The Effect of Organizational Commitment, Work Compensation and Work Environment on the Employees’ Performance of Baitul Maal Wa Tamwil

Slamet Santosa¹, Salman Zakki Syahriel Mubarok²

¹²Department of Accounting, College of Economics Swasta Mandiri, Indonesia
Corresponding Author: slamets6873@gmail.com

Abstract: The purpose of this study was to determine the effect of organizational factors, compensation and work environment on the performance of BMT Salam employees and the most dominant factor in influencing employee performance at BMT Salam. The type of research used is quantitative descriptive. In accordance with the purpose of this study, the sample used was employees at Salam 35 BMT employees. From the t test results it is known that organizational commitment and work environment does not significantly influence employee performance while work compensation has a significant effect on employee performance.

Keywords: commitment, compensation, work environment, employee performance

INTRODUCTION

In maintaining the company's life to face increasingly fierce competition, the company needs to find the right strategy. One of the company's efforts is to manage and use human resources properly and correctly. Human resources are an important part in achieving organizational goals, both large and small companies. Organizations of any kind need management that is able to accommodate any changes that occur.

Quality of resources becomes the main focus if the organization wants to accelerate the achievement of the specified vision and mission. The dynamics of business change require organizations to be able to respond quickly and appropriately to the interests of society. HR management in a company becomes very important so that it must get top priority, if the company wants to move forward and become a leader, also to produce products and services that can be marketed and achieve goals as expected, resources consist of capital, people, machines. If all can be managed properly, the company can easily achieve its goals.

Human resources are important for the survival and progress of the company, the company must pay special attention to employee factors and it is natural that the company views human resources more than just company assets but as partners in business. Commitment is the determination to do something with the intention of actually doing. A good commitment is a commitment that starts from the leader. An employee's commitment to an organization is a situation where the employee sides with a particular organization and its goals, and intends to maintain its membership in that organization. Commitment is a management concept that places human resources as central figures in business organizations. Without commitment, it is difficult to expect active and in-depth participation from human resources. But commitment is not something that can just be present. Commitment must be born. Therefore, commitment must be maintained so that it continues to grow and exist within human resources. With the right methods and techniques, a good leader can create and grow commitment. Commitment has a very strong relationship with performance because every individual has the desire and readiness to accept various challenges and responsibilities. Employees who have high organizational commitment will have productivity because every individual has the desire and readiness to accept various tasks and responsibilities.
challenges and responsibilities. Employees who have high organizational commitment will have better performance.

Companies must be fair for what employees have given to the company, because every employee has the right to get awards and fair treatment from the leadership in return for services provided to the company, and employees can be motivated to work as much as possible. To encourage morale, a mutually beneficial relationship between the company and employees is needed. Employees provide good work performance for the progress of the company, while the company provides compensation in accordance with work performance that has been given by employees to the company.

Providing compensation is very important for employees. the amount of compensation for them reflects the measure of the value of their work among the employees themselves, their families and the community. The absolute level of compensation of employees determines the scale of their lives, while relative compensation indicates their status, dignity, and self-esteem. So when employees view their compensation as inadequate, their work performance, motivation and job satisfaction usually go down dramatically. The purpose of compensation carried out by the company is to respect employee work performance, ensure fairness between employees, retain employees, obtain competent and qualified employees, so as to motivate each employee to work better (Martoyo: 1999).

In addition to compensation, another factor that needs to be considered by the company is the work environment, according to Rivai (2006: 165) is the overall facilities and infrastructure that is around the employees who are doing the work themselves. This work environment will include workplaces, facilities and work aids, cleanliness, lighting and work conditions. The work environment is very closely related to the level of employee satisfaction, and if the work environment is good, it can have a positive influence on employee performance and vice versa. A working condition is said to be good or appropriate if human resources can carry out activities optimally, healthy, safe and comfortable. Compensation and work environment are factors that influence employee performance.

Performance is an action, not an event. The performance action itself consists of many components and is not an immediate result. Basically, performance is something that is individual, because each employee has a different level of ability to do their jobs. Performance depends on the combination of ability, effort, and opportunity that is gained. An employee's performance is an individual thing, because each employee has a different level of ability to do their jobs. The management can measure the employee's performance based on the performance of each employee.

