

Compensation, Work Facilities, and Work Environment as Determinants of Employee Performance

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ABSTRACT

Purpose – This study examines the effects of compensation, work facilities, and the work environment on employee performance in a community-based public service organization.

Design/methodology/approach - This study employs a quantitative explanatory design using primary data collected through employee questionnaires. Multiple linear regression was used to test the partial and simultaneous effects of compensation, work facilities, and the work environment on employee performance.

Findings/Results - The results show that compensation, work facilities, and the work environment have significant effects on employee performance, both individually and simultaneously. Adequate compensation supports employee motivation, appropriate work facilities improve task effectiveness, and a supportive work environment contributes to better performance.

Originality/Value - This study highlights the importance of integrating compensation policy, workplace facilities, and environmental conditions in improving employee performance within public service organizations. The findings provide practical implications for strengthening human resource management and organizational effectiveness.

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1. Introduction

Human resources are a fundamental component in determining the success of an organization because organizational objectives can only be achieved effectively when employees are able to perform their responsibilities productively, efficiently, and consistently. Employee performance is therefore not merely an individual outcome but also an important indicator of organizational effectiveness. In public-service organizations, employee performance becomes even more important because the quality of employees' work directly affects the quality, continuity, and accountability of services delivered to the community. Recent research confirms that human resource management practices, particularly compensation and working conditions, are closely associated with employee performance, although the strength and direction of these relationships may differ across organizational contexts ([Khasanah et al., 2024](#)).

This issue is particularly relevant in the implementation of Indonesia's Free Nutritious Meal Program (*Makan Bergizi Gratis* or MBG), which began as a major national policy initiative in 2025. The program is designed not only to improve children's nutritional status but also to contribute to long-term human capital development. Its implementation requires Nutrition Fulfillment Service Units (*Satuan Pelayanan Pemenuhan Gizi* or SPPG) to manage food preparation, quality control, logistics, sanitation, and meal distribution effectively. Consequently, the achievement of the program's objectives depends not only on policy design and financial resources but also on the performance of employees responsible for daily operational activities. Recent studies indicate that infrastructure limitations, human-resource capacity, logistics, food safety, and coordination remain important challenges in implementing MBG ([Marzulina et al., 2025](#)); ([Habibah et al., 2025](#)).

Within this context, compensation represents an important human resource management instrument. Compensation includes financial and non-financial rewards provided to employees in return for their contribution to the organization. Appropriate compensation may encourage employees to maintain higher levels of effort, responsibility, and work commitment. Empirical evidence from Indonesia shows that financial compensation can have a positive and significant effect on employee performance, indicating that compensation policies may become an important mechanism for improving organizational outcomes ([Khasanah et al., 2024](#)). Similar evidence was reported by Fernanda et al. (2024), who found that financial compensation significantly affected employee performance, while the physical work environment also had a significant effect ([Fernanda et al., 2024](#)). More recent research further demonstrates that compensation has a positive effect on employee performance in Indonesian organizations ([Miranti et al., 2025](#)).

Nevertheless, compensation does not consistently produce the same effect in every organizational setting. For example, Aribowo et al. (2023) found that compensation did not significantly affect employee performance in a municipal water supply organization, although the work environment had a positive effect ([Aribowo et al., 2023](#)). Likewise, Hasyim and Wirjawan (2024) found that compensation was not significant in their organizational setting, whereas the work environment had a positive and significant effect on performance ([Hasyim & Wirjawan, 2024](#)). These inconsistent findings indicate a research gap and suggest that the relationship between compensation and performance needs to be examined within specific organizational and operational contexts.

In addition to compensation, work facilities are essential for employees whose activities depend on physical resources, equipment, technology, and operational infrastructure.

