

THE INFLUENCE OF WORK ENVIRONMENT AND WORK MOTIVATION ON EMPLOYEE PERFORMANCE AT THE REGIONAL OFFICE OF DJKN NORTH SUMATRA

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ABSTRACT

This study aims to analyze the effect of work environment and work motivation on employee performance at the Regional Office of the Directorate General of State Assets (DJKN) North Sumatra. The research method uses a quantitative approach with explanatory research design. The research sample consisted of 120 employees selected using simple random sampling technique. Data was collected through questionnaires using a 1-5 Likert scale and analyzed using SPSS version 25 with multiple linear regression analysis techniques. The results showed that the work environment has a positive and significant effect on employee performance with a coefficient value of $\beta = 0.425$ ($p < 0.05$). Work motivation also has a positive and significant effect on employee performance with a coefficient value of $\beta = 0.387$ ($p < 0.05$). Simultaneously, work environment and work motivation have a significant effect on employee performance with R^2 value = 0.673, which means 67.3% of the variation in employee performance can be explained by the two independent variables. This study concludes that improving the work environment and increasing work motivation can improve employee performance at the Regional Office of DJKN North Sumatra.

Keywords: Work Environment, Work Motivation, Employee Performance, DJKN

BACKGROUND

Employee performance is a crucial factor in achieving organizational goals, particularly in the context of government institutions that are expected to deliver excellent public services. The Directorate General of State Assets (DJKN), as one of the echelon I units under the Ministry of Finance, plays a strategic role in managing state assets. The Regional Office of DJKN North Sumatra, as the regional extension of DJKN headquarters, faces challenges in improving employee performance to support the achievement of organizational targets. In this era of digital transformation and bureaucratic reform, optimizing employee performance has become increasingly important. Robbins & Judge (2023) state that employee performance is influenced by various internal and external factors, including the work environment and work motivation. A conducive work environment can foster a productive atmosphere, while high work motivation can drive employees to perform at their best.

Previous studies have shown mixed results regarding the influence of work environment and work motivation on employee performance. Research by Sari & Dwiyanto (2023) in the banking sector found that the physical work environment had a more dominant effect than the non-physical environment on employee performance. However, a study by Wijaya et al. (2024) in the manufacturing sector found different results, where intrinsic work motivation had a more significant influence than work environment factors. In the public sector, research examining the influence of work environment and motivation on employee performance remains limited. A study by Rahman & Nasution (2023) in local government institutions revealed a gap between theory and the practical implementation of human resource management. Meanwhile, Simbolon (2024) identified that the unique characteristics of the public sector require a specific approach in managing employee performance.

Recent developments in human resource management theory show a new paradigm in understanding employee performance. The "Workplace Wellbeing" theory developed by Cooper & Robertson (2023) emphasizes the importance of employee wellbeing in the workplace as a key predictor of performance. This theory integrates aspects of the physical and psychological work environment with both intrinsic and extrinsic employee motivation. Additionally, the "Digital Work Environment" theory introduced by Thompson & Martinez (2024) explores how digital transformation affects the work environment and employee motivation, especially in government institutions undergoing digitalization of work processes. This theory is particularly relevant to DJKN, which is currently implementing various digital systems in its operations. Based on the identified research gaps and recent theoretical developments, this study aims to analyze the influence of the work environment and work motivation on employee performance at the Regional Office of DJKN North Sumatra. This research is expected to fill the literature gap on human resource management in the public sector, particularly at DJKN, and to provide practical contributions to improving organizational performance.

RESEARCH METHOD

This study employs a quantitative approach with an explanatory research design. The population consists of all employees at the Regional Office of DJKN North Sumatra, totaling 180 individuals. The sample was determined using the Slovin formula with a 5% margin of error, resulting in a sample size of 120 respondents, selected using a simple random sampling technique.

Data were collected through a questionnaire using a 5-point Likert scale. The research instrument was tested for validity and reliability, with Cronbach's Alpha values greater than 0.7 for all variables, indicating good internal consistency. Data analysis was conducted using multiple linear regression analysis with the assistance of SPSS version 25. Prior to the regression analysis, classical assumption tests were performed, including tests for normality, multicollinearity, heteroscedasticity, and autocorrelation.

Data Analysis Technique

SPSS (Statistical Package for the Social Sciences) version 25 software was used for the entire data analysis process.

Research Hypotheses

H1: The work environment has a positive and significant effect on employee performance at the Regional Office of DJKN North Sumatra.

H2: Work motivation has a positive and significant effect on employee performance at the Regional Office of DJKN North Sumatra.

H3: The work environment and work motivation simultaneously have a positive and significant effect on employee performance at the Regional Office of DJKN North Sumatra.

