THE INFLUENCE OF WORK ENVIRONMENT AND COMPESATION ON EMPLOYEE PERFORMANCE IN THE NATIONAL DEFENSE AGENCY IN MAKASSAR CITY

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Abstract

This study aims to determine the effect of work environment and compensation on employee performance. This type of research is quantitative. The population of this study were all employees of the Makassar City National Land Agency (BPN) as many as 63 people. And the sample in this study is the entire population, namely 63 employees. Data collection techniques were carried out by distributing questionnaires directly to respondents at BPN Makassar City. The data analysis technique used is multiple linear regression analysis using Statistical Product Service Solution (SPSS). The results of this study indicate that there is a positive and significant influence between the Work Environment variable (X1) with a significance of 0.005 and Compensation (X2) with a significance of 0.000 on Employee Performance (Y).

Keywords*: Environmental Performance, Compensation, Employee Performance*

1. INTRODUCTION

Employee performance is the result of work that can be completed by individuals or groups of individuals in an organization in accordance with their respective rights and obligations in an effort to fulfill the goals of the organization concerned while upholding morals and ethics and in accordance with the law. Performance is very important for a business or organization. efforts to improve employee performance, especially focusing on office arrangements. Everything around workers that can interfere with their ability to complete a given task is considered a work environment (Alex, 2000).

The National Land Agency is a non-ministerial government agency in charge of land affairs. Its working unit is the provincial, district and city National Land Agency, which is responsible for the registration and registration of land rights. Support the management and development of land administration, including regulation, use, management, ownership and other land issues, based on the Basic Law on Agriculture and other statutory requirements. The goal of the growth of the land sector is to achieve prosperity in the framework of building a just society based on Pancasila which is evenly distributed physically and spiritually. (Oe, 2006).

The main thing for government agencies is that they must pay attention to the work environment of employees, if employees do not feel comfortable working, are not appreciated by superiors, do not act fairly, or cannot develop all the potential possessed by employees, then automatically employees cannot concentrate or focus on what he does, it will automatically make

the agency experience setbacks and its goals are difficult to achieve. In this case the employee's performance will not be optimal or will not run effectively and efficiently.

We need to know that employee performance is one of the important things in an office. Employee performance is the main function of the interaction between ability and compensation in an office or agency. Government agencies must also pay attention to how to maintain and provide compensation to employees in carrying out work so that employees can always work and achieve the goals of the agency.

At the National Land Agency in Makassar City, the realization is not always achieved. This has led to reports from the public complaining about the performance of National Land Agency employees in Makassar City who are slow and not on time in completing work such as completing land surveying. While the tools used are inadequate and are always faced with people who don't understand this, this can make the work environment a major factor in declining employee performance due to a lack of work facilities that support employees in carrying out their duties. Likewise, compensation is not in line with the amount of responsibility faced by employees, it is important that I examine further about compensation for employee performance.

Based on the results of observations made by researchers in the pre-research, researchers see that the conditions of the employee's work environment still need to be improved, especially from the layout of the room, this is in line with the opinion of employees who have been interviewed by researchers that employees also feel the need to get a comfortable working environment in order to improve performance. The phenomenon that occurs because I see the performance of employees at the National Land Agency office in Makassar City generally faces a heavier job faced with various community problems related to land deeds, land measurements which usually cause commotion.

Theoritical review

a. Definition of Work Environment

One factor that needs to be considered in an organization is the work environment. All employees want a positive work atmosphere because it makes it easier to carry out their duties. Therefore, if people work in a pleasant atmosphere, they will naturally feel satisfied. On the other hand, in a less encouraging work atmosphere, the person tends to perform poorly. According to this justification, the workplace is the subject of many specialists. Sutrisno (2010) states that the work environment is the entire infrastructure and equipment that surrounds people who do work and can affect job performance. This work environment consists of work space, tools and equipment, cleanliness, peace and quiet, lighting, and interaction with colleagues.