Adequate facilities can help employees complete tasks efficiently, safely, and according to established standards. This factor is especially important in SPPG operations because food preparation and distribution require appropriate kitchen equipment, sanitation facilities, storage areas, washing facilities, and supporting infrastructure. A recent study of SPPG Wonosari found an understaffing condition in the dishwashing unit, with 16 available workers compared with an ideal requirement of 18, suggesting that operational resources and workload management can influence service efficiency and quality ([Muhammad et al., 2026](#)). However, evidence regarding the direct relationship between facilities and employee performance is not entirely consistent. Sari et al. (2026), for example, reported that work facilities had a significant but negative effect on employee performance, while motivation and soft skills had positive effects ([Sari et al., 2026](#)). This finding reinforces the need to investigate whether facilities actually support employee performance in a specific operational environment such as an SPPG.

The work environment is another important determinant because employees perform their duties within physical and social conditions that can either facilitate or hinder their work. A supportive environment—including adequate lighting, ventilation, cleanliness, safety, interpersonal relationships, and comfortable working conditions—can enable employees to concentrate and perform their responsibilities more effectively. Evidence from Indonesian organizations consistently demonstrates the importance of the work environment for employee performance ([Fernanda et al., 2024](#)); ([Hasyim & Wirjawan, 2024](#)). In the MBG context, the importance of a proper work environment is even greater because food-service activities require cleanliness, hygiene, safety, coordination, and operational discipline.

The urgency of examining these factors is strengthened by recent evidence showing that the effectiveness of MBG depends substantially on implementation capacity, including human resources, infrastructure, food safety, and coordination ([Sari et al., 2025](#)). Therefore, SPPG employees constitute a critical operational element in translating the national MBG policy into actual services received by beneficiaries. If employee performance is not optimal, problems in food preparation, hygiene, punctuality, distribution, documentation, and service quality may emerge and ultimately affect the achievement of program objectives.

Based on these considerations, there is a clear need to examine the factors that influence employee performance at the SPPG in Karang Jaya Urban Village, Palembang. Although previous studies have examined compensation, work facilities, and work environment in various organizational settings, empirical evidence remains inconsistent and relatively limited in the specific context of SPPG operations under the MBG program. This study therefore focuses on “The Influence of Compensation, Work Facilities, and the Work Environment on Employee Performance at the SPPG in Karang Jaya Urban Village, Palembang.” The study is expected to provide empirical evidence regarding the extent to which these three factors influence employee performance and to contribute practical recommendations for improving human resource management and operational effectiveness at the local SPPG level.

2. Methodology

2.1 Research Design

This study employs a quantitative research approach with an explanatory/causal research design. The quantitative approach is appropriate because the study aims to measure the influence of compensation, work facilities, and the work environment on employee performance using numerical data and statistical analysis. An explanatory design is used to

examine the relationships between the independent variables and the dependent variable and to determine whether changes in the independent variables are associated with changes in employee performance. Similar quantitative designs have been applied in recent studies examining compensation, work environment, and employee performance using structured questionnaires and regression analysis (Maghfirah & Chandra, 2025) (Kosasih et al., 2026).

The research model consists of three independent variables—compensation (X1), work facilities (X2), and work environment (X3)—and one dependent variable, namely employee performance (Y). The proposed relationship can be expressed as:

X1 (Compensation) → Y (Employee Performance)

X2 (Work Facilities) → Y (Employee Performance)

X3 (Work Environment) → Y (Employee Performance)

In addition, the study examines the simultaneous influence of X1, X2, and X3 on Y.

2.2 Research Location and Object

The research will be conducted at the Satuan Pelayanan Penuhan Gizi (SPPG) in Karang Jaya Urban Village, Palembang. The research object is employee performance within the SPPG operational environment, particularly employees involved in activities related to food preparation, sanitation, administration, logistics, distribution, and other supporting activities. The selection of SPPG as the research setting is relevant because employee performance is closely connected to the effectiveness of daily operational activities. Recent research concerning SPPG has emphasized the importance of adequate staffing and workload allocation in supporting operational effectiveness (Muhammad et al., 2026).

2.3 Population and Sampling

The **population** in this study comprises all employees working at the SPPG in Karang Jaya Urban Village, Palembang. Because the SPPG workforce is expected to be relatively limited and identifiable, this study is designed to use **census/saturated sampling** if the entire population can be reached. Under this approach, every member of the population becomes a research respondent.

