

The Effect of Compensation, Work Environment, and Work Motivation on Employee Productivity

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ABSTRACT

Employee productivity is the ability of employees to complete a job effectively and efficiently that has been determined by the company to achieve the goals of the company. Employee productivity can be influenced by compensation, work environment, and work motivation. This study was conducted to examine the significance of the effect of compensation, work environment, and work motivation on the productivity of Norton Bali Computer & Smartphone employees. Number of samples used were 37 people, with the saturated sample method. Data collection was obtained from distributing questionnaires. The analysis technique used is multiple linear regression. Results show compensation, work environment, and work motivation partially have a positive and significant effect on the productivity of Norton Bali Computer & Smartphone employees.

Keywords: Compensation, Employee Productivity, Work Environment, Work Motivation.

Submitted : February 10, 2022

Published : April 06, 2022

ISSN: 2507-1076

DOI: 10.24018/ejbm.2022.7.2.1310

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I. INTRODUCTION

Employee productivity is important, if employees work productively then the company is said to have succeeded in achieving its goals and if employees are not working productively then the company is said to have failed to achieve company goals. Productivity implies a comparison between the comes about accomplished (output) with the generally assets utilized (input). In other words, efficiency has two measurements. The primary measurement is viability that leads to the accomplishment of greatest execution, to be specific the accomplishment of targets related to quality, amount, and time; the moment is proficiency related to endeavors to compare inputs with the realization of their utilize or how the work is carried out (Alarcon, Arzaga, Baguio, Sanvictores, & Platon, 2021).

One of the means used to increase employee productivity is compensation. Compensation may be a shape of installment or recompense given to workers and emerging from the business of workers. Workers will not total the work legitimately without getting appropriate recompense from the company. Recompense is a critical calculate and a concern for numerous organizations in keeping up and pulling in quality human assets. Stipend is all outward rewards that representatives get within the shape of compensation, motivations, and a few benefits (Lin, Liang, Chiu, & Chen, 2019).

The work environment is one of the components that influence work productivity. The work environment is variables exterior of people, both physical and non-physical in an organization. These physical components incorporate work gear, temperature within the working environment, clog and thickness, commotion, work space region, whereas non-physical incorporates working connections shaped in organizations between bosses and subordinates as well as

between fellow employees who support employee productivity so that productivity will increase (Wandari & Mujiati, 2021). If employees have appropriate compensation and a good work environment at work, then employee productivity will increase. A wonderful work environment for workers through making strides concordant connections with bosses, co-workers, and subordinates, as well as being bolstered by satisfactory offices and foundation within the work environment will have a positive effect on workers, so that worker efficiency can increase. The work environment incorporates an exceptionally imperative part in carrying out company exercises (Handaru, Miftachuljana, & Susita, 2019).

Employees can carry out their obligations to the greatest, among others, decided by the inspiration that energizes the representative to work constantly, as well as the teach connected so that the company's objectives can be accomplished beneath the authority that can make a conducive environment for the work environment. Each worker isn't fundamentally willing to mobilize their work execution optimally, so that there's still a require for support so that somebody needs to utilize all their potential to work. This driving drive is called inspiration (Krisnayanti & Utama, 2018).

Motivation is the main factor that affects the organization's human resources. In other words, the emergence of motivation in a person because of hopes, goals, needs, drives, desires, and goals. The urge to work will arise in a person due to the needs that must be met and the different levels of needs in each employee, giving rise to differences in motivation in achievement, with the motivation provided by the company, it is hoped that employees will make a full contribution to work productively (Dhaliwal, 2016).

II. LITERATURE REVIEW

Compensation has a positive and significant relationship to employee productivity, which means that if the compensation provided by the company is good, then employee productivity will increase and vice versa if the compensation given by the company is bad, the employee's work productivity will decrease (Santoni & Suana, 2018; Saharuddin & Sulaiman, 2016; Wardoyo, 2016). Another study found that there was a significant effect between compensation and work productivity (Agustini & Dewi, 2019; Putra & Suana, 2018; Yuliansyah & Marzoeqi, 2019).

H1: Compensation has a positive and significant effect on employee productivity.

Physical work environment has a positive and significant relationship to employee productivity. A good work environment will be able to increase employee motivation to work even better so as to increase productivity in the company, (Dewi & Sudibya, 2018; Purnami & Utama, 2019; Prasetyo, Aliyyah, Rusdiyanto, Syahrial, & Nartasari, 2021). Another study states that the work environment has a positive effect on the work productivity of employees of the palm oil production division (Sukarta & Dewi, 2020)

H2: The work environment has a positive and significant effect on employee productivity.

Motivation has a positive and significant relationship to employee productivity (Purnami & Utama, 2019), if the rewards received are in accordance with what the employee's workload is (Santoni & Suana, 2018). Motivation is very important because with motivation it is hoped that every employee will work hard to achieve high work productivity (Marlapa & Mulyana, 2020)

H3: Work motivation has a positive and significant effect on employee productivity.

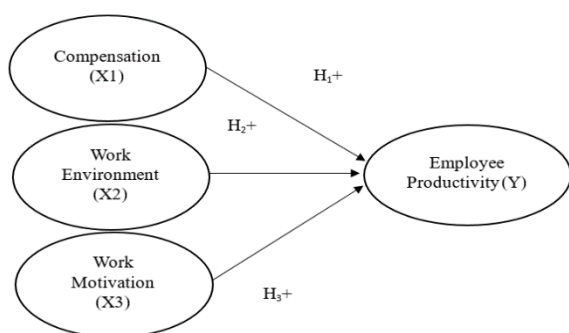


Fig. 1. Conceptual Framework.