RESEARCH FINDINGS

Respondent Characteristics

Based on the collected data, the characteristics of the respondents in this study can be described as follows:

Table 1. Respondent Characteristics

Characteristics	Category	Frequency	Percentage
Gender	Male	68	56,7%
	Female	52	43,3%
Age	25-35 year	45	37,5%
	36-45 year	52	43,3%
	46-55 year	23	19,2%
Education	D3	28	23,3%

	S1	74	61,7%
	S2	18	15,0%
Years of service	1-5 year	38	31,7%
	6-10 year	47	39,2%
	>10 year	35	29,1%

Table 1 shows that the majority of respondents are male (56.7%), aged between 36–45 years (43.3%), hold a bachelor's degree (61.7%), and have 6–10 years of work experience (39.2%). These characteristics indicate that the respondents possess sufficient work experience and an adequate level of education to provide an objective assessment of the research variables.

Classical Assumption Test

The results of the classical assumption test show: (1) The normality test with Kolmogorov-Smirnov produces a significance value of $0.187 > 0.05$, so the data is normally distributed; (2) The multicollinearity test shows a VIF value of < 10 and tolerance > 0.1 for all variables; (3) The heteroscedasticity test with scatterplot shows no particular pattern; (4) The autocorrelation test with Durbin-Watson produces a value of 1.952 which is between 1.55-2.46.

Multiple Linear Regression Analysis

Table 2. Results of Multiple Linear Regression Analysis

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B	Std. Error		
(Constant)	0.524	0.289		1.813
Work Environment	0.401	0.068	0.425	5.897
Work Motivation	0.375	0.070	0.387	5.357

Model Summary:

- $R = 0.821$
- R Square
- Adjusted R Square = 0.668
- $F = 120.584$
- Sig. $F = 0.000$

The results of the analysis show the regression equation: $Y = 0.524 + 0.401X_1 + 0.375X_2$

Hypothesis Testing

H1: The Effect of Work Environment on Employee Performance. The analysis results show that the work environment has a positive and significant effect on employee performance, with a coefficient value of $\beta = 0.425$, $t = 5.897$, and sig. = $0.000 < 0.05$. Therefore, Hypothesis H1 is accepted.

H2: The Effect of Work Motivation on Employee Performance. The analysis results show that work motivation has a positive and significant effect on employee performance, with a coefficient value of $\beta = 0.387$, $t = 5.357$, and sig. = $0.000 < 0.05$. Therefore, Hypothesis H2 is accepted.

H3: The Simultaneous Effect of Work Environment and Work Motivation on Employee Performance. The F-test results show a value of $F = 120.584$ with sig. = $0.000 < 0.05$, indicating that the work environment and work motivation simultaneously have a significant effect on employee performance. Therefore, Hypothesis H3 is accepted.

DISCUSSION

This study's findings support the theories proposed by Armstrong & Taylor (2023) and Robbins & Judge (2023), which emphasize that the work environment and work motivation are key factors influencing employee performance. The greater influence of the work environment ($\beta = 0.425$) compared to work

motivation ($\beta = 0.387$) indicates that both the physical and non-physical conditions of the workplace have a more dominant impact on employee performance at the Regional Office of DJKN North Sumatra.

These results are consistent with the findings of Chen & Zhang (2023), which suggest that a conducive work environment can foster a productive atmosphere. In the context of DJKN, a good work environment characterized by adequate facilities, supportive information technology, and a positive organizational culture is essential to support the complex tasks involved in state asset management.

Work motivation also has a significant effect on employee performance, in line with the Self-Determination Theory by Ryan & Deci (2023), which highlights the importance of autonomy, competence, and relatedness in motivating employees. At DJKN, assigning responsibilities that align with employee competencies, recognizing achievements, and providing opportunities for career development can enhance motivation and, ultimately, improve performance.

The R^2 value of 0.673 indicates that 67.3% of the variation in employee performance can be explained by the work environment and work motivation. The remaining 32.7% is influenced by other factors not examined in this study, such as leadership, compensation, or individual characteristics.

CONCLUSION

Based on the research findings and discussion, it can be concluded that both the work environment and work motivation have positive and significant effects on employee performance at the Regional Office of DJKN North Sumatra. The work environment positively influences employee performance, indicating that improvements in both the physical and non-physical aspects of the workplace can enhance employees' ability to perform their duties effectively. Likewise, work motivation has a positive and significant effect on employee performance, demonstrating that employees with higher levels of motivation tend to achieve better work outcomes and contribute more effectively to organizational objectives. Furthermore, the work environment and work motivation simultaneously have a positive and significant effect on employee performance, jointly explaining 67.3% of the variation in employee performance. This finding suggests that creating a supportive work environment while fostering employee motivation are essential strategies for improving organizational performance, whereas the remaining 32.7% of the variation is influenced by other factors not examined in this study.

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