

The Influence Of Work Environment On Employee Performance Palm Oil Research Center (PPKS) Medan

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Abstract.

This study aims to investigate the influence of the work environment on employee performance at the Pusat Penelitian Kelapa Sawit (PPKS) Medan. The work environment plays a crucial role in shaping employee behavior, motivation, and overall performance within an organization. Through a comprehensive analysis of various factors such as physical surroundings, organizational culture, and interpersonal relationships, this research aims to provide insights into how the work environment impacts employee performance at PPKS Medan. Data will be collected through surveys and interviews with employees to gather their perceptions and experiences regarding the work environment and its influence on their performance. The findings of this study will hopefully contribute to a better understanding of the importance of creating a positive and supportive work environment to enhance employee performance and organizational effectiveness.

1. Introduction

The Palm Oil Research Center (PPKS) is part of PT Riset Perkebunan Nusantara which is a subsidiary of PT Perkebunan Nusantara (Holding) Persero. The establishment of PT RPN was legalized based on the Decree of the Minister of Law and Human Rights of the Republic of Indonesia on 22-12-2009 through letter No. AHU 62279.AH.01.01 Year 2009. In 2022, based on the direction of the President Director of PT Perkebunan Nusantara III (Persero), the transformation and restructuring of PPKS was carried out, in which the Indonesian Biotechnology and Bioindustry Research Center (PPBBI) was integrated with PPKS and restructured into the Bogor PPKS Unit. The transformation is contained in the Decree of the Director of PT RPN No. 072601/KPTS/RPN/2022 concerning the Organizational Structure of the Palm Oil Research Center and PERDIR of the Board of Directors of PT RPN No. 072701/PERDIR/RPN/2022 concerning Organization and Governance of PPKS.

The work environment serves as the backdrop against which employees perform their duties and responsibilities. A well-designed physical workspace can increase comfort, convenience, and efficiency, thereby facilitating a smooth workflow and minimizing distractions that can hinder productivity. According to Luthans, F. (2011) in recent years, there has been growing recognition of the important role that the work environment plays in driving organizational outcomes, particularly in knowledge-intensive industries such as research and development. Against this background, this study seeks to contribute to existing knowledge by offering insights into the dynamics of the work environment at PPKS Medan and its implications for employee performance.

The development of the organization cannot escape the environment and human resources or human resources in the organization. Human resources become the driving force of an organization in launching all activities to achieve organizational goals. In an organization, employees or employees are one of the important factors, without the contribution of employees or employees the organization will not run well. Therefore, humans become the driving

force and determine the running of the organization. Employees or workforce have an important role in maintaining the survival of an organization. Because the progress or failure of an organization depends on employee performance (Apriyansyah, 2023).

Through an in-depth exploration of the work environment at PPKS Medan and its impact on employee performance, this study aims to explain the pathways through which organizational context shapes individual outcomes. By explaining these dynamics, organizational leaders can gain valuable insights into strategies to optimize the work environment and employee performance.

2. Theoretical Overview

In this research, several studies serve as an important foundation to ensure the smoothness and success of the research. It is important to acknowledge the contributions of previous studies that have provided valuable insights on this topic. From the understanding gained from previous studies, the researcher was able to build a solid foundation for this research.

2.1 Understanding the Work Environment

The work environment is the environment in which employees perform their duties or work. A good environment can create a sense of security and allow employees to work optimally (Mardiana, 2005). If employees like the work environment in which they work, then employees will be comfortable in their workplace so that they can utilize their work time well and allow employees to do their jobs well. The work environment includes working relationships formed between fellow employees, working relationships between superiors and subordinates, and the environment in which employees work.

Based on Siagian (2014) physically, the work environment includes elements such as office buildings, adequate work equipment, company facilities, and facilities and infrastructure. In addition, based on Handoko (2015) the work environment is something that can affect employee performance in an organization. The work environment can be divided into two types, namely the general environment and the specific environment. The general environment refers to everything outside the organization that has the potential to affect the organization, such as social conditions, while the specific environment is the part that is directly involved in achieving organizational goals and objectives (Sedarmayanti, 2017).

In addition, organizational culture is also an important part of the work environment. Organizational culture includes values, norms, beliefs, and habits that exist in the organizational environment and are generally accepted (Sedarmayanti, 2017). A strong and positive organizational culture can be a key driver of employee productivity, innovation, and performance, while a culture that is unhealthy or inconsistent with individual values can inhibit employee motivation and engagement.

Based on the explanation above, the work environment is something complex where various physical, social, psychological, and cultural factors interact and influence employee behavior and experience. It is important for organizations to pay attention to and improve their work environment in order to create conditions that support employee well-being and productivity and achieve organizational goals more effectively.