UNDERLYING THEORY
Human Resources

In essence, HR or Human Resources are people who are employed in an organization that will later become the movers to be able to achieve the goals of the organization itself. Besides that people who have good human resources are usually expected to be able to contribute to the company where it works. Human resources are important assets in efforts to improve the quality of a society. Even within an organizational structure or corporate leadership for example, a special section is deliberately formed to be responsible for managing and exploring the human resources of members or employees. This is of course because the work and work is largely determined by the quality of one's HR (Arif, 2008: 5). The objectives of Human Resource Management are as follows:
a. Productive

Earning is basically not the result of the production process and it is an indicator that productivity goals in human resource management have been achieved. The availability of a productive workforce can be achieved when since recruitment, selection, placement, career development is carried out appropriately, so that the available workers are productive human resources.

b. Work Safety and Compliance

Aiming to achieve human resource conditions that support their ability to realize high productivity in work, both in physical and psychological terms, namely feeling safe and satisfied at work, because they are in a pleasant position and are treated in accordance with human dignity and dignity, so that they are able increase willingness to work hard with high morale and work discipline.

c. Quality of Human Resources

Realizing quality human resources, in order to be able to realize business goals in the form of quality products and services.

d. Other Benefits and Benefits

Aimed at providing and developing human resources capable of realizing benefits and other benefits for the organization, so that workers get a fair share of the benefits and other benefits achieved / obtained by the company.

Umar (2004) explains the function of human resource management (HR) including:

a. Services

To provide services to workers in order to improve and develop their abilities, in order to become competitive human resources. The service is provided by organizing programs that contain activities to expand insight, improve attitudes, increase knowledge and skills and efforts to create a sense of security and job satisfaction.

b. Control

To control the realization of the contribution of workers in achieving the company's business goals, through a process of self-participation and ways to provide opportunities to participate in increasing productivity.

c. Development

The process of providing opportunities for workers to improve their knowledge, skills and professionalism in working through various activities in the form of the work of the relevant worker by getting encouragement and or being sponsored by the company, can be in the form of giving permits or study assignments to higher institutions, organizing training and others. other.

d. Compensation and Accommodation

To realize and develop a sense of security and job satisfaction in the worker's environment that allows workers to work hard with high discipline and work morale.

e. Suggestion

In the form of providing information, assistance, advice and opinions to managers and even the highest managers in making decisions or solving problems in their respective environments, because managers in every field cannot escape from the responsibility of human resources in their work units.

Organizational Commitment

Argyris (in Usmara, 2003: 126) states that employee empowerment programs to increase work productivity have a very strong relationship with commitment because each individual has the desire and readiness to accept various challenges and responsibilities. Concerning
Argyris's commitment, divide the commitment into two major parts, namely:

a. External commitments formed by the work environment. This commitment arises because there are demands for the completion of tasks and responsibilities that must be completed by employees which results in reward and punishment.

b. Internal commitment is a commitment that comes from a person to complete various tasks, responsibilities and authority based on the reasons and motivations they have. The emergence of this commitment is largely determined by the ability of leaders and organizational environment in growing professional attitudes and behavior in completing organizational responsibilities.

Buchanan (in Gibson et al, 2002: 315) states that organizational commitment involves three attitudes, namely a sense of identification with organizational goals, a sense of involvement with organizational tasks, a sense of loyalty to the organization. Meyer and Allen in Luthan (2005: 131) state that organizational commitment consists of three components, namely:

a. Affective Commitment, this commitment includes emotional feelings of employees as part of the organization.

b. Continuance Commitment, is the attitude of employees to defend themselves in the organization because it requires a salary, other necessities of life.

c. Normative Commitment, is the attitude of employees which includes an employee’s awareness as part of the organization that must perform the obligations attached to it.

