

DECODING EXCEPTIONAL FRONTLINE SERVICE PERFORMANCE: THE ROLES OF EMPLOYEE MOTIVATION AND NON-PHYSICAL WORK ENVIRONMENT AT BALI'S PREMIER JEWELLERY STORE

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Abstract: This study examines the influence of employee motivation and the non-physical work environment on frontline service performance at UC Silver Gold, a renowned jewellery store in Bali, highlighting their role in delivering superior customer experiences and maintaining competitive advantage. Using a census approach, all 60 employees were surveyed through structured questionnaires. The analyses included validity and reliability tests, classical assumption tests, multiple linear regression, determination analysis, and ttests and F-tests to assess the significance of individual and combined variables, respectively. The findings reveal that employee motivation positively and significantly impacts frontline service performance; the non-physical work environment also has a positive and significant effect on frontline service performance; and both variables together create a robust influence on the quality of services delivered. These results underscore the need for organizations to prioritize communication, managerial support, and a supportive organizational climate to enhance service delivery and exceed customer expectations. This research contributes to the field of marketing by providing empirical evidence on the interplay between internal workplace dynamics and frontline service performance. By integrating employee motivation and environmental factors into service quality frameworks, the study highlights strategic pathways for improving customer satisfaction and strengthening competitive positioning in both local and global markets.

Keywords: Employee Motivation; Workplace Environment; Non-Physical Work Environment; Frontline Service Performance

INTRODUCTION

The success of a company in achieving its objectives largely depends on the quality of its frontline service delivery, which is crucial for ensuring customer satisfaction and sustaining competitive advantage (Alkhurshan & Rjoub, 2020; Slack et al., 2020). Service quality reflects how effectively employees meet customer expectations (Al-refaei et al., 2023; Suryawan, Meryawan, et al., 2024), making it an essential factor in competitive industries like jewellery manufacturing and retail. In this context, employee motivation and the non-physical work environment are pivotal elements that shape the delivery of exceptional frontline services.

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Motivation drives employees to use their skills effectively to achieve organizational goals (Jarkovská & Jarkovská, 2024). Both intrinsic factors like recognition and growth opportunities, and extrinsic factors such as leadership support and fair compensation, are key influences. Research on motivation, however, presents mixed findings. Baluarte et al. (2023) and Sugita et al. (2024) found a positive relationship between motivation and productivity in retail, while Karepesina (2023) observed no significant impact on performance. These contrasting results underscore the need for further investigation into how motivation impacts frontline service performance, especially in customer-facing roles within the jewellery industry.

The non-physical work environment, encompassing interpersonal relationships, managerial support, and organizational culture, also plays a critical role in service delivery. A supportive environment fosters teamwork, open communication, and engagement, which are essential for maintaining high service standards (Thai et al., 2023). However, prior studies have also reported mixed results. Indasari et al. (2024) identified a significant positive relationship between work environment and service quality, whereas Utami et al. (2022) found that the work environment does not contribute to enhancing employee performance quality. These variations underscore the need for targeted research to clarify the role of the work environment in frontline service performance.

UC Silver Gold Bali, a prominent jewellery manufacturer specializing in silver and gold, provides a compelling context for investigating these factors. As a market leader in Bali, the company has encountered ongoing challenges in sustaining service quality and meeting business targets. A noticeable decline in sales volume over recent years underscores these issues, with internal factors such as employee performance and service quality compounding broader economic disruptions, including those associated with the COVID-19 pandemic. These dynamics have significantly impacted the company's ability to sustain revenue and maintain its competitive edge.

Interviews with frontline employees and managerial staff at UC Silver Gold Bali provide valuable insights into factors influencing service performance. Several employees highlighted the importance of motivation, particularly in relation to the perceived alignment between compensation structures and workload. Some employees also expressed a desire for expanded career development opportunities to further enhance engagement and enthusiasm. Additionally, managerial feedback suggested that variations in leadership support could influence employee morale, with some team members seeking greater recognition and involvement in decision-making processes.

Regarding the non-physical work environment, the findings underscore the significance of effective communication and interpersonal

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dynamics in maintaining service excellence. Employees noted that enhancing communication between frontline staff and management could further optimise operational efficiency. Additionally, occasional differences in team interactions were observed, which, if managed proactively, could contribute to a more harmonious workplace. From a managerial perspective, fostering a more cohesive and supportive organisational culture is recognised as an important factor in strengthening employee satisfaction and maximising frontline service effectiveness.

