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Fulfillment of Employee Welfare and Work Environment on Employee Performance in Jakarta

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Abstract: Employee welfare determines the success rate of the company to grow and development. focus is needed for the welfare of employees, especially from the aspects of salary, education, and health that can affect employee performance. This research examines the influence of salary, education, and work environment on employee performance in employees community in Jakarta. Primary data was obtained from the results of questionnaires distributed to respondents and then analyzed using a quantitative descriptive approach and multiple linear regression analysis techniques using the SPSS-25 tool. This research found several things. The first finding is that partially the level of well-being has a significant positive effect on the performance of employees. And the work environment has a great influence on improving employee performance.

Keywords: Welfare, Performance, Education, Workforce, Welfare level, Work environment

INTRODUCTION

Companies must realize that humans have various basic needs that are increasing over time, for this reason companies must pay attention to the welfare of their employees both materially and immaterially, this will increase employee morale. Increasing productivity is the dream of every company, the level of productivity will be high if the morale of employees as executors are high and conversely the level of company productivity will be low if the morale of employees as executors are low.

Employee morale depends on the employees themselves, however, the company also needs to make efforts to motivate its employees so that it can increase employee work productivity. Efforts that can be made by the company as an incentive to increase employee morale by providing adequate welfare. To achieve good cooperation, the company must fulfill the wishes of employees by providing compensation for services that have been issued by the workforce to the company. One of them is by providing welfare programs, namely complementary remuneration provided both material and non-material given based on company policy. Employees will feel more cared for by the company. The welfare program provided by the company aims to motivate and encourage individual desires to carry out certain activities in order to achieve goals. Motives that exist in a person will realize a goal to obtain satisfaction. Welfare is important to give to employees, because the presence or absence of a welfare program is a measure of the emergence of motivation or employee morale. Company leaders should realize this, as a good leader must pay attention to the welfare of employees, so that with the welfare provided to employees expected to stimulate employee morale to increase. Humans can live better if he wants to try and work professionally. Through the work he is engaged in, he can obtain results to fulfill his life needs (Faeni, 2022).

Employee morale is a condition that arises from within a person that causes that person to be able to do his job in an atmosphere that causes that person to work diligently, quickly and be responsible for the company. Morale occurs when employees try to meet their unmet needs, employees then try to find a way out to fulfill them.

The manager's job is to direct these behavioral drives so as to achieve company goals and provide appropriate rewards to employees. If the rewards received by employees can meet the necessities of life and improve their welfare, then employees will be motivated to be more enthusiastic at work. Welfare provided by the company to employees as a reward for both material and non-material services which is expected to stimulate increased morale from employees, the welfare provided should be useful and encourage the achievement of company goals because the provision of welfare can motivate employee passion, discipline and productivity, this helps smooth implementation of work to achieve company goals.

LITERATURE REVIEW

Fulfillment of Employee Welfare

Definition of Employee Welfare Employee welfare according to Law no. 13 of 2003 concerning employment is a fulfillment of physical and spiritual needs and or needs, both inside and outside of work relations, which directly or indirectly can increase work productivity in a safe and healthy work environment. There are several experts defining the notion of welfare including: According to Maluyu SP Hasibuan Welfare is a complete remuneration (material and non-material) provided by the company based on policy. The goal For maintain and improve the physical and mental condition of employees so that their productivity increases.

According to Andre F. Sikulu, employee welfare is remuneration received by employees in a form other than direct wages or salary. Meanwhile, according to Mila Badriyah, employee welfare is a complementary remuneration provided by the company to employees, either in the form of money, goods or other services that can provide satisfaction to employees at work.

Based on the understanding of these experts, the authors can conclude that employee welfare is a form of reward or remuneration, both material and non-material, given to employees to fulfill physical and spiritual needs as a reward for their services so that work productivity increases.

The Purpose of Providing Employee Welfare

It is important for both employees and companies, because welfare is a picture of social status for employees. Welfare is the main factor in staffing, staffing policies have a lot to do with considerations for determining employee welfare. Anwar P. Mangkunegara said: Companies that determine wage levels by considering normal living standards will enable employees to work with full motivation. This is because employee motivation is heavily influenced by whether the minimum needs of employees and their families are met or not. According to Akhdiyat "the purpose of welfare is to improve employee morale and loyalty, reduce employee absenteeism and discipline, improve relations between employees" (Faeni, 2023).

