

THE EFFECT OF ORGANIZATIONAL CLIMATE AND WORK ETHIC ON EMPLOYEE PERFORMANCE WITH EMPLOYEE PLANNING AS AN INTERVENING VARIABLE AT PT PLN (PERSERO) UP3 PADANGSIDIMPUAN

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Abstract

This study aims to analyze the influence of Organizational Climate and Work Ethic on Employee Performance with Employee Planning as an intervening variable. The study was conducted in an agency with 86 respondents. The research method used is a quantitative approach with Partial Least Square–Structural Equation Modeling (PLS-SEM) analysis techniques. The results of the study indicate that Work Ethic has a positive and significant effect on Employee Performance and a significant effect on Employee Planning. Organizational Climate does not directly affect Employee Performance, but has a significant effect on Employee Planning. In addition, Employee Planning has a significant effect on Employee Performance. In terms of mediation, Employee Planning is able to significantly mediate the effect of Work Ethic on Employee Performance, but cannot mediate the effect of Organizational Climate on Employee Performance. These findings indicate the importance of improving employee planning in improving performance through work ethic.

Keywords: *Organizational Climate, Work Ethic, Employee Planning, Employee Performance*

Background

Employee performance is one of the key factors in determining the success of an organization, including in the public service sector such as PT PLN (Persero). As a company responsible for providing electrical energy to the community, PT PLN (Persero) Padangsidimpuan Customer Service Implementation Unit (UP3) plays a strategic role in ensuring reliable, quality, and sustainable energy distribution. In carrying out these duties, this organization faces various complex challenges, both from technical and non-technical aspects. Technical aspects include electricity network maintenance, distribution management, and handling of disturbances, while non-technical aspects are more focused on human resource (HR) management which is the main driver of the organization. Thus, it is important to ensure that HR dimensions, including employee performance, receive adequate attention in supporting the achievement of organizational goals. Organizational climate is one of the significant aspects in creating a conducive work environment, where employees feel appreciated, supported, and motivated to give their best contribution. A positive organizational climate not only increases employee motivation and job satisfaction, but also strengthens interpersonal relationships, a sense of belonging, and loyalty to the organization. This ultimately has a direct impact on their performance, both individually and as a team.

On the other hand, an employee's work ethic is a crucial element that reflects their values, passion, and dedication to their work. A strong work ethic not only fosters a commitment to completing tasks with the highest quality but also creates a proactive and innovative work culture. Employees with a strong work ethic tend to be more responsive to challenges, have resilience in the face of work pressure, and are able to provide creative solutions to problems they face. The combination of a supportive organizational climate and a strong work ethic is believed to have a positive impact on individual and organizational performance as a whole. The synergistic relationship between these two elements can create harmonious work dynamics, increase operational effectiveness, and support the

sustainable achievement of the organization's strategic goals. Furthermore, employee planning is an equally important variable in determining the effectiveness of organizational performance. Personnel planning encompasses various strategic aspects, such as workforce needs analysis, competency-based recruitment planning, skill development relevant to organizational demands, and optimal employee placement according to their positions and responsibilities. Thorough planning also encompasses succession management, identification of potential employees for career advancement, and regular performance evaluations. With a planned approach, organizations can ensure the proper allocation of human resources, reduce workload imbalances, and increase employee satisfaction and productivity. In this context, sound personnel planning can be a bridge connecting the influence of a conducive organizational climate and a strong work ethic to improving overall employee performance. This study focuses on PT PLN (Persero) UP3 Padangsidimpuan as the main subject, with the aim of analyzing in depth how organizational climate and work ethic influence employee performance. This study will also explore the role of personnel planning as an intervening variable that can strengthen or mediate this relationship. By analyzing the influence of these various aspects, this research is expected to provide comprehensive new insights into the determinants of employee performance in the public service sector. Furthermore, the results of this study are also expected to make a significant contribution, both academically as a reference for further research, and practically by offering strategic recommendations for PT PLN (Persero) UP3 Padangsidimpuan to optimize its human resource management.

