

International Social Sciences and Humanities **UMJember Proceeding Series (2023)** Vol. 2 No 3: 1044-1051



The Efect Of Compensation, Work Environmen, And Leadership On Employe Performance At CV. Dwipa Nusantara Tobaco

Lisna Irniyanti¹, Eko Budi Satoto¹, Budi Santoso¹

¹University of Muhammadiyah Jember

*Correspondence: Lisna Irniyanti Email: <u>lisnap535@gmail.com</u>

Accepted : July, 2023 Published : September 2023



Copyright: © 2023 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY NC) license (http://creativecommons.org/licenses/by/4.0/).

Abstract: Competition of the busines worlds is actor in Jember, whiich in feact afects employe performance, this is a prob- lem that can be experience by everry busines venture, including companies engage in the manufacture of cigar cigaretes. One company that is experiencing problems is quite complex to be investigated according to its problems, such as problems with it s human resources which are problems that must be considered. The purposes of thisis studying was too determineted the effect of Work Environment, Leadership at CV. Dwipa Nusantara Tobacco. The method used is quantitative. The sample in this study amounted to 70 peopple who were the population of CV factory employees. Dwipa Nusantara Tobacco. The coefficient of de- termination test, it shows that compensation, work environment, and leadership have an influence on performance by 65.9%. the t test show that compensation, of CV Dwipa Nusantara Tobacco.

Keywords: Compensation, Works Environmen, Leadership, Employe Performancce.

INTRODUCTION

Every business enterprise, including those engaged in the production of cigar cigaretes, may encounter this issue as a result of the competition in the business worlds that exists in Jember. One company that is having issues is fairly complex to explore in light of those issues, such as issues with its human resources, which are issues that must be taken into account.

In the company, human resources are important. To attain its own goals, any organization needs qualified human resources. The treatment of employees by a firm, who are considered to be its human resource, is where quality human resource begins. The compensation is closely correlated. There are many factors that can effect employee performance, one of which is compensation, where the amount of compensation can have an impact. Human resources (HR) refer to the most crucial element in any endeavour to succeed. To prepare quality human resources, one needs very creative and imaginative thinking. [1]

The word "performance" derives from the word "job performer" or "actual performer." Performan is the end product of quality effort Performance is the end outcome of personnel producing both quality and quantity work, or of actual conduct displayed in compliance with the duties assigned to them. The success or failure of the established organizational goals is determined by the performance of the organization, performance refers to the results that are generated over time by the actions or indicators of a job or profession.

Everything that the company gives its employees in the way of compensation serves the purpose of tying the company's cooperation with its workers, maintaining employee stability and discipline, preventing labor unions, and minimizing the influence of government intervention. [2]. In order to establish intense rivalry among employees and give them incentives to work more competently and efficiently, compensation might offer growth prospects for employees. Compensation is also helpful for improving employee morale and increasing fairness for all employees, both within and outside. The job itself is one factor that affects job satisfaction.[7] Man must work to demonstrate that he is

actual, not just thinking. Hopefully, it is clear that a satisfaction in relation to his work arises when that work is able to prove and show his existence in society and is able to prove that he is a social being who cannot be separated from other humans.

Person's ability to influence and motivate others something according to a common goal. Leadership is a formal position, which demands to receive facilities and services from the constituents it should serve. Even though many of the leaders who were sworn in said that their position was a mandate, in reality there were very few or it could be said that there were almost no leaders who really practiced leadership from the heart, namely leadership that served. [3]

Employee's performance has several factors that can influence. Leadership plays a very important role, because the leader is someone who will move and direct the process of achieving goals. Some argue that leadership is something that is inherent in the leader and therefore leadership is then associated with traits, personality, abilities and capabilities, all of which lead to characteristics or certain properties. Effective leaders must address individual, group, and organizational goals. Leadership is the ability to influencere, move and directing an actionting in a certain situation in a OF A process that influences the behavior of others, leadership in its application contains many challenges. The challenge can arise from the leader himself, from followers/subordinates or from the situation in which the process takes place. [4]

Research that has been to conducted by [5] suggests that there effect of compens on employee performance. Same with research [6] also says that compensation for employee performance has a significant effect on employee performance. The main purpose of providing compensation is too meeting the needed for satisfactioon with the achieve that havee ben achieved and in line with the strategic objectives of the company's businesss. And it can be said acceptance in return from the companys to pays iting.