2.2 Factors of Work Environment

Work environment factors refer to the various elements that influence the workplace conditions and atmosphere experienced by employees. A good work environment can have a positive impact on well-being, motivation, and employee performance, while a poor work environment can result in stress, dissatisfaction, and decreased productivity. Some of the main factors that affect the work environment are (Siagian, 2006):

1. Organizational policies and culture, this includes the values and norms that exist in the organization. A culture that is open, inclusive, and supportive of employee growth and development tends to create a positive work environment. Conversely, cultures that are authoritarian, non-transparent, or do not support work-life balance can produce an unhealthy environment.
2. Workplace buildings, the quality of workplace buildings is an important factor because it can affect work comfort, safety, and efficiency. A well-designed building can provide appropriate space for work activities, as well as ensure safety from various risks.

3. Interpersonal relationships, relationships between employees and with superiors also contribute to the work environment. Open communication, teamwork and social support between fellow employees can create a positive and pleasant work climate. Interpersonal conflict or unfair treatment can damage relationships and create tension in the workplace.
4. A spacious workspace provides enough room for employees to move around comfortably. This can increase employee comfort and productivity, as well as reduce the risk of injury or fatigue due to overly cramped spaces.
5. Air exchange ventilation, good ventilation in the workspace is essential for maintaining air quality and employee health. Adequate ventilation helps in reducing indoor air pollution and maintaining optimal humidity levels.
6. Places of worship, providing places of religious worship is a form of respect for religious diversity in the workplace. This creates an inclusive work environment and supports the spiritual needs of employees.
7. The existence of special and public transportation facilities for employees, adequate transportation facilities help employees to reach the workplace comfortably and on time. With the availability of special and public transportation facilities, companies can help employees overcome transportation problems and improve regularity and discipline in working time.
8. Work-life balance, which is the balance between work demands and personal needs, is an important factor in determining the quality of the work environment. Policies that support flexibility in working time, adequate leave, and employee welfare programs can create a more balanced and sustainable work environment.

2.3 Understanding the Employee Performance

Employee performance refers to the level of work quality and productivity demonstrated by an employee in carrying out their duties and responsibilities at work. It encompasses a number of factors, including goal attainment, quality of work produced, attendance rate, level of skills and competencies possessed, and positive contribution to the team and organization as a whole.

In a broader sense, employee performance also includes qualitative aspects such as the ability to adapt to change, creativity in solving problems, initiative in improving work processes, and the ability to cooperate with coworkers. In other words, employee performance is not only seen from how efficient they are in completing routine tasks, but also the extent to which they are able to contribute to the achievement of overall organizational goals.

Employee performance is the foundation of an organization's performance which is influenced by employee characteristics, expectations and assessments made by management on the achievement of employee results (Kasmir, 2018). Meanwhile, according to Mangkunegara (2017) employee performance is the achievement of employee work performance to complete existing tasks.

Every company expects good and maximum employee performance. In order to achieve this, employee performance targets are needed, which are specific and the responsibility of workers. It is important to evaluate employee performance objectively. This means that the implementation of the assessment must describe the actual situation, which describes the success in carrying out the work (Bakri, 2018).

2.4 Factors of Employee Performance

Factors that affect employee performance can come from various aspects including work environment, motivation, individual abilities, and organizational factors. The following is an explanation of these factors, namely:

1. Work environment, a conducive work environment is an important factor that can affect employee performance. This includes both physical and psychological aspects of the workplace environment (Armstrong, 2012). Physical aspects include the availability of adequate facilities, good lighting, adequate ventilation, and the comfort of the workspace. A comfortable and safe environment can increase employee productivity and reduce stress. Meanwhile, psychological aspects include organizational culture, communication between co-workers and superiors, and social support. A supportive, inclusive, and collaborative work environment can improve employee motivation and well-being, which in turn will have a positive impact on employee performance.
2. Motivation, is the internal drive that drives individuals to achieve their goals. Motivational factors that are important in the context of employee performance include recognition of achievement, opportunities for growth and learning, and clarity about organizational goals and expectations. Employees who feel valued and have clear goals tend to be more motivated to achieve high performance (Steers, 2018). In addition,

motivation can also be influenced by external factors such as financial incentives, employee benefits, and non-financial rewards.

3. Individual ability, is an important factor in determining employee performance. Proper training and development can improve employee competencies and prepare them to face complex and diverse tasks. In addition, effective leadership also involves delegating responsibility and providing autonomy to employees who have sufficient ability, so that they can take initiative and be responsible for their work.
4. Organizational factors, such as company policies, organizational structure, and corporate culture also play an important role in determining employee performance. Fair and transparent policies, a flexible and responsive organizational structure, and a work culture that values collaboration, innovation, and diversity can create an environment where employees feel motivated and supported to achieve optimal performance (Robbins, 2019).