Identification of problems

The problem identification in this research is:

1. Organizational climate is one of the significant aspects in creating an unconducive work environment, where employees feel underappreciated and unmotivated to give their best contribution.
2. The work ethic of employees does not reflect the values, enthusiasm and dedication to work.
3. Employee planning is not yet based on workforce needs analysis, which is competency-based, skills development that is relevant to organizational demands, and optimal employee placement according to their positions and responsibilities.
4. The Human Resources dimension, including employee performance, has not received adequate attention in supporting the achievement of organizational goals.

Formulation of the problem

The problem formulation in this research is:

1. Does Organizational Climate have a positive and significant influence on Employee Planning at PT PLN (Persero) UP3 Padangsidimpuan?
2. Does Work Ethic have a positive and significant influence on Employee Planning at PT PLN (Persero) UP3 Padangsidimpuan?
3. Does Organizational Climate have a positive and significant influence on Employee Performance at PT PLN (Persero) UP3 Padangsidimpuan?
4. Does work ethic have a positive and significant influence on employee performance at PT PLN (Persero) UP3 Padangsidimpuan?
5. Does Employee Planning have a positive and significant effect on Employee Performance at PT PLN (Persero) UP3 Padangsidimpuan?
6. Does Organizational Climate have a positive and significant influence on Employee Performance through Employee Planning at PT PLN (Persero) UP3 Padangsidimpuan?
7. Does Work Ethic have a positive and significant influence on Employee Performance through Employee Planning at PT PLN (Persero) UP3 Padangsidimpuan?

Research purposes

The objectives of this research are as follows:

1. To test and analyze the positive and significant influence of Organizational Climate on Employee Planning at PT PLN (Persero) UP3 Padangsidimpuan.
2. To test and analyze the positive and significant influence of Work Ethic on Employee Planning at PT PLN (Persero) UP3 Padangsidimpuan.
3. To test and analyze the positive and significant influence of Organizational Climate on Employee Performance at PT PLN (Persero) UP3 Padangsidimpuan.
4. To test and analyze the positive and significant influence of Work Ethic on Employee Performance at PT PLN (Persero) UP3 Padangsidimpuan.

5. To test and analyze the positive and significant influence of Employee Planning on Employee Performance at PT PLN (Persero) UP3 Padangsidimpuan.
6. To test and analyze the positive and significant influence of Organizational Climate on Employee Performance through Employee Planning at PT PLN (Persero) UP3 Padangsidimpuan.
7. To test and analyze the positive and significant influence of Work Ethic on Employee Performance through Employee Planning at PT PLN (Persero) UP3 Padangsidimpuan.

Benefits of research

Academic Benefits

This research is expected to add to the literature regarding the influence of organizational climate, work ethic, and employee planning on employee performance. The results are also expected to provide new insights into the role of intervening variables in the relationship between these variables.

Practical Benefits

This research is expected to provide practical recommendations for PT PLN (Persero) UP3 Padangsidimpuan in managing organizational climate, improving work ethic, and preparing effective employee planning to improve employee performance.

Literature review

Employee Performance

According to Mathis and Jackson (2016), employee performance is the level of work achieved in accordance with organizational goals. According to Wibowo (2016), employee performance is the work results achieved by an individual in accordance with the responsibilities assigned to them.

Employee Performance Indicators

According to Mathis and Jackson (2016), employee performance indicators include:

1. Quantity of Work: The volume of work that can be completed in a certain time.
2. Work Quality: The degree to which work results conform to predetermined standards.
3. Time Efficiency: The ability to complete work within the specified time.
4. Work Communication: Skills to interact effectively with coworkers.

Factors that influence employee performance

The following are factors that influence employee performance according to Mathis and Jackson (2016):

1. Individual Ability
2. Work Motivation
3. Organizational Support
4. Job Design
5. Reward and Award System
6. Work Environment Conditions

Organizational Climate

According to Kreitner and Kinicki (2016), organizational climate is a pattern of perceptions shared by members of an organization regarding the policies, practices, and procedures applicable in the workplace. According to Luthans (2016), organizational climate is the characteristics of the work environment perceived by individuals and believed to influence their motivation, satisfaction, and performance.