According to Maluyu, namely increasing employee loyalty and interest in the company, providing peace and fulfillment of needs, motivating work passion, discipline, and work productivity, reducing absenteeism and turnover rates, creating a good and comfortable working environment. In addition to maintaining work motivation, enthusiasm, discipline, increasing job satisfaction and increasing work, the company can also increase results and profits, improve working conditions, and reduce employee turnover. As for employees, namely increasing motivation, increasing satisfaction and providing a sense of comfort and security. So it can be concluded that the provision of employee welfare is to increase morale, and help employees to meet their needs outside of work both in the form of direct welfare and indirect welfare, as well as providing calm and a sense of security to employees who work

Types of Employee Welfare

Prosperity is a state of relative fulfillment of needs and a sense of security in enjoying them. The types of welfare provided are financial and non-financial which are economical in nature, as well as the provision of facilities and services. Provision of welfare needs to be programmed as well as possible, so that it is useful in supporting the goals of the company, employees, and society. Welfare programs must be based on fairness and decency, guided by government legal regulations and based on the company's capabilities. This is important so that the welfare provided is not abolished because it will result in lazy employees, decreased discipline, increased damage, and even increased turnover (Faeni, 2020).

Welfare programs must be informed openly and clearly, the timing is right and in accordance with the needs of employees. The types or indicators that affect employee welfare according to Hasibuan are:

- a. Welfare that is economic in nature, namely in the form of money including pensions, meal allowances, holiday allowances (THR), bonuses, death bereavement money, uniforms, medical expenses.
- b. Welfare in the form of facilities, including places of worship, cafeterias, sports, art, education or seminar, annual leave and maternity leave, cooperatives, and shops.
- c. Welfare in the form of services, namely health centers or doctors, employee pickup, babysitting, legal assistance, financial advisors, insurance, home loans.

Meanwhile, according to Anwar P. Mangkunegara "there are two types of welfare, including direct welfare consisting of salaries/wages and incentives, and indirect welfare consisting of profits and services".

Work environment

The environment is the whole or every aspect and physical and socio-cultural symptoms that affect individuals. Work is a human activity, both physical and mental (2011). Thus it can be concluded that the work environment is everything that exists around the work and which can influence him in carrying out the assigned tasks (Nitisemito 2012). The work environment is a source of information and a place to carry out activities, so good working conditions must be achieved so that employees feel comfortable in the room to complete work so that they can achieve high efficiency.

A good work environment will have an impact on increasing the quality of work, reducing peace of mind and spiritual desires, and most importantly better morale and better prestige for the agency concerned.

Work Environment Indicators

The work environment is everything that is around someone who is doing work where the environment will affect him in carrying out his work. Several figures describe several work environment factors that can affect employee productivity, including, Robbins states that "factors that affect the physical work environment are: temperature, noise, lighting, and air quality According to Nitisemito, several factors that can be included in the work environment as well as major influence on morale and enthusiasm for work include: coloring, cleanliness, ventilation, lighting, music, security, noise.

Meanwhile, according to Sedarmayanti, the work environment factors include: lighting, air temperature, noise, use of color, space required, work safety, employee relations. From several work environment factors according to some of the experts described above, several indicators can be drawn. The work environment indicator here is seen from two dimensions of the type of work environment, namely the dimensions of the physical environment and the non-physical environment. From these two dimensions it can be described the indicators of the work environment in the work environment, including:

1. Physical work environment:

- a. Cleanliness, cleanliness of the work environment is very important, because a clean environment will affect the comfort, enthusiasm and enthusiasm of employees in carrying out their duties.
- b. Air temperature, this sufficient air temperature will cause employee physical fitness. On the other hand, low air temperature will cause a stuffy feeling, causing a feeling of fatigue, both fatigue for employees
- c. Lighting, lighting is not only limited to electric lighting, but includes solar lighting. If too much sunlight enters the employee's work space it will dazzle the eyes and it will also interfere with the employee's comfort while carrying out their duties.
- 2. Non-physical work environment:
 - a. The working relationship between superiors and subordinates, in a work environment, what is meant by superiors is leaders. Where the Leader is the leader in the Company.
 - b. Working relationships with fellow co-employeess, good relations with co-employeess will foster enthusiasm and comfort for one's self at work.