b. Work Compensation

Compensation is something workers get in return for their services to an office or organization, writes (Rivai, 2011) Sardarmayanti Everything employees receive as payment for their work is considered compensation The role of compensation HRM (Human Resource Management) connection to incentives whatever the workforce receives in return for the tasks they have performed. Compensation is also very important for the survival of the company, the low level of compensation is a measure of the results achieved by employees. Salary is divided into two parts, namely financial rewards and non-financial rewards. This certainly raises a high commitment to the sustainability of the company's existence. In addition to financial reward factors, non-financial rewards can also affect employee performance(Sahabuddin, 2023)

c. Employee Performance

Basically, performers are unique because they all do their job with varying degrees of competence. Performance can be evaluated based on employee skills, efforts, and opportunities. Performance is the main factor in deciding whether an individual is successful in carrying out his

duties, claims Handoko (2000). Therefore, it can be said that the ability of employees to be responsible for their work is their performance. (According to Armstrong and Mursil (2004), a performance indicator is something that will be calculated and measured, while the 4 performance indicators are:

1) Quality of work, namely the quality of work is a result that can be measured by the effectiveness and efficiency of a job performed by human resources or other resources in achieving organizational goals or objectives properly and efficiently.
2) Productivity is an important concept in the analysis of economic development, because apart from the addition of production inputs, income growth can occur due to increased productivity.
3) Innovation is a performance that is measured from three dimensions, which include product innovation, process innovation and managerial innovation, which have implications for improving quality and efficiency.
4) Job satisfaction, namely performance, is a relationship related to an organization. Job satisfaction will be achieved if the needs of employees are met through work. Where job satisfaction is a happy emotional state or positive emotion that comes from evaluating one's work or experience.

d. Employee Performance

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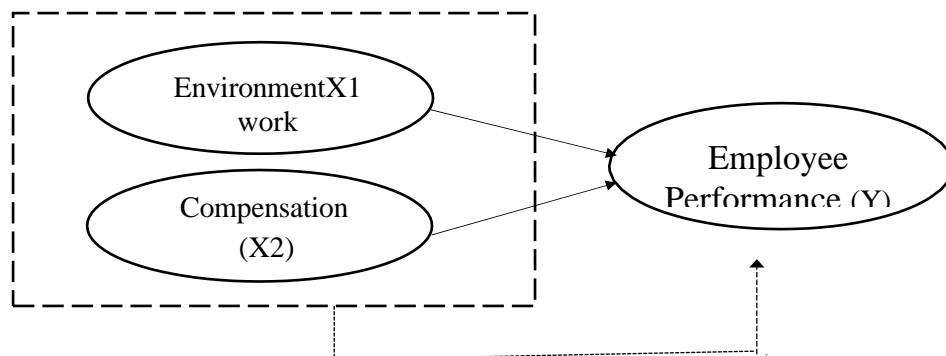
1.2 Mindset

Figure 3.1 **Mindset**

Information :

- - - - ▶   : Partial

⎯⎯⎯⎯▶   : Simultaneous

Hypothesis:

1. The work environment has a positive influence on employee performance at the National Land Agency in Makassar City.
2. Compensation has a positive influence on employee performance at the National Land Agency in Makassar City.

3.   Work environment and compensation have a positive influence on employee performance at the National Land Agency in Makassar City.

2.   RESEARCH METHODS

This study uses an associative research type that seeks to examine the quality relationship between the independent variables and the dependent variable. Questionnaire is a data collection method that contains a list of questions and is filled in by respondents. The purpose of this questionnaire is to get responses from respondents. Respondents are individuals or groups selected to fill in the answers to the questionnaire. The variables studied in this study are independent variables or independent variables that affect or cause changes in the existence of a dependent (bound) variable. Independent variables are generally denoted by X. namely Work Environment (X1) and Compensation (X2), and for Dependent Variables or Variables are interpreted as influencing variables, due to the existence of independent variables. This variable is usually denoted by Y.

This study aims to determine the extent to which the influence of the work environment and compensation on the national land agency in the city of Makassar, which is located on Jalan Pettarani. The total population in this study was 63 permanent employees of the national land agency in Makassar city. The sample used in this study is a saturated sample where all members of the population are sampled. The variable measurement in this study was designed based on a modified Likert scale by eliminating the middle answer choice category, called the Likert Scale Modification. The categories of answers SS (strongly agree), S (agree), TS (disagree), STS (strongly disagree) are to see the tendency of opinions towards strongly agree to strongly disagree.

