

# THE INFLUENCE OF THE WORK ENVIRONMENT AND COMPANY SUPPORT ON EMPLOYEE PRODUCTIVITY IN SAVINGS AND LOAN COOPERATIVES

Dian Novita Sari<sup>1</sup>, Ida Ayu Kartika Maharani<sup>2</sup> <sup>1-2)</sup>Management Study Program, Universitas Terbuka, Indonesia Corresponding author: <u>042974101@ecampus.ut.ac.id</u>

#### Abstract

A good work environment, including adequate facilities, a comfortable atmosphere, and harmonious relationships between employees, as well as strong company support, such as fair policies, employee development programs, and appropriate rewards, is believed to significantly increase employee productivity. A supportive work environment involves not only physical aspects, but also psychological and social conditions that affect employee comfort and motivation. The company's support through policies that promote well-being and career development opportunities also plays an important role in increasing employee commitment and morale. This study aims to assess how the level of employee productivity in savings and loan cooperatives is affected by the work environment and business support. The data for this study were collected by sending questionnaires to cooperative employees, and using a multiple linear regression approach. This study resulted in the conclusion that employee productivity is directly correlated with the improvement of the work environment and company support. Therefore, companies need to focus on improving facilities, work atmosphere, and policies that support employees, in order to improve the overall performance and effectiveness of the organization.

Keywords: Company Support, Work Environment, Employee Productivity

#### Introduction

An organization or company is a location where people come together to work towards a common goal. The business has a number of useful resources. The management of a business is highly dependent on human and non-human resources. However, because humans are active resources, they play an important role in achieving business goals. Human Resources (HR), especially the productive workforce that drives the corporation, is responsible for the management and production of the company. Companies and institutions serve as assets and require skills and training (Astuti & Rianto, 2022).

Internal competition in companies today is becoming more and more real, while the loan and savings market is becoming increasingly competitive as time goes on. There needs to be continuous progress and drive for the business to be able to respond quickly to the changes that will come. In business operations, the role of human resources is very important because they contribute directly to the achievement or success of operations. Operational tasks are also heavily influenced by the role played by human resources. Thus, all resource management is a mandatory ability to run its people effectively (Sunyoto, 2015).

Everything in the work environment that has an impact on the way they carry out their duties is interpreted as the work atmosphere. A pleasant work environment is essential to increase employee morale and productivity. Maintaining effective communication with leaders and work partners will make employees feel more at home and more excited to work. In contrast to uncomfortable, boring, and even dangerous work situations that will make workers feel uncomfortable, these uncomfortable work situations can make workers depressed if they stay in the company. In addition, uncomfortable pressure at work can lead to decreased work productivity. As such, it is a top priority for a business to create a comfortable working environment for employees and make them feel safe. According to Thalibana (2022), the work environment affects employee satisfaction positively or negatively.



The support of a company or organization is included in the individual's belief in the organization where his work has acknowledged what he has contributed so far and concern for his own well-being. Employee work production, as stated by Adnyani, et al., (2024) is defined as a comparison of the potential deployed and the achievements obtained. Productivity here has two dimensions, namely efficiency, which measures how well inputs are used in relation to task realization, and effectiveness, which measures the achievement of ideal work outcomes (quality, quantity, and work time).

## Methods

# Types and sources of data

The types of data that will be analyzed in this study are secondary and primary data. Information obtained from original sources in the field or primary data sources (Bungin and Burhan, 2008). Information obtained directly from the research subject is called primary data. The working environment of the Savings and Loan Cooperative, employee productivity, and company support are the main data sources that will be used in this study. Meanwhile, secondary data is data from relevant and previously conducted research or a review of the literature that discusses the work environment, company support, and employee productivity and the relationship between these factors.

The questionnaire approach is an instrument of data collection methods that will be used in this study. The questionnaire consisted of written questions and written responses from respondents. The research collection was carried out by the technique of submitting questionnaires to respondents. The Likert scale is the main measuring tool in this study. The Likert Scale is a commonly used measuring tool to measure public attitudes, beliefs, and perceptions, claimed Sugiyono (2017). Participants must indicate whether they express agreement or disagreement with the statement in order to get a score. The values on the Likert scale are 1-5 where a value of 5 means strongly agree.

The population consists of all people or things that meet certain requirements or traits related to the purpose of the research. The population in this study is employees of the Savings and Loan Cooperative with a total of about 20 employees. The part of the population that is selected for measurement or observation in a study is called a sample. The sample of this study was 20 employees of the Savings and Loan Cooperative.