CV. Dwipa Nusantara Tobacco engaged in the manufacture of cigar cigarettes. This company has been established since 2019 which is located in Krajan Hamlet, Karang Anyar Village, Ambulu District, Jember, East Java. The beginning of the manufacturing, packaging, and packing cigars. Apart from that, employees are also placed according to their respective expertise, one example is in the cigar manufacturing section. Not only one or two employees are placed people running or managing the factory. And until it can develop until now. This company has also been invited to many events locally and abroad.

Based on the information obtained, that employees of CV. Dwipa Nusantara Tobacco Karanganyar Ambulu Jember has a total of 70 employees. The average employees are housewives who already have training in manufacturing, packaging, and packing cigars. Apart from that, employees are also placed according to their respective expertise, one example is in the cigar manufacturing section. Not only one or two employees are placed in the cigar manufacturing section, but there are several professional employees who take this expertise.

Manufacturing, packaging, and packing cigars. Apart from that, employees are also placed according to their respective expertise, one example is in the cigar manufacturing section. Not only one or two employees are placed. This is what makes the author want to do deeper research in the CV office. manufacturing, packaging, and packing cigars. Apart from that, employees are also placed according to their respective expertise, one example is in the cigar manufacturing section. Not only one or two employees are placed.

METHOD

The approachatyu taken in this researching in is a quantitativeng appro because it refers to calculating data. The explanation in this study is to explain the effect of compensation, work environment, and leader-ship on employee performance at CV. Dwipa Nusantara Tobacco. Of the problems that will be examined in the preparation of this thesis, the variables used include: Independent Variable or Independent Variable (X).

- a) Compensation (X1)
- b) Work environment (X2)
- c) Leadership (X3)

Dependented Variable or Dependented Variable (Y)

While the dependent variable according to (Sugiyono, 2014), that or independent variables." The independent variables in this study are: Employee Performance (Y)

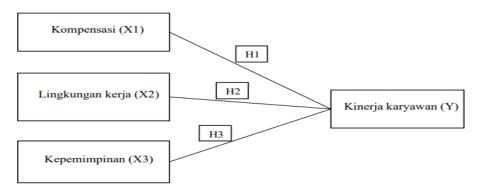
Compensation can be received with direct payment systems and indirect payments in other words that compensation in this study are as follows: Companies need to provide salaries and incentives that are commensurate with their workload, in providing monthly salaries to be able to meet the daily needs of employees. Benefits the awards given by the company so far can increase employee mo- rale at work.

Work Environments (X2) is every that are aroundinen employees and affect them in carry outingking the task assig to there. The physical work environment in a company is a condition of work to provide a comfortable atmos- phere in achieving the goals desiree by a company.

The research's findings indicate that variable compensation has a (partially) impact on employee performance. Consequently, CV employees receive greater salaries. Tobacco brand Dwipa Nusantara. The results of that test indicate that the work environment-related variable has a considerable (partially) negative impact on employee performance. Therefore, the more demanding work environments have little effect on how well CV employees perform. tobacco company Dwipa Nusantara, The test's findings demonstrate that the leadership variable has a large (partially) impact on employee performance. Therefore, the higher leadership variable has no effect on raising CV employees' performance. Dwipa Nusantara Tobacco. CV personnel' performance. tobacco company Dwipa Nusantara, The outcomes of the test show that the leadership concluded that the leadership variable has as significanted (partially) influence on employe performan. So the higher leadership variable.