3. Method

The choice of method in this research is qualitative with a focus on observation, descriptive analysis and interviews to find out in depth the effect of the work environment on employee performance at PPKS Medan. Qualitative methods are well suited to exploring subjective experiences, perceptions, and behaviors in naturalistic environments, thus enabling a rich understanding of complex phenomena (Creswell & Poth, 2018).

First, descriptive analysis and qualitative observations will be conducted to help the researcher integrate with the daily work environment of PPKS Medan. Through direct observation of workplace dynamics, interactions, and the physical environment, the researcher aims to gain first-hand insight into the organizational culture, leadership practices, and interpersonal relationships that shape the work environment. This observation data will complement the interview findings, providing a holistic understanding of the contextual factors that influence employee performance. Second, semi-structured interviews will be conducted with a sample of employees in the department where the researcher is stationed at PPKS Medan. The interviews will explore employees' perceptions, experiences and perspectives on the work environment, focusing on factors such as organizational culture, leadership effectiveness, job satisfaction and collaboration. By capturing employees' voices and narratives, the interviews will provide valuable insights into individuals' subjective experiences within the organization, highlighting the underlying mechanisms through which the work environment affects employee performance.

4. Results

The findings underscore the significant influence of work environment on employee performance at the Palm Oil Research Center (PPKS) Medan. A positive organizational culture, supportive leadership, and a conducive physical workspace are associated with higher employee satisfaction and productivity. However, challenges such as inadequate resources and communication barriers hinder optimal performance. Strategies to improve the work environment include fostering open communication, providing adequate resources, and encouraging work-life balance.

4.1 Organizational Culture and Employee Performance

From the observation, the researcher found that there is a strong relationship between organizational culture and employee performance in PPKS Medan. A positive and inclusive organizational culture, characterized by transparency, collaboration, and recognition of employee contributions, is associated with higher levels of employee satisfaction and motivation. Employees reported that they felt valued and empowered within a supportive cultural framework, resulting in improved engagement, employee performance, and productivity.

4.2 Workspace Buildings and Employee Performance

This research found that the physical environment of the workplace plays an important role in shaping employee performance. Employees described building details ranging from design, adequate lighting, and comfortable working conditions in increasing productivity and reducing stress levels.

Fitri pointed out that a well-designed workspace is crucial to her creativity as a warehouse admin. "I feel more focused when I am in a clean and organized workspace," she says. "Good lighting and seating also help me stay comfortable while working long hours in front of the computer."

It also appears from the researchers' observations that a well-designed work environment not only improves physical health but also contributes to a positive psychological climate, facilitating creativity and innovation among employees.

4.3 Interpersonal Communication and Employee Performance

Effective communication is identified as a key driver of employee performance. Clear and transparent communication facilitates the exchange of problem-solving information, leading to improved team task performance. Maya explains that effective communication is essential in her job as a warehouse data analyst. "I often coordinate with the development team to understand the data needs of the warehouse," she says. "Clear communication helps me obtain the necessary information and ensures that the results of my analysis are relevant and useful to the team."

Based on interviews with employees, researchers found that effective communication and good collaboration play a key role in improving employee performance and overall team productivity. In addition, a positive work culture that supports open communication and mutual respect was also found to be an important factor in improving performance and team cohesion.

4.4 Employees (PPKS Medan)

The discussion of employee performance or employee performance is specifically the employees of PPKS Medan. PPKS Medan employees have rights and obligations as stated in the PPKS Medan company regulations. So that the established working relationship can provide a sense of comfort, so that it affects employee performance or employee performance itself.

Conclusion

Based on previous research conducted by Deris, Susi, Kurniawan (2023), namely on the Effect of Work Environment on Employee Performance at PT Cahaya Petro Energi Palembang, which states that the magnitude of the contribution of the work environment to the performance variable is greater than the work environment than employee performance. This is different from the research that the researchers conducted, that this study concluded that the work environment and employee performance or employee performance at the Palm Oil Research Center (PPKS) Medan including organizational culture, work space, and communication, play a key role or are equally important in shaping employee performance.

The existence of the environment is very important to observe, both employees and superiors need comfort in carrying out their respective rights and obligations. Without good comfort, it affects employee performance in the company.

Suggestions that can be given are the need to improve communication between employees and management, and conduct regular evaluations and obtain feedback from employees to improve quality and also employee performance PPKS Medan.

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