

THE EFFECT OF EDUCATION LEVEL, TENURE AND WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE AT COMPANY X

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Abstract – *This study aims to determine how the effect of education level, tenure, and work environment on employee performance at PT X. Population with purposive sampling method. The sample is permanent employees totaling 50 people. Primary data collection in the form of questionnaires and interviews. Data were analyzed using multiple linear regression statistical methods. The results showed that (1) the education level variable had no significant effect on employee performance; (2) the tenure variable had a positive and significant effect on employee performance; (3) the work environment had a positive and significant effect on employee performance.*

Keywords: : education level, tenure, work environment, and employee performance.

I. INTRODUCTION

Organizations continue to change along with business development and competition. Companies with superior and quality human resources determine the quality of the company in the future. Human resources are the most important capital that plays a role in utilizing all economic resources available in an organization. (Sarumaha, 2022). Every organization is formed to be able to achieve its goals. Qualified and high-performing human resources are needed to achieve organizational goals and are expected to work in line with the vision and mission of the organization, be able to read the development of global trends, and translate them into various strategies to accelerate goal achievement.

In a competitive and dynamic work environment that adapts to the times, companies need high-performing employees. One of the factors that influence the success rate of an organization is the performance of its employees. Employee performance is an action taken by employees in carrying out Putri Lestari – Perbanas Insitute Jakarta the work given by the company. Every company always expects its employees to have achievements, because having outstanding employees will make an optimal contribution to the company. In addition, by having outstanding employees the company can improve the performance of its company (Mesak Y et al., 2022, n.d.)

According to (Onsardi & Fintariasari, n.d.), Performance is the performance shown in doing a job individually or in a group in an institution or organization, in accordance with the authority and responsibility of each in achieving the goals of the institution or organization. The expected performance is the ultimate goal of an activity carried out by an institution or organization. Performance can take the form of managerial performance and individual performance.

One measure of the quality of an employee's work is the level of performance. Employee performance is considered a measure of business success because the higher the level of employee performance, the higher the company's profits and performance. To maintain and improve the quality of employee work, companies need to understand the factors that affect employee performance. One of the factors that affect employee performance is the level of education.

The level of education can affect the ability and knowledge of employees which in turn can affect their performance in carrying out their duties. According to (Miranti & Yacoub, n.d.), the education passed by employees is very influential in determining their personality. With the provision of education owned, employees will be able to deal with the problems faced related to their profession. Employees who have good education can be used as future development because without education it is difficult for someone to develop and will indirectly make it difficult for the company to develop.

Education prepares a person to have knowledge, recognize, and build systematic thinking skills in order to be able to overcome difficulties that will be faced in future life. (Asari & Yahdiani, 2023).

The National

Education System Law No. 20/2003 explains that education level indicators consist of education levels and suitability of majors. The level of education is the stage of education that is determined based on the level of development of students, the goals to be achieved, and the abilities to be developed, which consists of:

- 1) Basic Education,
- 2) Secondary Education, and
- 3) Higher Education (Fajar Istinganah et al., 2020)

Apart from the level of education, tenure can also be a factor that affects employee performance. Employees who have more experience in their work will more easily understand, perfect and improve the quality of their performance, so that it can also have a positive effect on the quality of the company. The third component that can affect employee performance is the work environment. A pleasant work environment can inspire employees and help them complete their assigned tasks. A favorable work environment, supported by coworkers and superiors, allows you to do just that.

Company X is a corporation that is now a leading diversified investment company in Indonesia established since 2000 and engaged in various fields. Starting from field exploration for resources, trading and coal production, energy services, energy infrastructure, logistics, mineral exploration, to renewable energy built for Indonesia's future, namely green business. Company X is committed to supporting Indonesia's dream of "net zero emission" by 2060. In order to support Company X's business and commitment, it needs human resources that are in line with the company's goals. As a holding company, Company X is run by experienced human resources with a long tenure.

Qualified human resources with higher education will affect their performance. With this education, an employee is able to complete the assigned tasks. High education will determine the placement of the right person in the right place. In education there is a process that continues to run and not just for a moment. However, education can also be interpreted as an effort to improve general knowledge and mastery of theory to solve problems related to activities to achieve organizational goals. It is

customary that many employees are motivated to continue their education to a higher level in order to be promoted or move up to get a bigger salary or incentive. (Ariono, 2017).

