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

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Vidya Adisstya DEWI<sup>1</sup>, Ni Nyoman SURIANI<sup>2</sup>, Dewa Ayu Putu Niti WIDARI<sup>3</sup>

<sup>1,2,3</sup>Faculty of Economics and Business, Warmadewa University, Indonesia Corresponding author: Vidya Adisstya Dewi

E-mail: vidyaadisstyadewi21@gmail.com

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Issue 1 Page: 23 - 28 This research examines and analyzes the influence of work discipline, financial compensation and 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, 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. The work of the Eternal Gods. This means that the more work discipline increases, the more employee performance at PT increases. Karya Dewata Abadi (3) Financial compensation positively and significantly affects employee performance at PT. The work of the Eternal Gods. This means that the more excellent the financial compensation, the greater the employee performance at PT. The work of the Eternal Gods. (4) The work environment positively and significantly affects employee performance at PT. The work of the Eternal Gods. This means that the better the work environment, the greater the employee performance at PT. The work of the Eternal Gods.

**Keywords**: Work Discipline, Financial Compensation, Work Environment and Employee Performance.

#### 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 to improve it. Increasing employee performance can be a consideration for companies developing human resources, and it will also impact the company's stability in achieving its stated goals.

Work discipline is an attitude of respect and compliance with all company regulations. It is essential because it produces high-quality workers and a quantity of work and working time that can influence increased employee performance (Wairooy, 2017). Discipline is essential for a company's development, especially for motivating employees to discipline themselves in carrying out work both individually and in groups.



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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 and health benefits, holiday allowances, meal allowances, leave pay, etc. (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.

A conducive atmosphere is needed in an environment, and the arrangement of places for various equipment and work equipment according to their function is needed. 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.

**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**. 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.

**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 his obligations, such as air conditioning, good lighting, etc. 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.

# METHODS

This research was conducted at PT. Karya Dewata Abadi is 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 in 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.



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# **RESULT AND DISCUSSION**

	Regression		<u>.</u>	
Variable	В	Std. Error	t	Sig
Work discipline (X <sub>1</sub> )	0.475	0.151	3.148	0.003
Financial compensation (X <sub>2</sub> )	0.264	0.101	2.619	0.012
Work environment (X <sub>3</sub> )	0.281	0.089	3.171	0.003
(Constant) : 0,869 F Statistics: 38,146				
Sig F: 0.000				
R <sup>2</sup> : 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 + 0.475X1 + 0.264X2 + 0.281X3

The multiple linear regression equation can be described as follows:

 $\alpha$  = 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 <sup>a</sup>							
Mode	1	Sum of Squares	df		Mean Square	F	Sig.
1	Regression	1013.057		3	337.686	38.146	.000 <sup>b</sup>
	Residual	433.773		49	8.853		
	Total	1446.830		52			
a. Dep	oendent Variabl	e: Employee Perform	nance				
b. Pre	dictors: (Consta	nt), Work Environm	ent, Fi	nan	cial Compensation	n, Work Dis	scipline
Source	e: 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. This 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. The work of the Eternal Gods.

Table 3. T	-test results
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Coefficients



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		Unstandardized		Standardized			
		Coefficients		Coefficients			
Model		В	Std. Error	Beta	t	Sig.	
1	(Constant)	.869	1.580		.550	.585	
	Work Discipline	.475	.151	.361	3.148	.003	
	Financial	.264	.101	.242	2.619	.012	
	Compensation						
	Work environment	.281	.089	.374	3.171	.003	
a. Dependent Variable: Employee Performance							

Source: Data processed in 2023

Determine the real level (a) = 5% = 0.05 and dF = (n-k) = 49, so that the value of ttable = (0.05 ; 49) = 1.677

- a. 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. The work of the Eternal Gods.
- b. It was explained that count (2.619) > table (1.677) with a significance level of 0.012<0.05, so H0 was rejected and Ha was accepted, which means that the financial compensation variable had a significant positive effect on employee performance at PT. The work of the Eternal Gods.
- c. Explained that count (3.171) > table (1.677) with a significance level of 0.003<0.05, so H0 is rejected, and Ha is accepted, which means that work environment variables have a significant positive effect on employee performance at PT. The work of the Eternal Gods. Discussion.
- 1) Based on the F test (simultaneously), Fcount (38.146) > Ftable (2.79) is obtained with the significance value of F being 0.000<0.05, so H0 is rejected. This 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 R2 = 68.2%, which means that it is 68.2% of employee performance at PT. 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.
- 2) The influence of work discipline on employee performance is obtained by count (3.148)>ttable (1.677) with a significance level of 0.003 <0.05, so that H0 is rejected and Ha is accepted, which means that the work discipline variable has a significant positive effect on employee performance at PT. The work of the Eternal Gods. The regression coefficient b1 (work discipline variable) is 0.475, indicating that the more work discipline increases, the more employee performance at PT increases. The work of the Eternal Gods.
- 3) The effect of financial compensation on employee performance is obtained by count (2.619) > table (1.677) with a significance level of 0.012<0.05, so that H0 is rejected and Ha is accepted, which means that the financial compensation variable has a significant positive effect on employee performance at PT. The work of the Eternal Gods. The regression coefficient b2 (financial compensation variable) is 0.264, indicating that the more excellent the financial compensation, the greater the employee performance at PT. The work of the Eternal Gods.
- 4) The influence of the work environment on employee performance is obtained by count (3.171) > table (1.677) with a significance level of 0.003<0.05, so that H0 is rejected and Ha is accepted,



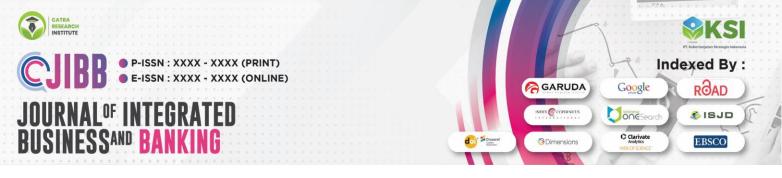
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which means that the work environment variable has a significant positive effect on employee performance at PT. The work of the Eternal Gods. The regression coefficient b3 (work environment variable) is 0.281, indicating that the better the work environment, the more employee performance at PT. The work of the Eternal Gods.

# CONCLUSION

- 1. Work discipline has a positive and significant effect on employee performance at PT. This is the work of the Eternal Gods. This means that the more work discipline, the more employee performance at PT increases.
- 2. Financial compensation positively and significantly affects employee performance at PT, the work of the Eternal Gods. This means that the greater the financial compensation, the greater the employee performance at PT, the work of the Eternal Gods.
- 3. The work environment positively and significantly affects employee performance at PT. The work of the Eternal Gods. This means that the better the work environment, the greater the employee performance at PT. The work of the Eternal Gods

# Suggestion.

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

- 1. Work discipline at PT. Dewata Abadi's work is quite good, but there is a statement on the work discipline variable with the lowest average score: "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.
- 2. Financial compensation at PT. Dewata Abadi's work as a whole is quite good. However, the financial compensation variable statement with the lowest average score is, "I receive a salary by 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.
- 3. The work environment at PT. 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.
- 4. Employee performance at PT. Dewata Abadi's work as a whole is quite good. However, the employee performance variable with the lowest average score has a statement: "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.
- 5. 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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