The overall operational performance of UC Silver & Gold Bali reflects the complexities of maintaining consistent service excellence. While the company continues to uphold high standards, it has encountered certain challenges in aligning production outcomes with its targets. These challenges highlight opportunities for enhancing task efficiency, fostering stronger collaboration, and streamlining workflow management to further optimise service delivery. Additionally, frontline employees have observed variations in service consistency, occasionally impacting customer experiences. These insights underscore the potential benefits of refining employee motivation strategies and strengthening workplace dynamics to further support the company's commitment to service quality and customer satisfaction.

This study seeks to explore the influence of employee motivation and the non-physical work environment on frontline service performance at UC Silver Gold Bali. By addressing gaps in existing literature and considering the distinctive characteristics of the jewellery industry, this research aims to provide a comprehensive understanding of how workplace dynamics contribute to service excellence. The findings are anticipated to generate valuable strategic insights that can support efforts to enhance customer satisfaction, cultivate a harmonious organisational culture, and reinforce the company's competitive standing in both domestic and international markets.

LITERATURE REVIEW

Maslow's Hierarchy of Needs Theory

Maslow's Hierarchy of Needs Theory as explained by Rojas et al. (2023) posits that human behaviour is driven by the fulfilment of a hierarchy of needs, ranging from physiological and safety needs to higher-order needs such as belongingness, esteem, and self-actualization. In the workplace, meeting these needs directly influences employee motivation and satisfaction (Putri et al., 2024). When employees perceive that their needs for recognition, belonging, and professional growth are being met, they are more likely to perform at their best, delivering high-quality service to customers.

In the context of this study, Maslow's theory is particularly relevant in explaining how motivation influences Frontline Service Performance. https://www.ojs.unr.ac.id/index.php/Equilibrium P-ISSN: 2443-3934 Vol. 11 No. 1 (2025), pp: 1-19

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Motivated employees, whose needs are adequately addressed by the organization, exhibit higher levels of commitment, perseverance, and engagement, resulting in improved service delivery and customer satisfaction (Esmaeilpour & Ranjbar, 2018; Martinaityte et al., 2019).

Herzberg's Two-Factor Theory

Herzberg's Two-Factor Theory differentiates between two sets of workplace factors: hygiene factors (e.g., salary, work conditions, interpersonal relationships) and motivators (e.g., achievement, recognition, growth opportunities). According to the theory, while hygiene factors prevent dissatisfaction, motivators are essential for fostering job satisfaction and enhanced performance (Thant, 2023).

This theory aligns with the study's focus on the non-physical work environment as a determinant of service quality. A positive and supportive work environment, marked by strong interpersonal relationships and managerial support, serves as a motivator. Such an environment not only minimizes workplace conflict but also fosters collaboration and job satisfaction, which are critical for achieving high levels of Frontline Service Performance (Indasari et al., 2024).

The Role of Employee Motivation in Enhancing Frontline Service Performance

Motivation refers to the process of influencing or encouraging an individual or group to perform tasks as intended, aligning with predetermined goals (Pinder, 2008). It is a critical factor in driving employee behavior and ensuring tasks are performed according to the operational standards of the organization. Motivation serves as a key force that guides individuals toward achieving specific objectives and directly impacts outcomes such as productivity, perseverance, and overall performance (Chong & Gagné, 2019). In the context of service quality, motivation ensures that frontline employees deliver consistent and high-quality customer experiences, which are vital for competitive positioning.

Empirical research underscores the importance of motivation in organizational performance. A study by Baluarte et al. (2023) observed a positive and significant relationship between motivation and productivity, highlighting its pivotal role in fostering employee engagement and output. Similarly, Sugita et al. (2024) demonstrates that employee motivation has a positive and significant influence on job performance. These findings align with earlier theories suggesting that motivated employees exhibit higher levels of effort and engagement, contributing to improved service quality outcomes. The indicators for measuring employee motivation, as outlined by Mangkunegara (2013), include 1) salary, 2) supervision, 3) work relationships, and 4) work conditions.

Therefore, this study hypothesizes:

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H1: Employee motivation has a positive and significant impact on Frontline Service Performance at UC Silver Gold Bali.

