THE EFFECT OF COMPENSATION, LEADERSHIP STYLE, WORK ENVIRONMENT ON EMPLOYEE LOYALTY OF PT ELDORA ENTERTAINMENT

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Abstract:
This study aims to analyze the effect of compensation, leadership style, and work environment on employee loyalty at PT Eldora Entertainment. In addition, this study aims to provide information and input to Human Resources Managers to provide additional insight about the importance of good management so that it will improve the performance and loyalty of PT Eldora Entertainment employees. The data analysis technique uses multiple linear regression analysis and uses the SPSS version 25 program. The data in this study used primary data in the form of questionnaires distributed to employees of PT Eldora Entertainment. The data analysis technique used is a quantitative method where the results are expressed in numbers. The results obtained that compensation can really make employees more enthusiastic to work and also increase their work loyalty. Leadership style has a positive and significant effect on work loyalty because the work environment has a positive and significant effect on employee loyalty because a comfortable workplace will make them feel calm while working.

Keywords: Compensation, Leadership Style, Work Environment, Employee Loyalty.

INTRODUCTION

In simple terms, what is meant by Human Resources is power sourced from humans. Power sourced from humans can also be called power or power (energy or power). Power, power, capability, or steam power, wind power, solar power. If used on humans with the term manpower in Indonesia, it is interpreted as “labor” not human labor as in the word Ministry of Manpower, not the Ministry of Human Labor.

Human resource management is a management function related to recruitment, placement, training and development of organizational members. Human resource management can be defined as the process and effort to recruit, develop, motivate and evaluate the overall human resources needed by the company in achieving its goals. This understanding includes starting from choosing anyone who has the qualifications and deserves to occupy a position in the company as required by the company to how this qualification can be maintained and even improved and developed over time.

HRM (Human Resource Management) is the science and art of managing the relationship and role of the workforce efficiently and effectively so as to achieve the common goals of the company, employees and society. There are several reasons why human resource management is placed in the organizing section. (1) the activities carried out in HR management are closely related to the activities of allocating resources owned by the organization (in this case human resources) into parts of the organization.
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If this is the case, then HR management is included as part of the organizing function because one of the essentials of the organizing function is the allocation of all organizational resources into a certain organizational structure that is formed. (2) The directing and executing function will only be able to be carried out if the allocation of human resources has been carried out in the organizing function. Who is directed and motivated, for example, if in the function of organizing HR placement (as material of HR management) has not been carried out.

(3) although motivating, directing activities (which are also another part of HR management) are included in the leading function, the first key point before HR is directed and motivated is when HR is determined and placed where decisive and placing activities are more likely to be within the organizing function. (4) Because social sciences, especially management sciences cannot be separated from each other and are interrelated.

Employees (labor) are one of the production factors that directly or indirectly carry out production activities. Factors of labor production are also categorized as original factors of production. Employees are the most important assets that have a huge influence on the success of a company. Without sophisticated machines, companies can continue to operate manually, but without employees, companies will not be able to run at all.

In connection with that, an organization must be able to motivate its employees so that these employees can contribute their energy and mind and also form their loyalty in doing work in totality in order to support the achievement of company goals. Many things affect employee loyalty, including compensation, leadership style, and work environment.

Nitisemito (2004: 135) states that loyalty is an employee mental attitude shown to the existence of the company so that employees will remain in the company, even though the company is back and forth. According to Fajar and Heru (2010: 154) Compensation is all extrinsic rewards obtained by employees in the form of wages, incentives, and several benefits.

According to Davis, (2005: 134) leadership style is the overall pattern of action of the leader as perceived by his employees, leadership is a process to influence others, to understand and agree with what needs to be done and how the task is done effectively, as well as a process to facilitate individual and collective efforts to achieve common goals. According to Sarwoto (2001: 31) the work environment is a place where an employee who works includes physical and non-physical environments that can affect morale in carrying out work.

PT Eldora Entertainment is a company engaged in F&B & B, this company was formed since 2008. PT Eldora Entertainment has several restaurant branches, namely: Sleepless Owls Coffee, Smarapura Resto, Albero, the number of employees of PT Eldora Entertainment as many as 74 employees 47 men and 27 women. And what will be the object of the author's research is all employees at PT Eldora Entertainment.

