



Job Satisfaction Mediates the Influence of Leadership and Work Environment on Employee Performance at CV. Akemi Bali Craft

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ABSTRACT

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Analyzing the effect of leadership and work environment on employee job satisfaction, the influence of leadership and work environment on employee performance then the effect of job satisfaction on employee performance and the role of job satisfaction in mediating the influence of leadership on employee performance is the aim of this research. This type of research is quantitative research with a sample of 100 respondents who are employees of CV. Akemi Bali Craft in Klungkung with the total sampling method. The data analysis technique used is *Partial Least Square* (PLS). The results of this study, leadership and work environment have a positive effect on job satisfaction, leadership and work environment have a positive effect on employee performance, and job satisfaction has a negative and insignificant effect on employee performance. The mediating role of job satisfaction in the relationship between leadership and performance shows that the indirect relationship is not significant while the direct relationship is also significant, so job satisfaction is not a mediation between leadership and performance. This means that job satisfaction is not able to explain why leadership affects employee performance. That to obtain maximum performance requires good leadership in order to maximize the performance of its employees. Then the mediating role of job satisfaction on the relationship between the work environment and performance shows that the indirect relationship is not significant while the direct relationship is also significant, so job satisfaction is not a mediation between the work environment and performance. This means that job satisfaction is not able to explain why the work environment affects employee performance. That in order to obtain maximum performance, a good work environment is needed in order to maximize the performance of its employees.

KEYWORDS:

Job Satisfaction, Leadership, Work Environment, Employee Performance.

INTRODUCTION

In the era of the industrial revolution 4.0, companies or organizations engaged in different business fields can survive this unstable economic situation and will win in business and branch competition. Currently, many companies are required to be able to manage human resources properly. Human resources are part of the progress of science, development and technology, or in other words, humans are the most important and strategic assets of a company. Human resource management is the art and science of obtaining,

promoting, and using people to achieve business goals effectively and with passion for their work. Therefore, human resource management in a company is very important in efforts to increase the effectiveness and efficiency of the company, good human resource management, work efficiency achieved will affect the company's progress and vice versa if the company's performance is good. not good will hinder the progress of the company (Gangyang, 2018: 83).

Improving employee performance will help companies or organizations survive in an unstable competitive environment. As a result, efforts to improve employee performance are a challenge for the organization. Employee performance, according to Samsuddin (2018: 75), is the level of success that employees have in carrying out their duties and responsibilities. The performance of the company's employees greatly determines the success and

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level of performance of the company's employees; Thus, employees are required by the company to show optimal performance. Someone is said to have high performance if the specified workload is met and the realization of work results exceeds company expectations (Saputra, 2021).

Almost everyone who works wants to do their job as well as possible. Even if it means delivering better results than expected. However, in practice, there are still employees who are unable to complete the work in accordance with the goals set, or who are unable to produce something that has been determined (Kasmir, 2019: 181). CV. Akemi Bali Craft, which is located in Beneng Hamlet, Getakan Village, Banjarangkan District, Klungkung Regency, Bali, is a company that produces handicrafts and household items made of wood, most of which involve 45 employees in the production and sales process. Apart from Bali, the products produced are also marketed to East Java and West Java, while for the international market the products produced are able to reach countries such as Japan, Germany, Singapore and Australia. Low employee performance during the production process and product sales at CV. Akemi Bali Craft is still experiencing problems from what is targeted and realized which affects the company's income every year.

Sales targets set by CV. Akemi Bali Craft is still experiencing volatility from 2017 to 2021. In 2017 sales realization was IDR 824,000,000 while the sales target set by the company was IDR 1,600,000,000, namely the company only sold 52.62% of the goods. In 2018 sales realization amounted to IDR 2,500,000,000 while the sales target set by the company was IDR 1,710,000,000, namely the company only sold 68.40% of the goods. In 2019, the actual sales volume was IDR 3,760,000,000, while the sales target set by the company was IDR 2,005,000,000, meaning that the company only sold 45.56% of that volume. In 2020, total sales revenue is IDR 1,800,000,000 while the sales target set by the company is IDR 2,750,000,000, which means the company can only sell up to 52.54%. In 2021 the actual sale of goods is IDR 2,500,000,000, while the sales target set by the company is IDR 5,700,000,000, namely the company only sells 43.85% of goods (Saputra & Sanjaya, 2019).

