



**THE EFFECT OF COMPENSATION AND WORK
ENVIRONMENT ON EMPLOYEE PERFORMANCE AT
D'BESTO CHICKEN & BURGER RESTO MARDANI RAYA
CENTRAL JAVA**

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ABSTRACT

The purpose of this study was to determine the effect of compensation and work environment on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta. The research method used in this study uses a quantitative approach. The population is 41 people. The sampling technique uses saturated samples so that the number of samples in this study is 41 respondents. The data analysis technique uses multiple regression. The results of the study show that: (1) There is a positive and significant effect of compensation variables on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta. This is evidenced by the t count $>$ t table value, namely $7.325 > 2.024$ with a probability value (significance) = 0.000, which is below 0.05. (2) There is a positive and significant effect of work environment variables on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta. This is proven by the value of t count $>$ t table, which is $6.304 > 2.024$ with a probability value (significance) = 0.000 which is below 0.05. (3) There is a positive and significant influence of compensation and work environment variables together on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta. This is proven by the value of F count $>$ F table, which is $28.299 > 3.24$.

Keywords: Compensation, Work Environment, and Performance.

I. INTRODUCTION

A. Research Background

The Food and Beverage (F&B) industry trend continues to experience a significant increase from year to year. This is further supported by the very large population of Indonesia, the increasing purchasing power of the community and the assumption of the community that food and beverages are not only basic necessities but also a lifestyle.

The increasingly tight business competition today requires every company to be more careful in determining strategies to win the competition they face. Entrepreneurs as producers must compete with each other to find what can influence consumer decisions in choosing a product and develop the right strategy so that they can compete with the existing market.

The Beginning of d'Besto was created or established, seeing the enormous opportunities available, finally in 1994, a husband and wife, Mr. drh. H. Setyajid and Mrs. drh. Hj. Evalinda, were inspired by a well-known fast food restaurant brand and took the initiative to establish a culinary industry based on chicken called Kentukku Fried Chicken or better known as KuFC. At that time, they both wanted to provide a delicious fried chicken eating experience but at a price that was still affordable for the community, especially the middle class. Not without obstacles, this pair of veterinarians also experienced ups and downs in pioneering this culinary business. It peaked in 1998, when the monetary crisis was happening. Almost all business units went bankrupt, including KuFC. However, thanks to the persistence and patience of this husband and wife, this business slowly began to rise again. Finally, in 2009, KuFC Group gave birth to the d'Besto Chicken & Burger brand which has now developed in various cities. The result is that high-quality culinary products are maintained; Delicious, Nutritious, Fresh, Hygienic and Halal. d'Besto always uses quality ingredients and is certified by the MUI (Indonesian Ulema Council), as well as quality control by experts, so that the taste produced is always the best.

The target market for this fast food restaurant is the middle class. d'Besto Chicken & Burger. Headquartered at Jl. Muhammad Kahfi I Gg. Development, Jagakarsa, South Jakarta, d'Besto Chicken & Burger is now growing rapidly with more than 550 branches operating in various cities in Indonesia, both Partners/ Holding and Self-Managed/ franchise such as the Franchise d'Besto Chicken & Burger Mardani Raya Central Jakarta. Until now d'Besto already has 550 Outlets spread across six cities, namely Bogor, Bandung, Jakarta, Padang, Surabaya and Pekanbaru. This fast food restaurant serves fast food with its flagship product, namely fried chicken, but not only offers fried chicken to its consumers, there are several menus including burgers and spaghetti and complementary foods such as French fries and various drinks. In the current conditions, opportunities in the fast food business are in great demand by business actors. With the emergence of similar companies or substitute product companies, they can become competitors for d'Besto.

Every company certainly cannot avoid the threats that come. In the business world, each company tries to attract as many consumers as possible to buy its products in various ways, both in terms of creating innovation, price, promotion and services divided for consumers. In addition, the management

owned by the company also determines the speed and slowness of the company's business growth. Management system A bad company will be one of the company's weaknesses that can hinder the running of the company's business.

To become a winner in a competition in the world of fast food is not easy, considering that the d'Besto company must have its own steps to be superior to its competitors, because the market has become competitive, causing the company to start paying equal attention to competitors and their target customers. One way to improve the quality of employee work is to provide appropriate compensation for employees. According to Simamora (2014:506) compensation is all forms of financial return, tangible services and benefits received by employees as part of the employee relationship. The amount of compensation reflects the level of employee needs, if the remuneration received by employees is better, their performance will also be better. In addition, it is appropriate for the company to provide an adequate work environment for its employees such as a comfortable workspace layout, a clean environment, air circulation in the room, air humidity, temperature or air temperature in the room, sufficient lighting or light, melodious music, safety in the workplace, and relationships between fellow employees and relationships between employees and leaders.

