

THE INFLUENCE OF SELF-AWARENESS, HAPPINESS AT WORK AND PHYSICAL WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE WITH JOB SATISFACTION AS AN INTERVENING VARIABLE AT BPKP SUMATETA UTARA

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Abstract

The importance of examining employee performance is because government institutions must be effective so that goals are achieved both in quality and quantity. Low performance causes a government institution or organization to experience losses which can then damage the quality of a government institution (Paais, 2018). Problems that occur with employee performance, government institutions need a role in management with Human Resources (HR) management to be able to maintain and improve better performance. Therefore, employee performance is important for government institutions. An employee who has high performance can encourage the achievement of government agency goals. There are many supporting factors that cause a decline in performance, namely self-awareness, happiness at work and the physical work environment and job satisfaction. This research aims to determine the influence of self-awareness, happiness at work and the physical work environment on employee performance, mediated by job satisfaction. This research was conducted on all auditors at BPKP Provincial Province, totaling 140 people. Data analysis used in this research is the outer model and inner model with SmartPLS software. The research results show that self-awareness, happiness at work and the physical work environment influence employee performance. Self awareness, happiness at work and the physical work environment influence job satisfaction. Self-awareness, happiness at work and the physical work environment influence employee performance, mediated by job satisfaction.

Keywords: *Self awareness, Happiness at Work, Physical Work Environment, Employee Performance and Job Satisfaction.*

1. INTRODUCTION

One of the common challenges faced by organizations is enhancing self-awareness, happiness at work, and the physical work environment to boost employee job satisfaction, which in turn can improve employee performance. Employee performance in governmental agencies must be effective to achieve goals both qualitatively and quantitatively. The researcher conducted a pre-survey to assess the performance of employees and identify the issues faced by employees at the Financial and Development Supervisory Agency (BPKP) of North Sumatra Province. Poor performance can cause losses for a governmental agency or organization and potentially damage its quality (Paais, 2018). To address performance issues, governmental agencies need to effectively manage Human Resources (HR) to maintain and improve performance. Therefore, employee performance is crucial for governmental agencies. An employee with high performance can contribute significantly to the achievement of the agency's objectives.

The scope of human resource management generally includes aspects related to human elements, including employee job satisfaction. Job satisfaction is a crucial factor for achieving optimal work results. Employees who feel satisfied with their work are likely to exert maximum effort and use their full potential to complete their tasks, leading to higher job performance. According to Hasibuan (2018), job satisfaction is an emotional attitude that reflects enjoyment and love for one's work. This attitude is reflected in work morale, discipline, and job performance. Robbins (2019) further supports this by defining job satisfaction as the general attitude and level of positive feelings an individual has towards their job. One of the

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challenges faced by government institutions is enhancing employee job satisfaction. Job satisfaction encompasses a range of employee feelings toward their work, whether they are pleased/like it or displeased/dislike it, resulting from the interaction between employees and their work environment, or from their assessment of their job. It is crucial for government authorities to address the needs of their employees, as this can foster high levels of job satisfaction and subsequently boost employee morale and work enthusiasm. One factor influencing performance is self-awareness. Self-awareness is an individual's ability to understand, accept, and manage their entire potential for future life development (Goleman in Dariyo, 2016:257). Self-awareness involves both internal and external insights into the reasons behind one's behavior or self-understanding. It serves as an essential ingredient for demonstrating clarity and comprehension of one's behavior. Self-awareness also enables individuals to observe themselves, distinguish themselves from others, and position themselves appropriately in various situations or circumstances (Maharani and Mustika, 2016).

To enhance professionalism, an auditor must first understand themselves and the tasks they are to perform, continuously improving and controlling their interactions with auditees (Tantina, 2003:2). The importance of self-awareness for employees at the Financial and Development Supervisory Agency (BPKP) of North Sumatra Province lies in its direct impact on human resource performance. When an auditor performs well, they are deemed competent in examining financial reports, and this competence correlates with high-quality audits. An auditor with a strong sense of self-awareness will act ethically within their profession and organization (Notoprasetyo, 2012). With self-awareness, employees understand their desires and needs. When employees possess good self-awareness, they become more attuned to their capabilities, recognizing both strengths and weaknesses. This understanding enables them to develop their skills and continually improve areas of deficiency. Self-awareness also boosts performance by identifying factors that can either hinder or enhance productivity. Consequently, employees can preemptively manage negative moods and create a conducive working environment for themselves. This clarity allows them to achieve maximum job satisfaction by clearly understanding what they like and dislike.