Work Environment Objectives

The work environment is very important for organizations and institutions Company. The existence of a work environment has very clear objectives, both for the goals of related institutions and for the employees they employ. Corporate institutions need professional employees to realize the vision, mission and goals of the institution. The work environment is one of the facilities provided by the institution for employees in carrying out their duties. Whereas for an employee a good, comfortable and supportive work environment will make it easier for an employee to carry out his duties as a professional employee.

A good and comfortable work environment will make it easier for an educational institution to realize the goals of the institution and besides that it will also realize the goal of developing the potential of employees to become human beings who believe and fear God Almighty, have noble character, are knowledgeable, creative, independent, and become a democratic and responsible citizen.

Work Environment Benefits

A good and comfortable work environment clearly has many benefits, both for the employees themselves in carrying out their duties as well as for institutions, organizations and industry, because having a good work environment can increase employee work productivity. So that the goals, vision and mission of the institution, organization and industry will be achieved well too.

The benefit of the work environment is to create passion for work, so that productivity and work performance increase. Meanwhile, the benefits derived from working with motivated people are that work can be completed properly, which means that work is completed to the correct standard and on a specified scale. His work performance will be monitored by the individual concerned, and will not cause too much supervision and his morale will be high. In a supportive work environment for an employee, benefits will be felt both for the employee himself, the institution, and the community that entrusts him himself to related work. With a good work environment, employees will feel calm and enthusiastic in carrying out their professional duties as an employee and work as well as possible to achieve company goals.

Employee performance

The development of an organization is inseparable from the existence of a performance, a necessity for every employee to achieve good performance so that the main goals of the company can be achieved, this certainly cannot be separated from the quality and capacity of employees in carrying out a job that has become their responsibility.

According to Riniwati (2016) performance is the process of people's behavior in doing work that produces a thought or product in achieving the goals they are working on. Therefore, in order to fulfill the interests of the goals to be achieved by both the company and employees, it is necessary to have a performance appraisal, in work evaluation there are components that must be met. To achieve performance, human resources become an integral part in influencing the running process of an organization.

Performance is the result of work and work behavior that has been achieved in completing the tasks and responsibilities given within a certain period (Kasmir, 2016). According to Thoha (2015) means that leadership is an activity to influence people so that they are directed to achieve organizational goals. Marginingsih (2016) charismatic leadership can influence the values of its members. The function of the leader is to provide more consultation, guidance.

Factors Affecting Employee Performance

According to Steers (in Suharto & Cahyono 2005) the factors that affect performance are:

- 1. Ability, personality and work interest.
- 2. Clarity and acceptance or clarity of the role of a employee which is a level someone's understanding and acceptance of the task given to him.
- 3. The level of employee's motivation is the energy that drives, directs and maintains behavior. According to McCormick and Tiffin (in Suharto & Chyono, 2005) explained that there are two variables that affect performance, namely:
- 1. Individual variables Individual variables consist of experience, education, gender, age, motivation, physical condition, personality.
- 2. Situational variables Situational variables involve two factors, namely:
 - a. Social and organizational factors, including: policy, type of training and experience, wage system and social environment.
 - b. Physical and occupational factors, including: working methods, arrangements and conditions, work equipment, work space arrangements, noise, irradiation and temperature.

Employee Performance Assessment

The principle of performance appraisal is a way of measuring the contributions of individuals in agencies made to the organization. The important value of performance appraisal is related to determining the level of individual contribution or performance expressed in completing the tasks for which they are responsible. The core performance appraisal is to find out how productive an employee is and whether he can perform the same or more effectively in the future, so that employees, the organization and society benefit. The purpose and

importance of performance appraisal based on a study conducted recently identified twenty different types of performance information objectives, which are grouped into 4 categories, namely: Evaluations that emphasize comparisons between people Development that emphasizes changes in a person over time, System maintenance Documentation of human resources decisions.

