

## **ABSTRACT**

**(ANDRE CHANDRA / 2000861201005 / 2024 / THE INFLUENCE OF COMPENSATION AND PHYSICAL WORKING ENVIRONMENT ON EMPLOYEE PERFORMANCE AT PT. FELIICIA BINTANG SAMUDERA JAMBI CITY/ LECTURER I HJ. RENI DEVITA, SE, MM. / LECTURER II GUPRON, S.KOM, M.KOM. )**

*Compensation and the physical work environment play a very important role in employee performance. Therefore, the aim of this research is to describe compensation, physical work environment and employee performance at PT. Feliicia Bintang Samudera Jambi City, as well as analyzing the influence of compensation and the physical work environment on employee performance at PT. Feliicia Bintang Samudera Jambi City simultaneously and partially.*

*The research method in this research is descriptive and quantitative. Distribution of questionnaires with the total population in this study being all employees at PT. Feliicia Bintang Samudera Jambi City in 2023 is 103 people, so the formula used to find samples is according to Sarwono (2012:24) so that the samples involved in this research are all employees at PT. Feliicia Bintang Samudera Jambi City. The research numbered 51 respondents. Data analysis uses SPSS Ver 23 and uses a multiple linear regression model with the calculation results  $Y = a + b_1.X_1 + b_2.X_2 + e$ .*

*Multiple linear regression model with results  $Y = 0.489 + 0.309X_1 + 0.412X_2 + e$ . The Compensation regression coefficient ( $X_1$ ) is 0.309 and the Physical Work Environment regression coefficient ( $X_2$ ) is 0.412.*

*Coefficient of determination = R square ( $R^2$ ) of 0.518. This figure states that the Compensation ( $X_1$ ) and Physical Work Environment ( $X_2$ ) variables are able to explain the Employee Performance ( $Y$ ) variable by 51.8% and the remaining 48.2% is explained by other factors. .*

*Compensation ( $X_1$ ) and physical work environment ( $X_2$ ) simultaneously have a significant effect on the Employee Performance variable ( $Y$ ). Compensation ( $X_1$ ) and Physical Work Environment ( $X_2$ ) partially have a positive and significant effect on Employee Performance ( $Y$ ).*

**Keywords: Compensation, Physical Work Environment, Performance**