An organization can increase employee commitment as expressed by Peniwati (Usmara, 2003: 211-213) includes two things, namely:

a. Reducing employee work demands, can be done by:
   1) Determine priorities, this method will reduce the work demands of employees which means doing useful activities and eliminating less useful activities.
   2) Establish focus, in this way there will not be high work demands because it is not centralized.
   3) Engaging in engineering with the aim of being able to shorten and simplify the production process or work process.

b. Improving the ability of employees, can be done in several ways:
   1) Control, giving employees the authority to control decisions about how they do their work.
   2) Strategy and mission, offering employees the vision and direction that makes them committed to work hard.
   3) Job challenges provide employees with work stimulations that can develop new skills.
   4) Collaboration and work teams form teams to do work.
   5) Work culture, building a promotion, position and work atmosphere that is attractive, conducive and fun.
   6) Sharing the benefits of giving compensation to employees because of their good productivity.
   7) Communication disseminates information as often as possible and openly.
   8) Attention, ensuring employees are treated properly according to their dignity.
   9) Technology provides technology employees who can make work easier.
   10) Training and development ensures that employees have the skills to do their jobs well.

Compensation

Compensation is everything that employees receive as compensation for their work. The purpose of the purpose of this compensation is to help employees meet needs beyond the need for a sense of fairness, as well as increase employee motivation in completing tasks for which they are responsible.
Giving the right compensation will have a positive effect on employees, because it is undeniable that compensation is the main goal for most employees who work in a company. According to Panggabean (2004: 75) stated: "Compensation can be defined as any form of appreciation given to employees as compensation for the contributions they make to the organization". Martoyo (1994) argues that the purpose of compensation is:

a. Meeting the economic needs of employees or as a guarantee of economic security for employees.
b. Encourage employees to be better and more active.
c. Indicates that the company is progressing
d. Demonstrate appreciation and fair treatment of the organization of its employees (there is a balance between the input given by employees to the company and the output or the amount of rewards given by the company to employees).

Whereas the function given compensation is:

a. Use of HR more efficiently and more effectively.
   High compensation on an employee has the implication that the organization obtains maximum benefits and benefits from the employee concerned because the amount of compensation is largely determined by the high / low productivity of the employee's work concerned.
b. Encourage stability and economic growth.
   A good compensation system can directly help an organization's stability and indirectly contribute to promoting economic stability and growth. Conversely, giving poor compensation can cause turmoil among employees due to dissatisfaction. In turn this turmoil of dissatisfaction will lead to economic insecurity.

Work environment

In any agency or company, the institution must try to create a harmonious work climate. A harmonious work environment is not only the expectation of the management, but also the entire workforce in the agency or company. A harmonious work environment will bring benefits to the company or agency, including the emergence of good morale and work discipline from the workforce.

According to Lewa and Subowo (2005) the work environment is designed in such a way as to create a work relationship that binds workers to their environment. A good work environment that is if employees can carry out activities optimally, healthy, safe and comfortable. A poor working environment can require more labor and time and does not support the acquisition of efficient work system plans. According to Sastrohardiyanto (2005: 177) means that the meaning of the work environment is very influential on work effectiveness and orientation. Therefore, the work environment will provide a new atmosphere for him that will bring influence to the success of the implementation of tasks and work. Sedarmayanti (2009) states that in general, the type of work environment is divided into 2 namely: (a) physical work environment, and (b) non-physical work environment.

a. Physical environment

According to Sedarmayanti (2009) the physical work environment is all physical conditions that exist around the workplace which can affect employees both directly and indirectly. The physical work environment itself can be divided into two categories, namely:

1) The environment is directly related to employees (such as: work centers, chairs, tables and so on
2) An intermediate or general environment can also be called a work environment that affects the human condition, for example: temperature, humidity, air circulation, lighting, noise, mechanical vibrations, unpleasant odors, colors, and others.

b. Non-Physical Work Environment

Sadarmayanti (2009) states that non-physical work environments are all conditions that occur related to work relationships, both with superiors and with fellow colleagues, or with subordinates. This non-physical environment is also a group of work environments that cannot be ignored. Non-physical work environment is all conditions that occur relating to work relationships, both relationships with superiors, as well as relationships with fellow colleagues or relations with subordinates.