Organizational Climate Indicators

According to Kreitner and Kinicki (2016), organizational climate indicators include:

1. Justice: The level of employee perception of fairness in organizational policies and decisions.
2. Innovation: The organization's willingness to support change and creativity.
3. Openness of Communication: The quality of communication between individuals and between sections in the organization.
4. Managerial Support: The level of support provided by managers to employees.
5. Workload Balance: Fair and realistic distribution of workload.

Factors that influence organizational climate

According to Kreitner and Kinicki (2016), organizational climate is influenced by several factors that shape employees' perceptions and experiences of their work environment. These factors include:

1. Organizational Structure
2. Leadership Style
3. Human Resource Management Policies and Practices
4. Technology and Work Environment
5. Organizational Culture
6. Organizational Communication
7. Individual Characteristics

Work ethic

According to Moenir (2016), work ethic is a mental attitude that reflects the beliefs, enthusiasm, and work values held by an individual in carrying out tasks. According to Anoraga (2016), work ethic is behavior that demonstrates a person's commitment to work, characterized by discipline, responsibility, and dedication.

Work Ethic Indicator

According to Moenir (2016), work ethic indicators include:

1. Work Discipline: Ability to comply with work rules and schedules.
2. Responsibility: Willingness to bear the consequences of the work done.
3. Dedication: The level of seriousness in completing the task.
4. Honesty: Transparent and honest attitude in carrying out work.

Factors that influence work ethic

According to Moenir (2016), work ethic is influenced by several factors related to attitudes, the environment, and systems within an organization. The following are factors that influence work ethic, according to Moenir:

1. Education and Training Factors
2. Work Environment Factors
3. Leadership Factors
4. Income or Compensation Factor
5. Welfare and Social Security Factors
6. Personal Awareness and Responsibility Factors

Employee Planning

According to Byars and Rue (2016), staffing planning is the process of determining an organization's human resource needs to ensure adequate workforce availability. According to Mondy and Martocchio (2016), staffing planning is the strategic process of identifying, recruiting, and managing the workforce to support the achievement of organizational goals.

Employee Planning Indicators

According to Byars and Rue (2016), employee planning indicators include:

1. Needs Analysis: Identify the number and skills of the workforce required.
2. Effective Recruitment: The process of finding candidates who meet your needs.
3. Employee Development: Training and development programs to improve competency.
4. Performance Management: Periodic assessment and evaluation of employee performance.

Factors influencing employee planning

The following are factors that influence employee planning according to Byars and Rue (2016):

1. Changes in the External Environment
2. Organizational Goals and Strategies
3. Labor Demand and Supply
4. Technological Changes
5. Organizational Conditions and Structure
6. Internal Company Policies

Conceptual Framework

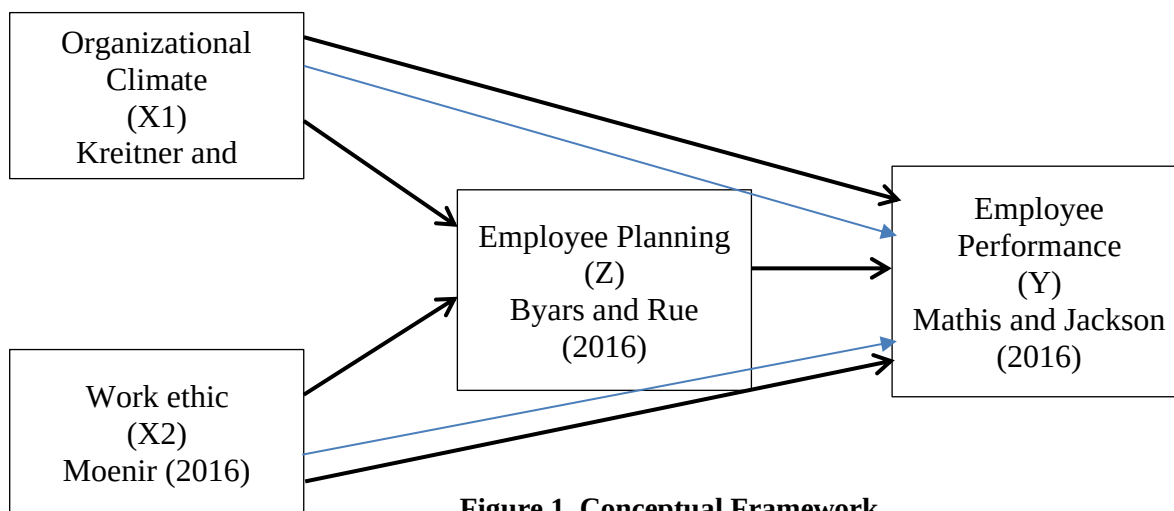


Figure 1. Conceptual Framework

Hypothesis

The hypothesis of this study is as follows:

1. Organizational Climate has a positive and significant influence on Employee Planningat PT PLN (Persero) UP3 Padangsidimpuan
2. Work Ethic has a positive and significant influence on Employee Planningat PT PLN (Persero) UP3 Padangsidimpuan
3. Organizational Climate has a positive and significant influence on Employee Performanceat PT PLN (Persero) UP3 Padangsidimpuan
4. Work Ethic has a positive and significant influence on Employee Performanceat PT PLN (Persero) UP3 Padangsidimpuan
5. Employee Planning has a positive and significant impact on Employee Performanceat PT PLN (Persero) UP3 Padangsidimpuan
6. Organizational Climate has a positive and significant influence on Employee Performance through Employee Planningat PT PLN (Persero) UP3 Padangsidimpuan
7. Work Ethic has a positive and significant influence on Employee Performance through Employee Planningat PT PLN (Persero) UP3 Padangsidimpuan

Types of research

This research uses a quantitative approach with a survey method. Quantitative research aims to test hypotheses by measuring variables using numerical data and statistical analysis (Sugiyono, 2015).

Time and Location of Research

The research was conducted from July to August 2025 at PT PLN (Persero) UP3 Padangsidimpuan.

Research Population and Sample

Population according to Sugiyono (2015) is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by the researcher to be studied and then conclusions drawn. In this study, the population is all employees of PT PLN (Persero) UP3 Padangsidimpuan, totaling 86 people. The sample according to Sugiyono (2015) is a part of the number and characteristics possessed by the population. The sample used is the entire population (saturated sampling technique), because the population is relatively small so that it is possible to use all members of the population as samples.

Research Data Sources

The data sources used are primary and secondary data sources. Primary data according to Sugiyono (2015) is data directly collected by researchers from primary sources through data collection tools, such as questionnaires,

interviews, or observations. In this study, primary data was obtained directly from respondents through questionnaires. Secondary data according to Sugiyono (2015) is data obtained from existing sources, such as company documents, annual reports, and relevant literature. In this study, secondary data was obtained from company documents, annual reports, and relevant literature.

Data collection technique

According to Sugiyono (2015), a questionnaire is a data collection technique that involves providing respondents with a set of written questions or statements to answer. Data collection is conducted through a structured questionnaire distributed to all respondents. Questions in the questionnaire are structured based on research variable indicators.

Operational Definition of Variables

Table 1. Operational Definition of Variables

Variables	Definition	Indicator
Employee Performance (Y)	According to Mathis and Jackson (2016), employee performance is the level of work results achieved in accordance with organizational goals.	According to Mathis and Jackson (2016), employee performance indicators include: 1. Quantity of Work 2. Quality of Work 3. Time Efficiency 4. Work Communication
Organizational Climate (X1)	Kreitner and Kinicki (2016), organizational climate is a pattern of perceptions shared by members of an organization regarding the policies, practices, and procedures that apply in the workplace.	According to Kreitner and Kinicki (2016), organizational climate indicators include: 1. Justice 2. Innovation 3. Openness of Communication 4. Managerial Support 5. Workload Balance
Work ethic (X2)	According to Moenir (2016), work ethic is a mental attitude that reflects the beliefs, enthusiasm and work values that an individual has in carrying out tasks.	According to Moenir (2016), work ethic indicators include: 1. Work Discipline 2. Responsibility 3. Dedication 4. Honesty
Employee Planning (Z)	According to Byars and Rue (2016), personnel planning is the process of determining an organization's human resource needs to ensure the availability of adequate workforce.	According to Byars and Rue (2016), employee planning indicators include: 1. Needs Analysis 2. Effective Recruitment 3. Employee Development 4. Performance Management