Happiness at Work is one of the factors influencing performance. Happiness at Work can be a determinant of employee performance because an individual is considered happy in the workplace when they demonstrate satisfaction and comfort in their work environment (Syarifi & Saerang, 2019). Azizah (2018) explains that happiness in the workplace can be understood as having an energetic outlook on work, being enthusiastic about work, having good interactions with colleagues, showing trust in others, demonstrating excellent execution in work, having the option to live alongside different individuals, going to work when needed as a replacement when colleagues are absent, performing multiple tasks with the goal of enhancing the workplace, items, and job administration. Happiness at work is crucial for employees of the Financial and Development Supervisory Agency (BPKP) of North Sumatra Province, where auditors experience higher levels of stress compared to other employees. This is because auditors have limited time to complete their tasks and bear a very high level of responsibility. The high workloads experienced by auditors can affect their performance and the quality of their audits, which can also decrease their level of job satisfaction (Gupta et al., 2014). Therefore, it is important for the Financial and Development Supervisory Agency (BPKP) of North Sumatra Province to ensure that its auditors do not experience stress while performing their duties.

According to Gupta et al. (2014), happiness greatly assists in addressing this issue. A happy workplace will provide peace of mind for employees while they work because spirituality generates positive energy (positive vibes). The purpose of happiness at work is to make work more meaningful, foster a sense of community, and enhance organizational values (Hassan et al., 2016). Happiness also enables auditors to integrate with their work, thereby increasing job satisfaction and organizational commitment, leading to improved performance. Many government institutions often fail to realize and overlook that one of the issues affecting their employees' performance stems from the physical work environment they inhabit. The physical work environment encompasses all physical aspects and factors surrounding employees that can affect them while carrying out their tasks and duties, such as lighting, air

temperature, cleanliness, space, and others (Saiful 'azzam et al., 2019). Therefore, the physical work environment within the office is a crucial element that government institutions need to consider because this environment always directly relates to the employees working within the office.

Government institutions need to adjust and manage the physical work environment effectively so that employees working within the office can experience a sense of pleasure while working. A conducive physical work environment is characterized by comfortable office furniture (desks and chairs) that can be adjusted according to each employee's preferences, the absence of loud noises that can disrupt employees' concentration, appropriate air temperature (neither too hot nor too cold), adequate lighting in the office (neither too bright nor too dim), and effective and efficient office space arrangement, including sufficient space and openness in the office layout to facilitate interaction among employees and ease their mobility for communication (Saleem et al., 2012).

Formulation of the problem

The decline in rice production and productivity is caused by various obstacles, one of which is the uncertain climate phenomenon which will cause floods, droughts, and disturbances by plant pests (OPT). Apart from that, land and water resources are becoming more and more degraded and neglected, due to erosion, landslides, and pollution, so that the decline in environmental quality both regionally and globally results in a reduction in strategic land for rice cultivation, plus limited potential land for agricultural development reserves. To overcome the reduction in strategic land for rice cultivation, it is necessary to study the impact of climate change on rice production so that from the research results recommendations can be made for water and land management to support rice production, namely utilizing the potential of dry lands such as fields and gardens. (Saleh et al., 2015 and Sembiring, 2017).

Research purposes

This study aims to examine the influence of self-awareness, happiness at work, and physical work environment on employee performance, mediated by job satisfaction.

Research Hypothesis

The hypotheses in this study are that self-awareness, happiness at work, and physical work environment influence employee performance. Furthermore, self-awareness, happiness at work, and physical work environment also affect job satisfaction. Lastly, self-awareness, happiness at work, and physical work environment affect employee performance with job satisfaction as a mediator.