#### **Data Analysis Methods**

Sugiyono (2017) explained that a statistical method called descriptive analysis describes the features of the data to assess it without trying to reach broad generalizations or general conclusions.

# Data Analysis Techniques

# **Linear Regression Analysis**

There are two commonly used regression analysis models, namely simple and multiple linear regression. These two types of analysis are used to determine the extent to which one variable affects the other variable can be seen from the regression equation. To model and improve the relationships between variables, regression analysis is a statistical method that is often used due to its wide range of uses. Sugiyono (2017) states the linear regression equation model as follows:

 $Y = \alpha + \beta 1. X1 + e$ 

Ket:

- Y : Employee Performance
- $\alpha$  :Constant
- $\beta 1$  : Regression Coefficient X1
- X1 :Workload
- e : Disruptive Factors

#### **Coefficient of Determination (R2)**

The value of the correlation coefficient is then multiplied by 200% to find out the value of the determination coefficient, according to Ghozali (2016). The percentage of contribution of independent variables to dependent variables is indicated by the R2 value produced. If R2 = 0, then there is no relationship or influence between the independent and dependent variables. The determination coefficient has a value range from zero to one.



#### **Results and Discussion**

#### **Descriptive Respondents**

Descriptive data of respondents was used in this study to obtain information on the characteristics and profiles of respondents that included gender, age group, and educational background.

Based on the results of the research data, 20 respondents who are employees at the Savings and Loan Cooperative who filled out a questionnaire. The results of data collection are employees at the Savings and Loan Cooperative which includes gender, age group, and educational background. In accordance with the number of questionnaires distributed by the researcher to the respondents, there are 40% men and 60% women which show that out of 20 male respondents there are 8 people, or equivalent to 40%, while for a total of 12 female respondents, which represents 60%.

Based on the number of questionnaires given directly by the researcher to the respondents, a sample of 20 respondents was obtained. Of the 20 respondents, 4 respondents or 20% of the total respondents were employees of the Savings and Loan Cooperative between the ages of 17 and 21 years; 10 respondents, or 50% of the total respondents, were between 22 and 26 years old and 6 respondents, or 30% of the total, were between 27 and 31 years old. Employees between the ages of 17-21 make up the majority of the study respondents.

Based on the number of questionnaires given directly by the researcher to the respondents, a sample of 20 respondents who are employees of the Savings and Loan Cooperative was obtained, as many as 14 respondents (70%) had the last high school education, 4 respondents (20%) had a D3 education, and 2 respondents (10%) had the last S1 education. Based on the data that has been presented, it can be concluded that the dominant respondents in this study are employees using the last education of high school by 14 respondents.

## Variable Description

The description of the variables in this study is to find out the characteristics of each indicator item in the research variable by presenting data. In the variable distribution table, the researcher can see the results of mean, median, mode, min and max values and then the researcher interprets according to the data that has been processed. The work environment variable showed an average value of 4.28. The highest average value is found in the X1 indicator, which is 4.5.

The respondents' response to the work environment variable measured using a likert scale of 1 to 5 had a mean score of 4.28. The X1 indicator recorded the highest average value of 4.5.

#### **Description of Enterprise Support Variables**

Respondents' responses to the company's support variable, which was measured using a Likert scale of 1-5, resulted in an average score of 4.37. The X1 indicator recorded the highest average value, which was 4.7.

## **Description of Employee Productivity Variables**

Respondents' answers with a likert scale of 1-5 on the employee productivity variable showed an average value of 1.65. The highest average value is found in the X1 indicator, which is 1.8. Respondents' responses to employee productivity variables, measured using a Likert scale of 1-5, showed an average value of 1.65. The X1 indicator has the highest average value, which is 1.8.

#### Linear Regression Analysis

The multiple linear regression method was applied to identify the relationship between Work Environment (X1), Company Support (X2), and Employee Productivity (Y).

Table 1.			
Variable	Coefficient	t	Significance
name			
X1	0,726	3,031	0,019**
X2	0,213	0,889	0,04**
**) : : : : : : : : : : : : : : : : : :			

\*\*) significance below 0.05

Based on the table above, the results of the multiple linear tests of the variables of work environment (X1), company support (X2), and employee productivity (Y).