Conceptual Framework

The conceptual framework explains the variables that are located as variables independent and dependent variable. Conceptual framework describes the partial influence between compensation variables (X1), Work Environment (X2), Leadership (X3) and employee performance (Y).



Gambar. 1 Conceptual Framework

2. Hypothesis Development

Hypothesis 1: There is a significant influence related to compensation on employee performance

According to Jeanina et al. (2020), the definition of compensation includes all money received by employees from the firm in the form of salaries, wages, and incentives in exchange for services rendered to the company. When an employer pays a high salary to an employee, it implies that the company makes the best use of that employee's influence. Such regulations allow associated organizations to benefit and/or profit to the fullest extent. Retnowati and Widia (2012) assert that remuneration is meant to keep employees over the long run. In order to demonstrate that the salary granted to employees is intended to enable optimal and enthusiastic performance of their duties.

Hypothesis 2: There is a significant influence between the work environment on employee performance

Agus et al. (2016) separate the work environment into two categories: the physical environment and the non-physical environment. The term "physical work environment" refers to all physical elements around the workplace that may have an impact on workers directly or indirectly. According to Nitisemito (Nuraini, 2013), the workplace consists of everything that surrounds employees and may interfere with their ability to complete duties. According to Nitisemito (2013), the physical work environment is a requirement of the

work environment for employees who exert self-control while performing their jobs. In order for employees to work in a comfortable setting and achieve the firm's objectives, the physical work environment at a company is a requirement of employment. In contrast to research findings that indicate

Hypothesis 3: There is a significant influence between leadership on employee performance

Imelda et al. (2019) assert that a company's leadership is a deciding element. Several experts have proposed the definition of leadership as follows: According to Sutikno (2014), "Leadership in organizations is directed to influence the people they lead, making them want to do as anticipated or directed by other people who lead them.", a number of variables are relevant to or have a positive impact on the leadership process in organizations. These variables include: (1) personality; (2) expectations of and behavior from superiors; (3) characteristics, expectations, and behavior from subordinates; (4) task requirements; and (5) organizational climate and policies. According to Siagian (2012), these are some leadership indicators: a culture of mutual trust, b respect for subordinates' opinions, c consideration of subordinates' feelings.

3. Population and Sampling Techniques Population

Population is the full target of inquiry from variables connected to the subject to be addressed. In this study, that develops. The participants in this study, which included up to 70 people, were all CV Dwipa Nusantara Tobacco Karanganyar Ambulu employees.

Sample

Saturated sampling refers to the practice of selecting samples from the entire population. The sample is regarded as representative of the population since it represents a subset of people who share many of the same traits. The sample is a subset of the population being researched in terms of size and features. The type of non-probability sampling was used to determine the sample size for this study. Non-Potential Sample Sampling This kind of sample is not chosen at random. Not every element or component of the population has an equal chance of being chosen as the sample. Nonprobability sampling, is a method that doesn't give each component or population member an equal chance to participate.

4. Data Analysis Techniques

the origin Researchers collect primary sources to address their questions. A questionnaire was utilized as the method of data collecting. Distribution of a questionnaire to those who work at the CV manufacturing. Tobacco Dwipa Nusantara. Additionally, a Likert scale was used to evaluate the questionnaire's results. Alternative solutions to ascertain the impact of the answer to ascertain the impact of compensation, environment, and leadership. Distribution of questionnaires to those who work in the CV factory. Tobacco Dwipa Nusantara. Additionally, a Likert scale was used to evaluate the questionnaire's results. Alternative solutions to ascertain the impact of the answer

5. Validity test

that the validity test demonstrates the degree of precision between the data what actually occurred to the data object collected to seek validity an item, and link the item's score with the item's total. Rcount and RTable are compared during testing. Bivariate pearson rtable is the output of the SPSS program and represents the value of rcount, which is the outcome of answer correlation respondents on each question in each variable. The value of rcount is the outcome of respondents' answers to each question in each variable that was examined using the SPSS program. Its output is a correlation between the item's score and item total. Rcount and RTable are compared during testing. The value of rcount is the outcome of respondents' answer correlation.

