

## Determinants of Variables on Employee Performance Pt. Prestasi Retail Innovation in the Tangerang Region



Dini Amalia<sup>1</sup>, Sherly Wattimena<sup>2</sup>, Endri Sentosa<sup>3</sup>

<sup>1</sup>Sawo 6 No 1, Jakarta Timur/ 13220, STIE YAI Jakarta

<sup>2</sup>Mahasiswa Program Doktor FEB UPI YAI,

<sup>3</sup>Fakultas Ekonomi dan Bisnis UPI YAI

**ABSTRACT:** The purpose of this study is to test whether there is an effect of compensation, competence and work environment on employee performance at PT Prestasi Retail Innovation throughout the Tangerang area. This research is based on several theories that support research related to compensation, competence, and work environment and employee performance. This study uses primary data. The sample in this study were employees of PT. Retail Innovation Achievements (Fisik Football) throughout the Tangerang area which were taken randomly at three store locations in the Tangerang area, namely Summarecon Mall, Bintaro Exchange Mall and Tangerang City Mall. Research data obtained from the results of distributing questionnaires. After the data collection is complete, the research data is directly processed by conducting multiple linear regression testing to find out the results of the relationship of the variables studied using the SPSS V.25 application. This study succeeded in proving that there was a positive and significant influence of the Variables of Compensation, Competence, Work Environment both partially and simultaneously on Employee Performance at PT. Retail Innovation Achievement (Physical Football) throughout the Tangerang Region with a contribution value (R Square) of 76.4% and a calculated F value of 60.855 > from F table 2.78 while the most dominant variable influencing Employee Performance is the Competency Variable.

**KEYWORDS:** Compensation (X1), Competence (X2), Work Environment (X3) and Employee Performance (Y)

### INTRODUCTION

The retail industry in Indonesia this decade continues to develop and experience significant improvements, especially in the Jakarta area. Supported by the increase in people's purchasing power and the emergence of various kinds of physical stores such as luxury and large malls and e-commerce stores. The retail business is all business activities that are closely related to the sale of goods or services so that they are very focused on the services provided to individual or group customers.

Benardin & Russel (2011) in Donni Juni Priansa (2019:179) defines performance as the result produced by job functions and activities at a particular job within a certain period of time. The results of the work are in the form of abilities, skills, and desires that are achieved. In order to survive in increasingly fierce competition,

Business actors must be able to adjust to the development of science and technology and must improve the quality of human resources so that they can maintain the continuity of the company or organization they manage to achieve company goals. In an effort to improve the performance of employees of PT. Achievement Retail Innovation (Physical Football) there are several visible problems that can hinder the company from achieving its goals, including:

1. The low ability of employees to carry out target-oriented work so that the results obtained are not optimal.
2. There are absenteeism problems that are often violated, such as many employees who arrive late.
3. Low knowledge possessed by employees when doing their job.
4. There are some employees who are not serious and not thorough in their work.
5. There is still a lack of cooperation and communication with the team.
6. The following is a table of problems that occurred at PT. Retail Innovation Achievement (Physical Football). The data in table 1.1 below explains that the performance of employees at PT. Retail Innovation Achievement (Physical Football) in 2016 to 2017 was good due to an increase of 3%, but in the following year employee performance began to not be optimal due to a significant decrease of up to 10% per year.

**Table 1. PT. Employee Performance Data Retail Innovation Achievements**

No	Problem	score	Classifi cation	Value %
1	compensation	121	B	67% - 83%
2	competencies	126	A	84% - 100%
3	Work environ- ment	110	B	67% - 83%
4	Performance	99	C	51% - 66%

**Data Source:** PT. Retail Innovation Achievement (Physical Football)

The data also shows that the performance score is only 99 points which is included in category C, and this is included in the low category. Only competencies that show classification A, meaning that it is in accordance with what the company wants. According to Mulyadi (2015: 11) in increasing productivity and motivating employees, companies can provide compensation for employees so that they can prosper, improve the achievements and performance of all employees so that companies need to plan their strategic goals.

Improving employee performance can be done if the salary given is in accordance with the demands of the job, pay standards and employees skill levels so that compensation is very important for companies and employees.

One of the HRM functions is compensation. Companies have an obligation to provide motivation to employees in order to increase employee loyalty and performance to the company in order to achieve company goals. Kasmir (2016: 190) defines that work motivation is an encouragement for someone to do work.

