

Influence of Work Environment, Leadership and Reward Employee Performance Research and Development Agency Musi Rawas Regency

Yuyun Suwanti, Reno Shadeli, Yohanes Susanto, Ronal Aprianto & Ade Famalika

Universitas Bina Insan, Lubuklinggau, Indonesia

Email: yuyunsuwantist@gmail.com, adefamalika@univbinainsan.ac.id

Abstract

Research conducted at the Musi Rawas District Research and Development Agency aims to see whether there is an influence on the work environment, leadership and *rewards* on the performance of Musi Rawas District Research and Development Agency employees. Where the data analysis in this study uses multiple regression analysis. From 42 questionnaires distributed to all employees of the Musi Rawas Regency Research and Development Agency, the following research results were obtained: 1) the p-value for the work environment variable (X1) of $0.0001 < 0.05$ shows that H1 is accepted, namely the Work Environment has a significant partial effect on the Performance of Musi Rawas Regency Research and Development Agency Employees, 2) the p-value for the leadership variable (X2) of $0.0000 < 0.05$ shows that H2 received, namely Leadership has a significant partial effect on the Performance of Musi Rawas Regency Research and Development Agency Employees, 3) the p-value for the reward variable (X3) of $0.0453 < 0.05$ shows that H3 is received, namely Reward has a partial significant effect on the Performance of Musi Rawas Regency Research and Development Agency Employees, 4) and the Prob value (F-statistic) of $0.0000 < 0.05$ shows that H4 is accepted, namely the Work Environment, Leadership and Reward have a significant effect simultaneously on the Performance of Musi Rawas District Research and Development Agency Employees.

Keywords: work environment, leadership, reward, employee performance.

1. Introduction

The importance of quality human resources needs to be followed up with various strategies aimed at optimizing employee performance. The employee performance optimization strategy is carried out by first analyzing the factors that affect the performance of these employees. The determinants chosen in this study are several factors that have been proven to have a significant influence on employee performance in several previous studies.

Based on previous research, there are several factors that can affect employee performance, including leadership style, work environment and rewards. Leadership style is one of the factors that has an influence on employee performance because organizational leaders must be able to protect and motivate employees to be able to achieve organizational goals. Success in achieving organizational goals depends largely on the role of the leader. Leaders must have a leadership style that is an ability to influence employees to carry out their orders happily and without coercion.

While the work environment can directly affect the development of employee performance because it is felt every day by all employees. The work environment in the organization can be divided into two, namely the physical work environment and the non-

physical work environment. Lighting/light, temperature, noise, odors, humidity, air circulation, coloring, decoration, music, and safety are components that exist in the physical work environment of the organization. The work environment plays a role in creating a stimulus for employees to be able to work better. Creating a comfortable, safe, and pleasant work environment is one way to improve employee performance. The selection of physical work environment is a variable of this study to see whether the existing physical work environment can affect employee performance.

Furthermore, the last factor that can affect employee performance is Reward. Reward is one of the factors that is considered important and is the concern of every organization in maintaining and improving employee performance. According to (Sofianti, 2021) Reward is a pleasant award given to employees with the aim that these employees always do good and commendable work. In the management concept, Reward is one of the tools to improve employee performance. Where in this study the indicators used in the Reward variable are wages, salaries, incentives, benefits, interpersonal rewards, promotions.

2. Literature Review

Leadership is a very important factor in organizational management. Leadership is needed because there are limits in a person so that the need to lead and be led arises. Leadership is described in terms of habits in the way it influences others, individual characteristics, and position in the organization. According to (Kunanto, 2021) Leadership is defined as an art of influencing the behavior of others both towards individuals and groups, where a leader contributes highly to an organization. Leaders have the authority to lead and provide direction to their subordinates to be willing to do their work to achieve organizational goals. The leader is also someone who uses the authority he has to organize, direct, control subordinates and be responsible which in the end all parts of the work can be coordinated to achieve the desired goals.

According to (Kunanto, 2021) The work environment is defined as a side or room that is outside but has the power to be able to influence organizational performance, the work environment in a general sense is everything that is outside the organization that has the potential to affect the organization while the work environment in a special sense is everything that is directly related to employees when carrying out their duties

According to (Beni Setyadi, 2015), the work environment consists of physical and non-physical work environments. According to (Sedarmayanti, 2016) the physical work environment is a physical condition that is around employees and has a direct or indirect influence. Some factors according to (Sedarmayanti, 2016) that can affect the formation of a physical work environment are: air circulation; noise; odors; color layout; lighting/light; music; decoration; and security. While the non-physical work environment is all conditions that occur related to work relationships, both with superiors and with fellow colleagues, or with subordinates.