6. Relibility Test

the results of the respondents' responses to each question and variable in the SPSS program correlate the item's score with the item's total. Rcount and RTable are compared during testing. The bivariate pearson output of the SPSS program is the value of rcount, which is the outcome of answer correlation respondents on each question in each variable. leadership. Distribution of a questionnaire to those who work at the CV manufacturing. tobacco and tableware from Dwipa Nusantara. The bivariate pearson output of the SPSS program is the value of rcount, which is the outcome of answer correlation respondents on each question

in each variable. rtable. The value of rcount is the outcome of respondents' answer correlation on

RESULTS AND DISCUSSION

Validity Test Results

The following are the results of the variable validity test in this study:

Table 1 Validity Test Results per Variable

Variable	Item Code	Count	Count Statistics		
variable	nem Code	r-count	r table	K et	
				•	
	X1.1	0,625	0,2352	Valid	
X1- Compensation	X1.2	0,747	0,2352	Valid	
_	X1.3	0,532	0,2352	Valid	
	X2.1	0,756	0,2352	Valid	
X2- Work environment	X2.2	0,775	0,2352	Valid	
	X2.3	0,622	0,2352	Valid	
	X3.1	0,751	0,2352	Valid	
W2 I 1 1	X3.2	0,751	0,2352	Valid	
X3- Leadership	X3.3	0,63	0,2352	Valid	
	X3.4	0,426	0,2352	Valid	
Y- Employee performance	Y1.1	0,764	0,2352	Valid	
	Y1.2	0,627	0,2352	Valid	
	Y1.3	0,673	0,2352	Valid	
	Y1.4	0,677	0,2352	Valid	

^{*}r-table obtained from r-table with N=70 and alpha=0.05 (two-way test)

The majority of the indicators that comprise each variable have R count > R table (or sig. value alpha), as can be seen in table 1 above, indicating that the question items are generally genuine and may be used for the subsequent stage of analysis.

Reliability Test

Following are the results of reliability testing for the three variables in this study:

Tabel 2 Reliability Test Results

Variable	Amount Items	Cronbach Alpha	Mark Standa rd	Decision
X1- Compensation	3	0,716	0,6	reliable tall
X2- Work environment	3	0,729	0,6	reliable tall
X3- Leadership	4	0,755	0,6	reliable tall
Y- Employee performance	4	0,798	0,6	reliable tall

The reliability test results for the research instrument are shown in Table 2 above. As can be seen, out of the four variables that were looked at in this study, one has a Cronbach Alpha value that is greater than the standard value (0.6), indicating that it has a high reliability value and can be used in further investigation.

Test the significance of Individual Parameters (t test)

Furthermore, the t (partial) test aims to determine whether the variables of Compensation (X1), Work Environment (X2) and Leadership (X3) individually/partially affect the Employee Performance variable (Y). The results can be seen in the following table:

Table 3 T-test results (part

		Coeffi	cients ^a				
			Unstandardized Standardized				
		Coefficients		Coefficients			
Model		В	Std. Error	Beta	t	Sig.	
1	(Constant)	4.313	1.041		4.145	.000	
	Compensation	.216	.088	.223	2.439	.017	
	Work environment	.364	.120	.339	3.023	.004	
	Leadership	.293	.085	.368	3.472	.001	
a. Dependent Variable: Employee performance							

According to empirical data (field findings), the independent variable's T-value is 2.439; the T-Table is 1.668; and the p-value is 0.017. Reject H0 is the conclusion reached to test the hypothesis if T-Count>T-Table and p-value alpha (5%) are true. With these findings, it can be said that the remuneration variable has a considerable (partially) impact on employee performance, with a 95% confidence interval.

According to empirical data (field results), the independent variable's T-value is 3.023; the T-Table is 1.668; and the p-value is 0.004. Reject H0 is the conclusion reached to test the hypothesis if T-Count>T-Table and p-value alpha (5%) are true. With these findings, at a 95% confidence level.