III. METHODOLOGY

This study uses a causal associative approach which aims to determine the effect or relationship between two or more variables. The research method uses quantitative methods, namely the type of research that is based on quantitative data or the findings are achieved using statistical procedures or other methods of quantification.

Work productivity is the ability of employees to complete

a job effectively and efficiently that has been determined by the company to achieve the goals of the company with indicators: Quality of work; Work quantity; Time and speed of employees to complete their work. Compensation is income received by employees in the form of money, incentives and allowances obtained from the company's remuneration for employees who have completed a job from the company with Indicators: Salary; Incentive; Allowance. The work environment is everything that is around the workers that can affect themselves in carrying out the tasks assigned to them with Indicators: Working conditions and employee relations. Motivation is a factor that can encourage employees to improve performance within the company, motivation is also a condition to arouse and direct an employee to work better in order to achieve the goals of a company with Indicators: Employee behavior; Employee effort; Employee persistence

The population in this study were all employees of Norton Bali Computer & Smartphone. The respondents used in this study were the total population of 37 respondents who were all employees of Norton Bali Computer & Smartphone. The status of all employees is as permanent employees. The method used is a saturated sample, where all members of the population are used as samples. Methods of collecting data collected in this study using several methods such as interviews and questionnaires. The data analysis technique used in this research is multiple linear regression model. Multiple linear regression model in this study was used to determine the effect of compensation, work environment, work motivation on employee productivity.

IV. RESULTS

Based on Table I, the results of Anova analysis, it is known that $F_{sig} 0.000 < 0.05$, then compensation (X1), work environment (X2), and work motivation (X3), simultaneously have a significant effect on employee productivity (Y) at Norton Bali Computer & Smartphone. the value of $R^2 = 67.2$ percent, which means that 67.2 percent of employee productivity at Norton Bali Computer & Smartphone is influenced by the variables of Compensation (X1), Work Environment (X2), and Work Motivation (X3) and the remaining 32.8 percent is influenced by other variables not examined in this study.

TABLE I: MULTIPLE LINEAR REGRESSION TEST RESULTS

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	0.330	0.407		0.812	0.422
Compensation	0.321	0.156	0.324	2.051	0.048
Work environment	0.283	0.138	0.280	2.052	0.048
Work motivation	0.324	0.138	0.333	2.359	0.024
F sig: 0.000					
R Square: 0.672					

A. Effect of Compensation on Employee Productivity

Based on the results of the analysis above, it can be explained that the significance level is $0.048 < 0.05$, so H1 is accepted, which means that the compensation variable has a

significant positive effect on employee productivity. The regression coefficient β_1 (Compensation variable) is 0.321, indicating that increasing compensation will increase employee productivity at Norton Bali Computer & Smartphone. This significant result is due to the salary that is paid every month in accordance with the productivity of the employee. In addition, there are incentives that employees get when working outside working hours as well as a work insurance guarantee which causes higher productivity (Rahardjo, 2017).

B. The Effect of Work Environment on Employee Productivity

Based on the results of the analysis above, it can be explained that the significance level is $0.048 < 0.05$, so H2 is accepted, which means that the work environment variable has a significant positive effect on employee productivity. The regression coefficient β_2 (work environment variable) is 0.283, indicating that an increase in the work environment will increase employee productivity at Norton Bali Computer & Smartphone. This significant result is due to the presence of adequate service tools and a comfortable place to work which makes productivity higher. In addition, there is a good relationship between employees and superiors and good relationships with fellow employees create a comfortable working atmosphere so as to increase employee productivity (Neher & Maley, 2020).

C. The Effect of Work Motivation on Employee Productivity

Based on the results of the analysis above, it can be explained that the significance level is $0.024 < 0.05$, so H3 is accepted, which means that the work motivation variable has a significant positive effect on employee productivity. The regression coefficient β_3 (work motivation variable) is 0.324, indicating that increasing work motivation will increase employee productivity at Norton Bali Computer & Smartphone. This significant result is caused by the desire of employees to get achievement at work and the praise received for what they do causes high productivity. In addition, the motivation to get higher incentives and have a high sense of responsibility for their work causes higher productivity (Taormina & Gao, 2019).

D. Research Limitations

This research has been proposed and carried out according to scientific procedures. However, there are still limitations in this study, including: The number of are limited and this study cannot be generalized

V. CONCLUSION

Compensation has a positive and significant effect on employee productivity at Norton Bali Computer & Smartphone. This means that the higher the compensation, the higher the employee productivity. The work environment has a positive and significant effect on employee productivity at Norton Bali Computer & Smartphone. This means that the higher the work environment, it will increase employee productivity. Work motivation has a positive and significant effect on employee productivity at Norton Bali Computer & Smartphone. This means that the higher work motivation, it will increase employee productivity.

VI. FUTURE RESEARCH

It is hoped that future researchers will not stick to the factors in this study, namely Compensation, Compensation and Work Environment, but can add other factors that might affect employee productivity. Future researchers are expected to be able to add or use other research subjects.

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