The Influence of the Non-Physical Work Environment on Frontline **Service Performance**

The work environment encompasses both physical and non-physical factors that influence employee behaviour and performance. The nonwork environment, specifically, refers to interpersonal relationships within the workplace, including interactions between employees and their supervisors or peers (Čech et al., 2020; Dinis et al., 2019). A supportive and harmonious non-physical work environment fosters collaboration, job satisfaction, and a sense of belonging, all of which are crucial for enhancing service quality.

Empirical studies affirm the importance of the work environment in shaping service quality outcomes. Izzah et al. (2019) highlights that the nonphysical work environment positively and significantly affects employee performance. Similarly, Indasari et al. (2024) identified a significant positive relationship between the work environment and service quality, reinforcing the notion that workplace dynamics play a pivotal role in determining customer-facing outcomes.

The indicators for measuring the non-physical work environment, as outlined by Ati et al. (2022), include 1) work structure, 2) job responsibility, 3) leader support and attention, 4) team collaboration, and 5) communication flow. Building on these insights, this study posits that fostering a conducive non-physical work environment, characterized by mutual respect, effective communication, and managerial support, can significantly enhance service quality.

Accordingly, the second hypothesis is formulated as:

H2: The non-physical work environment has a positive and significant impact on Frontline Service Performance at UC Silver Gold Bali.

Combined Impact of Employee Motivation and Non-Physical Work **Environment on Frontline Service Performance**

Frontline Service Performance refers to the performance outcomes achieved by employees who directly interact with customers, shaping their perceptions of a company's service excellence (Petersen, 2020). Service quality encompasses both qualitative and quantitative dimensions, reflecting an employee's ability to execute tasks in alignment with their responsibilities and organizational expectations (Xu et al., 2021). Enhancing Frontline Service Performance requires fostering employee motivation and creating a supportive non-physical work environment.

Motivation serves as an essential driver, stimulating enthusiasm and engagement among employees to collaborate and perform optimally. By providing the necessary encouragement and recognizing employee efforts,

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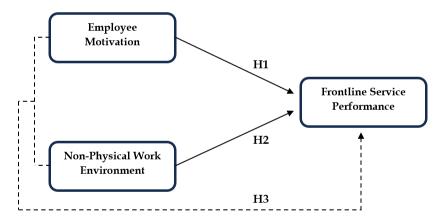
organizations can instil a sense of purpose and commitment, leading to enhanced service delivery. Meanwhile, the non-physical work environment plays a pivotal role in shaping employees' workplace experiences. A conducive work environment — marked by harmonious peer relationships, supportive managerial interactions, and a cooperative culture — significantly influences job satisfaction and service quality. Employees who feel valued and supported are more likely to enjoy their roles, contributing positively to the customer experience.

Empirical evidence supports these theoretical claims. A study conducted by Astuti & Mardhiyah (2023) concluded that employee motivation and the non-physical work environment have a positive and significant simultaneous influence on employee performance.

The indicators for measuring frontline service performance, as outlined by Mattah et al. (2018), are based on the SERVPERF model, which includes 1) tangibles, 2) reliability, 3) responsiveness, 4) assurance, and 5) empathy.

Based on these insights, this study hypothesizes:

H3: Employee motivation and the non-physical work environment have a positive and significant simultaneous impact on Frontline Service Performance at UC Silver Gold Bali.



Source: Theoretical review and previous research findings

Figure 1. Conceptual Framework

METHODS

This study aims to investigate how employee motivation and the non-physical work environment influence frontline service performance at UC Silver Gold Bali. The target population for this research consists of the employees of UC Silver Gold Bali, a well-established jewellery store in Bali. The characteristics of this population include various roles and functions within the organization, with employees from different positions involved in frontline service.

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Population and Sampling

According to Pandey & Pandey (2015), the population refers to the general area of the research that includes objects or subjects with specific characteristics relevant to the study. In this case, the population comprises all employees at UC Silver Gold Bali. The total population was 132 individuals, representing various positions within the company.

To select a representative sample, the study applied purposive sampling, a technique where respondents are chosen based on specific criteria that align with the research objectives (Campbell et al., 2020). The criteria for inclusion were employees who have been working at UC Silver Gold Bali for over one year and are permanent staff, excluding those in leadership positions.