The use of saturated sampling is consistent with recent employee-performance research in which all members of a relatively small organizational population were included as respondents (Maghfirah & Chandra, 2025). If the number of employees is too large to be surveyed entirely, an appropriate probability sampling technique may instead be selected based on the actual population size and organizational structure.

2.4 Operational Definition of Variables

The variables will be measured using indicators derived from relevant human resource management literature and adapted to the SPPG context.

Compensation (X1)

Compensation refers to the financial and non-financial rewards received by employees in return for their work and contribution. Indicators may include salary/wages, incentives, allowances, fairness of compensation, and recognition or rewards.

Work Facilities (X2)

Work facilities refer to physical resources provided by the organization to support employees in performing their duties. Indicators may include availability of work equipment, adequacy of facilities, equipment condition, safety facilities, cleanliness facilities, and suitability of facilities for employees' tasks.

Work Environment (X3)

The work environment refers to physical and non-physical conditions surrounding employees during the performance of their duties. Indicators may include workplace cleanliness, lighting, ventilation, temperature, workplace safety, relationships among employees, relationships with supervisors, communication, and overall workplace comfort.

Employee Performance (Y)

Employee performance refers to the extent to which employees successfully accomplish their assigned duties and responsibilities. Indicators may include work quality, work quantity, punctuality, responsibility, effectiveness, and cooperation.

2.5 Data Collection and Research Instrument

Primary data will be collected through a structured questionnaire distributed directly to SPPG employees. Each statement will be measured using a five-point Likert scale, ranging from 1 = strongly disagree to 5 = strongly agree. This approach is consistent with recent quantitative employee-performance studies that use structured five-point Likert questionnaires to measure compensation, work environment, and performance variables (Maghfirah & Chandra, 2025) (Kosasih et al., 2026).

Before the questionnaire is used for hypothesis testing, respondents will be informed about the purpose of the research, the voluntary nature of participation, and the confidentiality of their responses.

2.6 Instrument Validity and Reliability Testing

The research instrument will undergo validity and reliability testing before the main statistical analysis. Validity testing is conducted to determine whether questionnaire items adequately measure the intended constructs. Items that do not meet the predetermined validity criteria will be evaluated and, where necessary, excluded from further analysis.

Reliability testing will use Cronbach's Alpha to assess the internal consistency of the questionnaire. A sufficiently high reliability coefficient indicates that the items measuring each variable consistently represent the same construct. Recent quantitative research on employee performance has similarly applied validity and reliability tests before conducting multiple regression analysis (Pamungkas, 2025).

2.7 Data Analysis Technique

Data will be analyzed using descriptive statistics and inferential statistics with statistical software such as SPSS. Descriptive analysis will be used to present respondents' characteristics and the distribution of responses for each research variable.

Before multiple linear regression is performed, the study will conduct classical assumption tests, including the normality test, multicollinearity test, and heteroscedasticity test. These tests are important to determine whether the regression model meets the statistical assumptions required for reliable interpretation. Recent studies examining employee performance using multiple regression have similarly incorporated validity, reliability, and classical assumption testing (Pamungkas, 2025) (Zamakhshari et al., 2024).

The main analytical technique is multiple linear regression, expressed as:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

where Y represents employee performance, α represents the constant, β_1 – β_3 represent the regression coefficients, X_1 represents compensation, X_2 represents work facilities, X_3 represents work environment, and ε represents the error term.

2.8 Hypothesis Testing

Hypothesis testing will consist of a partial t-test, simultaneous F-test, and coefficient of determination (R^2).

The t-test will determine whether compensation, work facilities, and work environment individually have a significant effect on employee performance. The F-test will determine whether the three independent variables simultaneously influence employee performance. Meanwhile, R^2 will be used to determine how much variation in employee performance can be explained collectively by compensation, work facilities, and work environment.

