

ABSTRACT

The management of the Hajj pilgrimage by the Indonesian government is a strategic responsibility requiring professionalism and efficiency. The decline in employee performance at the Hajj Financial Management Agency (BPKH), particularly in the "Outstanding" qualification in 2022, along with pre-survey findings indicating the need for improvements in the work environment, communication, and rewards, serves as the background for this study. These factors must be analyzed to enhance employee performance and support organizational effectiveness.

This study aims to evaluate the influence of the work environment, communication, and rewards on employee performance at BPKH. By understanding the relationships among these variables, the findings are expected to serve as a foundation for policymakers in designing more effective strategies for improving employee performance.

A quantitative approach was employed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) technique. Data were collected through questionnaires distributed to 111 permanent employees, selected using Slovin's formula from a total population of 153 permanent employees. The analysis was conducted to identify the direct effects of the three independent variables on employee performance.

The results indicate that the work environment, communication, and rewards significantly impact employee performance. A supportive work environment enhances productivity, effective communication strengthens coordination, and a aligned reward system boosts employee motivation. Therefore, these three aspects should be prioritized in BPKH's human resource management strategies.

This research contributes to the literature on human resource management in the public sector. Practically, the findings can serve as a reference for BPKH in designing strategic policies, particularly in optimizing the work environment, improving internal communication, and strengthening a performance-based reward system. Implementing these strategies is expected to enhance employee performance sustainably.

Keywords: work environment, communication, rewards, employee performance, Partial Least Squares Structural Equation Modelings.