A sample size was calculated using Slovin's formula, which ensures that the sample size is representative of the population. According to Slovin (Umar, 2013), the sample size can be determined using the formula:

$$n = \frac{N}{1 + Ne^2}$$

sample size

population size

margin of error (0.1, or 10% tolerance in this study)

$$n = \frac{132}{1 + 132(0,1)^2}$$

$$n = \frac{132}{2.2} = 60$$

Thus, the sample size for this study was determined to be 60 respondents. These 60 employees were selected based on the specified criteria and their ability to provide valuable insights into the study's variables: employee motivation, non-physical work environment, and Frontline Service Performance.

Data Collection, Instrumentation, and Data Analysis

Data collection was conducted through structured questionnaires, which were designed to gather information on employee motivation, perceptions of the work environment, and their views on service quality. The questionnaire, featuring closed-ended and Likert scale questions, was developed from established literature to ensure validity. Data were analysed using descriptive and inferential statistics in SPSS to examine the

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relationships between employee motivation, the non-physical work environment, and frontline service performance, offering insights into factors influencing service quality at UC Silver Gold Bali.

RESULTS AND DISCUSSION Results Validity and Reliability Tests

Table 1. Validity Test Results

| ** * 1 1 | Τ. | Correlation | G |
|---------------|------|-------------|--------|
| Variable Item | | Coefficient | Status |
| | Y1.1 | 0.712 | Valid |
| Frontline | Y1.2 | 0.674 | Valid |
| Service | Y1.3 | 0.805 | Valid |
| Performance | Y1.4 | 0.720 | Valid |
| | Y1.5 | 0.376 | Valid |
| | X1.1 | 0.727 | Valid |
| Employee | X1.2 | 0.848 | Valid |
| Motivation | X1.3 | 0.778 | Valid |
| | X1.4 | 0.804 | Valid |
| | X2.1 | 0.835 | Valid |
| Non-Physical | X2.2 | 0.712 | Valid |
| Work | X2.3 | 0.885 | Valid |
| Environment | X2.4 | 0.519 | Valid |
| | X2.5 | 0.437 | Valid |

Source: Primary data processed (2024)

Based on Table 1, it can be observed that each indicator exhibits a correlation coefficient of \geq 0.30, indicating that the indicators for the variables of employee motivation, non-physical work environment, and frontline service performance are valid.

Table 2. **Reliability Test Results**

| Variable | Cronbach's Alpha | Standard | Status |
|----------------------------------|------------------|----------|----------|
| Frontline Service | 0,677 | 0,60 | Reliable |
| Performance | 0,011 | 0,00 | Renable |
| Employee Motivation | 0,793 | 0,60 | Reliable |
| Non-Physical Work Environment | 0,673 | 0,60 | Reliable |

Source: Primary data processed (2024)

Based on Table 2 above, it can be concluded that the research instruments for the variables of employee motivation, non-physical work environment, and frontline service performance are deemed reliable, as they have a reliability value greater than 0.60. This indicates that the

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measurements are capable of providing consistent results when repeated on the same subjects.

Classical Assumption Tests

Classical assumption testing was performed to ensure the validity and reliability of the regression model employed in this study, encompassing assessments of normality, multicollinearity, heteroscedasticity. These tests are essential to confirm that the model meets the fundamental statistical assumptions, thereby enhancing the accuracy of parameter estimation. Normality testing evaluates whether the residuals are normally distributed, while multicollinearity testing identifies potential correlations among independent variables that could distort the results. Heteroscedasticity testing, meanwhile, assesses the variance consistency of residuals to prevent biased inferences in hypothesis testing.

Normality Test

Table 3. Moumality Tool Dogulto

| Normality Test Results | | | | | | |
|------------------------------------|----------------|-------------------------|--|--|--|--|
| One-Sample Kolmogorov-Smirnov Test | | | | | | |
| | | Unstandardized Residual | | | | |
| N | | 60 | | | | |
| Normal Parametersa,b | Mean | .0000000 | | | | |
| | Std. Deviation | 1.53683906 | | | | |
| Most Extreme Differences | Absolute | .065 | | | | |
| | Positive | .061 | | | | |
| | Negative | 065 | | | | |
| Test Statistic | | .065 | | | | |
| Asymp. Sig. (2-tailed) | (2024) | .200 ^{c,d} | | | | |

Source: Primary data processed (2024)

The normality test in this study was conducted using the Kolmogorov-Smirnov test for each variable. Based on the output presented in Table 3, the Sig. (2-tailed) value is 0.200, which is greater than 0.05, indicating that the standardized residuals are normally distributed. This suggests that the assumption of normality is satisfied, ensuring the validity of subsequent regression analyses. A normal distribution of residuals is crucial for minimizing bias and improving the interpretability of inferential statistics.