Competence is an ability to carry out or carry out a job or task that is based on skills and knowledge and is supported by the work attitude required by the job. Wibowo (2016, p.271) According to McClelland defines competence as a fundamental characteristic possessed by someone who has a direct effect on, or can describe, excellent performance. In other words, competence is what outstanding performers do more often in more situations. with better results, than what the average performers do. (Zainal, Veithzal Rivai, et al. 2015, p.230)

The work environment can have a long-term influence on improving employee performance. The existence of a good physical work environment such as supporting facilities or infrastructure, can make it easier to carry out work. The results of the work that has been completed by employees, both in quality and quantity, will be in accordance with the responsibilities that have been given to these employees. the results of this employee's work will be used to provide an employee performance appraisal.

**Problem Objective**

The aims of this research are:

1. To find out and analyze whether compensation affects the performance of Prestasi Retail Innovation (Physical Football) employees.
2. To find out and analyze whether motivation affects employee performance Achievement Retail Innovation (Physical Football).
3. To find out and analyze whether the work environment influences the performance of Prestasi Retail Innovation (Physical Football) employees.
4. To find out and analyze whether compensation, motivation and work environment have a joint effect on the performance of employees of PT. Retail Innovation Achievement (Physical Football).

**LITERATURE REVIEW**

According to McClelland defines competence as a fundamental characteristic possessed by someone who has a direct influence on, or can describe excellent performance.

Competence is an ability to carry out or carry out a job or task that is based on skills and knowledge and is supported by the work attitude required by the job. Wibowo (2016, p.271)

**Compensation**

In his book, Suparyadi (2015: 271) states that compensation is all the rewards received by employees as a reward for the contributions made to the organization, whether financial or non-financial. And there are several types of compensation (Suparyadi, 2015:272-274), namely:

1. Direct Compensation consists of financial compensation (salary, wages, benefits and incentives) as well as non-financial compensation in the form of facilities such as official cars, mess halls, company health centers, labor insurance, or stocks.
2. Indirect Compensation is divided into 2 types, namely the first is financial compensation in the form of full retirement, early retirement, severance pay, widow/widower pension. The second is non-financial compensation in the form of health insurance.

Following are several factors that affect compensation according to Hasibuan in Badriyah(2015: 160), namely:

1. Labor supply and demand.
2. The ability and willingness of the company.

## Determinants of Variables on Employee Performance Pt. Prestasi Retail Innovation in the Tangerang Region

3. Trade unions/organizations.
4. Employee Productivity.
5. Government with laws and Presidential Decrees.
6. Cost of living.
7. Employee positions
8. Education and work experience
9. Conditions of the national economy
10. Type and nature of work Motivation

According to Suparyadi (2015: 417) states that motivation is an encouragement generated by a need (karsa) that moves and directs individual behavior to achieve certain goals or incentives. The whole process of providing work motivation to subordinates, so that they want to work in good faith to achieve organizational goals efficiently and economically. Meanwhile, according to Winardi (2016: 5) work motivation is divided into several types, namely positive motivation and negative motivation. There are several motivational goals and benefits according to Malayu (2015: 146), including:

1. Increase employee morale and job satisfaction.
2. Increase employee productivity. Maintaining the stability of the company's employees, increasing employee discipline.
3. Streamlining the procurement of employees.
4. Creating an atmosphere and good interpersonal relationships.
5. Increasing the level of employee welfare.
6. Increasing employees' sense of responsibility for the tasks received.
7. Increasing efficiency in using tools and raw materials.

According to Widodo (2015: 164) in this case there are various ways of payment based on achievements that need to be known, including:

1. Physical needs such as food allowance, transport money, housing facilities.
2. The need for security and safety such as health benefits, accident insurance, work safety equipment.
3. Social needs such as friends and interaction.
4. The need for appreciation such as self-esteem and recognition of achievement.
5. The indicator for the need for self-realization is the ability of optimal potential skills.

### Work environment

According to Nitisemito (Sunyoto, 2018: 38) argues that the work environment is everything that is around the workers and can influence him in carrying out the tasks that have been charged, such as cleanliness, music, lighting, air temperature, humidity and others. Below are several factors that can influence the formation of a work environment condition that is directly related to the work environment according to Nitisemito (Sunyoto, 2018: 38), namely:

1. Employee Relations can be more productive if there is a good leadership style, good information distribution, good working conditions and a clear remuneration system.
2. The noise level of the work environment can cause discomfort at work, so that it will hinder the completion of a job.
3. Clear and good work regulations greatly influence employee satisfaction and performance in developing careers within the company.
4. Lighting, namely enough light that enters the work space of each employee.
5. Air circulation The main source of fresh air is the presence of plants around the workplace
6. Security needs attention to the existence of one of the efforts to maintain security in the workplace, can utilize a security guard unit (security guard).

