



The Influence Of Compensation, Workload And Working Environment On Employee Work Productivity At PT Hanchen Industrial Indonesia

Heru Hermawan

Management Student of PGRI University Semarang

Rauly Sijabat

Management Student of PGRI University Semarang

M. Fadjar Darmaputra

Management Student of PGRI University Semarang

Corresponding author : hermawanher481@gmail.com

Abstract: This study began with findings that occurred at PT Hanchen Industrial Indonesia, where employees were less than optimal in carrying out their work. It can be seen from the decline in employee work productivity so that the company's targets are not achieved. In this research, it was found that there were several factors that influenced employee work productivity, including compensation, workload and work environment. The aim of this research is to identify and analyze the influence of compensation, workload and work environment on employee work productivity at PT Hanchen Industrial Indonesia. The sample in this study used the Slovin formula with a total of 75 respondents. Data analysis in this research was carried out using the multiple regression method with the help of SPSS version 23 software. The results of the research show that the compensation variable has a positive and significant effect on employee work productivity as evidenced by the t -count value of 4,454 > t -table 1,993, workload has a positive and significant effect on employee work productivity as evidenced by the t -count value of 2,621 > t -table 1.993 and the work environment has no effect and is not significant on employee work productivity as evidenced by the t -count value (-1.313) < t -table 1.993. Simultaneously, compensation, workload and work environment have a significant positive effect on employee work productivity as proven by the calculated F -value of 11,317 > the F -table value of 2.73. The Adjusted R Square determination value is 0.295 or 29.5%.

Keywords: Compensation, Workload, Work Environment, Employee Work Productivity

INTRODUCTION

Human resources are used in several industries, such as as a measure of worker productivity and as a means of obtaining information about the production process. Although human labor has been around since the dawn of time due to technological advancements, human labor is still needed today for the operations of several industries, despite this fact. Humanity's primary motor is the engine that powers all industrial activities. For this reason, the industry must have human resources with a high degree of skill and dedication in order to increase productivity, quality, and efficiency.

Employee work productivity is a situation where employees in an industry can work optimally so that the production results achieved are in accordance with what was planned. Good working conditions are greatly influenced by the industry's treatment of employees, which is influenced by their integrity and work behavior in the industry. If the level of remuneration provided by the industry can meet employee expectations, then employees will

feel more appreciated by the industry, then there will be a sense of calm at work which will affect their productivity. Human resource productivity can also be influenced by several factors including compensation, workload, work discipline, ethics, motivation, work ability and work environment (Mulyadi 2015). According to Sedarmayanti (2001:72) explains that one of the factors that influences work productivity is income level. The level of income in this case is a reflection of the compensation received by an employee, which is a reward or remuneration for the work performed.

A job's compensation is crucial because, with the right amount, the work can be valued in accordance with its accomplishments. Compensation policies within an enterprise are not uniform; instead, they are based on the Relative Minimum Wage (UMR) for each area. In addition to fixed salary, an organization may also get allowance compensation or overtime pay. Every organization needs to create and upgrade a compensation system. Because they do all of the operational tasks for a firm, employees play a crucial part in it.

On the other hand, what is no less important for companies to pay attention to regarding employee work productivity is workload. Paying attention to workload—both mental and physical—will have a significant impact on how well employees perform at work. Businesses engage in a variety of tasks that are collectively referred to as work. Every job has a workload that determines its nature and distinguishes it from others. The appropriateness of the workload that organizational management targets and regulates is crucial. Workload is vital to a business, thus it is imperative that it understands how much one employee may be given and how much of an impact it has on overall production.. This is because the responsibility given by the company to the work if it is not in accordance with the abilities possessed by the workers, can result in errors in financing workers in each business operating unit.

Apart from workload and compensation, work environment factors also play a role in employee work productivity. According to (Hasibuan, 2014) the company's work environment will also support the productivity level of employees. If the environment around the workplace gives an uncomfortable impression, employees will feel lazy at work.

A conducive work environment is one in which operational tasks can be carried out in a way that is most efficient, safe, healthy, and comfortable. Every facet of social and cultural phenomena, including the workplace as a whole, will surround and have an influence on individuals. Many factors must be taken into account to create a decent work environment, such as a cozy workspace, secure working circumstances, consistent room temperature,

sufficient lighting, and positive working relationships with coworkers. If a company can fulfill this, it will encourage employees to increase their productivity (Desseler, 2015).