In previous research explaining compensation for employee loyalty:
1. (Rahmadana Safitri, 2015) entitled "The Effect of Compensation on Employee Loyalty of Pt. Putera Lautan Kumala Lines Samarinda" the results of this analysis stated that the proposed research hypothesis was accepted because compensation affects loyalty. Regarding the compensation given to employees, it is recommended to the company that the measurement of compensation can also be seen from the achievement of employees, and can also add forms of compensation such as personal protection in the form of pension funds, payments when not working such as when attending training and leave, and increasing salaries to increase employee loyalty.

2. (Agustina Heryati S.Kom., MM, 2016) entitled "The Effect of Compensation and Workload on Employee Loyalty in the Operations Department of PT. Pupuk Sriwidjaja Palembang" The results of the study and hypothesis show that simultaneously and partially compensation and workload
significantly affect employee performance. The leaders of the Operations Department, must pay attention to compensation and workload for optimal results in achieving organizational goals.

3. (Chasyanah Lukianingtyas, Budi Nurhardjo, Susanti Prasetyaningtyas, 2015) entitled "The Influence of Transformational and Transactional Leadership Style on Administrative Employee Loyalty at Wijaya Kusuma Hospital, Lumajang Regency" The results showed that transformational leadership style had a positive and significant effect on the loyalty of administrative employees of Wijaya Kusuma Lumajang Hospital, transactional leadership style had a positive effect and significant to the loyalty of administrative employees of Wijaya Kusuma Lumajang Hospital.

Based on the description in the background of the problem, the problem that the author will raise can be formulated as follows: 1) Does compensation have a positive and significant effect on the loyalty of PT Eldora Entertainment employees? 2) Does leadership style have a positive and significant effect on employee loyalty of PT Eldora Entertainment? 3) Does the work environment have a positive and significant effect on the loyalty of PT Eldora Entertainment employees?

The purpose of the study was to analyze the influence of leadership style on employee loyalty of PT Eldora Entertainment, to analyze the effect of compensation on employee loyalty of PT Eldora Entertainment, to analyze the influence of the work environment on employee loyalty of PT Eldora Entertainment. For academics, this research is expected to add knowledge and insight related to the importance of compensation, leadership style, and also the work environment on employee loyalty.

**RESEARCH METHODS**

In this study, the object of research is employee loyalty. The object of research is selected based on data, samples, and information needed relevant to the subject matter that is the object of research. This research was conducted at PT ELDORA ENTERTAIMENT Jl. Tebet Raya No. 58, RT.2/RW.4, Tebet Timur, Tebet District, South Jakarta City. The source of data to be collected in this study is quantitative data sourced from PT. Eldora Entertainment.

The method used to collect data by providing questions to respondents with questionnaire guidance containing questions related to the influence of compensation, leadership style, and work environment on employee loyalty. The type of data that will be used in this study is Primary Data, which is research data obtained from original sources without intermediaries. Where primary data is collected by survey method by distributing questionnaires through google form using the Likert Scale filled out by respondents of PT. Eldora Entertainment.

The population in this study is the area that the researcher wants to research. As according to Sugiyono (2008: 80): "Population is a generalized area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions." The population used in this study was employees of PT Eldora Entertainment which amounted to 74 employees.

Samples are part of the number and characteristics possessed by the population (Sugiyono, 2008: 73). The sampling technique in this study uses non-probability sampling or axial sampling. Researchers collected data from the sampling units encountered. The sample used in this study was employees of PT Eldora Entertainment.

The data collection technique in this study is by sending and/or distributing questionnaires to employees of PT Eldora Entertainment Jl. Tebet Raya No. 58, RT.2/RW.4, Tebet Timur, Tebet District, South Jakarta City. The questionnaire is given the contents of a list of questions to be answered by respondents. Furthermore, respondents will be asked for answers without coercion.
and in accordance with respondents' opinions, then the data is processed using the SPSS application program (software) version 25.

The measurement scale in this study uses the Likert scale, Sugiyono (2014: 72) states that the Likert scale is used to measure the attitudes, opinions, and perceptions of a person or group of people about social phenomena. This questionnaire is prepared with a 5-level Likert scale consisting of strongly agree, agree, neutral, disagree, and strongly agree.

RESULTS AND DISCUSSION

A. Complete Results of Research Estimates

1. Descriptive Analysis Method

   The results of the descriptive statistical test are to determine the average value of the total mean and the total overall mean for each variable. The independent variables are Compensation (X1), Leadership Style (X2), and Work Environment (X3), as well as the dependent variable Employee Loyalty (Y), each of which is a different question. Data analysis of these variables is obtained from the results of questionnaires that have been distributed, for more details can be seen as follows:

   Descriptive Analysis of Compensation (X1). The average value of each indicator in the Compensation variable (X1). Based on table 4.5, the average result of the total mean of Compensation (X1) as a whole is 3.715. Which means that some respondents expressed agreement. The highest average mean value is found in the facility indicator with a value of 4.27. This is proof that in general employees of PT. Eldora Entertainment states that facility indicators are influential. And the lowest mean value is found in the salary indicator with a value of 3.18.