Besides the level of education, employee tenure also needs to be considered in employee performance. If employees have a long tenure, it will have an impact on the performance that will be given to the company (Miranti & Yacoub, n.d.) 2017. The working period is the time that has been taken while working in a company. The working period produces lessons and experiences because there have been many events that have been passed while working in the company.

According to (Sitorus 2009) dalam (Daud, A. F., 2022), The longer an employee works in a company, the higher his desire to continue to improve his performance because an employee who has enough work experience will have a lot of work experience so that he has the ability to adjust to his job and work environment quickly. If a problem is found at work, an employee who has sufficient tenure will also have the ability to complete the task quickly.

Work experience is a measure of the length of time or tenure that a person has taken in understanding the duties of a job and has carried it out properly. The more extensive a person's work experience, the more skillful a person is in acting to achieve predetermined goals. Some dimensions to determine whether someone is experienced or not are as follows: a. Length of time or period of work, b. Skills possessed, c. Mastery of the job ((P., Basyit, A et al., 2020)

In addition to the level of education and length of service, it is also necessary to pay attention to the employee's work environment. According to (Siregar, n.d.), The work environment is everything that is in the workspace around workers and affects their work. The work environment has a big influence on employee performance, so every organization or company must pay attention to the work environment.

The work environment is a place where employees carry out activities every day. A conducive work environment provides a sense of security and allows employees to work optimally. The work environment can affect employee emotions. If the employee likes the work environment where he works, then the employee will feel at home in his workplace, doing activities so that working time is used effectively. The work environment includes working relationships formed between fellow employees and working relationships between subordinates and superiors and the physical environment where employees work (Siregar, n.d.)

If the work environment is in accordance with employee expectations, it will have a good impact on their performance and the company's predetermined goals can be achieved. The work environment is also a factor that affects employee performance. One way to measure the effect of a good work environment on employee performance is to look at the work environment. Good working relationships between each employee, superiors and subordinates, and adequate facilities and infrastructure are signs of a good working environment for employees. In contrast, a bad work environment can cause employees to feel stressed, lackluster and often arrive late.

Therefore, the author wants to study, test and seek further information whether there are : (1). Effect of education level (X1) on employee performance (Y) in company X (2) Effect of tenure (X2) on employee performance (Y) in company X (3) The influence of the work environment (X3) on employee performance (Y) in company X (4) Effect of education level (X1), length of service (X2), Work environment (X3) together on employee performance (Y) in company X.

II. METHODS

a. Sampling Methods

The sampling method in this research is purposive sampling, where the sampling is based on the conditions determined by the researcher. These conditions are:

1. The sample is employees at company X.
2. Samples are employees with staff, manager, VP, SVP positions at company X.
3. Samples are employees with permanent employee status.
4. Samples are employees with a minimum tenure of 1 month - 20 years and above.

b. Data Type and Source

Types of data on research variables, which are divided into three types of subjective data in the form of opinions, opinions from respondents, physical data and documentary data. In addition, data types can also be divided into two, qualitative data and quantitative data (Sugiyono, 2014). Quantitative data, which uses data expressed in numerical form. The data source used in this research is secondary data so that the data to be used is obtained in the form of a questionnaire report. Quantitative data is data in the form of numbers or qualitative data that is scaled / scoring.

c. Data Collection Methods

Data This research uses quantitative data collection methods through:

1. The instrument used in this study was a questionnaire. The questionnaire data collection method is data collection through several written questions submitted to respondents. The answers given by respondents in this study were then scored with reference to the Likert scale.
2. Interview used to collecting data with questionnaires, researchers also collected data through interview techniques which were carried out directly by researchers carefully through communication in the form of dialog with related respondents which aimed to obtain the information needed.

d. Data Processing and Analysis Methods

Data analysis methods or techniques are adjusted to the research objectives, research variables, types and sources of data. Before choosing a data analysis technique, it is necessary to identify the fulfillment of the basic assumptions of the chosen analysis technique. There are several stages that need to be done before processing data, such as: data selection (screening), identification of extreme values (outliers), data completeness, and statistical description.