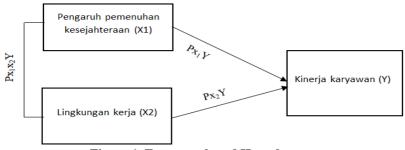
According to George and Jones (2002 in Harsuko 2011) that performance can be judged by the quantity, the quantity of work produced from human resources and the level of customer service. The quantity of work in question is the amount of work completed, while the quality of work in question is the quality of the work. Robbins (1994 in Harsuko 2011) states that there are three criteria in making an assessment individual performance namely: 1. Individual tasks, 2. Individual behavior, and 3. Individual characteristics.

Purpose of Employee Performance Assessment

According to Riani (2013), the objective of performance appraisal is a dual approach to the objective of performance appraisal as follows:

- 1. Evaluation Objectives. The results of work performance appraisal are used as a basis for regular evaluation of the achievements of organizational members, which include:
 - a. Salary Review. Compensation decisions that include merit pay increases, bonuses and other salary increases are one of the main objectives of performance appraisal.
 - b. Promotion Opportunity. Staffing decisions relating to promotions, demotions, transfers and dismissal of employees are the second goal of performance appraisal.
- 2. Development Goals
 - a. The information generated by the performance appraisal system can be used to develop the personal members of the organization.
 - b. Strengthening and Supporting Work Performance. Performance feedback is a major development need because almost all employees want to know the results of the assessments carried out.
 - c. Improving Work Performance. The purpose of performance appraisal is also to provide guidance to employees for improving work performance in the future.
 - d. Determine Career Progression Goals. Performance appraisal will also provide information to employees that can be used as a basis for discussing long-term career goals and plans.
 - e. Determine Training Needs. Assessment of individual work performance can provide a collection of data to be used as a source of analysis and identification of training needs.

Framework and Hypotheses



Figuer 1. Framework and Hypotheses

H1: is suspected that the fulfillment of welfare has a significant effect on employee performance

H2: is suspected that the work environment has a significant effect on employee performance

H3: is suspected of fulfilling welfare, work environment has a significant effect on employee performance

RESEARCH METHODS

The objects in this study are employees or employees spread across several companies in the Jakarta area. This research was conducted from November 1, 2022 to January 5, 2023. The location of our research is very flexible because we conduct online sampling, with the aim that respondents can fill out our questionnaire anywhere and anytime.

Operational Variables

Variable operationalization, namely the activity of formulating the actions that need to be taken to measure a variable that has been determined by previous researchers. Each variable determined by previous researchers must have sub-variables whose level of success can be seen from the indicators contained in the sub-variables.

| | Table 1. Operational variables | | | |
|------------|--------------------------------|--|---------|--|
| Variable | Dimensions | Indicator | Scale | |
| Exogenous | Well-being Employee | Giving Holiday allowance | Ordinal | |
| Variables | | Giving Annual bonuses/incentives | | |
| (X1) | | Wages | | |
| | | Grant of leave/permit | | |
| | | Guarantee occupational Health and Safety | | |
| Exogenous | Work environment | Environment Flexible Work | Ordinal | |
| Variables | | Disturbance Work stress | | |
| (X2) | | Work Environment Cleanliness | | |
| | | Work Environment Cleanliness | | |
| Endogenous | Employee Performance | Yield quality on performance | Ordinal | |
| Variables | | Quantity results on performance | | |
| (Y) | | Work discipline | | |
| | | Presence | | |
| | | Ability to work with a team | | |
| | | · · · | | |

Table 1. Operational Variables

Population and Sample

Population is a whole in the form of things, people or events that have the same characteristics so that it becomes the center of attention for researchers because it can be seen as a universe of research (Paramita et al., 2021). The population in this study were 2,990 employees. The sample is part of the population (Paramita et al., 2021). With the calculation of Simple Random Sampling using the Slovin formula as follows:

$$n = \frac{N}{1 + N(e)2}$$

Information:

n : Number of samples
N : Total population
e : Error rate From a total of 2,990 population obtained (n) samples as follows:
n = 2990

1+2990 (0,01)2

 $= 101.25 \approx 102$

Thus the number of samples in this study were 102 employees.