   B. Descriptive Analysis of Leadership Style (X2)

   The average result of the total mean of leadership style (X2) was obtained as a whole 3.648. Which means that some respondents expressed agreement. The highest average mean value is found in the trait indicator with a value of 3.91. This is proof that in general employees of PT. Eldora Entertainment states that trait indicators are influential. And the lowest mean value is found in the habit indicator (giving demands) with a value of 3.14.

   C. Work Environment Descriptive Analysis (X3)

   The average result of the total Environmental mean (X3) as a whole was 3.752. Which means that some respondents expressed agreement. The highest average mean value is found in the relationship indicator between colleagues with a value of 3.91. This is proof that in general employees of PT. Eldora Entertainment states that indicators of relationships between colleagues are influential. And the lowest mean value is found in the facility indicator with a value of 3.43.

   D. Descriptive Analysis of employee loyalty (Y)

   The average result of the total mean of the Employee Performance Environment (Y) as a whole was 3.876. Which means that some respondents expressed agreement. The highest average mean value is found in the employee favorability indicator with a value of 3.99. This is proof that in general employees of PT. Eldora Entertainment states that the Cooperation Capability indicator is influential. And the lowest mean value is found in the responsibility indicator with a value of 3.72.
2. Test Instruments
   a. Uji Validitas
      Validity tests are used to test accuracy, measuring devices can reveal whether or not a questionnaire is valid. The validity test is calculated by comparing the value of rcalculate (correlated item-total correlation) with r table, if rcalculate > r table (at a significant rate of 0.05) then the statement is declared valid. All questions totaling 25 items consist of 7 points for compensation, 7 points for leadership style, 5 points for Work Environment, and 6 points for employee loyalty. This is determined using a 5% r calculation, where n = 74, then obtained rtable (0.05) = 0.2287 and overall the statement used in this study is rcalculate > rtable. From calculations using SPSS 25, test data on 74 respondents stated that all question items 1-25 for the variables Compensation (XI), Motivation (X2), Work Environment (X3), and Employee loyalty (Y) were valid. This can be seen from the calculation results with the table above, that r count > r table (0.2287).

3. Uji Reliability
   Reliability tests are used to determine whether the measuring instrument will get a consistent precise measurement if the measurement is repeated again. The method used in this study is Cronbach Alpha. The reliability test is a continuation of the validity test, where the question items that enter the test are valid items or questions only. To determine whether an instrument is reliable or not uses the 0.7 Limitation. From table 4.10 above, it can be seen that the Cronbach Alpha value for the four variables above is 0.7. Because these values are greater than 0.7, the value of the measuring instrument is reliable or has met the reliability requirements.

4. Classical Assumption Test
   a. Normality Test
      One Simple Kolmogorov-Sminorv test or normality test is used to determine the distribution of data, whether it follows a normal, passionate, or uniform distribution. In this case to find out whether the independent variable and the dependent variable are both normally distributed or not. The distribution data is said to be normal if the level of significance is > 0.05 and if the opposite is significant <0.05 then it is said to be abnormal. Based on the results of the normality test referring to table 4.11 it can be seen that the value of Asymp. Sig (2-Tailed) of 0.001 is greater than 0.05 (0.001 > 0.05), so it can be concluded that the data on the above research variables are normally distributed.

   b. Multicollonicy Test
      The multicollonierity test is used to determine whether or not there is a deviation from the classical assumption of multicollonierity, namely the existence of a linear relationship or variance inflation factor (VIF) value, if the Tolerance value > 0.10 or VIF < 10, then it can be said that multicollonicy does not occur in the processed model. Based on the results of the multicollinearity test referring to table 4.13, a VIF was obtained for the Compensation variable (X1) of 4.664. Leadership style (X2) 4.476. Working Environment (X3) 2.244. While the Compensation Tolerance (X1) value is 0.214. Leadership style (X2) 0.223. Work Environment (X3) of 0.446. Of the three VIF values of the three variables are less than 10.0 and the Tolerance value is more than 0.1 which means that the regression model does not occur multicollonelinearity.