According to Kuncoro (2011), Based on the research questions and characteristics or owned, usually data analysis techniques are categorized into:

1. Descriptive study
2. Relationship (association) between variables
3. Causal relationships and regression analysis
4. Forecasting
5. Group membership prediction
6. Structure
7. Input-output analysis
8. Optimization

e. Analysis Methods

The analysis methods used in this research is:

- 1). Descriptive analysis aims to analyze the characteristics of data derived from respondents' answers. In this analysis the author will describe the situation and condition of the data including, among others, the average (MEAN), Standard Deviation, Frequency, slope, skewness, and normal distribution test for each variable X1, X2, X3 dan Y
- 2). Verificative analysis (multiple regression) useful for finding the influence between variables, in this study, independent variables. The independent variables are X1, X2, X3 on the dependent variable Y. The equation used in this study is multiple regression as follows :

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Organizational Performance = a+ b1 Education Level + b2 Length of Service + b3 Work Environment

Y is the performance variable X1 is Education Level

X2 is Length of Service X3 is Work Environment A is a constant

b1 and b2 is the regression coefficient e is the error (residual) variable

e. Statistical Hypothesis

Statistical hypothesis testing with the following research hypothesis:

H0, b1 < 0, There is no positive effect of education level partially on employee performance.

H1, b1 > 0, There is a partial positive effect of education level on employee performance.. H0,b2< 0, There is no positive effect of length of service partially on employee performance.

H1, b2 > 0 , There is a partial positive effect of length of service on employee performance.

H0,b2< 0, There is no positive effect of the work environment partially on employee performance.

H1, b2 > 0 , There is a partial positive effect of the work environment on employee performance.

H0, b1, b2, b3 = 0, There is no simultaneous influence of education level, tenure and work environment on employee performance.

H1, b1, b2 ≠ 0 , One of the coefficients , b1, b2, b3 or the level of education, tenure and work environment are not equal to zero or there is an influence.

III. RESULTS AND DISCUSSION

In this section, the research is still conceptual and focuses on developing a theoretical framework. There are several literature reviews regarding research such as Education Level, Tenure, Work Environment and Employee Performance to support research. In addition, a conjecture or hypothesis of this research is also made as a reference which will then be developed and proven by the author using the research methods described.

Below are temporary research results that have not been processed by research methods. This data is obtained using interview techniques and the data is grouped based on the level of education and tenure of employees as follows:

Table 1. Company X Employee Data by Education Level and Position

No.	Position	SMA	DIII	S1	S2	Total
1	Junior Staf	1				1
2	Senior Staf			6		6
3	Supervisor		2	9	1	12
4	Manager			5	8	13
5	Senior Manager			2	6	8
6	Vice President				3	3
7	Senior Vice President			1	6	7
	Grand Total	1	2	23	24	50

Based on Table 4.1, it can be seen that company X has 50 employees consisting of 1 high school education or equal to 2%, 2 diplomas or equal to 4%, 23 people or equal to 46% and 24 people or equal to 48%. There are 6% of employees who have not met the standard employee education qualifications, namely at least S1.

Table 2. Company X Employee Data by Education Level and Position

Position	Length of Service				Total
	<1	1-5	5-10	10-24	
Junior Staf				1	1
Senior Staf		3		3	6
Supervisor	1	2	1	8	12
Manager	3	3	1	6	13
Senior Manager	2	3		3	8
Vice President		1		2	3
Senior Vice President		1	1	5	7
Total	6	13	3	28	59

Based on Table 4.2, it can be seen that the work period <1 year amounted to 6 people or equal to 12%, the work period of 1-5 years amounted to 13 people or equal to 26%, the work period of 5-10 years amounted to 3 people or equal to 6% and the work period of 10-24 years amounted to 28 people or equal to 56%. This shows that the average employee at company X has a fairly long tenure with a percentage of 56%.

IV. CONCLUSION

This study aims to determine and analyze the effect of education level, tenure and work environment on employee performance at Company X. The population plan to be used is Company X employees

totaling 50 people. The method used in this research is descriptive quantitative using a Likert scale. Primary data collection using google forms. Data processing is done using IBM SPSS Statistic.

Temporary results based on concrete data that has not been processed by research methods, based on Table 4.1 it can be seen that company X has a total of 50 employees consisting of 1 high school education or equal to 2%, Diploma 2 people or equal to 4%, Bachelor 23 people or equal to 46% and Master 24 people or equal to 48%. There are 6% of employees who have not met the standard employee education qualifications, namely at least S1.

Then based on Table 4.2, it can be seen that the work period <1 year amounted to 6 people or equal to 12%, the work period of 1-5 years amounted to 13 people or equal to 26%, the work period of 5-10 years amounted to 3 people or equal to 6% and the work period of 10-24 years amounted to 28 people or equal to 56%. This shows that the average employee at company X has a fairly long tenure with a percentage of 56%.

However, this research has not yet produced data that has been tested and developed with predetermined research methods. The author hopes that this conceptual research design can provide an overview and can be developed for further research.

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