Employee performance

Performance is a work produced by an employee interpreted to achieve the expected goals. In a company, a fairly important element in conducting business is human resources or can be called the employees in the company. Every employee certainly has a role and also has an assessment in his work for that employee performance is necessary.

According to Mangkunegara (2000), performance is defined as "Quality and quantity of work results achieved by an employee in carrying out their duties in accordance with the responsibilities given to him." Meanwhile, according to Nawawi (1998) what is meant by performance is "The results of the implementation of a job, both physical / mental and non-physical / non-mental." Performance indicators can be categorized into 2 namely:

a. Performance Measurement

To measure performance, several performance measures can be used. Some performance measures which include; work quantity, quality of work, knowledge of work, ability to express opinions, decision making, work planning and work area organization. There are three criteria for more simplified achievement measures for measuring performance, first; the quantity of work, i.e. the amount that must be done, secondly, the quality of work, i.e. the quality produced, and thirdly, the timeliness, that is, its suitability to the stipulated time.

b. Performance assessment

Employee performance appraisal or known as "Performance appraisal", in the opinion of Leon C. Megginson, as quoted by Mangkunegara, is: 12) "A process used by employers to determine whether an employee performs his work as intended." Employee assessment is a systematic evaluation of employee work and the potential that can be developed. Valuation is the process of assessing or determining the value, quality, or status of some object, person or thing.

RESEARCH METHODS

Hypothesis testing in this study uses multiple linear regression analysis, to determine the partial effect of each independent variable on the dependent variable used the t test, while to determine the effect simultaneously between the independent variable with the bound used F test and to find out how much influence the independent variable has on the variable The bound test is used $R^2$.

RESULTS AND DISCUSSION

Hypothesis testing in this study uses regression analysis, t test and F test. Regression analysis is an analysis to determine the effect of Organizational Commitment (X1), Work Compensation (X2), Work Environment (X3), on the Performance of BMT Salam Employees.
Based on the regression results from the primary data processed using the SPSS for windows program the following results are obtained:

1. **Multiple Linear Regression Analysis**

   In this linear regression analysis the formula used is as follows:
   \[ Y = a + b_1x_1 + b_2x_2 + b_3x_3 + e \]

   Information:
   
   - \( Y \) = Employee Performance
   - \( X_1 \) = Organizational Commitment
   - \( X_2 \) = Work Compensation
   - \( X_3 \) = Work Environment
   - \( b_1 \) to \( b_3 \) = Regression coefficient of each variable
   - \( e \) = Disturbance Error

   From the results of calculations using the SPSS program on the variables mentioned above, it can be seen in the results of the regression as presented in the table as follows: Based on the analysis results can be made the regression equation as follows:

   \[ Y = 23,610 - 0.180X_1 + 0.553X_2 + 0.520X_3 \]

   From the multiple linear regression equation above can be explained several things as follows:

   a. This constant value of 23,610 shows that if the \( X \) variable is 0, the value of the Performance of BMT Salam employees towards organizational commitment, work compensation and work environment is 23,610.

   b. The coefficient value of organizational commitment in the regression model is -0.180, meaning that the organizational commitment variable \( (X_1) \) has a negative effect on BMT Salam Employee Performance \( (Y) \). Every increase of one unit in the variable Organizational Commitment \( (X_1) \), the Performance of BMT Salam Employees \( (Y) \) decreases 0.180.

   c. The coefficient value of work compensation in the regression model is 0.553, meaning that the Work Compensation variable \( (X_2) \) has a positive effect on Employee Performance \( (Y) \). Every increase in one unit in the work compensation variable \( (X_2) \), the Performance of BMT Salam Employees \( (Y) \) increases by 0.553.

   d. The coefficient value of the work environment in the regression model is 0.520, meaning that the Work Environment variable \( (X_2) \) has a positive effect on Employee Performance \( (Y) \). Every increase in one unit of service variable \( (X_2) \) then the Performance of BMT Salam Employees \( (Y) \) increases by 0.520.