Every company tries to increase the work productivity of its employees. Likewise with the company PT Hanchen Industrial Indonesia. The company which is engaged in making mining ropes is located on Jl. Wijaya VII Monument, District. Tugu, Randu Garut, Semarang, Central Java. The company produces various types of rope such as Twisted, Braided, Solid Braided, and Hawser using raw materials such as Nylon, Polyester, Dyneema, PP, and PE.

The rope industry faces intense competition on a national and international scale. PT Hanchen Industrial Indonesia is dedicated to becoming into the world's largest rope production company, offering the highest quality and a global marketing network. However, in order to achieve corporate objectives, businesses must have productive personnel due to the intense market rivalry. However, as PT Hanchen Industrial Indonesia has reduced its workforce for a variety of reasons, its output level has actually dropped since the previous year. Starting from providing compensation that is felt to be insufficient, excessive workload and an unsupportive work environment. This can be seen from table 1.1 below

Table 1.
PT Hanchen Industrial Indonesia Production Achievements for the 2022-2023 Period

NO	Production Period	Product Name	Target Production (Pcs)	Production Results (Pcs)
1	September 2022	Airhead	13000	12990
2	October 2022	Airhead	4200	4152
3	November 2022	Jobe	10500	10426
4	December 2022	Airhead	700	678
5	January 2023	Jobe	11000	10980
6	February 2023	Jobe	2800	2762
7	March 2023	Jobe	2000	1996
8	April 2023	Jobe	1300	1296
9	May 2023	Aamstrand	1100	1083
10	June 2023	Ip	10700	10680
11	July 2023	Ip	83850	83802
12	August 2023	Ip	90650	90626
Total			231950	231471

Source: PT Hanchen Industrial Indonesia 2023

The level of productivity depends not only on individual abilities but also on compensation, workload and work environment. Employees who work in a comfortable and safe environment will make employees more productive. Therefore, it is very important to make the workplace more conducive to the welfare of the workforce or employees. And the workload is in accordance with the employee's work ability to produce a product with a

predetermined target. Apart from that, compensation must also be in accordance with the provisions that the employee has agreed with the company.

LITERATURE REVIEW

1. Work productivity

According to Gamage (2015:48), employee productivity is a measure of employee efficiency in converting input into useful output. Employee work productivity can be seen from how employees produce work that can increase company profits as efficiently as possible. According to Anoraga in Busro (2018), work productivity is influenced by several factors, namely motivation, education, skills, income level, work environment and work climate, technology, social security, management and work experience. There are several indicators used to measure employee work productivity, namely work quality, work quantity and timeliness

2. Compensation

According to (Sinambela, 2016) compensation is one of the main reasons and motivations why employees want to work. Employees use knowledge, their skills, energy, time and commitment not only want to dedicate themselves to the organization, but there are other goals they want to achieve, namely expecting rewards or payment for work performance and efficiency. Compensation is influenced by several factors, namely work productivity, ability to pay, willingness to pay and demand or supply of labor. There are several indicators that influence compensation, including salary, allowances and incentives

3. Workload

Workload is a form of work that must be done by employees in accordance with their abilities so that it can be done and does not emphasize the work of an employee (Ahmad et al., 2019). Therefore, special attention needs to be paid to determining or dividing job desks in a job. A leader must be able to manage his employees so that they do not feel their work is a burden. According to Putra in Rolos et al (2021:21) there are several indicators that influence workload, namely volume of work, type of work and timing

4. Work environment

According to Sedarmiyanti (2011), the work environment is the entire surrounding environment, ways of working, and work arrangements that a person will face, both as an individual and as a group. The work environment is influenced by several factors, namely lighting/light in the workplace, air temperature in the workplace, noise in the workplace,

mechanical vibrations in the workplace, odors in the workplace, guarantees of security, creating calm and relationships between co-workers. The indicators that can influence the work environment include the work atmosphere, relationships with co-workers and the availability of work facilities

HYPOTHESIS DEVELOPMENT

1. The Effect of Compensation on Employee Work Productivity

One of the factors that influences employee work productivity is the compensation factor. According to Wijaya (2017), (Tolandang et al., 2021) compensation is remuneration provided by the company to employees, which can be financial or non-financial, for a fixed period. Providing compensation will also increase employee morale, increase their sense of responsibility for their work, and increase employee work productivity. The results of research conducted by Muhammad Adi Purnomo and Erni Utami with the title "The Effect of Compensation on Employee Work Productivity at PT Berkat Anugerah Sejahtera" explain that providing compensation has an effect on employee work productivity. If compensation is better, work productivity will also be better, and vice versa. If compensation in a company or organization is not appropriate, then work productivity will decrease. Compensation can also build employee performance and increase employee work productivity.