Below are the indicators and dimensions of the work environment according to Sedarmayanti (2017: 21), including the physical work environment, which is all physical conditions around the workplace, which consist of:

1. Lighting in the workplace
2. Temperature in the workplace is normal
3. Humidity at Work
4. Air circulation in the workplace
5. Noise at work
6. Mechanical vibration in the workplace
7. Odors in the workplace
8. Set the color at work
9. Decoration in the workplace
10. Music at work
11. Safety in the workplace

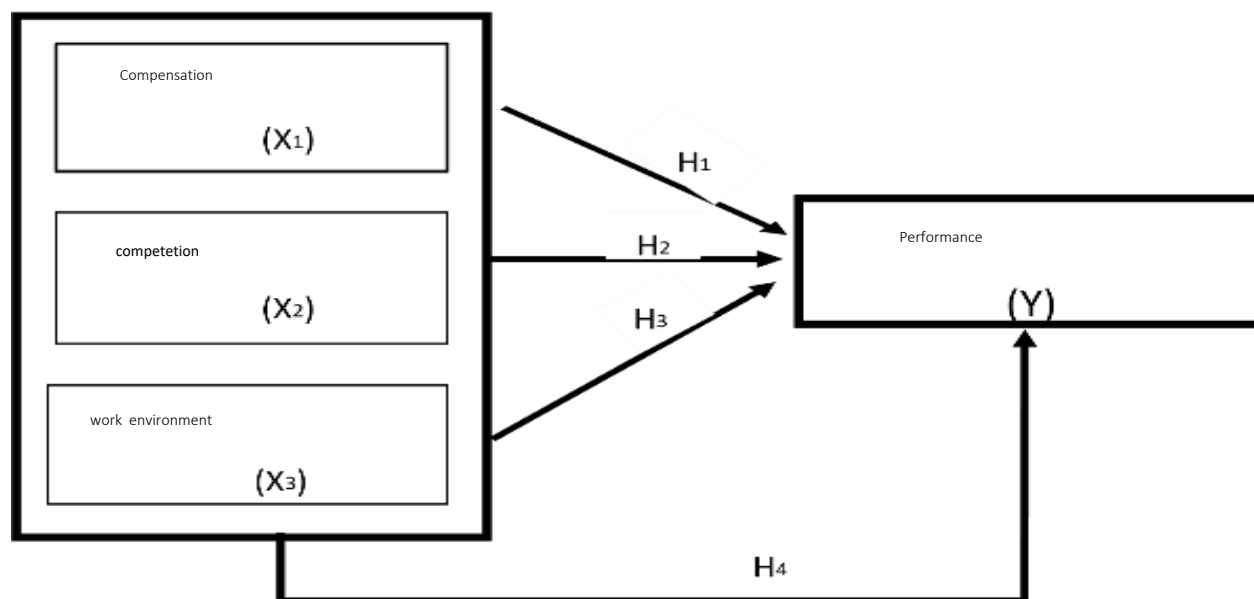
The non-physical work environment is all the conditions that occur and are related to work relations. Consists of employee relations

# Determinants of Variables on Employee Performance Pt. Prestasi Retail Innovation in the Tangerang Region

with superiors, employee relations with fellow co-workers, employee relations with subordinates.

## FRAMEWORK

Based on the literature review on the effect of Compensation, Motivation and Work Environment on Employee Performance, the theoretical framework is written as follows:



**Figure 1. Thinking Framework**

**Source:** Data processed by the author Information:

X1 is an independent variable where X1 is Compensation. X1 is thought to have a positive effect on Y which is the dependent variable where Y is Employee Performance. X2 is an independent variable where X2 is competence X2 is thought to have an effect positive to Y which is the dependent variable where Y is Employee Performance. X3 is an independent variable where X3 is the work environment. X3 is thought to have a positive effect on Y which is the dependent variable where Y is Employee Performance. X1, X2, X3 are independent variables where X1 is Compensation, X2 is Competence, X3 is the Work Environment which is suspected to have a positive effect together on Y which is the dependent variable where Y is Employee Performance.