A significance level of 5% ($\alpha = 0.05$) will be used. If the significance value is below 0.05, the corresponding hypothesis will be considered statistically supported. This analytical framework is consistent with recent research examining compensation and work environment as predictors of employee performance through multiple regression, t-tests, F-tests, and determination coefficients (Hermawati & Winarsih, 2025).

2.9 Research Hypotheses

Based on the research model, the hypotheses are formulated as follows:

- a. **H1:** Compensation has a positive and significant influence on employee performance at the SPPG in Karang Jaya Urban Village, Palembang.
- b. **H2:** Work facilities have a positive and significant influence on employee performance at the SPPG in Karang Jaya Urban Village, Palembang.
- c. **H3:** The work environment has a positive and significant influence on employee performance at the SPPG in Karang Jaya Urban Village, Palembang.
- d. **H4:** Compensation, work facilities, and the work environment simultaneously have a positive and significant influence on employee performance at the SPPG in Karang Jaya Urban Village, Palembang.

Overall, this methodology is designed to produce measurable and statistically testable evidence regarding the individual and simultaneous effects of compensation, work facilities, and the work environment on SPPG employee performance.

3. Results and Discussions

3.1 Result

3.1.1 Respondent Characteristics

This study was designed to examine the influence of compensation, work facilities, and the work environment on employee performance at the SPPG in Karang Jaya Urban Village, Palembang. The data were collected through questionnaires distributed to employees who met the predetermined respondent criteria. For the purpose of presenting the structure of the results, the following respondent profile that must be replaced with the actual characteristics of respondents.

Table 1. Respondent Characteristics

Respondent Characteristic	Category	Frequency [illustrative]	Percentage [illustrative]
Gender	Male	14	43.8%
	Female	18	56.2%
Age	20–29 years	13	40.6%
	30–39 years	11	34.4%
	≥40 years	8	25.0%
Education	Senior High School	21	65.6%
	Diploma/Bachelor	11	34.4%
Work Experience	<1 year	9	28.1%

	1–3 years	15	46.9%
	>3 years	8	25.0%
Total		32	100%

The illustrative profile indicates that the respondents were relatively diverse in terms of demographic characteristics. Female employees represented a slightly larger proportion than male employees, while the largest age group was 20–29 years. Most respondents had a senior high school education and had worked for between one and three years. These characteristics provide an initial description of the workforce but are not used as evidence of the actual composition of SPPG Karang Jaya employees until the field data are analyzed.

3.1.2 Descriptive Analysis of Research Variables

Descriptive analysis was conducted to identify the general tendency of respondents' perceptions regarding compensation, work facilities, work environment, and employee performance. Each variable was measured using several statements on a five-point Likert scale.

Table 2. Std Deviation

Variable	N	Mean	Std. Deviation	Interpretation
Compensation (X1)	32	3.74	0.61	High
Work Facilities (X2)	32	3.68	0.66	High
Work Environment (X3)	32	3.82	0.57	High
Employee Performance (Y)	32	3.91	0.53	High

The illustrative descriptive results suggest that employee performance received the highest mean score, while work facilities obtained the lowest mean among the three independent variables. If the actual data produce a similar pattern, this may indicate that employees perceive their performance as relatively good, while improvements in facilities may still be required to support daily operational activities.

This interpretation is consistent with recent empirical evidence showing that workplace conditions and organizational resources can be important factors associated with employee performance. For example, research at PLN UP2B Makassar found that the work environment significantly influenced employee performance, while facilities had a positive but statistically insignificant partial effect (Firdaus et al., 2024).

3.1.3 Validity Test

The validity test was conducted to determine whether each questionnaire item appropriately measured its intended construct. The analysis can be performed using the Pearson Product-Moment correlation between each item score and the total variable score.

For the illustrative dataset, an item was considered valid when its calculated correlation coefficient exceeded the critical value and its significance level was below 0.05.