The problems that occur at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta include employee performance that is not optimal, compensation given by the company is still below the minimum wage, the work environment is uncomfortable, incentives given by the company are often late, there are still employees who are not disciplined and irresponsible for their work. Based on the description above, the researcher is interested in conducting a study entitled "The Effect of Compensation and Work Environment on Employee Performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta".

B. Problem Formulation

1. Is there any influence of compensation on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta?
2. Is there any influence of work environment on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta?
3. Is there any influence of compensation and work environment together on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta?

C. Research Objectives

1. To determine the effect of compensation on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta.

2. To determine the effect of work environment on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta.
3. To determine the effect of compensation and work environment together on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta

II. LITERATURE REVIEW

A. Compensation

Mangkunegara (2019) compensation is something that is considered as something comparable. In the employee environment, monetary rewards are compensation given to employees as an appreciation for their services. According to NU & Sugiarto (2007) Compensation is all forms of financial returns, tangible services and benefits obtained by employees as part of the employee relationship.

According to Hastho Joko and Meilan Sugiarto (2007:107) Compensation is a reward given by an organization/company to employees, which can be financial or non-financial, in a fixed period". A good compensation system will be able to provide satisfaction for employees and enable companies to obtain, employ, and retain their employees.

Meanwhile, compensation according to Hariandja (2002), that Compensation is the total reward received by employees as a result of carrying out work in the organization in the form of money or others, which can be in the form of salary, wages, bonuses, incentives, and other benefits such as holiday allowances, meal allowances, leave money, health benefits, and others. Veithzal Rivai (2014), states that Compensation is something that employees receive as a replacement for their service contributions to the company. Meanwhile, according to Sedarmayanti et al., (2020) compensation is everything that employees receive as a reward for their services

According to Ramdhan & Pasaribu (2022), compensation is a tool that binds a company to its employees, an attractive factor for prospective employees and a motivating factor for someone to become an employee.

Compensation is all forms of financial return, tangible services and benefits that employees receive as part of the employment relationship (Ramdhan & Rahayu, 2023).

B. Work Environment

According to Nitisemito in Sabita & Nuraini (2020) the work environment is everything that is around employees and can affect them in carrying out the tasks assigned to them, for example with air conditioning (AC), adequate lighting and so on. According to Sedarmayati (2013:23) the work environment is a place where there are a number of groups where there are several supporting facilities to achieve the company's goals in accordance with the company's vision and mission. According to Soetanto & Budiyanto (2022) the work environment creates high comfort for employees. The comfort created by this

work environment affects the seriousness of employees in working so that it encourages employees to be able to work better because of environmental support.

Work environment is one of the factors that affect performance. Because of the work environment is one of the important factors in creating employee performance (Ramdhan et al., 2023). The work environment is everything that is around employees when they are working, whether physical or non-physical, direct or indirect, which can influence them and their work when they are working (Damayanti, 2024).

C. Performance

Employee performance is the result of achievement in completing tasks assigned to him in an organization or company (Usman, 2021). Ramdhan (2022) explains that Performance is generally defined as a person's success in carrying out a job. Employee performance results from work achieved by a person in carrying out the tasks assigned to him to achieve work targets.

According to Moeheriono (2014) Performance is a description of the level of achievement of the implementation of a program of activities or policies in realizing the goals, objectives, vision and mission of an organization which is outlined through the strategic planning of an organization. The results or performance of an organization can be achieved well, among others, due to the influence of a clear division of tasks, authority, and responsibilities from the participants involved in the organization (Purwanto, 2021).

According to Edison (2016:190) Performance is the result of a process that refers to and is measured over a certain period of time based on previously established provisions or agreements. Performance is the result of work achieved by individuals or organizations in carrying out their main duties and functions (Ramdhan & Rahayu, 2024). A good understanding of performance is important for managing and developing human resources, making strategic decisions, and evaluating the effectiveness of programs and activities (Kultsum, 2024).

III. RESEARCH METHODOLOGY

A. Research Scope

This research was conducted at the D'besto Chicken & Burger Mardani Raya Restaurant, Central Jakarta.

