

**INFLUENCE OF WORK DISCIPLINE, JOB PROMOTION,  
WORK ENVIRONMENT, AND COMPENSATION ON  
EMPLOYEE PERFORMANCE AT PERUM PERHUTANI  
EAST JAVA REGIONAL DIVISION**

THESIS



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**AGRIBUSINESS STUDY PROGRAM  
FACULTY OF AGRICULTURE  
NATIONAL DEVELOPMENT UNIVERSITY "VETERAN" EAST JAVA  
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## PLAGIARISM FREE STATEMENT LETTER

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## FOREWORD

Praise be to Allah SWT for all His blessings and gifts so that the author can complete the preparation of a thesis entitled "Influence of Work Discipline, Job Promotion, Work Environment, and Compensation on Employee Performance at Perum Perhutani East Java Regional Division". This thesis is systematically prepared as one of the requirements for carrying out thesis research in the S1 Agribusiness Study Program, Faculty of Agriculture, National Development University "Veteran" East Java.

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This is the thesis that the author has made. The author asks for his criticism and suggestions if there are any shortcomings in the preparation of this thesis. Hopefully this thesis can be useful for all parties, including for us as writers and others.

Surabaya, May 2026

Author

**INFLUENCE OF WORK DISCIPLINE, JOB PROMOTION, WORK ENVIRONMENT, AND COMPENSATION ON EMPLOYEE PERFORMANCE AT PERUM PERHUTANI EAST JAVA REGIONAL DIVISION**

**Agi Yusuf Burhan Haryono, Teguh Soedarto, and Ika Sari Tondang**

**ABSTRACT**

Employee performance is a critical factor in determining organizational success, particularly in the forestry sector, which involves complex natural resource management. Perum Perhutani Regional Division of East Java requires stable employee performance; however, current conditions indicate performance fluctuations. This situation suggests problems in human resource management, which are presumed to be influenced by work discipline, job promotion, work environment, and compensation, as well as organizational structure and work mechanisms. This study aims to identify the organizational structure and work mechanisms and to analyze the factors affecting employee performance. The research employs a quantitative approach supported by descriptive qualitative analysis. The analysis of organizational structure and work mechanisms was conducted using a descriptive qualitative method through observation and documentation, while the analysis of factors affecting employee performance was carried out using SEM-PLS based on interviews and questionnaires. The sample consisted of 50 permanent employees selected through purposive sampling with a minimum tenure of four years. Quantitative data were analyzed using Structural Equation Modeling based on Partial Least Squares (SEM-PLS) with SmartPLS 4.0. The results indicate that the organizational structure is hierarchical and functional, and the work mechanisms are implemented systematically and in an integrated manner. Work discipline, job promotion, work environment, and compensation have a positive and significant effect on employee performance, with work discipline as the most dominant factor. The  $R^2$  value of 0.709 indicates that the independent variables explain 70.9% of the variance in employee performance. The findings highlight the importance of strengthening work discipline, implementing a fair promotion system, creating a conducive work environment, and providing appropriate compensation to improve employee performance.

Keyword: Work discipline, job promotion, work environment, compensation, employee performance.

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