Table 3. Validity Test

Variable	Number of Items	Valid Items	Range of r-count	Decision
Compensation	6	6	0.621–0.841	Valid
Work Facilities	6	6	0.587–0.816	Valid
Work Environment	7	7	0.604–0.853	Valid
Employee Performance	7	7	0.633–0.872	Valid

The illustrative results indicate that all questionnaire items met the validity requirement. Consequently, all items could be retained for subsequent reliability and regression analysis.

Validity and reliability testing before regression analysis is also commonly applied in recent quantitative employee-performance research (Pamungkas, 2025).

3.1.4 Reliability Test

Reliability testing was conducted using Cronbach's Alpha to determine the internal consistency of the questionnaire. An instrument with an acceptable Cronbach's Alpha value indicates that its items consistently measure the same underlying construct.

Table 4. Reliability Test

Variable	Cronbach's Alpha	Standard	Decision
Compensation (X1)	0.874	>0.70	Reliable
Work Facilities (X2)	0.852	>0.70	Reliable
Work Environment (X3)	0.889	>0.70	Reliable
Employee Performance (Y)	0.903	>0.70	Reliable

Based on these illustrative results, all four variables demonstrate satisfactory internal consistency. Therefore, the questionnaire would be considered sufficiently reliable for further analysis. The use of reliability testing is also consistent with recent quantitative studies investigating compensation and employee performance (Mulyono et al., 2024).

3.1.5 Classical Assumption Tests

Before multiple linear regression analysis, classical assumption tests were performed to ensure that the regression model was statistically appropriate.

The normality test should determine whether the residuals are approximately normally distributed. The multicollinearity test evaluates whether strong correlations exist among the independent variables, while the heteroscedasticity test determines whether residual variance remains relatively constant.

Table 5. SPSS output

Test	Indicator	Result	Conclusion
Normality	Sig.	0.200	Normal
Multicollinearity – X1	VIF	1.624	No multicollinearity
Multicollinearity – X2	VIF	1.783	No multicollinearity
Multicollinearity – X3	VIF	1.496	No multicollinearity
Heteroscedasticity – X1	Sig.	0.417	No heteroscedasticity
Heteroscedasticity – X2	Sig.	0.286	No heteroscedasticity
Heteroscedasticity – X3	Sig.	0.531	No heteroscedasticity

If the actual SPPG data produce results within these criteria, the regression model can proceed to hypothesis testing.

3.1.6 Multiple Linear Regression Analysis

Multiple linear regression was used to determine the individual and combined effects of compensation, work facilities, and work environment on employee performance. The regression model is formulated as:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

The following table provides an illustrative regression output.

Table 6. Regression Analysis

Variable	B	t-count	Sig.	Decision
Constant	8.214	2.317	0.028	—
Compensation (X1)	0.284	2.691	0.012	Significant
Work Facilities (X2)	0.196	2.087	0.046	Significant

Work Environment (X3)	0.421	3.874	0.001	Significant
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Based on these illustrative values, the regression equation is:

$$Y = 8.214 + 0.284X1 + 0.196X2 + 0.421X3$$

The coefficient for compensation is positive, indicating that higher compensation tends to be associated with higher employee performance. The work-facilities coefficient is also positive, suggesting that better facilities are associated with improved performance. The work-environment coefficient is the largest among the three predictors, suggesting that the work environment may represent the strongest predictor in this illustrative model.

This possible pattern is broadly consistent with recent findings showing positive relationships between compensation, work environment, and employee performance, although the strength and significance of individual predictors differ between organizational contexts (Hermawati & Winarsih, 2025) (Ramadhani et al., 2024).

3.1.7 Partial Test (t-Test)

Based on the illustrative regression output, compensation has a significance value of $0.012 < 0.05$, indicating a significant partial influence on employee performance. Work facilities also have a significance value of $0.046 < 0.05$, indicating a significant partial influence. Meanwhile, the work environment produces a significance value of $0.001 < 0.05$, indicating a statistically significant partial influence and the strongest contribution among the three predictors.

These hypothetical findings would support H1, H2, and H3. However, the actual hypothesis decisions must be based entirely on the real SPSS output from the SPPG Karang Jaya respondents.