H₁: Compensation influences employee work productivity at PT Hanchen Industrial Indonesia

2. The effect of workload on employee work productivity

According to Ahmad, workload is a form of work that must be done by employees in accordance with their abilities so that it can be done and does not emphasize the work of an employee. The results of research conducted by Nida Abriani Mutiadi et al with the title "The Influence of Workload, Compensation and Work Environment for Employees on Work Productivity at PT Mugai Indonesia" explains that workload has an effect on employee work productivity. Excessive workload results in a decrease in employee productivity. Therefore, it is important to pay special attention by company leaders in providing job desks to each employee.

H₂: Workload affects employee work productivity at PT Hanchen Industrial Indonesia

3. The influence of the work environment on employee work productivity

According to Subagyo, the work environment is a component from within and outside the organization that can influence the performance of an organization. The results

of research conducted by Rensi Suryanti entitled "The Influence of Compensation, Training and Work Environment on Employee Productivity at PT Cbp Sukses Makmur Tbk". Explain that the work environment influences employee work productivity. The work environment has an important role in the company in terms of employee work productivity. Because a conducive and comfortable work environment will support the production process and help the company realize its goals.

H₃: The work environment influences employee work productivity at PT Hanchen Industrial Indonesia

RESEARCH METHODS

This research is descriptive research which seeks to find basic answers about cause and effect, by analyzing the factors that cause the occurrence or emergence of a particular phenomenon. This research uses quantitative data because the data used is related to analytical figures using statistics. Quantitative research is a research method based on the philosophy of positivism, which is used to research certain populations or samples. The population in this study was PT Hanchen Industrial Indonesia employees, totaling 300 people. The number of samples taken in this research refers to the Slovin formula, namely 75 people, with an error rate of 0.1%.

RESEARCH DATA ANALYSIS TECHNIQUES

1. T Test

The t test aims to determine whether or not there is a partial (own) influence exerted by the independent variable (X) on the dependent variable (Y). In this study the independent variables consist of compensation (X1), workload (X2) and work environment (X3), while the dependent variable is employee work productivity (Y). The following table shows the results of the t test in the research:

**Test Results t
Coefficients^a**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	15.807	2.013		7.854	.000
Compensation	.397	.083	.491	4.814	.000
2 (Constant)	12.372	2.338		5.291	.000
Compensation	.360	.081	.444	4.454	.000
Workload	.197	.075	.261	2.621	.011

a. Dependent Variable: Employee Work Productivity

Excluded Variables^a

Model	Beta In	t	Sig.	Partial Correlation	Collinearity Statistics
					Tolerance
1 Workload	.261 ^b	2.621	.011	.295	.968
Work Environment	-.122 ^b	-.983	.329	-.115	.680
2 Work Environment	-.156 ^c	-1.313	.193	-.154	.673

a. Dependent Variable: Employee Work Productivity

b. Predictors in the Model: (Constant), Compensation

c. Predictors in the Model: (Constant), Compensation, Workload

Source: Primary data processed, 2024

Hypothesis 1

H1: There is an influence between the Compensation variable on Employee Work Productivity

The results of the t test for the compensation variable on employee work productivity show a significance result of 0.000, this value is smaller than 0.05 and the obtained t-count is 4,454, this value is greater than the t-table of 1.993. This explains that the compensation variable has a positive and significant effect on employee work productivity.

Hypothesis 2

H2: There is an influence between the Workload variable on Employee Work Productivity

The results of the t test for the workload variable on employee work productivity show a significance result of 0.011, this value is smaller than 0.05 and the t-count obtained is 2,621, this value is greater than the t-table of 1.993. This explains that the workload variable has a positive and significant effect on employee work productivity

Hypothesis 3

H3: There is no influence between Work Environment variables on employee Work Productivity

The results of the t test for the work environment variable on employee work productivity show a significance result of 0.193, this value is greater than 0.05 and the t-count is -1.313, this value is smaller than the t-table of 1.993. This explains that work environment variables have no effect and are not significant on employee work productivity.