Types and Data Collection Techniques

The types of data used by researchers in this research are primary data and secondary

data. The data set to be used by researchers obtained through collecting the opinions of students obtained through field research (field research) and library research (library research).

Model Fit Test

To assess whether the data collected is consistent and fits the model, a model fit test is carried out. If the model does not match the data, it is necessary to find the cause in the model, and find ways to modify the model to obtain a better data fit. If the model fits the data, it means that the model is correct and good according to Goodness of Fit. Model measurements in PLS can be summarized as shown in the following table:

| Table 2. Model fit test | | |
|------------------------------------|--------------------------------|--|
| Measurement Models Criteria | | |
| SRMR | < 0.08 (Henseler et. al, 2014) | |
| NFIs > 0.90 (Lohmöller, 1989) | | |
| rms Theta < 0.12 (Lohmöller, 1989) | | |
| Source: SMARTPLS 3.0 | | |

Research Instrument Test

Testing is done on valid statements. The level of validity and reliability can be seen from the quality of the data obtained. Furthermore, the criteria used to determine a statement can be said to be valid and have an acceptable reliability value, based on the criteria in Table 3.

| Table 5. Rule of Thumb Evaluation of the Measurement Model (Outer Model) | | | | |
|--|----------------------------|---|--|--|
| validity | Parameter | Rule of Thumb | | |
| | Loading factor | > 0.70 for confirmatory research | | |
| | | > 0.60 for Exploratory research | | |
| validity | Communality | > 0.50 for confirmatory and exploratory | | |
| Convergent | | research | | |
| | AVE | > 0.50 for confirmatory and exploratory | | |
| | (Average Variance Extracte | ed) research | | |
| | Cross Loading | > 0.70 for every variable | | |
| validity | Ave square root an | nd : square root of AVE | | |
| Discriminant | correlation between late | nt orrelation between latent constructs | | |
| | constructs | | | |
| ~ ~ . | | | | |

 Table 3. Rule of Thumb Evaluation of the Measurement Model (Outer Model)

Source: Chin, 1998; Hair et al., 2011; Ghozali, 2015

Validity test

A measurement scale is called valid if it does what it should do and measures what it should measure. If the measurement scale is not valid then it is not useful for researchers because it does not measure or do what it should do. A measuring instrument that has high validity will have a small error variance or in other words the test carries out its measurement by providing results that are in accordance with the purpose of the test. So that the data collected is reliable data. Validity indicates the extent to which a measuring device measures what it wants to measure (Kuncoro, 2003).

Reliability Test

Reliability tests were carried out to find out whether the data collection tool showed the level of precision, accuracy, stability or consistency of the tool in expressing certain symptoms from a group of individuals even though it was carried out at different times. A measuring device is declared reliable if the tool is deep measuring a symptom at different times always shows the same results (Nasution, 2003).

A construct is said to have good reliability if it meets the value criteria according to the

Rule of Thumb Evaluation of the Measurement Model (Outer Model) table in Table 3.4, namely cronbach's alpha above 0.7 and composite reliability above 0.5.

RESEARCH RESULT

Evaluation of the measurement model (outer model) Evaluation of the measurement model is an evaluation of the relationship between variables/constructs and their indicators. As for model measurement to test the validity and reliability for the equation model Can obtained by carrying out the PLS Algorithm process in the SmartPTLS Software, the display results of the PLS Algorithme process can be seen in Figure 2. below:

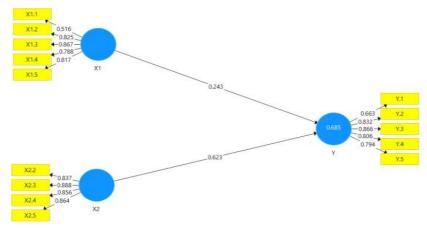


Figure 2. Figure outer model

Validity Test Results

Validity test on SmartPLS 3.0 can be seen from two things, namely convergent validity and discriminant validity. Convergent validity can be measured from the loading factor value, while discriminant validity can be measured from the Average Variance Extracted (AVE) value, square root of AVE and cross loadings.