According to (Sofianti, 2021) Reward is a pleasant award given to employees with the aim that these employees always do good and commendable work. In the management concept, Reward is one of the tools to improve employee performance. Man always has ideals, hopes and desires. This is what the Reward method takes advantage of. Rewards are an educational tool that is easy to implement and very pleasing to employees. For this reason, reward in a work process is needed as motivation to improve employee

performance. According to (Dicky, 2017) the Reward indicator (reward) is as follows: wages, salary, incentives, benefits, interpersonal awards and promotion. Wages are rewards paid based on hours worked, amount goods produced or many services rendered. Salaries are a form of periodic payments given to employees stated in an employment contract. Incentives are special compensation given to companies outside the basic salary that aims to increase motivation or encourage the performance of these employees. Benefits are everything that is given to employees and is something that is not related to employee performance, but is based on seniority or attendance records such as health dependents, childbirth costs, leave money, insurance guarantees, home maintenance costs, telephone credit top-up, and the like. Interpersonal Awards Or commonly referred to as interpersonal appreciation, superiors has a certain amount of power to distribute awards interpersonal, such as status and recognition. Promotion is an attempt to put the right people on the right job. Performance when measured accurately, often give significant consideration in the allocation of awards promotion. So that Reward in this study can also be defined as compensation where according to Mondy in (Ningrum & Soehari, 2019) compensation is the total of all rewards received by employees in lieu of services provided. In general, compensation aims to attract, retain, and motivate employees. Compensation given to employees is expected to improve employee performance.

There are several views from several experts in the field of management on the definition of performance based on what they experience and feel, where some of these definitions include: in the book Corporate Human Resource Management (Mangkunegara Anwar, 2015), explaining performance is the result of a process that is measured both in quality and quantity as an achievement of a person in carrying out a task according to the capacity of responsibility possessed. according to Mathis-Jackson in (Hermansyah & Indarti, 2015), explained that performance affects how many employees Contributing to the organization in other words performance is What an employee does or does not do.

3. Research Method

This type of research uses a quantitative research approach and the type of data used in this study is primary data where the data on the work environment, leadership, reward and employee performance used in this study were obtained from the results of questionnaires given to all employees of the Musi Rawas Regency Research and Development Agency, both Civil Servants (PNS) and Non-Civil Servants. Based on the conceptual framework, the data analysis technique used to build a determinant model of the Performance of Musi Rawas District Research and Development Agency Employees uses techniques multiple linear regression analysis with the Ordinary Least Square method, the analysis was performed using the EvIEWS 9 application with the equation Model as follows:

$$KP = \beta_0 + \beta_1 (LK) + \beta_2 (LS) + \beta_3 (Rwd) + \varepsilon$$

4. Findings and Discussions

Validity Test Results. Validity test is testing the results of research data obtained from

questionnaires that have been filled out by respondents. An instrument is declared valid or valid if it has high validity, conversely, an instrument that is less valid means it has low validity. Based on the results of the calculation of the validity test of the Employee Performance variable (Y) conducted on 44 respondents at the Musi Rawas Regency Research and Development Agency with 9 statement items, all of these indicator items are above the r value of the table 0.297 in other words that all statement items regarding the *Reward* variable can be Declared valid because overall r calculate $>$ r table at a significant level of 5% so it is suitable for use for further research instruments.

Reliability testing is a process used to measure the level of consistency or stability of a measuring instrument or instrument. Reliability tests are used to find out how well a measuring instrument can measure something with the same result if it is used at different times or if it is used by different meters. In this study reliability testing was done by calculating the value of *Cronbach's Alpha*, if the value *Cronbach's Alpha* $>$ 0.6 then the research instrument stated reliable. Based on calculations show that the variable instrument used in research trials is reliable, because all *Cronbach's Alpha* values of each variable are greater than 0.60 so that all variables can be declared reliable and can be continued to the next stage of analysis

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residual of one observation to another (Ghozali, 2018). In this study to detect the presence of heteroscedasticity can be done by means of the Harvey test. Where the Harvey test is a process of progressing the absolute residual value to the variable independent. The basis for making the decision is that if the p -value $>$ 0.05, it can be concluded that there is no heteroscedasticity problem in the regression model formed.