Coefficient of Determination (R2)

Check the model's capacity to explain the variation in the independent variables by calculating the coefficient of determination (R2). The coefficient of determination has a value between 0 and 1. The adjusted R2 value was utilized as the study's coefficient of determination.

The results of the determination test (R2) can be seen in the following table:

Table 4 Coefficient of model determination

Model Summary						
			Adjusted R	Std. Error of		
Model	R	R Square	Square	the Estimate		
1	.812a	.659	.643	1.486		
a. Predictors: (Constant), Kepemimpinan ,kompensasi,						
Lingkungan k	erja					

The model determination coefficient is 0.659 based on table 4 above. A variable's contribution to the creation of the value of the dependent variable is represented by the coefficient of determination's value. From this number, it can be inferred that Leadership, Compensation, and Work Environment account for 65.9% of fluctuations in the value of Employee Performance (Y), with other factors outside the model accounting for the remaining 34.1%.

Multiple Linear Regression Analysis

Tuble 5 Coefficients of Manaple Efficient Regression Finallysis	Table 5 Coefficients	s of Multiple	e Linear Regi	ression Analysis	
---	----------------------	---------------	---------------	------------------	--

Coefficients ^a							
Model		Unstandardize		Standardized			
		d		Coefficients			
		Coefficients			T	Sig.	
		В	Std. Error	Beta			
1	(Constant)	4.313	1.041		4.145	.000	
	Compensation	.216	.088	.223	2.439	.017	
	Work environment	.364	.120	.339	3.023	.004	
	Leadership	.293	.085	.368	3.472	.001	
a. Dependent	Variable: Employee perfor	mance					

A constant value of 4,313 denotes that, assuming other variables outside the model are taken into account, the value of Employee Performance will have a fixed value of 4.313 points even if all the independent variables in the model that have been constructed have a value of zero.

The pay coefficient is 0.216, which means that if all variables outside the model are held constant, the Employee Performance score will rise by 0.216 points for every point increase in salary.

The work environment coefficient is 0.363, which means that, assuming other factors outside the model are held constant, for every 1 point rise in the work environment, the employee performance value will increase by 0.363 points.

Given that the leadership coefficient is 0.293, for every 1 point increase in Leadership, the Employee Performance value will increase by 0.293 points, assuming other factors outside the model are considered constant.

8. Discussion

This study aims to determine the effect of Compensation, Work Environment, and Leadership on Employee Performance at CV. Dwipa Nusantara Tobacco, so that it can be explained as follows:

Effect of Compensation on Employee Performance

The findings demonstrated a substantial relationship between remuneration and employee performance at CV. Dwipa Nusantara Tobacco, as demonstrated by outcomes. According to empirical data (field findings), the independent variable's T-count value is 2.439; the T-Table value is 1.668; and the p value is 0.017. Reject H0 is the conclusion reached to test the hypothesis if T-Count>T-Table and p-value alpha (5%) are true. With these findings, it can be said that, with 70 respondents, the salary variable has a considerable (partially) impact on employee performance, with a 95% confidence interval.

According to empirical evidence, the degree of confidence in the relationship between variable remuneration and employee performance is 95%. and it can be concluded that the compensation variable has a positive and significant influence on the performance of employees at the company CV. Dwipa Nusantara Tobacco.

The Influence of the Work Environment on Employee Performance

The findings demonstrated a substantial relationship between remuneration and employee performance at CV. Dwipa Nusantara Tobacco, as demonstrated by outcomes. According to empirical data (field findings), the independent variable's T-count value is 2.439; the T-Table value is 1.668; and the p value is 0.017. Reject H0 is the conclusion reached to test the hypothesis if T-Count>T-Table and p-value alpha (5%) are true. With these findings, it can be said that, with 70 respondents, the salary variable has a considerable (partially) impact on employee performance, with a 95% confidence interval.