Multicollinearity Test

Table 4. **Multicollinearity Test Results**

| Model | Unstandardized | Standardized | ı | C:~ | Collinearity |
|-------|----------------|--------------|---|------|-------------------|
| | Coefficients | Coefficients | ι | Sig. | Statistics |

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| | | В | Std. Error | Beta | | Tolerance | VIF |
|---|--|-------|---------------|------|-----------|-----------|-------|
| 1 | (Constant) | 1.631 | 1.662 | | .982 .330 | | |
| | Employee Motivation Non-Physical | .686 | .115 | .600 | 5.968.000 | .565 | 1.769 |
| | Work Environment | .329 | .114 | .291 | 2.889.005 | .565 | 1.769 |

Source: Primary data processed (2024)

The results of the multicollinearity test presented in Table 4 indicate that the tolerance values for employee motivation and the non-physical work environment are 0.565, which is greater than the threshold of 0.10. Additionally, the Variance Inflation Factor (VIF) values for employee motivation and the non-physical work environment are 1.769, which is below the cutoff value of 10.00. These results confirm that there is no multicollinearity among the independent variables

Heteroscedasticity Test

Table 5.

Heteroscedasticity Test Results

| | ficteroscedasticity rest Results | | | | | | |
|-------|----------------------------------|----------------|------------|--------------|-------|------|--|
| Model | | Unstandardized | | Standardized | | | |
| | | Coefficients | | Coefficients | T | Sig. | |
| | | В | Std. Error | Beta | | | |
| 1 | (Constant) | 951 | .997 | | 954 | .344 | |
| | Employee Motivation | .038 | .069 | .094 | .556 | .580 | |
| | Non-Physical | | | | | | |
| | Work | .083 | .068 | .205 | 1.213 | .230 | |
| | Environment | | | | | | |

Source: Primary data processed (2024)

The heteroscedasticity test was conducted using the Glejser method by regressing each independent variable with the absolute residual against the dependent variable. Based on the output presented in Table 5, it can be observed that the regression model does not exhibit signs of heteroscedasticity. This conclusion is supported by the significance values (Sig.) for the absolute residuals of employee motivation and the non-physical work environment, which are 0.580 and 0.230, respectively. Since both values exceed the threshold of 0.05, it can be confirmed that the regression model is free from heteroscedasticity.

Multiple Linear Regression Analysis

Table 6.
Multiple Linear Regression Analysis Results

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| Model | | ndardized ficients | Standardized Coefficients | Т | Sig. |
|----------------------------------|-------|-----------------------|------------------------------|-------|------|
| | В | Std. Error | Beta | | |
| 1 (Constant) | 1.631 | 1.662 | | .982 | .330 |
| Employee Motivation | .686 | .115 | .600 | 5.968 | .000 |
| Non-Physical Work Environment | .329 | .114 | .291 | 2.889 | .005 |

Source: Primary data processed (2024)

Based on the results presented in Table 6, the multiple linear regression equation is structured as Y = 1.631 + 0.686X1 + 0.329X2, where Y represents frontline service performance, X1 represents employee motivation, and X2 represents the non-physical work environment.

The constant value of 1.631 indicates that when employee motivation and the non-physical work environment are both zero, frontline service performance remains positive at 1.631. The coefficient for employee motivation (0.686) signifies a positive relationship, where a one-unit increase in motivation enhances frontline service performance by 0.686 units. Similarly, the coefficient for the non-physical work environment (0.329) indicates that improving the work environment by one unit increases frontline service performance by 0.329 units. Among these variables, employee motivation exerts the strongest influence, as evidenced by its higher beta coefficient of 0.607 compared to 0.291 for the non-physical work environment.

Determination Analysis

Table 7. Determination Analysis Results

| _ | | | | Std. Error of the |
|-------|-------|----------|-------------------|-------------------|
| Model | R | R Square | Adjusted R Square | Estimate |
| 1 | .821a | .674 | .663 | 1.564 |
| | | | | |

Source: Primary data processed (2024)

Based on the results of the coefficient of determination analysis presented in Table 7, the R Square value is 0.674. This indicates that 67.4% of the variance in frontline service performance is explained by the variables of employee motivation (X1) and the non-physical work environment (X2). The remaining 32.6% is influenced by other factors not examined in this study.