| Table 4. Convergent validity test (Loading factor) | | | | |
|--|------------------------|----------------------|--|--|
| Number Statement | Results Testing | Validity Description | | |
| Welfare Statement (X 1) | | | | |
| X1. 1 | 0.516 _ | Valid | | |
| X1.2 | 0.825 | Valid | | |
| X1.3 | 0867 | Valid | | |
| X1.4 | 0.788 | Valid | | |
| X1.5 | 0.817 | Valid | | |
| Work Environment States | ment (X2) | | | |
| X2.2 | 0837 | Valid | | |
| X2.3 | 0.888 | Valid | | |
| X2.4 | 0.856 | Valid | | |
| X2.5 | 0.864 | Valid | | |
| Employee Performance S | tatement (X3) | | | |
| Y. 1 | 0.663 | Valid | | |
| Y.2 | 0.832 | Valid | | |
| Y.3 | 0.866 | Valid | | |
| Y.4 | 0.806 | Valid | | |
| Y.5 | 0.794 | Valid | | |

Table 4. Convergent validity test (Loading factor)

Convergent validity test in Table 4, it shows that the indicator is declared valid because the value is > 0.5 so that everything can be processed.

| Table 5. Average Variance Extracted Value (AVE) | | | | |
|---|-------|--|--|--|
| Variable/ConstructAverage Variance Extracte (AVE) (>0.5) | | | | |
| Employee Welfare Statement (X1) | 0.597 | | | |
| Statement Work Environment (X2) | 0.742 | | | |
| Statement Employee Performance (Y) | 0.632 | | | |

In Table 5 it can be seen that the AVE value of each variable is above 0.5 so that it can be said to be discriminantly valid based on AVE.

| Table 6. Reliability Testing Results for Each variable | | | | |
|--|--------------------|-------------|-------------|--|
| | Test resu | Reliability | | |
| variable/ Construct | Cronchbach's Alpha | Composite | Description | |
| | Cronenbaen s rupna | Reliability | Description | |
| Statement Employee Welfare (X1) | 0.825 | 0.878 | Reliable | |
| Statement Work Environment (X2) | 0.884 | 0.920 | Reliable | |
| Statement Performance Employee (Y) | 0.853 | 0.895 | Reliable | |

| Table 6. Reliability | Testing | Results for | Each | Variable |
|----------------------|---------|--------------------|------|----------|
|----------------------|---------|--------------------|------|----------|

Based on Table 6 it can be seen that the Cronbach's alpha value of each variable has a value of more than 0.7 and the composite reliability of each variable has a value of more than 0.5 so it can be concluded that all constructs in this study are reliable.

Evaluation of the Structural Model (Inner Model)

Inner model or structural model testing is carried out to see the relationship between variables/constructs, the significance value of the research model.

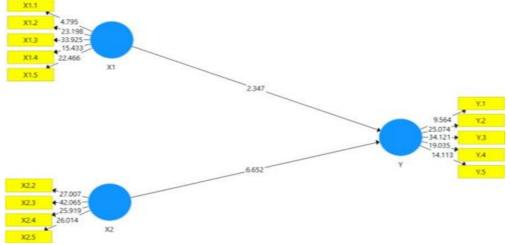


Figure 2. Figure Inner Model

| Tuble 7. Significance Test Results | | | | |
|------------------------------------|--|-------------------|-----------------|-----------------------------|
| Variables/ Constructs | Indicator | T - statistics | P-Values | Information Significance |
| | X1.1 The company provides an annual bonus | 4,795 | 0.000 | Significant |
| Employee | X1.2 The company gives salary on time and according to UMR | 23,198 | 0.000 | Significant |
| welfare | X1.3 insurance and safety n | 33,925 | 0.000 | Significant |
| | X1.4 given every year | 15,433 | 0.000 | Significant |
| | X1.5 ^{Company} provide old age | 22,466 | 0.000 | Significant |
| Work | X2.2 Safety at work is good | 27,007 | 0.000 | Significant |