## Y = 0.726 X1 + 0.213 X2 + e

The results of the analysis using SPSS for multiple linear regression equations indicate that the work environment and company support factors have a significant and positive influence on employee productivity. This can be interpreted that the better the work environment created and the higher the support provided by the company to employees, the productivity of employees tends to increase. Based on the calculation results, the significance value for the work environment is 0.726, while the significance value for company support is 0.213. These two values show a meaningful relationship in increasing productivity, with the implication that companies need to prioritize improving the work environment and strengthening support to encourage optimal employee performance.

The coefficient of determination  $(R^2)$  is used to measure how well a model explains the variation of bound variables. Based on the results of the research that has been carried out, the Adjusted R Square  $(R^2)$  value is 0.721 which shows that 72% of employee productivity is influenced by factors such as the work environment and company support, while 28% of other factors that are not covered in this study also influence the rest.

#### Discussion

Everything around the worker that can interfere with his or her work in completing the assigned task is considered part of the office environment. For example, threatening pets, air conditioners, or other objects. To complete their tasks in an efficient and successful manner in achieving the goals that have been set, people must operate from a specific location. There is no doubt that this has something to do with work productivity; Workers who are highly productive in the workplace are more likely to occupy higher positions in their company. Businesses will more easily achieve their goals by increasing production. Therefore, maintaining high employee productivity must be a top priority for the business world (Indahyati & Hendarti, 2020). Effective company support plays a role in creating a positive work environment that motivates employees to work more productively, increase loyalty, and reduce turnover rates (Purnomo, 2022).

The results of descriptive analysis for the variables of work environment and company support showed an average value of 4.28 and 4.37, respectively. This indicates that employees at the Savings and Loan Cooperative agree and support the statement. In addition, the calculation of the significance value resulted in beta coefficients of 0.726 and 0.213, so the hypothesis was declared accepted.

The results of this study support the findings of Thalibana (2022), who stated that work productivity is significantly affected by the work environment. In addition, Rizqi Research (2023) shows that organizational support has a positive impact on employee productivity. The result can be because a conducive work environment can increase employee comfort and focus in completing their tasks, while organizational support, such as rewards, training, and good leadership, can increase employee motivation and a sense of attachment to the company, which ultimately leads to higher productivity.

#### **Conclusions and Suggestions**

The variables of the work environment and company support have a significant and positive influence on employee productivity. Therefore, it can be interpreted that the healthier the work environment and the higher the level of support that employees receive from their company, the more likely they are to be productive. In increasing productivity, with the implication that companies need to prioritize improving the work environment and strengthening support to encourage optimal employee performance.

To increase employee productivity, companies need to improve work facilities, manage workloads in a balanced manner, and ensure a safe and healthy environment. Company support should also be strengthened through training programs, fair rewards, and employee involvement in decision-making. In addition, building a positive work culture and conducting periodic evaluations of policies and employee satisfaction will help drive optimal performance.



#### References

- Adnyani, N. M. D., Saraswati, N. P. A. S., & Andika, A. W. (2024). The Role of Job Satisfaction Mediation on the Influence of Work Environment and Compensation on Employee Performance at the Ema Duta Mandiri Savings and Loan Cooperative in Denpasar. Gold, 5(5).
- Astuti, D., & Rianto, M. R. (2022). The Influence of Work Environment, Salary, and Motivation on Employee Performance. EVOKASI: Journal of Applied Administrative and Social Studies, 1(2), 90-96. Bungin & Burhan. (2008). Qualitative Research Data Analysis. Jakarta: Prenada Media Group.
- Ghozali. (2016). Application of Multivariete Analysis with IBM SPSS Program. Semarang: Diponegoro University Press.
- Indahyati, H. N., & Hendarti, Y. (2020). The Effect of Compensation, Work Motivation and Work Environment on Employee Work Productivity at PT. Murni Srijaya Sragen. *SMOOTING*, 18(3), 276-282.
- Purnomo, R. (2022). The Effect of Organizational Support and Performance Assessment on Work Performance.
- Rizqi, N. F. (2023). The Effect of Organizational Support and Work Attitude on the Work Productivity of Ud Hidayah Tegal Employees. *Insight: Journal of Management, Economics and Entrepreneurship*, 1(2), 190-207.

Sunyoto, D. (2015). Human Resource Research. Jakarta: Fun Books.

Sugiyono, (2017). Quantitative, Qualitative, and R&D Research Methods. Bandung: CV. Alphabeta.

Thalibana, Y. B. W. (2022). The Effect of Compensation, Work Environment and Work Stress on Work Productivity (Literature Review of Human Resource Management). *Initiative: Journal of Economics, Accounting and Management, 1*(4).