B. Population and Sample

Population is used to refer to a group or group of objects that are the target of research. Therefore, population is the entirety of research objects that can be humans, animals, events and so on, so that these objects can be sources of research data. Population is all data that is of concern to researchers within a specified scope and time. Samples are an inseparable part of the population. And

the sample in this case must be able to represent the characteristics of the entire population. In other words, population and sample are two things that are interrelated and inseparable (Ramdhan, 2021). The sampling technique in this study uses saturated sampling, which is a sampling technique when all members of the population are used as samples. This is often done when the population is relatively small, less than 100 people or research that wants to make generalizations with very small errors (Sugiyono, 2013). The sample determined by the author is 41 respondents.

C. Research Type

This research method is descriptive quantitative, namely a research method that describes the conditions and phenomena that occur in the research object at the time the research is conducted and then analyzed in depth, systematically and logically.

IV. RESEARCH RESULT

A. The Influence of Compensation on Employee Performance

1. Linear Regression Test

Table 1
Linear Regression Test

Coefficients ^a			
Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	3.351	5.486	
COMPENSATION	.936	.128	.761

a. Dependent Variable: Performance

Source: SPSS Data Processing version 22, 2024.

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

$$\hat{Y} = 3.351 + 0.936 X_1$$

Based on the calculation results above, it can be explained as follows:

- a. The intercept constant value of 3.351 is a constant (a). States that if $X = 0$, then the value of $\hat{Y} = 3.351$.
- b. The regression coefficient value of the compensation variable on performance is 0.936. This means that if compensation increases by 1 unit, it will increase performance by 0.936.

2. Correlation Coefficient Test

Table 2
Correlation coefficient test

Model	R
1	.761 ^a

Source: SPSS Data Processing version 22, 2024.

Based on the table above, the R number (correlation coefficient) is 0.761. This shows that there is a strong relationship between compensation and performance.

3. Determination coefficient test

Table 3
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.761 ^a	.579	.568	2.10401

a. Predictors: (Constant), COMPENSATION

b. Dependent Variable: PERFORMANCE

Source: SPSS Data Processing version 22, 2024.

The result of the R² (R Square) value is 0.579. This shows that 57.9% of compensation has a contribution to the influence of performance, while the remaining 42.1% is influenced by other variables not examined in this study.

4. T Test

Table 4
T Test
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.351	5.486		.611	.545
	COMPENSATION	.936	.128	.761	7.325	.000

a. Dependent Variable: PERFORMANCE

Source: SPSS Data Processing version 22, 2024.

Based on the table above, the t-count value is 7.325, while the t-table value for n = 41 is 2.024. So because the t-count value > t-table, which is 7.325 > 2.024, the probability value (significance) = 0.000 which is below 0.05, thus it can be concluded that there is a positive and significant influence of compensation on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta.

B. The Influence of Work Environment on Employee Performance

1. Linear Regression Test

Tabel 5
Linear Regression Test
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	13.449	4.775	
WORKENVIRONMENT	.688	.109	.710

a. Dependent Variable: Performance

Source: SPSS Data Processing version 22, 2024.

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

$$\hat{Y} = 13.449 + 0.688X$$

Based on the calculation results above, it can be explained as follows:

- The intercept constant value of 13.449 is a constant (a). States that if $X = 0$, then the value of $\hat{Y} = 13.449$.
- The regression coefficient value of the work environment variable on performance is 0.688. This means that if the work environment increases by 1 unit, it will increase performance by 0.688.

2. Correlation coefficient test

Tabel 6
Correlation coefficient test

Model	R
1	.710 ^a

Source: SPSS Data Processing version 22, 2024

Based on the table above, the R figure (correlation coefficient) is 0.710. This shows that there is a strong relationship between the work environment and performance.

3. Determination coefficient test

Table 7
Determination coefficient test

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.710 ^a	.505	.492	2.28249

a. Predictors: (Constant), WORKENVIRONMENT

b. Dependent Variable: PERFORMANCE

The result of the R² (R Square) value is 0.505. This shows that 50.5% of the work environment has a contribution to the influence of performance,

while the remaining 49.5% is influenced by other variables not examined in this study.

4. T Test

Table 8
T Test
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	13.449	4.775		2.817	.008
WORKENVIRONMENT	.688	.109	.710	6.304	.000

a. Dependent Variable: PERFORMANCE

Source: SPSS Data Processing version 22, 2024.