According to empirical evidence, the degree of confidence in the relationship between variable remuneration and employee performance is 95%. and it can be concluded that the compensation variable has a positive and significant influence on the performance of employees at the company CV. Dwipa Nusantara Tobacco.

The Influence of Leadership on Employee Performance

The findings demonstrated a substantial relationship between remuneration and employee performance at CV. Dwipa Nusantara Tobacco, as demonstrated by outcomes. According to empirical data (field findings), the independent variable's T-count value is 2.439; the T-Table value is 1.668; and the p value is 0.017. Reject H0 is the conclusion reached to test the hypothesis if T-Count>T-Table and p-value alpha (5%) are true. With these findings, it can be said that, with 70 respondents, the salary variable has a considerable (partially) impact on employee performance, with a 95% confidence interval.

According to empirical evidence, the degree of confidence in the relationship between variable remuneration and employee performance is 95%. and it can be concluded that the compensation variable has a positive and significant influence on the performance of employees at the company CV. Dwipa Nusantara Tobacco.

CONCLUSION

The results of the test indicate that salary has a varied (partially) influence on employee performance. In other words, improving CV personnel is unaffected by the higher remuneration variable. Tobacco Dwipa Nusantara. Environment reaches the partial conclusion that the work environment. Therefore, the greater work environment characteristics have no effect on how well CV employees perform. Dwipa Nusantara Tobacco Company. The test's findings demonstrate that the leadership came to the conclusion that the leadership variable had a (partial) influence on worker performance. Therefore, the leadership variable has no impact on the performance of CV personnel. The work environment (partially) of Dwipa Nusantara Tobacco. Thus, the performance cannot be improved by the more demanding work environment.

REFERENCES

- A. Ariskha, M. Y. Siregar, and I. LKS, "Pengaruh Kompensasi Finansial Dan Kompensasi Non Finansial Terhadap Kinerja Karyawan Pt. Jaya Beton Indonesia Cabang Medan," *J. Ilm. Manaj. dan Bisnis*, vol. 1, no. 2, pp. 106–111, 2020, doi: 10.31289/jimbi.v1i2.386.
- A. Nugraha and S. S. Tjahjawati, "Pengaruh Kompensasi Terhadap Kinerja Karyawan," *J. Ris. Bisnis dan Investasi*, vol. 3, no. 3, p. 24, 2018, doi: 10.35697/jrbi.v3i3.942.
- A. Solikin, M. Fatchurahman, and S. Supardi, "Pemimpin Yang Melayani Dalam Membangun Bangsa Yang Mandiri," *Anterior J.*, vol. 16, no. 2, pp. 90–103, 2017, doi: 10.33084/anterior.v16i2.41.
- B. Santoso and T. Alawiyah, "Service Quality as A Measurement of Customer Satisfaction of Indonesian Sharia Bank Using Important Performance Analysis Method," *Int. J. Soc. Sci. Bus.*, vol. 5, no. 2, pp. 291–296, 2021, [Online]. Available: https://ejournal.undiksha.ac.id/index.php/IJSSB/index
- N. Lotje, S. M. Sumayku, and S. A. P. Sambul, "PENGARUH GAYA KEPEMIMPINAN TERHADAP KINERJA KARYAWAN PADA PT. ASURANSI BUMIDA BUMIPUTERA MUDA CABANG AMANDO," *J. Adm. BISNIS*, vol. 5, no. 002, Jun. 2017, doi: 10.35797/JAB.V5.I002.
- M. Shia, "Pengaruh Kompensasi Finansial Dan Non Finansial Terhadap Motivasi Kerja Karyawan," *J. Adm. Bisnis*, vol. 24, no. 1, pp. 1–6, 2015.
- R. Riandi and I. Zain, "Pengaruh Kompensasi Finansial Dan Non Finansial Terhadap Kinerja Karyawan Cv Fenaru Jaya," *Ensiklopedia Sos. Rev.*, vol. 3, no. 3, pp. 419–422, 2022, doi: 10.33559/esr.v3i3.1088.