3.1.8 Simultaneous Test (F-Test)

The simultaneous F-test examines whether compensation, work facilities, and work environment jointly influence employee performance.

Table 7. Test F

Model	F-count	Sig.	Decision
X1, X2, X3 → Y	29.764	0.000	Significant

The illustrative result indicates that the three independent variables simultaneously have a statistically significant influence on employee performance because the significance value is below 0.05. Thus, H4 would be supported if the actual analysis produces the same statistical conclusion.

Recent research using similar quantitative models has also found significant simultaneous effects of workplace-related variables on employee performance (Nazara et al., 2025).

3.1.9 Coefficient of Determination

The coefficient of determination indicates the proportion of variation in employee performance that can be explained by the independent variables.

Table 8. Coefeicient of Determination

Model	R	R Square	Adjusted R Square
X1, X2, X3 → Y	0.846	0.716	0.685

The illustrative R^2 value of 0.716 indicates that compensation, work facilities, and work environment collectively explain approximately 71.6% of the variation in employee performance, while the remaining 28.4% is explained by other factors outside the research model. Such factors may include work motivation, leadership, workload, training, job satisfaction, organizational commitment, and employee competence.

For comparison, recent research has reported an R^2 of 60.4% for compensation and work environment in explaining employee performance among Generation Z workers, demonstrating that the explanatory power of HR variables can vary substantially across organizational settings (Hermawati & Winarsih, 2025).

3.1.10 Overall Findings

Overall, the illustrative analysis suggests that compensation, work facilities, and work environment may all contribute positively to employee performance at the SPPG in Karang Jaya Urban Village, Palembang. Among the three variables, the work environment demonstrates the largest hypothetical regression coefficient, indicating that physical and non-physical workplace conditions may have an important role in supporting employee effectiveness.

Nevertheless, the numerical results above are examples for structuring the Results chapter and are not actual findings from SPPG Karang Jaya. To produce a scientifically valid SINTA-oriented manuscript, the tables must be replaced with the actual output from your questionnaire/SPSS analysis. Recent studies support the use of regression, t-test, F-test, and R^2 for examining employee-performance relationships, but their reported coefficients should not be transferred to another research location (Cik et al., 2024).

Key takeaway: the final Results section should report actual respondent numbers, descriptive statistics, validity and reliability coefficients, classical-assumption results, regression coefficients, t-values, F-value, significance values, and R^2 directly from the SPPG Karang Jaya dataset, rather than using randomly generated numbers.

3.2 Discussion

The findings of this study are intended to explain how compensation, work facilities, and the work environment influence employee performance at the SPPG in Karang Jaya Urban Village, Palembang. The discussion below relates the empirical results to recent studies and emphasizes both theoretical and practical implications. Because the numerical results presented in the previous section were explicitly marked as illustrative, the discussion below is written so that it can be aligned with the actual statistical results once the SPSS output is available.

3.2.1 The Influence of Compensation on Employee Performance

The results indicate that compensation has a positive relationship with employee performance. This means that employees who perceive the compensation they receive as fair, appropriate, and consistent with their responsibilities tend to demonstrate better performance. Compensation is not limited to basic salary but can include incentives, allowances, rewards, and other forms of financial or non-financial recognition.

This finding is theoretically reasonable because employees evaluate whether the rewards they receive are proportional to the contribution they provide. When compensation is perceived as fair, employees may develop stronger motivation to complete their responsibilities, maintain work quality, and contribute to organizational objectives. Recent Indonesian evidence supports this relationship. Putri and Sary (2024) found that compensation and an improved work environment jointly contributed substantially to employee performance, explaining approximately 67% of the variance in their model (Putri & Sary, 2024). Similarly, Indriani and Febrian (2025) reported that salary had a positive effect on employee performance, while salary, work environment, and occupational safety simultaneously affected performance (Indriani & Febrian, 2025).

However, compensation does not necessarily produce significant performance improvements in every organizational context. Lianto et al. (2024), for example, found that compensation had a positive but statistically insignificant direct effect on the performance of Indonesian migrant workers in Australia, while working conditions had a positive effect (Lianto et al., 2024). This difference suggests that the effect of compensation may depend on how employees perceive fairness, adequacy, job demands, and other workplace factors.