To prove the hypothesis that has been put forward, the authors use a multiple linear regression modelto determine the relationship between work environment and compensation on employee performance, and how much influence the work environment and work stress (variable X) have on (variable Y). Regression analysis (fourth model) uses the regression equation formula, namely:

$$Y = \alpha + \beta 1\ X2 + \beta 2\ X2 + \beta n\ Xn + e$$

Information :

Y = Employee Performance
X1 = Work Environment
X2 = Compensation
a = Constant
b1b2 = Regression coefficient
e = Standard error (Error level)

3. RESULTS AND DISCUSSION

3.1 Overview of Respondents

Respondents in this study amounted to 63 respondents who will be described based on several characteristics, the percentage of the number of employeesbased on genderby 46% male and 54% female.In this study, there were 25 respondents aged 21-30 years (40%). There were 24 people (38%) between 31-40 years old, 12 people (19%) between 41-50 years old and 2 people (3%) >51 years old. Based onRespondent's last educationS1, namely as many as 56 employees or 89% of the number of respondents. The education level of S2 is 6 employees or 10% of the total respondents. Meanwhile, the doctoral education level is 1 employee or 2%.

3.2 Validity Test

Validity test is done by testing the correlation between item scores and the total score of each variable, using Pearson correlation. Question items are said to be valid if the significance level is below 0.05.

Table 3. Validation Test Results

	Question Items	Pearson Correlation	Sig (2-Tailed)	Information
	LK1	0.870**	0.000	VALID
	LK2	0.723**	0.000	VALID
	LK3	0.706**	0.000	VALID
	LK4	0.896**	0.000	VALID
	LK5	0.804**	0.000	VALID
X1	LK6	0.801**	0.000	VALID
	LK7	0.748**	0.000	VALID
	LK8	0.799**	0.000	VALID
	LK9	0.826**	0.000	VALID
	LK10	0.651**	0.000	VALID
	LK11	0.683**	0.000	VALID
	LK12	0.628**	0.000	VALID
	K1	0.717**	0.000	VALID
X2	K2	0.649**	0.000	VALID
	K3	0.717**	0.000	VALID
	K4	0.804**	0.000	VALID
	K5	0.725**	0.000	VALID
	K6	0.636**	0.000	VALID
	K7	0.766**	0.000	VALID
	K8	0.754**	0.000	VALID
	K9	0.826**	0.000	VALID
	K10	0.645**	0.000	VALID
	K11	0.744**	0.000	VALID
	K12	0.773**	0.000	VALID
	KP1	0.722**	0.000	VALID
Y	KP2	0.728**	0.000	VALID
	KP3	0.756**	0.000	VALID
	KP4	0.803**	0.000	VALID
	KP5	0.810**	0.000	VALID
	KP6	0.734**	0.000	VALID
	KP7	0.693**	0.000	VALID
	KP8	0.536**	0.000	VALID
	KP9	0.844**	0.000	VALID
	KP10	0.832**	0.000	VALID
	KP11	0.849**	0.000	VALID
	KP12	0.774**	0.000	VALID

Based on table 4.10 it is known that the work environment, compensation and employee performance variables have a significant value less than 0.05 so it can be concluded that all question items in the study are valid.

3.3 Reliability Test Results

This reliability test was carried out to test the consistency of the answers from respondents through the questions given, using the Cronbach Alpha statistical method with a significance used of more than (>) 0.6

Table 3.2 Reliability Test Results

Variable	Cronbach's Alpha	Information
Work Environment (X1)	0.933	Reliable
Compensation (X2)	0.920	Reliable
Employee Performance (Y)	0.929	Reliable

Work environment, compensation and employee performance variables have Cronbach's alpha values greater than 0.6. This shows that the question items in this study are reliable.

3.4 Multiple Linear Regression Analysis

Table 3.3 Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	19,430	3,685		5,273	.000
X1	-.146	058	-.221	-2. 519	014
X2	.621	.078	.694	7,923	.000

a. Dependent Variable: Employee Performance

The regression equation formed in this regression test is:

Y: 5.670 + 0.384 X1 + 0.611 X2 + e

The model can be interpreted as follows:

1. The constant value is 19.430. This indicates that, if the independent variable (work environment, compensation) is zero (0), then the value of the dependent variable (employee performance) is 19.430 units.

