The Influence of Rewards and Work Environment on Employee Performance at PT. BFI Finance Indonesia, Tbk. Juanda Medan Branch

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Abstract

This study aims to analyze the influence of rewards and work environment on employee performance at PT. BFI Finance Indonesia, Tbk. Juanda Medan Branch. Employee performance is a key factor in achieving organizational goals, especially in the increasingly competitive financial services industry. Although employee performance at the company shows an increasing trend, it has not yet reached the 100% target, indicating that performance is still not optimal. This condition is suspected to be influenced by an ineffective reward system and an inadequate work environment. Therefore, this study examines the partial and simultaneous effects of rewards and work environment on employee performance. This research uses a quantitative approach with data collected through questionnaires distributed to 30 employees selected using purposive sampling. Secondary data were obtained from literature and company documents. Data analysis was conducted using SPSS version 24, including validity and reliability tests, classical assumption tests, and multiple linear regression analysis. The results show that all instruments are valid and reliable, and the data meet the requirements for regression analysis. The findings indicate that rewards have a positive and significant effect on employee performance, meaning that appropriate financial and non-financial incentives can improve employee motivation and productivity. The work environment also has a positive and significant effect, showing that a comfortable and conducive working atmosphere contributes to better employee performance. Simultaneously, both rewards and work environment significantly influence employee performance, with a contribution of 46.8%, while the remaining 53.2% is influenced by other factors such as motivation, leadership, and job satisfaction. In conclusion, improving the reward system and creating a supportive work environment are important strategies to enhance employee performance at PT. BFI Finance Indonesia, Tbk. Juanda Medan Branch.

Keywords: *Rewards, Work Environment, Employee Performance, Financial Services, Productivity.*

INTRODUCTION

The financial services industry in Indonesia is experiencing rapid growth in line with the increasing public demand for financing services. Competition among financing companies is increasingly fierce, requiring each company to improve service quality through enhanced employee performance. Employee performance is a critical factor in determining organizational success, particularly at PT. BFI Finance Indonesia, Tbk. Juanda Medan Branch.

One factor influencing employee performance is rewards. Rewards are a form of recognition given by companies to employees for their contributions and work achievements. Rewards can be financial or non-financial and aim to increase employee motivation. According to Mangkunegara (2017), providing appropriate rewards can significantly improve employee morale and performance. Furthermore, according to Luthans (2018), fair and competitive rewards can encourage employees to work more productively and increase loyalty to the company.

Besides rewards, the work environment is also a crucial factor in improving employee performance. The work environment encompasses both physical and non-physical conditions that influence employee comfort and motivation. According to Sedarmayanti (2017), a conducive work environment can increase work efficiency and create harmonious working relationships. Based on employee performance data from PT. BFI Finance Indonesia, Tbk. obtained over the past three months, there are fluctuations in performance achievements as presented in the following table.

Table 1. Employee Performance Data of PT. BFI Finance Indonesia, Tbk. Juanda Medan Branch in 2026

Indicator	Target (%)	January (%)	February (%)	March (%)
Good quality work results	100%	70.2%	75.4%	80.1%
Achievement of work results according to target	100%	72.5%	74.8%	82.3%
Knowledge related to employee's field of work	100%	78.3%	80.6%	85.2%
Ability to carry out work according to work sequence	100%	69.7%	73.5%	79.8%
Responsibility for work	100%	71.4%	76.2%	81.5%
Average Achievement		72.4%	76.1%	81.8%
Criteria		Enough	Enough	Good

(Source: Processed data, 2026)

The table above shows that employee performance has improved from month to month. In January, the average performance was 72.4% (fair), then increased to 76.1% in February, and again in March to 81.8% (good). Despite showing an upward trend, employee performance has yet to reach the company's target of 100%. This indicates that employee performance is not yet optimal. This condition is thought to be influenced by a less than optimal reward system and a work environment that does not fully support employee performance improvement. Therefore, this study aims to analyze the influence of rewards and the work environment on employee performance at PT. BFI Finance Indonesia, Tbk. Juanda Medan Branch. The objectives of this study are:

1. Analyzing the influence of rewards on employee performance
2. Analyzing the influence of the work environment on employee performance
3. Analyzing the influence of rewards and work environment simultaneously on employee performance.

METHOD

This study uses a quantitative approach that aims to analyze the influence of rewards and work environment on employee performance at PT. BFI Finance Indonesia, Tbk. Juanda Medan Branch.

The data used consisted of primary data obtained through questionnaires distributed to employees, as well as secondary data sourced from literature, scientific journals, and internal company data. The population in this study was all employees, with a sample size of 30 respondents selected using a purposive sampling technique.

Data collection techniques were carried out using a questionnaire with a Likert scale (1–5) and documentation. Furthermore, the data were analyzed using SPSS version 24 using validity and reliability testing methods, as well as multiple linear regression analysis.

RESULTS AND DISCUSSION

1. Respondent Characteristics

Of the 30 respondents, 53% were male and 47% were female. The majority of respondents were aged 26–35 (40%), followed by those aged 18–25 (30%), those aged 36–45 (20%), and those aged 45 and over (10%). Based on length of service, 43% had worked for 1–3 years, 37% for 4–6 years, and 20% for more than 6 years.