2. RESEARCH METHODS

Place and time

The research was conducted from January to May 2024 at the BPKP (Financial and Development Supervisory Agency) of North Sumatra Province. The sample in this study comprised all auditors at the BPKP of North Sumatra Province, totaling 140 employees. The sampling technique employed was total sampling. The data analysis technique used in this study was Partial Least Square (PLS).

3. RESULTS AND DISCUSSION

3.1 Self Awareness has a positive and significant effect on Job Satisfaction

Based on the results of statistical testing of path coefficients, it is evident that self-awareness has a positive and significant effect on job satisfaction. This is attributed to the fact that the majority of employees at the BPKP of North Sumatra Province have ten or more years of work experience, indicating that employee self-awareness influences their performance. In the BPKP of North Sumatra Province, employees exhibit a high level of self-awareness, wherein they experience increased confidence in recognizing their own strengths and weaknesses and evaluating them with the conviction that they can compensate for their shortcomings by enhancing their soft skills and hard skills through the training provided by the organization. As organizational success increases, employees demonstrate a high level of independence in striving to showcase their best performance to superiors, positioning themselves favorably for roles designated by the organization to achieve job satisfaction. Their ability to make

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Victoria Via Dolorosa Situmorang¹, Ritha F. Dalimunthe², Sukaria Sinulingga³

appropriate decisions at work improves in tandem with their skills in expressing thoughts, feelings, opinions, and beliefs in fostering conducive working relationships with superiors and colleagues.

3.2 Happiness at Work has a positive and significant effect on Job Satisfaction

Based on the statistical testing results of the path coefficients, it is evident that happiness at work has a positive and significant effect on job satisfaction. Employees at BPKP Provinsi Sumatera Utara experience happiness in their workplace, which fosters positive behaviors, consequently enhancing productivity and enabling them to evaluate their work effectively. This, in turn, contributes to job satisfaction among individuals in achieving the goals of the institution or organization for success.

3.3 Physical Work Environment has a positive and significant effect on Job Satisfaction

Based on the statistical testing results of the path coefficients, it is evident that the physical work environment has a positive and significant effect on job satisfaction. Employees at BPKP Provinsi Sumatera Utara perceive the physical work environment as meeting their needs, and when the institution can fulfill these needs, employee satisfaction in performing their duties is achieved (Dessler, 2015).

3.4 Self Awareness has a positive and significant effect on Employee Performance

Based on the statistical testing results of the path coefficients, it is evident that self-awareness has a positive and significant effect on employee performance. Employees at BPKP Provinsi Sumatera Utara exhibit self-awareness; however, self-awareness tends to decrease when employees encounter conflicts of interest. This is because an employee is placed in a specific field for a considerable amount of time, typically ranging from several years to a maximum of around 2 years. Consequently, there is an indirect emergence of closeness and familiarity between auditors and the objects examined during this period. This situation leads to conflicts of interest experienced by auditors.

3.5 Happiness at Work has a positive and significant effect on Employee Performance

Based on the statistical testing results of the path coefficients, it is evident that happiness at work has a positive and significant effect on employee performance. Employees at BPKP Provinsi Sumatera Utara feel happy in their workplace, such as having trust in the work environment and feeling valued at work, but they do not yet feel comfortable in their jobs. This is because at BPKP Provinsi Sumatera Utara, the targeted deadlines for completing tasks are minimal. Some employees even complain that the time tolerance given is very short between one task and the next, with no breaks in between. Consequently, the happiness in the workplace is not yet optimal. This affects employee performance because when happiness at work is not achieved, employee performance will decrease.

3.6 Physical Work Environment has a positive and significant effect on Employee Performance

Based on the statistical testing results of the path coefficients, it is evident that the physical work environment has a positive and significant effect on employee performance. Employees at BPKP Provinsi Sumatera Utara feel that the physical work environment meets their needs, and when BPKP Provinsi Sumatera Utara is able to fulfill the needs of its employees, their expectations are met, resulting in job satisfaction (Dessler, 2015). In the workplace, employees require the fulfillment of their rights, including having a supportive work environment conducive to performing their tasks. A decent work environment is one where individuals can perform their tasks ideally, safely, healthily, and comfortably (Hasibuan, 2018). The physical environment of the organization, particularly its layout and design, can influence employee behavior in the workplace, including the workplace building, equipment, and facilities. The analysis results indicate that the better the condition of the physical work environment, the higher the employee performance.