2. **Partial Influence Test (t Test)**

   From the results of the t test we can explain the following:

   a. Effect of Organizational Commitment on BMT Employee Performance Salam

      The test results show that for the organizational commitment variable t count is -0.997 <\( t \) table 2.037 with a significance value of 0.236> 0.05 meaning that the organizational commitment variable has no significant effect on the Performance of BMT Salam employees.

   b. Effect of Work Compensation on BMT Employee Performance Salam

      The results of tests carried out showed that the Work Compensation variable t count was 3.637> \( t \) table 2.037 with a significance value of 0.001 <0.05 meaning that the Work Compensation variable had a significant effect on the Performance of BMT Salam employees.

   c. Effect of Work Environment on BMT Employee Performance Salam
The results of tests carried out show that the Work Environment variable $t$ count is 1.631 < $t$ table 2.037 with a significance value of 0.113 > 0.05, meaning that the Work Environment variable has no significant effect on BMT Salam Employee Performance.

3. Concurrent Influence Test (F Test)

From the analysis obtained, the results as in the table as follows:

Test results simultaneously (Test F) known the value of $F_{count} = 6.709$ > $F$ table 1.76 with a significance value of 0.001 < 0.05. So it can be concluded together the independent variables (organizational commitment, compensation and work environment) significantly influence the Performance of BMT Salam employees.

4. Test $R^2$

Based on the results of the analysis, it can be seen that the coefficient of determination ($R^2$) of 0.394 or 39.4%. This means that the variable Organizational Commitment ($X_1$), Work Compensation ($X_2$), Work Environment ($X_3$) contributed 39.4% to the Performance of BMT Salam Employees while the remaining 60.6% was influenced by other variables outside this study.

CONCLUSION

Based on the results of data analysis and hypothesis testing that has been done, the following conclusions can be drawn:

1. Based on the test results of the effect of variable $X_1$ on the variable $Y$ partially, the value of $t$ count -0.997 < $t$ table 2.037 and a significance value of 0.742 > $\alpha = 0.05$, which means that organizational commitment partially does not significantly influence the Performance of BMT Salam employees.

2. Based on the test results of the influence of variable $X_2$ on the variable $Y$ partially obtained value of arithmetic 3.637 > $t$ table 2.037 and a significance value of 0.001 < $\alpha = 0.05$, which means that work compensation such as salary received, bonus benefits and others partially has a significant effect on the Performance of BMT Employees.

3. Based on the test results of the influence of variable $X_3$ on the variable $Y$ partially, the value of $t$ count 1.631 < $t$ table 2.037 and a significance value of 0.113 > $\alpha = 0.05$, which means that the Work Environment partially has no significant effect on the Performance of BMT Salam employees.

4. Based on the results of testing the effect of independent variables on the $Y$ variable simultaneously, obtained $F$ value of 6.709 > $F$ table of 1.76 and a significance value of 0.001 < $\alpha = 0.05$. which means that organizational commitment, work compensation and work environment variables significantly influence the performance of BMT Salam employees.

5. Based on the Determination test results ($R^2$) obtained a coefficient of determination of 0.394 means that the independent variable is organizational commitment, work Compensation and the Work Environment contributes 39.4% to the dependent variable namely the Performance of BMT Regards Employees, while the remaining 60.6% is influenced by other variables outside this study.

REFERENCES

Alex S. Nitisemiro, 1996, Manajemen Personalia (Manajemen Sumber Daya Manusia), Cetakan 9 edisi ketiga, Jakarta, Ghalia Indonesia

Algifari, 2003, Statistik Induktif, Yogyakarta, UPP AMP YKPN


Fuad Mas’ud, 2004, *Survei Diagnosis Organizational (Konsep dan Aplikasi)*, Badan Semarang, Penerbit Universitas Diponegoro


Rivai, Veithzal, 2005, *Manajemen Sumber Daya Manusia untuk Perusahaan*, Raja J a k a r t a , Grafindo Persada

Santoso, Singgih, 2003, *Statistik Deskriptif (Konsep dan Aplikasi dengan Micosoft Excel dan SPSS)*, Yogyakarta, Andi Offset