### Research Hypothesis

H1: Compensation has an effect on Employee Performance at PT. Retail Innovation Achievement (Physical Football).

H2: Competence influences employee performance at PT. Retail Innovation Achievement (Physical Football).

H3: Work Environment influences Employee Performance at PT. Retail Innovation Achievement (Physical Football).

H4: Compensation, Competence, Work Environment together influence Employee Performance at PT. Retail Innovation Achievement (Physical Football).

## RESEARCH METHODS

The type of method used in this study is a type of quantitative descriptive research obtained by the author directly from the sample through field research by distributing questionnaires to respondents in the form of questions or direct data from the object of research. In this study the number of population at PT. Achievement Retail Innovation (Physical Football) as many as 64 employees. Where the research sample is 55 people who are employees or respondents who work at PT. Retail Innovation Achievement (Physical Football).

- Mean (average) is a fairly representative value for describing the values in the data in question.
- The standard deviation is the deviation of the values from the data that has been compiled and the formula for the standard deviation of the data that has not been grouped.
- N(Sample) is the number of samples to be tested.
- Minimum is the smallest value of the data. e. Maximum is the largest value of the data.

### Data Quality Test

- Validity Test
- The validity test uses item analysis, namely correlating the score of each item with the total score which is the sum of each item's score. If there are items that do not meet the requirements, then these items will not be examined further. These conditions

## Determinants of Variables on Employee Performance Pt. Prestasi Retail Innovation in the Tangerang Region

are according to Sugiyono (2014: 179).

### b. Reliability Test

The reliability test is the stability level of the measuring instrument in measuring a situation (Sugiyono, 2014: 269).

#### Classic assumption test

##### a. Data Normality Test

The normality test aims to test whether the data in the regression model is normally distributed or not.

##### b. Multicollinearity Test

According to Imam Ghozali (2017: 91) the multicollinearity test has the aim of testing whether the regression model found a correlation between the independent (independent) variables.

##### c. Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals in one observation to another, so it is called homoscedasticity.

The t statistical test aims to show whether there is an effect of one independent variable each on the dependent variable.

### Simultaneous Test (F Test)

The simultaneous F test shows whether all independent variables have a simultaneous effect on the dependent variable.

### c. R<sup>2</sup> Test (Coefficient of Determination)

The coefficient of determinant describes how much the contribution of the independent variables is in determining the variance of the dependent variable.

## FINDINGS AND DISCUSSION

### Uji Asumsi Klasik

**Table 2. Normality test One-Sample Kolmogorov-Smirnov Test**

N		55
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	2.49910886
Most Extreme Differences	Absolute	.098
	Positive	.098
	Negative	-.073
Test Statistic		.098
Asymp. Sig. (2-tailed)		.200 <sup>c,d</sup>

a. Test distribution is Normal.

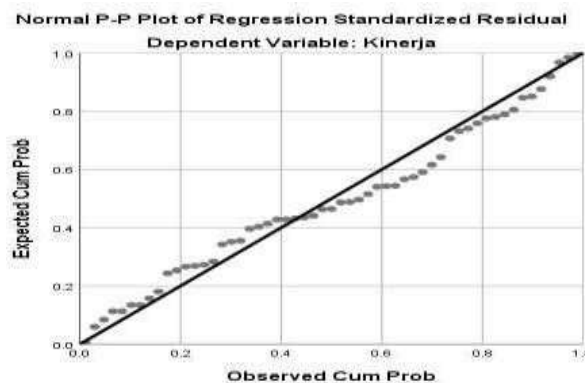
b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Sources : SPSS Versi 25

Based on the results of the normality test, it can be seen that the significance value is  $0.200 > 0.05$  and the test results show that the data spreads around the diagonal line and follows the diagonal line so that it can be concluded that the residual values are normally distributed.