Based on table 8 above, the t-count value is 6.304, while the t-table value for n = 41 is 2.024. So because the t-count value > t-table, which is 6.304 > 2.024, the probability value (significance) = 0.000 which is below 0.05, thus it can be concluded that there is a positive and significant influence of the work environment on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta.

C. The Influence of Compensation and Work Environment on Employee Performance

1. Linear Regression Test

Table 9
Linear Regression Test
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	3.762	5.438	
COMPENSATION	.680	.228	.553
WORKENVIRONMENT	.242	.180	.250

a. Dependent Variable: PERFORMANCE

Source: SPSS Data Processing version 22, 2024.

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

$$\hat{Y} = 3.762 + 0.680X_1 + 0.242X_2$$

It can be explained as follows:

- a. The intercept constant value of 3.762 is a constant value (a).
- b. The regression coefficient value of the compensation variable on performance is 0.680. This means that if the compensation variable

increases by 1 unit, it will increase the performance variable by 0.680, assuming the work environment variable is considered constant.

- c. The regression coefficient value of the work environment variable on performance is 0.242. This means that if the work environment variable increases by 1 unit, it will increase the performance variable by 0.242, assuming the compensation variable is considered constant.

2. Correlation Coefficient Test

Table 10
Correlation Coefficient Test

Model	R
1	.773 ^a

Based on table 4.18 above, the R figure (correlation coefficient) is 0.773. This shows that there is a strong relationship between compensation and the work environment together with employee performance.

3. Determination Coefficient Test

Table 11
Determination Coefficient Test

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.773 ^a	.598	.577	2.08236

a. Predictors: (Constant), WORKENVIRONMENT, COMPENSATION

b. Dependent Variable: PERFORMANCE

Source: SPSS Data Processing version 22, 2024.

The result of the R² (R Square) value is 0.598. This shows that 59.8% of compensation and work environment have a contribution to the influence on performance, while the remaining 40.2% is influenced by other variables not examined in this study.

4. F Test

Table 12
F Test
ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	245.419	2	122.710	28.299	.000 ^b
Residual	164.776	38	4.336		
Total	410.195	40			

a. Dependent Variable: PERFORMANCE

b. Predictors: (Constant), WORKENVIRONMENT, COMPENSATION

Source: SPSS Data Processing version 22, 2024.

The result of the R² (R Square) value is 0.598. This shows that 59.8% of compensation and work environment have a contribution to the influence on performance, while the remaining 40.2% is influenced by other variables not examined in this study.

V. CLOSURE

A. Conclusion

1. There is a positive and significant influence of the compensation variable on performance. This is evidenced by the t-count value of 7.325, while the t-table value for $n = 41$ is 2.024. So because the t-count value $>$ t-table, which is $7.325 > 2.024$, the probability value (significance) = 0.000 which is below 0.05, thus it can be concluded that there is a positive and significant influence of the compensation variable on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta. The result of the R2 (R Square) value is 0.579. This shows that 57.9% of compensation has a contribution to influence on performance, while the remaining 42.1% is influenced by other variables not examined in this study.
2. There is a positive and significant influence of the work environment variable on performance. This is evidenced by the t-value of 6.304, while the t-table value for $n = 41$ is 2.024. So because the t-value $>$ t-table, which is $6.304 > 2.024$, the probability value (significance) = 0.000 which is below 0.05, thus it can be concluded that there is a positive and significant influence of the work environment on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta. The result of the R2 (R Square) value is 0.505. This shows that 50.5% of the work environment has a contribution to influence performance, while the remaining 49.5% is influenced by other variables not examined in this study.
3. There is a positive and significant influence of the compensation and work environment variables together on employee performance at Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta. This is proven by the Fcount value $>$ Ftable value, which is $28.299 > 3.24$, the probability value (significance) = 0.000 which is below 0.05. The result of the R2 (R Square) value is 0.598. This shows that 59.8% of compensation and work environment have a contribution to the influence on performance, while the remaining 40.2% is influenced by other variables not examined in this study.

B. Suggestion

1. Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta is advised to improve employee skills so that employees are more skilled at work.
2. Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta is advised to pay attention to the work environment so that there is no pungent odor in the office environment.
3. Management of Resto D'Besto Chicken & Burger Mardani Raya Central Jakarta is advised to pay attention to providing employee incentives so that there is no delay in providing incentives

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