Data Analysis Techniques

Data analysis was carried out using Smart PLS software with the following stages:

Test Measurement Model (Outer Model)

This test was conducted to evaluate the validity and reliability of the research instrument. The steps taken included:

1. Convergent Validity Test: Using the loading factor value (> 0.7) and Average Variance Extracted ($AVE > 0.5$) (Hair et al., 2015).
2. Discriminant Validity Test: Ensures that the AVE root value is greater than the correlation between variables.
3. Reliability Test: Using Composite Reliability (> 0.7) and Cronbach's Alpha (> 0.7) (Hair et al., 2015).

Structural Model Test (Inner Model)

This test aims to examine the relationship between variables. The steps include:

1. Model Suitability Test: Using the R^2 (Coefficient of Determination) value
2. Predictive Relevance (Q^2) Test: Using a Q^2 value > 0 indicates the model has predictive relevance.

PLS-SEM Inner Model Assumptions

The PLS-SEM model is based on the following assumptions:

1. The relationship between latent variables is non-parametric.
2. Data does not have to be normally distributed.
3. PLS-SEM is suitable for models with high complexity and small sample sizes (Hair et al., 2015).

Hypothesis Testing

Hypothesis testing was carried out using bootstrapping on Smart PLS by looking at the t-statistic value ($t > 1.96$ for significance at $\alpha = 0.05$) and p-value ($p < 0.05$) (Hair et al., 2015).

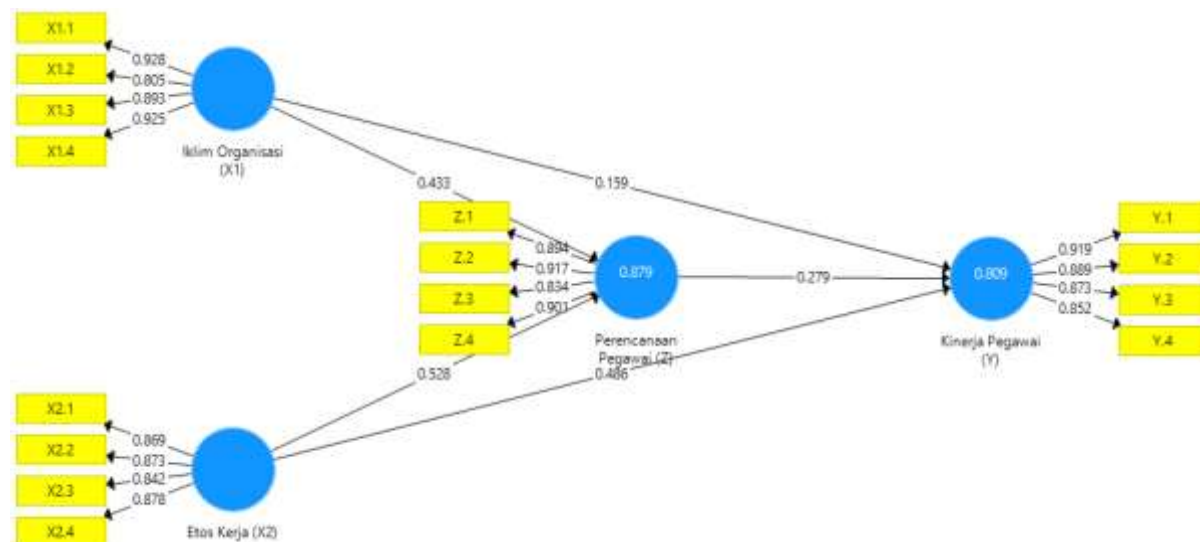
RESULTS AND DISCUSSION

Outer Model Analysis

Outer Model Analysis (also known as Measurement Model) is used in the Partial Least Squares Structural Equation Modeling (PLS-SEM) method to measure the validity and reliability of indicators against latent constructs. The goal is to ensure that the indicators used truly reflect the constructs being measured. This test has reliability, discriminant validity, and convergent validity.