2. Work environment regression coefficient (b_1) is -0.148 and has a negative sign. This means that the value of variable Y will decrease by 0.148 if the value of variable X1 increases by one unit and the other independent variables have a fixed value. The coefficient with a negative sign indicates that there is an opposite relationship between the work environment variable (X1) and the employee performance variable (Y). The higher the work environment experienced by employees, the performance will decrease.

3. The compensatory regression coefficient (b_2) is 0.621 and is positive. This means that the value of variable Y will increase by 0.621 if the value of variable X2 increases by one unit and the other independent variables have a fixed value. The coefficient with a positive sign indicates that there is a direct relationship between the work environment variable (X1) and the employee performance variable (Y). The higher the compensation that the employee has, the employee's performance will increase.

3.5 Hypothesis Testing

Hypothesis testing is used to obtain conclusions from this study, namely by conducting a thorough test, namely the F test and partially or self-test, namely the t test which is explained as follows:

a. Partial Test Results (t test)

Testing the hypothesis through this t test, the significance level used by the author is 5% or 0.05 two-sided testing so the significance value is 0.025 and the degrees of freedom with the formula α: 0.05 at N = 63 shows a value of 1.996. The results of the t test using SPSS are as follows:

- First Hypothesis Testing (H1):The t test results for the work environment variable (X1) are -0.146 and are greater than the T table value of 1.669. Besides that, the compensation variable has a significant level of 0.000, which is less than 0.05. The coefficient value is -0.146 indicating that the effect is negative on the dependent variable. This means that H1 is accepted and Ho is rejected so that it can be said that the work environment has a positive and significant effect on employee performance.

- Second Hypothesis Testing (H2):The result of the t test for the compensation variable (X2) is 0.621 and is greater than the T table value of 1.669. In addition, the compensation variable has a significant level of 0.000, which is less than 0.05. The coefficient value is +0.621 indicating a positive influence on the dependent variable. This means that H2 is accepted and Ho is rejected so that it can be said that compensation has a positive and significant effect on employee performance.

b. Simultaneous Test (Test F)

Based on the results of the simultaneous test of work environment variables and compensation on employee performance through the SPSS program where the calculated F value of 277,237 is greater than the F table value of 3.15 (seen from the F distribution table). Besides that, seen from the sig value of 0.000 which is smaller than 0.05 so that H3 is accepted and it can be said that the work environment and compensation simultaneously (together) have an influence on employee performance variables.

3.6Classic assumption test

a. Normality test

The Normality Test is a test conducted to measure whether our data has a normal distribution so that it can be used in parametric statistics. The testing criteria used to test normality in this study were statistical analysis using the Kolmogrov-Smirnov Test.

Based on the results of the SPSS test on the variables studied in this study, the Kolmogorov Smirnov z value was 0.997 with a probability of 0.401 greater than 0.05, this means that the distribution or distribution of the data in this study was normal.

b. Multicollinearity Test

The multicollinearity test aims to test whether in a regression model a high or perfect correlation is found between the independent variables or the independent variables. This test can be identified by looking at the Tolerance value and the Variance Inflation Factor (VIF) value. If the Tolerance value is > 0.01 and VIF <10, it can be said that the variables studied do not have multicollinearity or there is no perfect correlation between the independent variables in this study, so that this regression model does not have multicollinearity problems.

c. Heteroscedasticity

Based on the results of the SPSS test, the value in the sig column shows. for the work environment variable (X1) it is $0.04 > 0.05$ and the compensation variable (X2) is $0.521 > 0.05$ which means that the regression model for the independent variables studied does not have a heteroscedasticity pattern.

3.7 Test Results for the Coefficient of Determination (R Square Test)

The coefficient of determination test was carried out to find out how much the independent variable is simultaneously able to influence the dependent variable. The higher the value of R2 (R Square) means the better the proposed research model. Based on the test results it is known that the coefficient of determination is 0.902 or 90.2%. This shows that employee performance is influenced by job satisfaction and employee commitment by 90.2% while the remaining 76.7% is influenced by other variables not examined in this study.