Partial Significance t-test

Table 8. t-Test Results

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| Model | | Unstandardized Coefficients | | Standardized Coefficients | | |
|-------|----------------------------------|--------------------------------|------------|------------------------------|-------|------|
| | | В | Std. Error | Beta | t | Sig. |
| | (Constant) | 1.631 | 1.662 | | .982 | .330 |
| 1 | Employee Motivation | .686 | .115 | .600 | 5.968 | .000 |
| | Non-Physical Work Environment | .329 | .114 | .291 | 2.889 | .005 |

Source: Primary data processed (2024)

With a significance level (α) of 5% (0.05) and degrees of freedom (dF) of 57 (n-k = 60-3), the critical t-value (t-table) is 1.67. Based on Table 8, the t-value for employee motivation is 5.968. As per the testing criteria, H0 is rejected if t-value > t-table and p < 0.05. Given t-value (5.968) > t-table (1.67) and p = 0.000 < 0.05, H0 is rejected, and H1 is accepted. This confirms that employee motivation positively and significantly impacts frontline service performance at UC Silver & Gold Bali.

Similarly, the t-value for the non-physical work environment is 2.889. Following the same criteria, t-value (2.889) > t-table (1.67) and p = 0.005 < 0.05, leading to the rejection of H0 and acceptance of H2. Thus, the hypothesis that the non-physical work environment positively and significantly influences frontline service performance is supported.

Simultaneous Significance F-test

Table 9. F-Test Results ANOVA^a

| | | Sum of | | | | |
|---|------------|----------|----|-------------|--------|-------|
| | Model | Squares | Df | Mean Square | F | Sig. |
| 1 | Regression | 288.583 | 2 | 144.291 | 59.021 | .000b |
| | Residual | 139.351 | 57 | 2.445 | | |
| | Total | 427.933 | 59 | | | |
| С | D 1 1 1 | 1 (2024) | | | | |

Source: Primary data processed (2024)

Based on Table 9, the F-statistic for the combined effect of employee motivation and the non-physical work environment on frontline service performance is 59.021. With a significance level (α) of 0.05, degrees of freedom df1 = 2 and df2 = 57, the F-table value is 3.16. Since F-value = 59.021 > F-table = 3.16 and p = 0.000 < α = 0.05, H0 is rejected, confirming that employee motivation and the non-physical work environment have a positive and significant simultaneous effect on frontline service performance at UC Silver & Gold Bali.

Discussion

Effect of Motivation on Frontline Service Performance

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The findings reveal that motivation plays a crucial role in influencing frontline service performance by fostering higher levels of engagement, adaptability, and customer-focused behaviour. Employees who are motivated tend to exhibit greater enthusiasm and commitment, which directly translates into enhanced service quality and customer satisfaction. This aligns with Herzberg's Two-Factor Theory, which underscores the importance of intrinsic motivational factors, such as achievement and recognition, as key drivers of employee performance. Furthermore, previous study by Makhamreh et al. (2022) has emphasised the significance of motivation in boosting both productivity and job satisfaction, ultimately leading to improved customer experiences and long-term organisational success (Meryawan et al., 2022, 2024; Suryawan, Purwati, et al., 2024). These findings highlight the necessity for organisations to implement effective motivational strategies, such as recognition programs, performance-based incentives, and opportunities for professional growth, to sustain high levels of frontline service performance.

Effect of Non-Physical Work Environment on Frontline Service Performance

The non-physical work environment also emerges as a critical determinant of frontline service performance. Organisational attributes such as managerial support, clear communication, and a collaborative workplace culture contribute to an environment that enables employees to perform optimally. A well-structured work environment fosters psychological safety, enhances a sense of belonging, and encourages employees to take proactive steps in delivering superior service. These results align with prior research by Aldabbas & Bettayeb (2024), which demonstrated that a supportive and well-managed work setting significantly contributes to positive employee outcomes, ultimately benefiting customer interactions. Organisations in the jewellery retail sector should therefore prioritise fostering an inclusive and empowering work culture to ensure sustained excellence in service delivery.