1. Convergent Validity

Convergent validity is used to test whether the indicators within a construct have a high correlation and are consistent in measuring the intended construct. This test is conducted by examining the outer loading and Average Variance Extracted (AVE) values. An indicator is considered convergently valid if its outer loading value is above 0.70. Although values between 0.50 and 0.70 are still acceptable as long as the construct's AVE value still meets the requirements, namely above 0.50. The structural model of the research is depicted in the following figure:



Source: Smart PLS 3.3.3

The Smart PLS output for loading factor gives the results in the following table: Outer Loadings In this study there is an equation and the equation consists of two substructures for substructure 1

$$Z = b_1X_1 + b_2X_2 + e_1$$

$$Z = 0.433 + 0.528 + e_1$$

For substructure 2

$$Y = b_3X_1 + b_4X_2 + b_5Z + e_2$$

$$Y = 0.159 + 0.486 + 0.279 + e_2$$

Table 2. Outer Loadings

	Work Ethic (X2)	Organizational Climate (X1)	Employee Performance (Y)	Employee Planning (Z)
X1.1		0.928		
X1.2		0.805		
X1.3		0.893		
X1.4		0.925		
X2.1	0.869			
X2.2	0.873			
X2.3	0.842			
X2.4	0.878			
Y.1			0.919	
Y.2			0.889	
Y.3			0.873	
Y.4			0.852	
Z.1				0.894
Z.2				0.917
Z.3				0.834
Z.4				0.901

Source: Smart PLS 3.3.3.

Outer loading indicates the strength of the relationship between each indicator and the latent construct it measures. Generally, a good outer loading value is above 0.70, indicating that the indicator is valid in measuring its construct. All indicators of each construct (X1, X2, Y, and Z) have outer loading values above 0.80, which means all indicators in the model have met the requirements for convergent validity. Thus, no indicators need to be removed or revised, and the measurement model can be declared good and suitable for proceeding to inner model analysis.

Discriminant Validity

Discriminant validity is used to test the extent to which a construct is truly empirically distinct from other constructs in the model. In other words, discriminant validity ensures that the indicators of a construct do not more strongly measure other constructs than the construct itself. Discriminant validity testing is conducted using two main approaches, as follows:

Table 3. Discriminant Validity

	Work Ethic (X2)	Organizational Climate (X1)	Employee Performance (Y)	Employee Planning (Z)
X1.1	0.847	0.928	0.775	0.833
X1.2	0.737	0.805	0.745	0.736
X1.3	0.827	0.893	0.773	0.807
X1.4	0.794	0.925	0.734	0.853
X2.1	0.869	0.736	0.786	0.780
X2.2	0.873	0.790	0.770	0.766
X2.3	0.842	0.746	0.756	0.776
X2.4	0.878	0.850	0.756	0.857
Y.1	0.786	0.764	0.919	0.781
Y.2	0.770	0.718	0.889	0.776
Y.3	0.786	0.727	0.873	0.755
Y.4	0.787	0.798	0.852	0.762
Z.1	0.808	0.842	0.752	0.894
Z.2	0.838	0.823	0.826	0.917
Z.3	0.824	0.756	0.720	0.834
Z.4	0.792	0.806	0.787	0.901

Source: Smart PLS 3.3.3

Cross-loading is used to test whether each indicator has the highest loading value on the construct it is supposed to measure compared to other constructs. Discriminant validity is met if the indicator's loading value is higher on its own construct than on other constructs. All X1 indicators have the highest loading values on the Organizational Climate construct, so that discriminant validity is met for this construct. Although X2.4 has a fairly high loading on Z (0.857), its highest loading value remains on the original construct Work Ethic (0.878). Therefore, discriminant validity for Work Ethic is also met. All Y indicators have the highest loading on the Employee Performance construct, so discriminant validity is met. All Z indicators have the highest loading on the Employee Planning construct, so discriminant validity is also met. All constructs in the model have met the requirements for discriminant validity based on the cross-loading approach.

Composite reliability

The next test calculates the reliability value using the composite reliability of the indicator blocks that measure the construct. A construct value is said to be reliable if its Composite Reliability value exceeds 0.60. In addition to looking at the composite reliability value, the reliability value can also be seen in the variable construct value with Cronbach's alpha from the indicator block that measures the construct. A construct is considered reliable if its Cronbach's alpha value exceeds 0.7. The table below shows the construct loading values of the research variables generated by the Smart PLS software.