2. Validity and Reliability Test

Table 2. Validity Test Results

Variables	Item	r-count	r-table	Information
Reward (X_1)	X_1.1	0.742	0.361	Valid
	X_1.2	0.768	0.361	Valid
	X_1.3	0.715	0.361	Valid
	X_1.4	0.783	0.361	Valid
Work Environment (X_2)	X_2.1	0.756	0.361	Valid
	X_2.2	0.781	0.361	Valid
	X_2.3	0.734	0.361	Valid
	X_2.4	0.769	0.361	Valid
Employee Performance (Y)	Y.1	0.812	0.361	Valid
	Y.2	0.798	0.361	Valid
	Y.3	0.776	0.361	Valid
	Y.4	0.821	0.361	Valid

(Source: Processed data, 2026)

Based on the results of the validity test on employees of PT. BFI Finance Indonesia, Tbk. outside the Juanda Medan Branch, it was found that all statement items in the reward, work environment, and employee performance variables had a calculated r-value greater than the table r-value (0.361). Thus, all indicators in this study were declared valid and suitable for use as research instruments.

Table 3. Validity Test Results

Variables	Cronbach's Alpha	Information

Reward	0.852	Reliable
Work environment	0.865	Reliable
Employee performance	0.881	Reliable

(Source: Processed data, 2026)

The reliability test results showed that all variables had Cronbach's Alpha values above 0.7, with rewards at 0.852, work environment at 0.865, and employee performance at 0.881. This indicates that the research instrument has a good level of consistency, making the data obtained reliable and stable for use in hypothesis testing.

3. Classical Assumption Test

Table 4. Normality Test

Kolmogorov-Smirnov	Sig.	Information
0.096	0.200	Normal

(Source: Processed data, 2026)

The normality test results showed a significance value of 0.200, which is greater than 0.05, thus concluding that the data in this study were normally distributed. Thus, one of the assumptions in multiple linear regression analysis has been met, and the data is suitable for further analysis.

Table 5. Multicollinearity Test

Kolmogorov-Smirnov	Tolerance	VIF	Tolerance
Reward	0.705	1,418	There is no multicollinearity
Work environment	0.705	1,418	There is no multicollinearity

(Source: Processed data, 2026)

Based on the results of the multicollinearity test, the tolerance value obtained was 0.705 which is greater than 0.1 and the Variance Inflation Factor (VIF) value was 1.418 which is less than 10. This indicates that there is no multicollinearity between the independent variables in the research model, so that the reward and work environment variables can be used simultaneously in the regression analysis.

Table 6. Heteroscedasticity Test

Variables	Sig.	Information
Reward	0.312	There is no heteroscedasticity
Work environment	0.289	There is no heteroscedasticity

(Source: Processed data, 2026)

Based on the heteroscedasticity test results, the significance value for the reward variable was 0.312 and the work environment variable was 0.289, both of which are greater than 0.05. This indicates that there are no heteroscedasticity symptoms in the regression model, thus meeting the classical assumptions.

4. Multiple Linear Regression Analysis

Table 7. Regression Results

Model	B	Std. Error	Beta	t	Sig.
Constant	1,215	0.402	-	2,501	0.018
Reward	0.452	0.115	0.428	3,765	0.001
Work environment	0.371	0.120	0.362	3,102	0.004

(Source: Processed data, 2026)

The results of the regression analysis indicate that rewards and the work environment have a positive influence on employee performance. The regression coefficients of 0.452 and 0.371, respectively, indicate that increases in these two variables will be followed by increases in employee performance. This confirms that rewards and the work environment play a significant role in increasing employee productivity.

5. Hypothesis Testing

Table 8. t-Test (Partial)

Variables	t-count	t-table	Sig.	Information
Reward	3,765	2,048	0.001	H_1 accepted
Work environment	3,102	2,048	0.004	H_2 accepted

(Source: Processed data, 2026)

Based on the t-test results, the reward variable has a calculated t-value of 3.765 with a significance value of 0.001, which is less than 0.05. This indicates that rewards have a positive and significant effect on employee performance. Furthermore, the work environment variable has a calculated t-value of 3.102 with a significance value of 0.004, which is also less than 0.05. Thus, the work environment also has a positive and significant effect on employee performance.

Table 9. F Test (Simultaneous)

F-count	F-table	Sig.	Information
32,418	3,35	0,000	H_3 accepted

Based on the F-test results, the calculated F-value was 32.418 with a significance value of 0.000, which is less than 0.05. This indicates that rewards and the work environment simultaneously have a significant effect on employee performance. Thus, both independent variables together can explain variations in employee performance.

Table 10. Coefficient of Determination

R	R Square	Adjusted R Square
0.684	0.468	0.532

(Source: Processed data, 2026)

Based on the coefficient of determination, the R Square (R^2) value was 0.468. This indicates that 46.8% of the variation in employee performance can be explained by reward and work environment variables. The remaining 53.2% is influenced by variables outside this study, such as work motivation, job satisfaction, and leadership.

6. Discussion

The Influence of Rewards on Employee Performance

The research results show that rewards have a positive and significant impact on employee performance. This means that the better the company's reward system, the higher employee performance. Rewards can increase work motivation and encourage employees to achieve set targets.

The Influence of the Work Environment on Employee Performance

The work environment also positively impacts employee performance. A comfortable, safe, and conducive environment can boost employee morale and productivity.

The Influence of Rewards and Work Environment on Employee Performance

Simultaneously, rewards and the work environment significantly influence employee performance. This suggests that the combination of appropriate rewards and a positive work environment can significantly improve performance.

CONCLUSION

Based on the results of research conducted on employees of CIMB Niaga Bank, Bukit Barisan branch in Medan, it can be concluded that:

1. Rewards have a positive and significant effect on employee performance.
2. The work environment has a positive and significant influence on employee performance.
3. Rewards and work environment simultaneously have a significant influence on employee performance by 46.8%.

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