In addition to the quantity of work that can be seen from the sales target and realization, according to Afandi (2018: 89) related to indicators, one of which is the quality of work. Some of the phenomena related to the quality of work that occur in the company are that it is still difficult to ensure the quality of the products produced because the work on the products is still carried out by employees (Saputra et al., 2019). Job satisfaction is a driving factor for increasing employee performance in the company (Saputra et al., 2020). Job satisfaction is very important for today's companies to ensure the psychological satisfaction of employees, because of this organizations must increase their desire to stay with

the company and improve their work efficiency, which leads to increased company productivity (Aksoy et al. 2018).

Several phenomena were found, where employees did not follow standard operating procedures such as wearing masks while working, gloves and other equipment. This is due to the lack of firmness from a leader in CV. Akemi Bali Craft is concerned with the work safety of its employees. As well as the lack of providing work motivation and involving the lowest employees in participating in meetings related to work and company progress. Another variable that affects employee performance is the work environment. The work environment is everything that surrounds employees at work, both physical and immaterial. Employees who feel comfortable working in a comfortable and safe work environment will enjoy their work so that they can carry out their duties efficiently and effectively. With a comfortable work environment for employees, employee performance will be better (Bahagia et al. 2018). Some of the phenomena that occur based on the results of surveys and initial observations are the lack of adequate air circulation, lighting, cleanliness of the room and lack of interaction between employees both before and after work.

CONCEPTS AND HYPOTHESES

According to Sudaryo (2019: 203) states that performance is the result of work done by a person in carrying out the tasks assigned to him. Understand the performance that can be achieved by employees in carrying out their duties. In other words, an employee can carry out his work in accordance with the demands of a predetermined organizational program plan, with the aim of achieving all work goals. If work performance can be carried out optimally, it means that the employee has fulfilled his employment duties and obligations in accordance with established labor standards. In general, in carrying out its activities to achieve long-term goals and short-term goals, it is better to pay attention to employee job satisfaction, because employee job satisfaction is the spearhead element of planning, analysis, directing and managing an organization. Best. Job satisfaction can be a determining factor in improving employee performance in a company.

The success of an organizational goal is largely determined by the ability of a leader to improve his quality and skills in managing the organization he leads. Leadership or leadership is the nature/traits or ways of a person for the purpose of encouraging or motivating a person or group of people willingly, conscientiously and faithfully to carry out activities that are in accordance with their mission and responsibilities to achieve the company's goals that have been previously set. The work environment is one of the employee considerations at work, employees will be able to carry out their activities for optimal results if supported by a healthy,

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safe, complete and comfortable work environment. The hypothesis in this study can be formulated as follows:

- H1: Leadership Has a Positive and Significant Influence on Satisfaction at CV. Akemi Bali Craft in Klungkung.
- H2: Work Environment Has a Positive and Significant Influence on Job Satisfaction at CV. Akemi Bali Craft in Klungkung
- H3: Leadership Has a Positive and Significant Influence on Employee Performance at CV. Akemi Bali Craft in Klungkung.
- H4: The work environment has a positive and significant impact on employee performance at CV. Akemi Bali Craft in Klungkung
- H5: Job Satisfaction Has a Positive and Significant Influence on Job Satisfaction at CV. Akemi Bali Craft in Klungkung
- H6: Job satisfaction is able to mediate the influence of leadership on employee performance at CV. Akemi Bali Craft in Klungkung.
- H7 : Job Satisfaction Being Able to Mediate the Influence of the Work Environment on Employee Performance at CV. Akemi Bali Craft in Klungkung.

RESEARCH ETHODOLOGY

Research design is a research plan that is arranged systematically, objectively, and scientifically so that data or positions can be obtained on the problems studied (Supriyanto & Ekowati, 2019: 2). This study uses a quantitative survey method. Quantitative research is defined as the investigation of social or humanitarian problems through theory testing based on a number of variables that are

measured numerically and statistically analyzed to determine the truth of the theory's predictive generalizations. This is an explanatory study in which hypotheses about the influence of variables are tested by administering questionnaires to respondents based on the measurements of each variable, which are then analyzed statistically.

This research position was taken at CV. Akemi Bali Craft which is located in Beneng Village, Getakan Village, Banjarangkan District, Klungkung Regency. Sampling technique in which all members of the population are used as respondents. Therefore, the respondents of this study are a certain population, namely 100 employees. Testing the research instrument was first carried out to find out whether the variables used were valid and reliable. Then perform inferential analysis to analyze the relationship between the variables studied in this study, namely leadership, work environment, job satisfaction and employee performance. In analyzing the effect of exogenous and endogenous variables in this study, partial least squares (PLS) were used.