Table 4. Construct Reliability and Validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Work Ethic (X2)	0.888	0.923	0.749
Organizational Climate (X1)	0.910	0.938	0.790
Employee Performance (Y)	0.906	0.934	0.780
Employee Planning (Z)	0.909	0.937	0.787

Source: Smart PLS 3.3.3

All constructs showed Cronbach's Alpha and Composite Reliability values above 0.90, indicating very high internal consistency of the indicators in measuring the constructs. Similarly, all AVE values were above 0.70, indicating that each construct had excellent convergent validity, as it was able to explain more than 70% of the variance in its indicators. Based on the results of reliability and convergent validity tests, it can be concluded that all constructs in this research model have met the criteria for reliability and validity. Therefore, the instrument used is suitable for use in further testing of the structural model (inner model).

Inner Model Analysis

The inner model aims to examine the relationships between latent constructs in the research model. The inner model shows the direct and indirect influences between variables and tests the feasibility of the structural model based on the coefficient of determination (R^2) and significance values (T-Statistic & P-Values).

Coefficient of Determination (R^2)

The coefficient of determination (R Square or R^2) is used to measure how much an independent variable can explain the dependent variable in a model. The R^2 value ranges from 0 to 1 (0–100%). Based on data processing carried out using the SmartPLS 3.0 application, the R Square value was obtained as follows:

Table 5. R Square Results

	R Square	Adjusted R Square
Employee Performance (Y)	0.809	0.802
Employee Planning (Z)	0.879	0.876

Source: Smart PLS 3.3.3

The R Square value of 0.809 shows that 80.9% of the variation in employee performance can be explained by the variables Organizational Climate (X1), Work Ethic (X2), and Employee Planning (Z). The R Square value of 0.879 means that 87.9% of the variation in Employee Planning can be explained by Organizational Climate (X1) and Work Ethic (X2). Based on the results of the inner model testing in this study, the coefficient of determination (R Square) value was obtained at 0.809 for the Employee Performance construct (Y) and 0.879 for the Employee Planning construct (Z). This indicates that the model has a very strong explanatory ability for endogenous variables. Thus, it can be concluded that the structural model in this study has very high predictive power and is suitable for use in testing the relationship between constructs that have been established in the theoretical framework.

Hypothesis Testing

Hypothesis testing in this study was conducted to determine the direct influence between variables in the structural model. This analysis is based on the path coefficient value, the value of the T-statistics and p-values generated from bootstrapping tests on the PLS model. A relationship is considered significant if the T-statistic is > 1.96 (at a 5% significance level) and the p-value is < 0.05. The direct and indirect path coefficients yield the following results:

Table 6. Path Coefficients (Direct Effect)

	Original Sample (O)	T Statistics (O/STDEV)	P Values	Results
Work Ethic (X2) -> Employee Performance (Y)	0.486	3,684	0,000	Accepted
Work Ethic (X2) -> Employee Planning (Z)	0.528	5,191	0,000	Accepted
Organizational Climate (X1) -> Employee Performance (Y)	0.159	1,193	0.117	Rejected
Organizational Climate (X1) -> Employee Planning (Z)	0.433	4,116	0,000	Accepted
Employee Planning (Z) -> Employee Performance (Y)	0.279	2,152	0.016	Accepted

Source: Smart PLS 3.3.3

In table 6 there are the results of the direct influence on the research and the explanation is as follows:

1. A coefficient value of 0.486 with a T-statistic of 3.684 (> 1.96) and a p-value of 0.000 (< 0.05) indicates that work ethic has a positive and significant effect on employee performance. This means that the higher an employee's work ethic, the better their performance.
2. A coefficient of 0.528, a t-statistic of 5.191, and a p-value of 0.000 demonstrate that work ethic has a positive and significant effect on employee planning. This means that a strong work ethic will improve the quality of employee planning.
3. A coefficient of 0.159 with a t-statistic of 1.193 (< 1.96) and a p-value of 0.117 (> 0.05) indicates that organizational climate does not significantly influence employee performance. This means that employee perceptions of organizational climate are not yet strong enough to directly influence performance improvement.
4. A coefficient value of 0.433, a t-statistic of 4.116, and a p-value of 0.000 indicate that organizational climate has a positive and significant effect on employee planning. This means that a conducive work climate encourages employees to make better plans.
5. A coefficient of 0.279, a t-statistic of 2.152, and a p-value of 0.016 indicate that employee planning has a positive and significant effect on employee performance. The better the work planning, the higher the performance that can be achieved.