Combined Effect of Motivation and Non-Physical Work Environment on Frontline Service Performance

The interplay between motivation and the non-physical work environment creates a powerful synergy that enhances frontline service performance. This dynamic relationship is consistent with the Job Demands-Resources (JD-R) model, which posits that motivation serves as a personal resource, while the work environment functions as a job resource (Bon & Shire, 2022). Together, these factors establish a robust framework for optimising employee performance by addressing both individual and organisational needs. A well-motivated workforce, supported by a positive work environment, ensures that employees are not only capable of meeting

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customer expectations but also of exceeding them, thus fostering customer satisfaction and organisational competitiveness. By integrating both personal and environmental elements into strategic decision-making, businesses in the jewellery retail sector can develop sustainable service excellence and maintain a competitive edge in an increasingly demanding market.

Implications and Contributions

These findings have significant theoretical and practical implications. Theoretically, they expand the literature on employee performance by reinforcing the interdependence of motivational and environmental factors in service industries. This study provides a nuanced understanding of how employee motivation and the non-physical work environment influence frontline service performance, particularly in the jewellery retail sector, where personalised service and customer engagement are critical for sustained success.

Practically, the results suggest actionable strategies for organisations aiming to enhance service quality, which is directly linked to customer satisfaction and competitive advantage. Jewellery retailers, including UC Silver Gold Bali, can implement structured recognition programs, align employee goals with organisational objectives, and offer continuous development opportunities enhance motivation. personal to Simultaneously, fostering a supportive work environment with open communication, effective leadership, and strong interpersonal relationships can further drive service excellence.

Given the competitive nature of the jewellery retail industry, where customer experience is a key differentiator, these findings highlight the need for businesses to integrate motivation-enhancing strategies with a well-structured work environment. By doing so, retailers can create a highly engaged workforce capable of delivering superior customer interactions, thereby strengthening brand loyalty and positioning themselves competitively in both local and international markets.

CONCLUSION

This study investigates the influence of employee motivation and the non-physical work environment on frontline service performance at UC Silver & Gold Bali. The findings reveal that both employee motivation and a positive non-physical work environment significantly enhance frontline service performance, with employee motivation being the more influential factor. These results align with Maslow's Hierarchy of Needs Theory, which posits that fulfilling both basic and higher-order needs is essential for improving employee performance and job satisfaction. Herzberg's Two-Factor Theory also supports these findings, emphasizing that factors like recognition and growth opportunities (motivational factors) significantly

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boost performance, while the absence of negative work conditions (hygiene factors) is crucial for preventing dissatisfaction.

From a practical standpoint, organizations should focus on improving employee motivation through reward systems, career advancement opportunities, and regular feedback. Additionally, fostering a non-physical work environment that promotes collaboration, communication, and management support can further enhance service performance. By addressing both motivational and environmental factors, organizations can achieve better service outcomes, employee satisfaction, and long-term success. This research contributes valuable insights to the understanding of service quality, offering actionable recommendations for organizations seeking to optimize their frontline service performance.

SUGGESTIONS

Based on the findings of this study, organisations, particularly those in the service sector, should implement targeted strategies to enhance employee motivation and optimise the non-physical work environment to improve frontline service performance. One practical approach is the introduction of performance-based incentive schemes that reward employees for exceptional service quality and customer satisfaction. Such incentives may include financial bonuses, recognition programmes, or career advancement opportunities, all of which have been shown to foster engagement and long-term commitment.

Additionally, structured job training programmes should be established to equip employees with the necessary skills to excel in their roles. Regular training sessions focusing on customer service excellence, conflict resolution, and adaptability to dynamic workplace demands can empower employees and increase their confidence in service delivery. Moreover, fostering a culture of continuous learning through mentorship and leadership development initiatives can further enhance employee motivation.

To address communication gaps within the organisation, it is recommended that companies implement structured internal communication programmes. Regular team meetings, feedback mechanisms, and digital communication platforms can facilitate transparent and open dialogue between management and frontline employees. Encouraging participatory decision-making and active employee involvement in workplace improvements can also strengthen morale and reinforce a sense of belonging.

For future research, a longitudinal approach could provide deeper insights into how sustained improvements in employee motivation and the work environment impact frontline service performance over time. Further investigations into the role of cultural factors in shaping employee motivation and service delivery would also provide a more nuanced

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understanding of these dynamics in diverse organisational contexts. Expanding research to different service industries or geographical regions would enable the development of more generalised findings, benefiting a broader range of organisations striving to enhance their frontline service performance.

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