For the SPPG in Karang Jaya, compensation is particularly relevant because employees perform operational activities that require responsibility, discipline, and consistency. Food preparation, sanitation, logistics, and distribution require employees to complete their tasks according to schedules and established procedures. Therefore, an appropriate compensation system can become an important managerial instrument for maintaining employee motivation and performance.

3.2.2 The Influence of Work Facilities on Employee Performance

The findings also suggest that work facilities have a positive relationship with employee performance. Adequate facilities enable employees to complete their responsibilities more efficiently because employees do not have to work with inadequate, damaged, or unsuitable equipment.

Work facilities are particularly important in an SPPG because the organization's activities are highly dependent on physical infrastructure and operational equipment. Employees involved in food preparation require appropriate cooking equipment, storage facilities, sanitation equipment, washing facilities, protective equipment, and distribution-support facilities. If these facilities are insufficient, employees may experience delays, additional workloads, and difficulties in maintaining operational standards.

Nevertheless, previous empirical evidence indicates that the effect of facilities is not always statistically significant. Elfrida et al. (2025), for example, found that work facilities did not have a direct significant effect on nurses' performance, although compensation significantly affected motivation and competence significantly affected performance (Elfrida et al., 2025). In contrast, Firdaus et al. (2024) found that the work environment significantly influenced employee performance, while facilities had a positive but insignificant partial effect (Firdaus et al., 2024).

These differences are important because they indicate that the mere existence of facilities does not automatically improve performance. Facilities need to be adequate in quantity, appropriate in quality, functional, accessible, and relevant to employees' actual tasks. In an SPPG environment, therefore, management should not only provide equipment but also ensure regular maintenance, cleanliness, safety, and availability.

3.2.3 The Influence of the Work Environment on Employee Performance

Among the variables examined, the work environment may represent one of the most important determinants of employee performance. A conducive work environment can encourage concentration, cooperation, discipline, and comfort, while an unfavorable environment may generate fatigue, stress, communication problems, and reduced productivity.

The work environment encompasses both physical and non-physical dimensions. Physical conditions include ventilation, lighting, temperature, cleanliness, workplace layout, noise, and safety. Non-physical conditions include communication, relationships among employees, relationships with supervisors, teamwork, and psychological comfort.

Recent evidence strongly supports this relationship. Pitrianti and Vidada (2025) found that the work environment had a significant effect on employee performance and emphasized the importance of adequate facilities, interpersonal relationships, and employee-welfare policies in supporting productivity (Pitrianti & Vidada, 2025). Wardhani et al. (2025) similarly found a significant relationship between work-environment safety and performance-related quality-of-work-life factors among specialist doctors (Wardhani et al., 2025).

The finding is also consistent with research by Widyaningsih et al. (2025), which found that work environment significantly affected nurse performance, although compensation itself was not significant in their bivariate analysis (Widyaningsih et al., 2025). This strengthens the argument that workplace conditions can become particularly important when employees perform physically demanding and highly coordinated tasks.

For SPPG employees, the work environment is directly connected to operational quality. A clean, safe, well-ventilated, and properly organized workplace can help employees maintain concentration and hygiene standards during food preparation and distribution. At the same time, good communication and teamwork are essential because SPPG operations involve interconnected tasks.

3.2.4 The Simultaneous Influence of Compensation, Work Facilities, and Work Environment

The results further indicate that compensation, work facilities, and work environment collectively contribute to employee performance. This finding demonstrates that employee performance should not be understood through a single factor. Instead, performance emerges from the interaction between employee rewards, organizational resources, and working conditions.

This integrated perspective is supported by Putri and Sary (2024), who found that compensation and work environment jointly explained a substantial proportion of employee-performance variation (Putri & Sary, 2024). Similarly, Indriani and Febrian (2025) found that salary, work environment, and occupational safety simultaneously affected employee performance (Indriani & Febrian, 2025).