RESULTS AND DISCUSSION

After distributing the questionnaires to 100 respondents, it was found that the majority of respondents in this study (65%) were male. While female gender accounts for 47% of the population, the majority of them range in age from 31-40 years (47%) to 47 people, 41-50 years (24%) to 24 people, 30 years (17%) to 17 people, and > 51 years (12%) up to 12 people. According to Table 5.3, the largest number is junior high school (42%) with 42 people, while the last undergraduate education has the smallest number (8%) with 8 people. First, test the instrument first.

Table 1. Cronbach Alpha value (α)

Construct	Cronbach Alpha (α).	Information
X1 (Leadership)	0.822	Very Reliable
X2 (Work Environment)	0.896	Very Reliable
Y1 (Job Satisfaction)	0.889	Very Reliable
Y2 (Employee Performance)	0.859	Very Reliable

Source: SPSS Calculation Results 25

Table 2. Validity test

Indicator	Correlation	Information
X11 Leaders give full trust to employees in completing work	0.728	Valid
X12 Leaders give appreciation for ideas given by subordinates	0.662	Valid
X13 Leaders provide motivation and enthusiasm for work	0.768	Valid
X14 Leaders provide facilities that support employee welfare	0.843	Valid
X15 Leaders involve employees in the progress of the company	0.797	Valid
X16 Leaders ignore personal interests for the convenience of completing work	0.571	Valid

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X21 Work completion facilities are sufficient	0.687	Valid
X22 Relationships with superiors are well established	0.870	Valid
X23 Relationships with colleagues are well established	0.856	Valid
X24 Air circulation is good	0.838	Valid
X25 Lighting in work is good	0.839	Valid
X26 Cleanliness of the room is good	0.785	Valid
Y11 Salary	0.792	Valid
Y12 Occupation	0.880	Valid
Y13 Colleagues	0.838	Valid
Y14 Boss	0.808	Valid
Y15 Promotion	0.852	Valid
Y21 Work conscientiously according to company standards set by the company	0.738	Valid
Y22 Trying to achieve targets by working efficiently	0.846	Valid
Y23 Complete work on time without procrastination	0.826	Valid
Y24 Enthusiastic at work in order to obtain maximum results	0.863	Valid
Y25 Arrive and leave on time	0.780	Valid
Y26 Take responsibility for my work wholeheartedly	0.594	Valid

From Tables 1 and 2 above, it can be seen that for all variables they have correlation coefficients above 0.30 and for *Cronbach Alpha coefficients* above 0.60 for all valid and reliable instruments.

Path Analysis and Hypothesis Testing

The expected test results are Ho rejected or Hi accepted where the sig value < 0.05 , the calculation results are shown in Table 3.

Table 3. Path Analysis and Hypothesis Testing

Construct Relations	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STERR)	P Values
Leadership -> Job Satisfaction	0.334	0.327	0.123	2,707	0.007
Leadership ->Employee Performance	0.384	0.383	0.104	3,700	0.000
Job Satisfaction -> Employee Performance	-0.099	0.101	0.102	0.969	0.333
Work Environment -> Job Satisfaction	0.629	0.641	0.098	6,398	0.000
Work Environment -> Employee Performance	0.359	0.366	0.105	3,424	0.001

The calculation results in Table 3 can be explained as follows.

- 1) Leadership has a positive effect of 0.334 and is significant on job satisfaction, meaning that the better the leadership, the better the performance of employees.
- 2) Leadership has a positive effect of 0.384 and is significant on employee performance, meaning that better leadership can improve employee performance significantly.
- 3) Job satisfaction has a negative effect of -0.099 and is not significant on performance. This means that the increase in job satisfaction was not able to increase job satisfaction significantly.

- 4) The work environment has a positive effect of 0.629 and is significant on job satisfaction. This means that the better the work environment, the job satisfaction is also increasing significantly.
- 5) The work environment has a positive effect of 0.359 and is significant on performance. This means that the better the work environment, the employee's performance is also increasing significantly.