 Table 7. Significance Test Results

| Variables/ Constructs | Indicator | T - statistics | P-Values | Information Significance |
|--------------------------|--|-------------------|-----------------|-----------------------------|
| Environment | X2.3 Communication between employees goes well | 42,065 | 0.000 | Significant |
| | X2.4 Cleanliness in the workplace is fulfilled | 25,919 | 0.000 | Significant |
| | X2.5 ^{The} toilet facilities at work are adequate and clean | 26,014 | 0.000 | Significant |
| | Y. 1 The regulations in the company are always obeyed by employees | 9,564 | 0.000 | Significant |
| Employee | Tasks given by the leadership can Y.2 be completed properly and satisfactorily | 25,074 | 0.000 | Significant |
| Employee performance | Y.3 The quality of the work produced is very good | 34,121 | 0.000 | Significant |
| | Y.4 The work is carried out effectively and efficiently | 19,035 | 0.000 | Significant |
| | Y.5 Employees have high work discipline | 14,113 | 0.000 | Significant |

Based on the table, it can be seen that all the T-statistic indicators have a value of more than 1.96 so that it can be concluded that all indicators of the variables of school facilities, quality of educators and teaching methods are significant.

| Table 8. Significance Test Results fron | n Variable to Variable (Inner Model) |
|---|--------------------------------------|
|---|--------------------------------------|

| Variable/Construct | t-statistic | P - Values | Description of Significance |
|--|-------------|-------------|--------------------------------|
| Employee Welfare -> Employee Performance | 2,351 | $0.0\ 0\ 0$ | Significant |
| Work Environment -> Employee Performance | 6,338 | 0.000 | Significant |

Based on Table 8. it can be seen that the t-statistic value of Employee Welfare and Work Environment is more than in accordance with the significance criteria in the Rule of Thumb Evaluation Measurement Model (Outer Model) table in Table 5, so it can be concluded that Employee Welfare and Work Environment have an effect significant to Employee Performance

| Table 9. Model fit test | | | | | |
|-------------------------|----------------------------------|-------|------------|--|--|
| Measurement Models | Criteria Test result Information | | | | |
| SRMR | < 0.08 (Henseler et. al, 2014) | 0.067 | Fit models | | |
| NFIs | > 0.90 (Lohmöller, 1989) | 0.858 | Fit models | | |
| rms Theta | < 0.12 (Lohmöller, 1989) | 0.173 | Fit models | | |

Based on the test results in Table 9, it is known that the SRMR, NFI and rms Theta values meet the specified criteria, so that it means that the data collected is consistent and fits the model according to the Goodness of Fit.

Hypothesis test

The magnitude of the influence of each exogenous variable individually (partially) on the endogenous variable can be seen from the original sample value on the path coefficient.

| Table 10. Original Samples | | |
|----------------------------|-----------------|--|
| Variable/Construct | Original Sample | |
| Employee Welfare (X1) | 0.243 | |
| Work Environment (X2) | 0.623 | |

Based on Table 10 it can be seen that the value of all variables is positive. Employee Welfare has an effect of 0.243 and Work Environment has an effect of 0.623.

| Table 11. R Square and Adjusted R Square | | |
|--|----------|----------------------|
| Endogenous Variables | R Square | Adjust d R Square |
| Employee performance | 0.685 | 0.679 |

From the results of data analysis, the R-square value of Employee Performance is 0.685. This R-square value can be used to calculate the coefficient of determination which can show the influence of exogenous variables on endogenous variables.

CONCLUSIONS AND SUGGESTION

Conclusion

Based on the discussion in the previous chapters, the results of data analysis and partial and simultaneous hypothesis testing can be conveyed as follows: Fulfillment of welfare has a significant effect on employee performance; Work environment has a significant effect on employee performance; Fulfillment of welfare, work environment has a significant effect on employee performance

Suggestion

- 1. To improve employee performance significantly, it is expected that every company pays more attention to the welfare of its employees.
- 2. The existence of a work environment and employee welfare needs to be improved again, so that employees are comfortable and safe in the work process and welfare in accordance with the wishes and needs of employees will increase employee enthusiasm in achieving company goals and employees will be loyal to the company.

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