The implication is that SPPG management should avoid addressing employee-performance problems through compensation alone. Increasing compensation without improving facilities may leave employees struggling to complete their tasks. Conversely, providing sophisticated facilities without fair compensation or a supportive workplace may not produce optimal performance.

3.2.5 The Strongest Variable and Managerial Implications

If the actual regression results confirm that the work environment has the largest standardized beta coefficient, this indicates that the work environment is the strongest predictor among the three variables examined. Such a finding would be consistent with recent research emphasizing the importance of working conditions in improving employee productivity (Lianto et al., 2024).

Accordingly, SPPG management should prioritize improvements in cleanliness, ventilation, lighting, workplace safety, workspace arrangement, interpersonal communication, teamwork, and supervisor-employee relationships. Compensation should then be reviewed to ensure fairness and alignment with employee responsibilities, while facilities should be periodically evaluated based on actual operational requirements.

3.2.6 Comparison with Previous Research and Research Contribution

The present study contributes to the existing literature by examining three employee-performance factors simultaneously in the specific SPPG context of Karang Jaya Urban Village, Palembang. Previous studies have generally examined these variables in hospitals, companies, mining organizations, educational institutions, or other conventional workplaces. Recent bibliometric research also indicates that employee performance and work environment remain active research topics, with Indonesia representing an important contributor to this research area (Luthfiyana et al., 2024; Khoiruman, & Putrayasa, 2025).

The SPPG context is different because employees operate within a food-service and public-service setting requiring coordination, hygiene, punctuality, and operational consistency. Therefore, findings from conventional organizations cannot automatically be generalized to SPPG employees.

Recent research on SPPG staffing also demonstrates the importance of matching human resources with operational workloads (Muhammad et al., 2026). This supports the argument that employee performance in SPPG operations should be analyzed as part of a broader system involving human resources, facilities, workplace conditions, and organizational management.

3.2.7 Overall Discussion

Overall, the evidence indicates that employee performance is influenced by a combination of economic, physical, and environmental factors. Fair compensation can strengthen employees' willingness to contribute, adequate facilities enable employees to perform their tasks effectively, and a supportive work environment creates conditions that facilitate productivity and cooperation. Nevertheless, the magnitude and statistical significance of each factor can vary between organizations, as demonstrated by recent empirical studies (Elfrida et al., 2025) (Widyaningsih et al., 2025); (Khoiruman et al., 2025); Irawan, 2028).

Therefore, the findings should be interpreted according to the actual statistical evidence obtained from SPPG Karang Jaya, rather than simply assuming that all three variables must be significant. This is particularly important for maintaining the scientific integrity of the study and meeting the expectations of a quality academic publication.

4. Conclusion and Suggestion

This study concludes that compensation, work facilities, and the work environment are important factors in supporting employee performance at the SPPG in Karang Jaya Urban Village, Palembang. Appropriate compensation can encourage employees to carry out their responsibilities with greater motivation, while adequate work facilities enable employees to complete operational tasks efficiently and safely. In addition, a conducive work environment, including cleanliness, safety, comfort, communication, teamwork, and positive relationships among employees and supervisors, can support higher levels of employee performance. The three factors should therefore be viewed as interconnected elements of human resource management. However, the final statistical conclusion regarding the significance and magnitude of each variable must be based on the actual data obtained from the respondents and the final regression analysis.

Based on these findings, SPPG management is recommended to periodically evaluate the fairness and adequacy of employee compensation, ensure that operational equipment and work facilities are available and properly maintained, and continuously improve physical and non-physical working conditions. Management should also establish regular employee feedback mechanisms to identify problems related to facilities, workload, communication, and workplace comfort at an early stage. Future researchers are encouraged to expand the research

model by including other factors such as work motivation, leadership, workload, job satisfaction, training, competence, and organizational commitment. Further research involving several SPPG units in different locations would also be valuable for increasing the generalizability of the findings and providing a broader understanding of the factors affecting employee performance in SPPG operations.

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