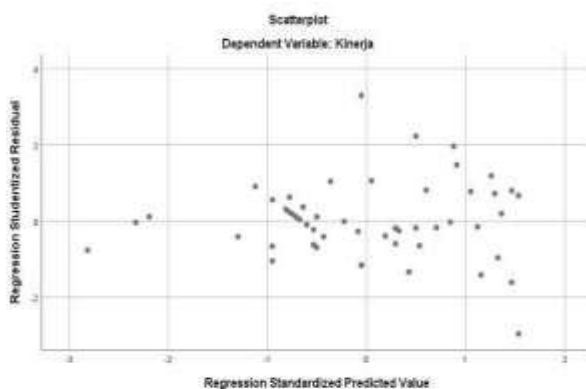
**Figure 2. Normality test with P-P plot**  
Sources: SPSS Vi 25

**Table 3. Multicollinearity Test Coefficients<sup>a</sup>**

Model		Collinearity Statistics	VIF
		Tolerance	
1	(Constant)		
	compensation	.577	1.734
	competencies	.283	3.536
	Work environment	.320	3.128

a. Dependent Variable: performace  
Sources: SPSS 25 (Processed data questionnaire)

Based on the test data above, it shows that if the benchmark VIF value is <10.00 and Tolerance is >0.10, that is, in the Compensation variable, there is a VIF value of 1.734 and a Tolerance of 0.577. In the Motivation variable there is a VIF value of 3,536 and Tolerance of 0,283 and in the Work Environment variable there is a VIF value of 3.128 and tolerance 0.320. So it can be concluded that there is no multicollinearity and this data is feasible in using multiple linear regression.



**Figure 3. Heteroscedasticity Test**  
Sources : SPSS V.25

From the points above it can be seen that the points are spread evenly so that they do not form a pattern and are below the number 0 on the Y axis, it can be concluded that the regression model assumes that heteroscedasticity does not occur.

**Hypothesis test**

Before conducting a hypothesis test, first look for the multiple linear regression test equation from the data to be examined, the following are the results of the multiple linear regression test data:

**Table 4. Multiple Linear Regression Analysis**

Model	Unstandardized Coefficients			Standardized Coefficients		Sig.
	B	Std. Error	Beta	t		
1	(Constant)	5.475	3.287		2.065	.044
	compensation	.124	.069	.179	2.080	.043
	competencies	.358	.138	.510	4.147	.000
	Work environment	.387	.155	.280	2.418	.019

Source : SPSS V. 25.

Based on the table above, the regression equation is obtained as follows:

$$Y = 5.475 + 0.124X_1 + 0.358X_2 + 0.387X_3 + e$$

**Table 5. Partial T Test**

Model	Unstandardized Coefficients			Standardized Coefficients		Sig.
	B	Std. Error	Beta	t		
1	(Constant)	5.475	3.287		2.065	.044
	compensation	.124	.069	.179	2.080	.043
	competencies	.358	.138	.510	4.147	.000
	Work environment	.387	.155	.280	2.418	.019

Source: SPSS V.i 25

From the data above it can be seen that the simultaneous effect of the variables of compensation, Motivation and Work environment on Employee Performance has a p value of  $0.000 < 0.05$  and the Fcount value of  $.855 >$  from Ftable 2.78. So it can be concluded that there is a significant influence between compensation, competence and work environment simultaneously on employee performance, then  $H_a$  is accepted

$$t_{table} = t_{\frac{\alpha/2}{n-k-1}} = t_{(0.05/2; 55 - 3 - 1)} = t_{(0.025; 51)} = 2.007$$

From the data above it can be seen that (1) the Compensation Variable has a sig value of  $0.043 < 0.050$  and has a tcount of  $2.080 >$  of a t table of 2.007. So it can be concluded partially that compensation has a significant effect on employee performance, so  $H_a$  is accepted. (2) Competency variables have a sig value of  $0.000 < 0.050$  and have a tcount of  $4.147 >$  of a ttable of

**Table 7. Test of the Coefficient of Determination (R2)**

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.884a	.722	.746	2.572

Predictors: (Constant), Work environment, compensation

a. competencies

b. Dependent Variable: performance

Source : SPSS V.i 25.



## Determinants of Variables on Employee Performance Pt. Prestasi Retail Innovation in the Tangerang Region

From the data obtained, it can be seen that the RSquare value is 0.746, which means that there is a simultaneous influence of Compensation, 2.007. so that it can be concluded partially that competence has a significant effect on employee performance, so Ha is accepted. (3) Work Environment Variables Have a sig value of 0.019 < 0.050 and have a tcount of 2.414 > of a ttable of 2.007. So that it can be concluded partially that the work environment has a significant effect on employee performance, so Ha is accepted.