Autocorrelation test aims to determine assumption deviations, namely the correlation caused by residuals in one observation with other observations in the regression model. The condition that must be met is the absence of autocorrelation. The test method that is often used is the *Durbin-Watson* test (DW test). The basis for decision making is that if the p -value $>$ 0.05, it can be concluded that there is no autocorrelation problem in the regression model formed. The test results can be seen in the table below

Table 1. p -Value Breusch-Godfrey Serial Correlation LM Test *Breusch-Godfrey Serial Correlation LM Test*

F-statistic	2.403884	Prob. F(2.38)	0.1040
Obs*R-squared	4.941669	Prob. Chi-Square(2)	0.0845

From table 1 above, it can be seen that the p -value of 0.0845 is greater than the significant alpha value of 0.05, this shows that there is no autocorrelation problem in the regression model formed

Table 2. Multiple Regression Analysis Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	16.19470	0.922007	17.56461	0.0000

X1	0.095081	0.022270	4.269469	0.0001
X2	0.364238	0.035991	10.12018	0.0000
X3	0.055106	0.026661	2.066936	0.0453

From table 2 it can be seen that the multiple linear regression equation model can estimate the value of Employee Performance influenced by Work Environment, Leadership and Reward is: $Y = 16.194 + 0.095 X_1 + 0.364 X_2 + 0.055 X_3$

Table 3. Value of Coefficient of Determination (R^2)

R-squared	0.978788	Mean dependent var	40.90909
Adjusted R-squared	0.977197	S.D. dependent var	2.923984
S.E. of regression	0.441544	Akaike info criterion	1.289430
Sum squared resid	7.798447	Schwarz criterion	1.451629
Log likelihood	-24.36747	Hannan-Quinn criter.	1.349582
F-statistic	615.2300	Durbin-Watson stat	2.635258
Prob(F-statistic)	0.000000		

Table 4. *P-value t-value test*

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	16.19470	0.922007	17.56461	0.0000
X1	0.095081	0.022270	4.269469	0.0001
X2	0.364238	0.035991	10.12018	0.0000
X3	0.055106	0.026661	2.066936	0.0453

In the table above can be seen the *p-value* of all independent variables Work Environment (X1), Leadership (X2) and Rewawrd (X3) less than the significant value of 0.05, it can be concluded that Work Environment (X1), Leadership (X 2) and *Rewawrd* (X3) partially has a significant influence on Employee Performance (Y).

Table 5. *Prob Values (F-statistic)*

R-squared	0.978788	Mean dependent var	40.90909
Adjusted R-squared	0.977197	S.D. dependent var	2.923984
S.E. of regression	0.441544	Akaike info criterion	1.289430
Sum squared resid	7.798447	Schwarz criterion	1.451629
Log likelihood	-24.36747	Hannan-Quinn criter.	1.349582
F-statistic	615.2300	Durbin-Watson stat	2.635258
Prob(F-statistic)	0.000000		

In the table above, it can be seen that the value of *Prob (F-statistic)* is less than the significant value of 0.05, it can be concluded that all independent variables of Work Environment (X1), Leadership (X2) and *Reward* (X3) together have a significant influence on Employee Performance (Y).

5. Conclusion

The average score regarding employee perception of the work environment of 4.36 is included in the very appropriate category. This means that all employees think that the existing work environment is what they want. The average score regarding employees' perceptions of leadership style of 4.18 is included in the appropriate category. What this means is that employees think that the leadership style applied by the way the leader makes decision and the leader's way of building relationship with employees is appropriate. The average score regarding employee perception of reward of 4.33 is included in the very appropriate category. This means that employees think that the rewards given in the form of honorarium, benefits and additional employee income given every month are very appropriate. The average score regarding employee perception of reward of 4.55 is included in the very appropriate category. This means that employees think that performance in terms of quality, quantity, and punctuality is very in accordance with the situation in the field.

References

- Maria Helena Carolinda Dua Mea. 2022. The Influences of giving rewards and punishments on the morale of BUMN employee in Ende City
- Rizki Ayu Pramesti¹, Sofia². A.P.Sambul³, 2019. Reward influence and Punishment on KFC Artha Gading Employee North Jakarta
- Nguyen et al., 2020. Influence of motivation, Leadership, Work Environment, Culture Organization, work performance competency, and Compensation of employee performance.
- Kunanto, 2021. Influence of work environment, leadership, reward on employee

performance at PT. Angkasa Pura logistics Surabaya

Sofiati, 2021. Effect of reward and punishment on performance employee at madrasah ibtidaiyah scince Baitur Rahman Jatinagor

Kasmir, Human resources management. Yogyakarta: Rajawali Pers, 2016.

M. Busro, Humn resources teori. Bandung, 2018

M. Sumarjo, Human Resourch management. Bandung: Alfabeta, 2018.

Rika sucianti, Maryadi, Asri, 2023. The Influence of Leadership, reward and work environment on the performance of PT BTN Pare pare employees

Andrean1, Ricky2, 2020. The Influence of Leadership, reward and work environment on the performance of PT BPR Delta Lampung employees

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>)