

# Does Working Environment and Working Motivation has Big Impact on Employee Performance?

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**Abstract**—Human Resources (HR) is the main component of an organization that becomes a planning and active actor in every activity of the organization. This has triggered the company to improve the performance of its employees. This research aims to identify the influence of working environment and working motivation for employee performance on human resources Indonesia Stock Exchange. The sampling technique using Slovin found 150 respondents with the type of simple random sampling. Data analysed using multiple linier regression analysis. The results are working environment and working motivation has partially and also simultaneous effect significant positive on employee performance.

**Keywords:** *employee performance, working environment, working motivation, human resources, stock exchange*

## I. INTRODUCTION

The success of a company or organization was determined by the quality of every component and system which were related to each other. One of the components in the company or organization was human resource. It was the most important component in an organization, because it was the activities motor and control within it. All the organization wanted to reach its goals and targets optimally. Motivated members or workers would work better in helping the organization to reach them. Factors that influence employee performance are work motivation. Increasing employee work motivation can be done in many ways, one of which is health insurance. According to Hasibuan, health insurance is one indicator to increase work motivation [1]. But in this organization health insurance is not able to increase work motivation so that it impacts on the performance of employees who are increasingly declining.

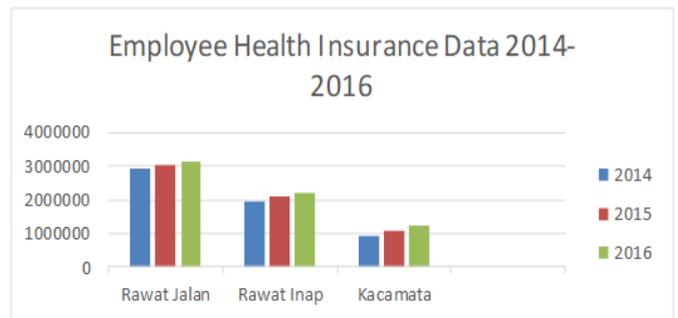


Fig. 1. Employee health insurance data 2014- 2016 (Sources: SDM PT. Bursa Efek Indonesia [2]).

Data showed that the health insurance provided by PT Bursa Efek Indonesia (IDX) was stagnant or showed lower increase within the last three years. It was feared that it would stand on the performances of the employees who were concerned on the fulfillment of the health insurance by the companies.

TABLE I. ACHIEVEMENT OF TARGETS PER DIVISION 2014 - 2016 (SOURCES: SMO PT. BURSA EFEK INDONESIA [2])

No	Directorate	Target Achievement		
		2014 (%)	2015 (%)	2016 (%)
1	Main	73%	80%	75%
2	Company Valuation	64%	66%	59%
3	Trading and Arrangement of Exchange Members	54%	58%	61%
4	Transaction and Compliance Supervision	59%	635	59%
5	Development	85%	89%	82%
6	Technology and Risk Management	66%	72%	70%
7	Finance and Human Resources	75%	78%	71%

By good cooperation and the communication from each division which lead to the achievement of the target per directorate, it was showed that the target achievement was quite good, but it was not necessarily impacted to give a good working environment, proven by the decrease in 2016 when there was a change or layout changes in the workspace.

**TABLE II. EMPLOYEE PERFORMANCE GROWTH 2014 – 2016 (SOURCES: SDM PT. BURSA EFEK INDONESIA [2])**

<b>Performance Rating</b>	<b>2014</b>	<b>%</b>	<b>2015</b>	<b>%</b>	<b>Growth (%)</b>	<b>2016</b>	<b>%</b>	<b>Growth (%)</b>
At The Very Top	30	6,2	33	6,8	0,1	28	5,7	-0,16
Significantly Above Peers	127	26,2	120	24,6	-0,06	123	25,1	0,02
Above Peers	169	34,9	173	35,5	0,02	179	36,5	0,03
Consistent with Peers	158	32,6	162	33,2	0,02	160	32,7	-0,015
Populasi*	484	100	488	100		490	100	

The data showed that many employees did not showed their optimum performances. The *at the very top* category was only fulfilled by 6,2% employees (2014), 6,8% (2015), even decrease up to 5,75% (2016) from all the amount of the employees and the *significantly above peers* category was fulfilled by 26,2% (2014), 24,6% (2015), to be 25,1% (2016). Based on the data, the employees' performance showed a very small growth and an effort to gain more significant growth was needed.