**Table 6. Simultaneous Test (Test F)  
ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1107.286	3	302.429	60.855	.000 <sup>b</sup>
	Residual	327.259	51	6.613		
	Total	1445.545	54			

a. Dependent Variable: Performance

b. Predictors: (Constant), environment job, compensation, competition

Source : SPSS V. 25.

$$F \text{ table} = F \left( \frac{k}{n-k} \right) = \left( \frac{3}{52} \right) = 2,78$$

Competence, and Work Environment on Employee Performance by 74.6%, so that the remaining 25.4% of Employee Performance is influenced by other variables outside of Compensation, Competence, and Work Environment.

### CONCLUSIONS AND RECOMMENDATIONS

The conclusions of this study are (1) the Compensation Variable has a sig value of 0.043 < 0.050 and has a t count of 2.080 > of t table 2.007. So it can be concluded partially that compensation (X1) has a significant effect on employee performance (Y), then Ha is accepted.

(2) The motivational variable (X2) has a sig value of 0.000 < 0.050 and has a t count of 4.147 > of ttable 2.007.

So it can be concluded partially that Competence (X2) has a significant influence on Employee Performance (Y), then Ha is accepted.

(3) The Work Environment Variable (X3) has a sig value of 0.019 < 0.050 and has a t count of 2.414 > of ttable 2.007.

So it can be concluded partially that the Work Environment (X3) has a significant influence on Employee Performance (Y), then Ha is accepted.

(4) The simultaneous effect of Compensation (X1), Competence (X2) and Work Environment (X3) variables on Employee Performance (Y) has a sig value. of 0.000 < 0.050 and the calculated F value of 60.855 > from F table 2.78. And the value of R Square is 0.782 which means that the influence of compensation, competence and work environment simultaneously on employee performance is 78.2%. So that the remaining 21.8% is influenced by other variables such as leadership, organizational culture and others. Compensation, competence and work environment have a very significant and positive effect on employee performance, Ha is accepted. Meanwhile, partially the competency variable has a dominant effect on employee performance.

Suggestions for Suggestions for PT. Retail Innovation achievements based on the implications above are to be able to focus more on improving improvements, especially for compensation, motivation and the environment. Companies must pay more attention to the work environment contained within the company because it has a relatively low mean value among other variables, amounting to 4.23 between compensation variables of 4.34 and motivation of 4.31.

The indicators that need to be improved are circulation in the work environment which is felt to be inadequate so that improvements are needed such as planting trees around the company so that it is more shady and air circulation is getting better. Companies must also pay attention to whether the competence has been well received by employees, such as giving appreciation to employees who excel and paying attention to the needs of employees so as to improve employee performance. Proper compensation also motivates employees to perform well.

Hopefully, this research can give an idea that improving employee performance is very necessary, so that it can achieve company goals. Suggestions for future researchers to look for other variables that can influence employee performance, because in this study an R2 value of 74.6 was found, so these three variables still have little effect on employee performance.

Future research is expected to be able to examine the influence of leadership, organizational culture and work discipline on employee performance, because it will be closely related to this research. In addition, the researcher proposes to find more respondents in the



## Determinants of Variables on Employee Performance Pt. Prestasi Retail Innovation in the Tangerang Region

research, because if there are more respondents, the data that will be obtained will be more supportive in the research so that the results of the research will be more satisfying and the information provided will be more complete.

### REFERENCES

- 1) Abdullah, M. 2014. *Manajemen dan Evaluasi Kinerja Karyawan*. Yogyakarta : Penerbit Aswaja Pressindo.
- 2) Badriyah. 2015. *Manajemen Sumber Daya Manusia*. Bandung: Pustaka Setia.
- 3) Eko, Widodo Suparno. 2015. *Manajemen Pengembangan Sumber Daya Manusia*. Yogyakarta: Pustaka Pelajar.
- 4) Hasibuan, M. S. P. (2017). *Manajemen Sumber Daya Manusia*. PT Bumi Aksara.
- 5) Kasmir. 2016. *Manajemen Sumber Daya Manusia (Teori dan Praktik)*. Cetakan ke-1. Jakarta : PT RajaGrafindo Persada.
- 6) Malayu SP. Hasibuan. 2015. *Manajemen Sumber Daya Manusia*. Jakarta. Edisi Revisi : Bumi Aksara.
- 7) Mangkunegara, AA. Anwar Prabu. 2016. *Manajemen Sumber Daya Manusia*. Bandung: Rosda.



There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0) (<https://creativecommons.org/licenses/by-nc/4.0/>), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.