3.8 Discussion

1. The Influence of the Work Environment on Employee Performance

The results of the hypothesis test show that the Work Environment variable has a negative and significant effect on employee performance. The lower the influence of the employee's work environment, the lower his performance will be. Someone who has a healthy work environment will encourage employees to work better.

The work environment can certainly affect performance, although it is not the only factor that shapes performance, meaning that when the work environment is low, performance will decrease. Everything in the workplace that is likely to affect how well tasks are completed, including cleanliness, music, and other factors, is referred to as the work environment. Within an organization, a supportive work environment is one that offers employees a comfortable work space and the tools they need to succeed the organization wants.

When viewed from the side of the physical work environment, employees feel uncomfortable at work because of inadequate work facilities such as lighting in the work space that is not optimal because there are few lights installed in the room, lack of air ventilation in the room, untidy room arrangement and lack of cleanliness in the work environment. In addition to the physical work environment, the non-physical work environment can also affect employee performance, seen in the failure to achieve good relations between employees or superiors due to the frequent occurrence of miss communication in social behavior that is often suspicious of fellow employees. If the conditions of the physical work environment and non-physical work environment in the office are not improved, this will have an impact on decreasing employee performance.

2. Effect of Compensation on Employee Performance

The results of the hypothesis test show that the compensation variable has a positive and significant effect on employee performance. Compensation is all income in the form of money or goods directly or indirectly received by Employees as compensation for services rendered to the Office. Wages that are in accordance with the sacrifices that have been made by employees to the office will encourage employees to feel satisfied and will make employees work even more optimally which can directly have an impact on increasing work productivity.

Employees who receive compensation in accordance with the contribution made by the Office, then an employee will always be able to improve his performance through the quality and quantity of performance to achieve the goals of the Office. Providing compensation can improve

work performance and motivate employees. Therefore, organizational or office attention to rational and fair compensation arrangements is needed. If employees perceive that compensation is inadequate, then the performance of their employees tends to decrease. However, this did not happen at the Office of the National Land Agency in Makassar City because the compensation given was in accordance with the workload carried out

3. Effect of Work Environment and Compensation on Employee Performance

The results of the hypothesis test show that the work environment and compensation variables simultaneously (together) have a positive and significant effect on employee performance. The lower the influence of the work environment and compensation, the lower the performance will be. The work environment is an office facility that has an influence on performance. Through a harmonious relationship with superiors and subordinates, creating a pleasant work environment and supported by adequate facilities makes performance increase. An office has the goal of getting wages to meet their needs, as well as a good work environment, a pleasant working atmosphere will be created in the office environment.

This study supports the opinion of Robbins (2012) which states that if the work environment is comfortable and supportive, then employees will feel satisfied with the work environment and will work as optimally as possible. Then this study also supports the opinion of Hasibuan (2012) which states compensation as all income in the form of money, direct or indirect goods received by employees from the organization as a form of reward or appreciation for the contributions made. This means that if the compensation provided by the organization is in accordance with the contribution made by employees, it will affect the level of job satisfaction of an employee.

Based on the results of the analysis using multiple linear regression to obtain a coefficient (r) of 0.950 and a coefficient of determination (r square) of 0.902. So that it can be seen that the influence of the work environment and compensation on employee performance at the National Land Agency in Makassar City is in the strong category and there is a positive correlation between work environment and compensation on employee performance.

4. Conclusion

This study aims to determine the effect of work environment, compensation on employee performance at the National Land Agency in Makassar City. Based on the results of the analysis and discussion, the following conclusions can be drawn:

1. The work environment has a negative and significant effect on employee performance. The lower the influence of the work environment experienced by employees, the lower the employee's performance will be. Vice versa if the work environment increases, employee performance will increase.
2. Compensation has a positive and significant influence on employee performance. The lower the employee's work environment, the lower his performance will be.
3. Work environment and compensation simultaneously (together) have an influence on employee performance. The lower the work environment and the higher the employee compensation, the higher the performance will be.

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