employees, and vice versa, will boost morale and contribute to job satisfaction in every aspect of the business as superiors provide attention to subordinates and vice versa.

The research's findings demonstrate how aspects of the workplace affect workers' productivity. The study's findings support earlier studies that found that employee performance is significantly impacted by the workplace. The average response fell into the medium category, with 63% of respondents, as can be shown from the findings of the respondents' assessment categories for work environment variables. According to respondents' answers to indicators of the work environment, "I maintain good relationships with colleagues" received the highest average score (62.5%). "I feel that the lighting in the room makes me work smoothly," at a 65% brightness level. "I think my coworkers treat me well" (58%). The partial influence test indicates that the work environment has a substantial impact on raising employee performance. This means that a better work environment which encompasses both the non-physical aspects of the workplace, like security, and the physical aspects of the company, like workplace comfort and facilities as well as employees' personal perceptions of their level of satisfaction with their jobs and work environment, the better. The work environment, or everything surrounding an employee that may have an impact on how well they do their duties, is the factor that affects employee performance in carrying them out. Employee performance is impacted by work environmental variables, which are the physical aspects of the office, such as lighting, air temperature, and so on, that can boost a positive work environment and morale. The management of the work environment, encompassing both physical and non-physical aspects, is crucial to optimize its influence on initiatives aimed at enhancing employee productivity.

Employee performance characteristics are influenced by a combination of work environment, motivation, pay,

and work discipline. The findings of the F test and the coefficient of determination (R<sup>2</sup>) demonstrate this. Because the calculated f-value is greater than the f-table, the F test results demonstrate that the variables of work discipline, compensation, motivation, and work environment collectively influence employee performance. As a result, the regression equation that has been created can be used to predict employee performance. The degree to which the dependent variable employee performance can be explained by the independent variables discipline, pay, motivation, and work environment. The R square value, or 82%, is known to be 0.82. This indicates that 82% of the performance variable may be accounted for by the factors of work environment, motivation, pay, and discipline. In the meantime, other variables not covered in this study account for the remaining amount. When it comes to work, work discipline encompasses obligations, conventions, and attitudes. Pay is made up of benefits, incentives, and pay. Workplace dynamics, pay, physiologic requirements, and work environment all play a role in motivation. Aspects of both the physical and virtual work environments are included in the work environment. Thus, employee performance will be impacted if all four variables are improved simultaneously.

## Conclusion

The data analysis's findings allow for the following deductions to be made: Influence of variable factors, both partially and simultaneously: Employee performance benefits greatly and favorably from discipline. Employee performance is positively impacted by compensation, though not significantly. Employee performance benefits greatly and is positively impacted by motivation. The performance of employees is positively and significantly impacted by the workplace. The independent variables of work environment, motivation, pay, and work discipline all have a simultaneous positive and considerable impact on the dependent variable of employee performance. The following recommendations are made by the author in light of the study's findings: The findings of the t-test demonstrate that the variables of work environment, motivation, pay, and discipline all partially positively affect performance, hence it is strongly advised that these variables be improved continuously. As a leader of the organization, an employee has a responsibility to monitor and address worker job satisfaction through punishment. suitably compensated staff members. Anticipating employee resignation requires ongoing attention to the physical and non-physical aspects of the work environment. Without motivation, employees will perform poorly at work. Consequently, in order to boost employee engagement and accomplish organizational objectives, supervisory support is required. For future research, it is recommended to use the SEM (Structural Equation Modeling) method because, when using the SEM method, you will see which sub-variables are significant and the structure of the research model will be obtained.

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