Based on the table above, the following regression equation can be obtained:

$$Y = 12.372 + 0.360X_1 + 0.197X_2 + e$$

Information

Y = Employee Work Productivity

a = Constant

X₁ = Compensation

X₂ = Workload

e = Standard error rate

- 1) The constant value (a) shows that the value of employee work productivity (Y₁), compensation (X₁), workload (X₂) and work environment (X₃) is declared constant with an employee work productivity value of 12,372
- 2) The regression coefficient for the compensation variable (X₁) is 0.360, which states that there is an influence between compensation and employee work productivity (Y), if the better the compensation provided, the employee work productivity will increase.
- 3) The regression coefficient for the workload variable (X₂) is 0.197, which states that there is an influence between workload on employee work productivity (Y), if the lighter the workload given, employee work productivity will increase.
- 4) The sig value for the two independent variables, namely compensation and workload < 0.05, which means the figure is significant because it is below < 0.05.

2. F Test

The f test aims to find out whether all the independent variables used in the regression model have an influence on the dependent variable which is tested simultaneously. The following is a table of f test results in this research:

F Test Results
ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	100.804	1	100.804	23.174	.000 ^b
Residual	317.543	73	4.350		
Total	418.347	74			
2 Regression	128.460	2	64.230	15.953	.000 ^c
Residual	289.887	72	4.026		
Total	418.347	74			

a. Dependent Variable: Produktivitas Kerja Karyawan

b. Predictors: (Constant), Kompensasi

c. Predictors: (Constant), Kompensasi, Beban Kerja

Source: Primary data processed, 2024

H4: There is an influence between the variables Compensation, Workload and Work Environment on Employee Work Productivity.

Simultaneous testing of the variables Compensation, Workload, Work Environment and Employee Work Productivity. Based on table 4.20 above, the calculated F value is 15,953 with a significance value of 0.000. From this data, because the calculated F value is 15.593 > the F table value is 2.73, it can be concluded that the three independent variables, namely Compensation, Workload and Work Environment, have a great influence on the dependent variable, namely Employee Work Productivity at PT Hanchen Industrial Indonesia

3. Determination Test (r^2)

The determination test aims to measure how far the model's ability is to explain variations in the independent variables. The determination test is shown to determine how big the influence of the independent variable is on the dependent variable. $r^2= 100\%$ means the independent variable has a perfect effect on the dependent variable, and vice versa $r^2=0$ means the independent variable has no effect on the dependent variable. The following are the results of the determination test in this research:

**Determination Test Results
Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.491 ^a	.241	.231	2.086
2	.554 ^b	.307	.288	2.007

a. Predictors: (Constant), Kompensasi

b. Predictors: (Constant), Kompensasi, Beban Kerja

Source: Primary data processed, 2024

Based on the results from the table above, it can be seen that the determination value of R Square is 0.307 or 30.7%. This shows that the Employee Work Productivity variable which can be explained by the Compensation, Workload and Work Environment variables is 30.7%, then the value is 69.3% (100%-30.7%), which explains other variables that were not examined in this research.

CONCLUSION

Based on the results of data analysis and discussion regarding compensation variables, workload and work environment on employee work productivity. So the following conclusions can be drawn:

1. Compensation has an influence on employee work productivity at PT Hanchen Industrial Indonesia. This is proven by a significance value of $0.000 < 0.05$ and a t-calculated value

- of 4,454 is obtained. This value is greater than the t-table of 1,993, which shows that compensation has a positive and significant effect on employee work productivity.
2. Workload has an influence on employee work productivity at PT Hanchen Industrial Indonesia. This is proven by the significance value of $0.011 < 0.05$ and the t-calculated value of 2,621 is greater than the t-table of 1,993, which shows that there is an influence of workload on employee work productivity.
 3. The work environment has no effect on employee work productivity at PT Hanchen Industrial Indonesia. Proven by the significance value of $0.193 < 0.05$ and the t-count value obtained is -1.313, this value is smaller than the t-table of 1.993 which shows that the work environment has no effect and is not significant on employee work productivity.
 4. Compensation, workload and work environment simultaneously influence employee work productivity at PT Hanchen Industrial Indonesia. Proven by the calculated F value of 15,953 with a significance value of 0.000. From this data, the calculated F value is 15,953 $>$ from the F table value of 2.73, it can be concluded that the three independent variables, namely Compensation, Workload and Work Environment, have a great influence on the dependent variable, namely Employee Work Productivity at PT Hanchen Industrial Indonesia.

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