   c. Heteroscedasticity Test
      The heteroscedasticity test is performed to test whether in a regression model, there is an inequality of variance from residual from one observation to another. A good regression model is one that does not occur heteroscedasticity. In this study, it was carried out with glacier tests. If the Glacier Test value seen from the Sig value is more than 0.05 then there are no symptoms of
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heteroscedasticity, and if the Sig number is below 0.05 then symptoms of heteroscedasticity occur. Based on table 4.13, it can be explained that the heteroscedasticity test with the glacier method obtained a significant value greater than 0.05, so it can be concluded that there is no heteroscedasticity problem in this research test. The heteroscedasticity test with the glacier method obtained a significant value greater than 0.05, so it can be concluded that there is no heteroscedasticity problem in this research test.

5. Inferential Analysis
   a. Double Linear Regression Analysis

This analysis is used to determine the influence of the independent variable on the dependent variable. In this case, the model is to determine how much influence Compensation (X1), leadership style (X2), and Work Environment (X3), have on employee loyalty (Y). The multiple linear regression equation is obtained as follows:

\[ KK = 0.410(K) + 0.207(GK) + 0.354(LK) \]

Information:

Y = Employee loyalty variable (LK) X1 = Compensation
X2 = Leadership style X3 = Work Environment (LK)

The regression equation shows that the constant is 0.091 and it can be explained that the constant is 0.091, which states that if the Compensation (X1), leadership style (X2), Work Environment (X3) values are constant (unchanged), then the Employee loyalty score is 0.091 with a standard error of 1.493.

From the results of the multiple linear regression equation, each independent variable can be interpreted as having an effect on employee performance as follows:

1. The Compensation variable has a regression coefficient of 0.410 meaning that if the Compensation increases by one point, then Employee Performance will increase by 0.410 or 41.0% with other independent variables being constant. While at the sign of a positive number of 0.410, it means that if the compensation is getting better, then employee loyalty will also increase.

2. The leadership style variable has a regression coefficient of 0.207 meaning that if the leadership style increases by one point, then employee loyalty will increase by 0.207 or 20.7% with other independent variables being constant. While at the positive number sign of 0.207, it means that if the leadership style is getting better, then employee loyalty will also increase.

3. The Work Environment variable has a regression coefficient of 0.354 meaning that if the Work Environment increases by one point, then Employee Performance will increase by 0.354 or 35.4% with other independent variables the value is constant. Meanwhile, at the positive number sign of 0.354, it means that if the Work Environment is getting better, then employee loyalty will also increase.

6. Test Model Eligibility
   a. Test F

Test F is used to test the significance of the influence of independent variables, namely compensation, leadership style, and work environment on the dependent variable, namely employee loyalty through the ANOVA test (Test F). Based on the results of Test F in table 4.15, it can be explained that the value of Fcalculate is 93.748. The value of Ftable is obtained from the value of the free degree (df) Residual (remainder) which is 70 as df denominator and df Regression (treatment) which is 3 as df numerator with a significant level of 5% so that Ftable (α = 5%) is obtained which is 2.74. Since the value of Fcalculate is greater than Ftable (93.748 > 2.69) it can be concluded that Ho is rejected and Ha is accepted. So together the variables Compensation (X1),
Leadership Style (X2), and Work Environment (X3) are significant explanatory variables for employee loyalty (Y) at PT. Eldora Entertainment.

So it can be said, that in this study the model is said to be feasible to predict the dependent variable. So the model is feasible to use in this study based on the Sig value obtained, that all independent variables can explain any changes in the value of the dependent variable because it has a significant influence.

b. Test Coefficient of Determination (R2)

The Coefficient of Determination (R2) is a measure to determine how big the relationship between variables and how much influence the independent variable studied has on the dependent variable. The value of the coefficient of determination (R2) of 0.792 was obtained, which means that the variable level of employee loyalty is influenced by compensation, leadership style, and work environment by 79.2%, while the remaining 20.8% is influenced by other factors outside the study.

7. Hypothesis Testing (Test t)

The t test, which is a partial regression coefficient, is used to determine whether partially each independent variable has a positive and significant effect on the dependent variable. To test the effect of the independent variable on the dependent variable, a significant level of 0.05 was used with the following criteria:
(1) If the tcount > ttable and sig < 0.05, then Ho is rejected and Ha is accepted, meaning that Compensation, leadership style, and Work Environment have a positive and significant effect on employee loyalty.
(2) If the tcount < ttable and sig > 0.05 then Ho is accepted, meaning that Compensation, leadership style, and Work Environment do not have a positive and significant effect on employee loyalty.