Based on the results of testing the influence of leadership on job satisfaction, it shows that leadership has a positive and significant effect on job satisfaction. that means more leadership can significantly increase job satisfaction Akemi Bali Crafts in Klungkung. The results of this analysis are in line with the comments of Gunapatra (2017), Arianto

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(2018) and Pancasila et al (2020) that leadership has a positive and significant effect on job satisfaction.

Based on the results of testing the effect of the work environment on job satisfaction, the work environment has a positive and significant effect on job satisfaction. This means that the better the work environment, the greater the job satisfaction, but in real terms. Relationships between coworkers Harmonious relationships between coworkers affect employees who stay in an organization, namely the existence of harmonious relationships between coworkers. Available working media Working media means the equipment used to support good work has been completed/updated. Availability of adequate work facilities, although not new, is one of the processes that support work. The results of this analysis are in line with the statements of Abdul & Raheela (2015), Dharmannegara et al. (2016), Asri et al., (2018) argue that the work environment has a significant and significant effect on job satisfaction.

Based on the results of testing the influence of leadership on employee performance, leadership has a positive and significant effect on employee performance, meaning that the more capable the leader significantly improves employee performance. This claim is supported by research findings from Widodo (2017), Arianto (2018) and Fathoni et al. (2021) stated that leadership has a significant influence on employee performance.

According to the results of testing the effect of the work environment on employee performance, the work environment has a positive and significant effect on performance. This means that the better the work environment, the higher the employee's performance, but only in real terms. The results of this study are in line with the results of research conducted by Tahmeem Siddiqi, Sadia Tangem (2018) and Hartono & Turang (2021).

According to the test results on the effect of job satisfaction on employee performance, job satisfaction has a negative and insignificant effect on performance. That is, an increase in job satisfaction has not resulted in a significant increase in employee performance. The results of this study are in line with the results of research conducted by Sanuddin (2013), Nawabi (2020) which states that job satisfaction has a negative and insignificant effect on employee performance.

According to research findings looking at the mediating role of job satisfaction in the relationship between leadership and performance, the indirect relationship is not significant while the direct relationship indicates that job satisfaction is not an intermediary between leadership and performance. That is, job satisfaction cannot explain why leadership affects employee performance. To maximize employee performance, good leadership is needed. The results of this study are in line with research conducted by Dharmannegara, et al (2016) which states that job satisfaction

does not mediate the relationship between leadership and employee performance.

Based on the test results regarding the mediating role of job satisfaction on the relationship between the work environment and work performance, it shows that the indirect relationship is not significant while the direct relationship is also significant, so that job satisfaction is not an intermediary between the work environment and work performance. This means that job satisfaction does not explain why the work environment affects employee performance. To achieve maximum performance, a good work environment is needed so that employees can maximize their work performance. The results of this study are in line with research conducted by Siagian and Khair (2018) and Untung and Nugraheni (2017).

CONCLUSION

According to the findings of this study, leadership and work environment have a positive effect on job satisfaction, employee performance has a positive effect on leadership and work environment, and job satisfaction has a negative and insignificant effect on employee performance. The mediating role of job satisfaction in the relationship between leadership and performance shows that the indirect relationship is not significant while the direct relationship is significant, indicating that job satisfaction is not a mediator between leadership and performance. The mediating role of job satisfaction in the relationship between work environment and performance then shows that the indirect relationship is not significant while the direct relationship is significant, implying that job satisfaction is not a mediator between work environment and performance.

Advice that can be given is for leadership towards CV employees. Akemi Bali Craft in Klungkung as a whole is based on an average rating of good. Based on the respondent's answer, the lowest score is respect for the ideas of subordinates. For this reason, it is hoped that the leadership of CV. Akemi Bali Craft in Klungkung gives more appreciation to the ideas given by its employees to increase innovation and creativity. Work environment for employees of CV. Akemi Bali Craft in Klungkung as a whole is based on an average rating of good. Based on the respondent's answer, the lowest score is work equipment facilities. For this reason, it is hoped that the management of CV employees. Akemi Bali Craft in Klungkung further improves equipment facilities for employee safety while working.

Job satisfaction of CV employees. Akemi Bali Craft in Klungkung as a whole is based on an average rating of good. Based on the respondent's answer, the lowest score is salary. For this reason, CV. Akemi Bali Craft in Klungkung can increase salary according to her work. Performance of work employees against employees of CV. Akemi Bali Craft in Klungkung as a whole is based on an average rating of good. Based on the respondent's answer, the lowest score is

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the quality of work. For this reason, employees are expected to be thorough and focused in doing work.

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