3.7 Job Satisfaction has a Positive and Significant Effect on Employee Performance

Based on the statistical test results of path coefficients, it is indicated that job satisfaction has a positive and significant effect on employee performance. Furthermore, the statistical test results of path coefficients show that job satisfaction also has a positive and significant effect on job satisfaction itself. In the State Audit Board of the North Sumatra Province, both variables mutually enhance each other, meaning that when job satisfaction increases, their performance also improves. This is evident from satisfaction with salary, satisfaction with the job itself, satisfaction with superiors, and satisfaction with colleagues. Job satisfaction among auditors encourages them to work effectively and efficiently. Consistent monthly salary payments along with auditor job allowances, clear work guidelines in conducting audits, clear work orders, and cooperation with colleagues motivate auditors to perform well. However, there are times when auditors do not receive accurate instructions and only receive work orders without work guidelines, resulting in ineffective and inefficient work outcomes.

3.8 Self-Awareness has a Positive and Significant Effect on Employee Performance Mediated by Job Satisfaction

Based on the statistical test results of path coefficients, it is indicated that self-awareness has a positive and significant effect on employee performance mediated by job satisfaction. In the State Audit Board of the North Sumatra Province, it is demonstrated that when employees exhibit better self-awareness and experience job satisfaction, their performance improves, and vice versa.

3.9 Happiness at Work has a Positive and Significant Effect on Employee Performance Mediated by Job Satisfaction

Based on the statistical test results of path coefficients, it is shown that happiness at work has a positive and significant effect on employee performance mediated by job satisfaction. In the State Audit Board of the North Sumatra Province, employee self-awareness plays a crucial role in enhancing job satisfaction, which consequently leads to improved performance.

3.10 Physical Work Environment has a Positive and Significant Effect on Employee Performance Mediated by Job Satisfaction

Based on the statistical test results of path coefficients, it is evident that the physical work environment has a positive and significant effect on employee performance mediated by job satisfaction. In the State Audit Board of the North Sumatra Province, the work environment is where tasks are completed. An employee cannot be detached from the work environment, as it serves as the space for work. Creating a pleasant work environment that meets employees' needs will result in satisfaction and boost their motivation. As the work environment serves as a source of information and activity, ensuring a conducive work environment is essential for employees to feel comfortable and productive, leading to high efficiency. A good work environment will have a positive impact on the quality of an employee's work.

4. CONCLUSION

Based on the research conducted on employees of the State Audit Board of North Sumatra Province, the following conclusions can be drawn:

1. Self-awareness has a positive and significant effect on job satisfaction at the State Audit Board of North Sumatra Province.
2. Happiness at work has a positive and significant effect on job satisfaction at the State Audit Board of North Sumatra Province.
3. The physical work environment has a positive and significant effect on job satisfaction at the State Audit Board of North Sumatra Province.
4. Self-awareness has a positive and significant effect on employee performance at the State Audit Board of North Sumatra Province.

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Victoria Via Dolorosa Situmorang¹, Ritha F. Dalimunthe², Sukaria Sinulingga³

5. Happiness at work has a positive and significant effect on employee performance at the State Audit Board of North Sumatra Province.
6. The physical work environment has a positive and significant effect on employee performance at the State Audit Board of North Sumatra Province.
7. Job satisfaction has a positive and significant effect on employee performance at the State Audit Board of North Sumatra Province.
8. Self-awareness has a positive and significant effect on employee performance mediated by job satisfaction at the State Audit Board of North Sumatra Province.
9. Happiness at work has a positive and significant effect on employee performance mediated by job satisfaction at the State Audit Board of North Sumatra Province.
10. The physical work environment has a positive and significant effect on employee performance mediated by job satisfaction at the State Audit Board of North Sumatra Province.

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