## II. LITERATURE REVIEW

### A. Motivation Impact Employee Performance

Motivation was an important variable in reaching the goals of the company. It needed a good attention from the company. Motivation talked about how to encourage the employees' spirit to work, so they could show their optimum ability and expertise to reach the organizational goals. Berelson and Steiner stated that motivation was a conscious effort to affect someone's behaviour to reach the goals of the organization [3]. According to Istijanto, motivation is something that encourages other people to take action, employees also should have motivation so they want to work [4]. Whereas according to Ardhana, motives are the driving force or force driving people to act or something power within humans that causes humans to act [5].

Some research results that indicate the influence of work motivation on the performance of employees [6-10].

### B. Working Environment Impact Employee Performance

Working environment was a very important component for the employees' activities. By paying attention on a good working environment or creating a good working conditions that were able to motivate to work [3]. Working environment was consisted of a physical and non-physical environment attached to the employees, so it was inseparable from the effort to develop employee performance [11]. This was inline with the result of the research conducted by Musriha which stated that the work environment gave a significant effect to the performance [12].

Some research results that indicate the influence of the work environment on the performance of employees [13-15]. Based on the formulation of the problem and the framework outlined above, the hypotheses of this research were:

H1: motivation affected employee performance

H2: work environment affected employee performance

## III. METHODOLOGY

In this study, the researcher applied causal research to examine the effect of Incentive and Work motivation on the PT Bursa Efek Indonesia (IDX). This study used quantitative research methods; research methods that are based on the philosophy of positivism, are used to examine specific populations or samples. The sampling technique was generally done randomly. Data collection was done using research instruments. Population is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and the conclusions drawn [16]. The population in this study were 395 employees who worked in the in Jakarta head office. The data collection techniques were a probability sampling using simple random sampling. The researcher determining 150 of sample.

## IV. FINDINGS AND DISCUSSION

From 150 samples of employees, the staff respondents were 81%. It could be stated that the majority respondents worked as staffs. As much as 76% of the respondents were worked more than two years, 16% worked for 1-2 years, and 8% worked less than a year. Validity test is a measure that shows the level of validity the questionnaire items. In this research all valid. Reliability shows that an instrument can be trusted to be used as a data collection tool. Reliability test is used to determine the consistency of the measuring instrument, whether the measuring instrument used is reliable and remains consistent if the measurement is repeated. This study used Cronbach's Alpha method.

**TABLE III. RELIABILITY TEST RESULT**

<b>No</b>	<b>Variabel</b>	<b>Cronbach's Alpha</b>	<b>Result</b>
1	Working environment	0,867	Good
2	Working motivation	0,862	Good
3	Employee performance	0,834	Good

This test is intended to determine the normality of the confounding or residual variable regression models. The Kolmogorov-Smirnov test result is 0.671 with a significant probability value of 0.758. Because the value of  $p > 0.05$ , it can be concluded that the residual data is normally distributed. The results test of the multicollinearity, show that the regression model does not experience multi-collaboration between independent variables. The tolerance value of each variable is  $> 0.1$ .

The constant in this study is 3.023 which mean that if all independent variables do not change, the value of the

dependent variable (Y) is fixed at 3.023. The working environment regression coefficient is positive for employee performance of 0,516, which means that working environment increases will cause an increase in employee performance. Work motivation regression coefficient is positive for employee performance of 0,404 which means that increasing work motivation will improve employee performance.

The coefficient of determination for more than 2 independent variables is used adjusted R Square. From the calculation results, it can be seen that the coefficient of determination (adjusted R<sup>2</sup>) obtained is 0.775 (77.5%). That is, employee performance is influenced by incentive and work motivation by 77.5% while the remaining 22.5% is influenced by other variables. The F-test resulted in 256.919 with a probability of 0.000. So, the regression model can be used to predict employee performance and it can be said that working environment and work motivation together influence employee performance.

To find out the influence of each independent variable on the dependent variable can be seen by comparing the probability value (p-value) of each variable with the significance level used at 0.05. If the p-value is smaller than 0.05, it can be said that the independent variables partially have a significant effect on the dependent variable.

The T-count analysis for the working environment variable is 10.227 with a significance level of 0.007. It is known that t-table is 1.987. Then, working environment have a significant effect on employee performance. The T-count analysis for the work motivation variable is 8.453 with a significance level of 0.000. It is known that t-table is 1.987. So work motivation has a positive and significant effect on employee performance.

## V. CONCLUSIONS

The conclusions are:

- From the results of the regression test it was found that the working environment variable has a T-count of 10.227 and T-table 1.987. Thus T-count > T-table or it can be concluded that the working environment has a significant effect on employee performance.
- From the results of the regression test it was found that the work motivation variable has t-count 8.453 and T-table 1.987. Thus T-count > t-table or it can be

concluded that work motivation has a significant effect on employee performance.

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