Based on the results of the t test in table 4.16 above, it can be seen that the calculated value of the Compensation variable is 3.557 with a significant level of 0.001. Because tcount > ttable (3.557 > 1.9944) and its significance value < 0.05 (0.001 < 0.05) then Ho is rejected and Ha is accepted, meaning that Compensation has a positive and significant effect on employee loyalty. This means that Compensation (H1) is proven to be acceptable because it has a positive and significant effect on employee loyalty.

For a leadership style count of 2.835 with a significant level of 0.041. Because tcount > ttable (2.835 > 1.9944) and its significance value < 0.05 (0.041 < 0.05) then Ho is rejected and Ha is accepted, meaning that leadership style has a positive and significant effect on employee loyalty. This means that the leadership style (H1) is proven to be acceptable because it has a positive and significant effect on employee loyalty.

For tcalculate Work Environment of 4.433 with a significant level of 0.000, Because tcalculate > ttable (4.433 > 1.9944) and its significance value < 0.05 (0.000 < 0.05) then Ho is rejected and Ha is accepted, meaning that the Work Environment has a positive and significant effect on employee performance. This means that the Work Environment (H1) is proven to be acceptable because it has a positive and significant effect on employee performance.

E. The Effect of Compensation on Employee Loyalty

Based on the results of research that has been conducted using the SPSS 25 program states that compensation has a positive and significant effect on the performance of PT. Eldora Entertainment. Based on the results of the questionnaire distribution at PT. Eldora Entertainment Most respondents' opinions agree, which means that compensation has an effect on employee loyalty. The results of this study also support the results of previous research conducted by Ni Putu
Dian Purnamasari and Desak Ketut Sintaasih (2019) proving a positive and partially significant influence of compensation variables on employee loyalty.

This fact shows that if employee compensation increases, employee loyalty also increases, this is because salaries and wages, incentives, facilities, benefits can be fulfilled which will ultimately make employee performance also increase.

### F. The Influence of Leadership Style on Employee Loyalty

Based on the results of research that has been conducted using the SPSS 25 program states that leadership style has a positive and significant effect on the loyalty of PT. Eldora Entertainment. The results of this study also support the results of previous research conducted by Kurnia Tri Jayanti, Lela Nurlaela Wati (2019) proving the positive and partially significant influence of leadership style variables on employee loyalty.

This fact shows that if the leadership style increases for the better, then employee loyalty also increases, this is because the nature, habits, temperament, disposition, personality of the leader, can make employees comfortable in the end will make employee loyalty also increase.

### G. Effect of Work Environment Employee loyalty

Based on the results of research that has been conducted using the SPSS 25 program states that the Work Environment has a positive and significant effect on the loyalty of PT. Eldora Entertainment. Based on the results of the questionnaire distribution at PT. Eldora Entertainment, Most respondents' opinions agree which means that the Work Environment affects employee loyalty.

The results of this study also support the results of previous research conducted by I Wayan Sentana Putra and 1 Anak Agung Ayu Sriathi (2019) proving the positive and partially significant influence of Work Environment variables on employee loyalty. This fact shows that if the employee work environment runs well, employee loyalty will increase, this is because equipment and facilities, workplace environment, and atmosphere are fulfilled which in turn will make employee loyalty also increase.

### CONCLUSION

The results of this study show that compensation has a positive effect on employee loyalty, so it can be concluded that the first hypothesis (H1) which states that compensation has a positive effect on employee loyalty is accepted. This shows the better compensation that occurs at PT. Eldora Entertainment will increase the loyalty of its employees. There is compensation that runs well at PT. Eldora Entertainment, can increase employee loyalty and also the organization.

The results of this study show that Leadership Style has a positive effect on employee loyalty, so it can be concluded that the second hypothesis (H2) which states that leadership style has a positive effect on employee loyalty is accepted. The better the leadership style, the higher the loyalty of PT. Eldora Entertainment.

The results of this study show that the work environment has a positive effect on employee loyalty, so it can be concluded that the third hypothesis (H3) which states the work environment has a positive effect on employee loyalty is accepted. This shows that the more conducive the work environment, the more loyalty will increase the sense of loyalty of PT. Eldora Entertainment. The existence of a harmonious work environment or relationship between colleagues and superiors and subordinates will increase the sense of loyalty for employees and the company.
BIBLIOGRAFI


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