Table 7. Path Coefficients (Indirect Effect)

	Original Sample (O)	T Statistics (O/STDEV)	P Values	Results
Work Ethic (X2) -> Employee Planning (Z) -> Employee Performance (Y)	0.147	2,260	0.012	Accepted
Organizational Climate (X1) -> Employee Planning (Z) -> Employee Performance (Y)	0.121	1,622	0.053	Rejected

Source: Smart PLS 3.3.3

6. The indirect path coefficient value of 0.147, T-statistic of 2.260 (> 1.96), and p-value of 0.012 (< 0.05) indicate that employee planning significantly mediates the effect of work ethic on employee performance. This means that a high work ethic will improve the quality of employee planning, and good planning ultimately improves employee performance. In other words, employee planning is an effective mediating pathway between work ethic and performance.
7. The indirect path coefficient of 0.121, T-statistic of 1.622 (< 1.96), and p-value of 0.053 (> 0.05), indicate that employee planning does not significantly mediate the effect of organizational climate on employee performance. This means that although organizational climate influences planning, its indirect effect on performance through planning is not yet strong enough to be declared statistically significant.

Conclusion

After obtaining the results of the research, the conclusions of this research are as follows:

1. Work ethic has been shown to have a positive and significant impact on employee performance. The coefficient value is 0.486 with a T-statistic of 3.684 (> 1.96) and a p-value of 0.000 (< 0.05). This means that the higher an employee's work ethic, the higher their performance will be.
2. Work ethic has a positive and significant influence on employee planning. The coefficient is 0.528, the t-statistic is 5.191, and the p-value is 0.000. This indicates that employees with a strong work ethic tend to carry out better work planning.
3. Organizational climate does not significantly influence employee performance. The coefficient is 0.159 with a T-statistic of 1.193 (< 1.96) and a p-value of 0.117 (> 0.05). This means that work environment conditions do not necessarily directly impact performance achievement.
4. Organizational climate has a positive and significant effect on employee planning. The coefficient value is 0.433, the t-statistic is 4.116, and the p-value is 0.000. This indicates that a conducive work environment supports a better planning process.

5. Employee planning has been shown to have a positive and significant impact on performance. Coefficient 0.279, T-statistic 2.152, and p-value 0.016. This means that good work planning will improve the quality of employee performance.
6. Employee planning significantly mediates the influence of work ethic on employee performance. The indirect path coefficient is 0.147, the t-statistic is 2.260 (> 1.96), and the p-value is 0.012 (< 0.05). This means that planning strengthens the path from work ethic to performance.
7. Employee planning does not significantly mediate the effect of organizational climate on employee performance. The indirect path coefficient is 0.121, the t-statistic is 1.622 (< 1.96), and the p-value is 0.053 (> 0.05).

Suggestion

The suggestions from this research are as follows:

1. Improving Employee Work Ethic Because work ethic has been proven to have a direct and indirect influence on performance, organizations should provide training that instills the values of hard work, responsibility, and discipline. Provide awards or incentives to employees who demonstrate high work enthusiasm.
2. Strengthening Employee Planning Planning acts as a mediator between work ethic and performance, and has a direct impact on performance. Therefore, management needs to develop a work system that supports individual and team planning. Involve employees in the process of developing short- and long-term work plans.
3. Selectively Improving Organizational Climate While organizational climate does not directly impact performance, the work environment must be maintained to be conducive, open, and supportive of collaboration. Leadership needs to maintain healthy and transparent communication to positively influence employee planning behavior.
4. To improve performance, a technology-based work system, automation of administrative processes and digital literacy training are needed.

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