



THE EFFECT OF WORK ENVIRONMENT AND COMPETENCE ON EMPLOYEE PERFORMANCE THROUGH SATISFACTION WORK IN RESEARCH AND INNOVATION BODY MEDAN CITY REGION

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Abstract

Human resources are individuals who work as a driving force for an organization, both institutions and companies and function as an asset that must improve and develop their abilities so that they can provide good performance to realize the vision and mission that has been set. Matters regarding performance are very important, because performance is one of the most important measures of organizational quality. One of the factors that affect employee performance is the work environment and competence. In addition, job satisfaction is also an important aspect that affects employee performance. The purpose of this research is to analyze the effect of work environment and competency on employee performance through job satisfaction. This research was conducted at the Regional Research and Innovation Agency (Brida) Medan City with a sample of 43 respondents who are permanent employees at the Regional Research and Innovation Agency (Brida) Medan City. The data were analyzed using descriptive analysis and SEM (Structural Equation Model) analysis. The results showed that directly the environment had a positive and significant effect on job satisfaction, content had a positive and significant effect on job satisfaction, the work environment had a positive and significant effect on employee performance, content had a positive and significant effect on employee performance, and job satisfaction had a positive and significant effect on employee performance. indirectly,

Keywords: *Work Environment, Competency, Job Satisfaction, Employee Performance*

1.INTRODUCTION

The importance of the role of the Medan City Regional Research and Innovation Agency in the development process of Medan City is influenced by human resources as a source of excellence so that it can support the improvement of the performance of the Medan City Regional Research and Innovation Agency in the areas of Secretariat, Governance and Regulatory Studies, Social and Population, Economics and Development, Innovation and Technology. real and responsible by referring to the national development plan, regional development by involving the participation of the community and other stakeholders to increase the dignity, prosperity and welfare of the community, by paying attention to changes and strategic environmental developments, developments in science and technology (Nurjannah, 2020). The Medan City Regional Research and Innovation Agency is an agency based on Medan City Regional Regulation Number 8 of 2022 concerning Duties, Functions and Job Descriptions and Work Procedures of the Medan City Regional Research and Innovation Agency, carrying out Policy Support Functions, Coordination, Synchronization and Control of Research, Development, Assessment, and Application as well as Regional Invention and Innovation with the vision of realizing Professional Research and Development is the basis for Policy for Regional Development.

Measurement of employee performance at the Medan City Regional Research and Innovation Agency is intended to assess the achievement of each performance indicator in order to provide an overview of the success and failure of achieving goals and objectives (Lumbanraja, 2021). Based on the mini-research that has been carried out, it shows that the proportion of work

target aspirations at the Medan City Research and Innovation Agency (Brida) in the last three years, although some indicators show good performance but there are still some indicators that have not reached the targets set, such as in the the results of the use of regional research and development tools which are facilitated in the application of regional innovations. In addition, in 2020 there were several indicators that had not been realized due to the Covid-19 virus so that these activities were refocused (Sutrisno, 2019). In addition, job satisfaction is enjoyed in work, outside work, and in and out of work combinations. Job satisfaction is a positive feeling that is owned by every individual. If employees feel dissatisfied with their work, then the employee will be less calm at work (Setyani, 2019). Employees who are satisfied with the work they are doing have a greater possibility of talking positively about the organization, helping others and maximizing their job performance (Tamali, 2019).

The problem with the Regional Research and Innovation Agency for Brida City of Medan is the inadequate budget caused by the lack of support from the executive and legislature for research and development activities as well as low levels of support. The improvement of R&D infrastructure is also an important issue to pay close attention to because without the availability of adequate facilities and infrastructure such as laboratories, expert discussion rooms, libraries and computer facilities, the number of which is still lacking when compared to the number of employees. If this is still inadequate, it is impossible for R&D researchers to work optimally to produce a high-value R&D product (Paendong, 2019).

2. LITERATURE REVIEW

2.1. Work environment

The work environment is something that exists around employees who can influence employee job satisfaction in carrying out their work so that maximum work results will be obtained, where in the work environment there are work facilities that support employees in completing tasks assigned to employees to improve employee work in a company (Afandi, 2018).

2.2. Competence

Competence is a collection of knowledge, skills and behaviors that are used to improve performance or circumstances or quality that is adequate or highly qualified, has the ability to perform certain roles. competence is closer to the ability or capability that is applied and produces employees or leaders or officials who show high performance are called competence (Gilang, 2018).

2.3. Job satisfaction

Job satisfaction is a relative concept. Some people feel satisfaction when the results of their efforts are rewarded according to what they expected. Others feel job satisfaction when they get a job that suits their interests. So that the concept of job satisfaction becomes very abstract depending on the individual who feels it. And it can be said that job satisfaction is a function of the difference between perceived and expected performance (Nawawi, 2016).

2.4. Employee Performance

Employee performance work performance is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. Performance is a condition that must be known and informed to certain parties to determine the level of achievement of an agency's results related to the vision carried by an organization and to know the positive and negative impacts of main activities, and main tasks of the agency, materials for planning, determine the level of success of the agency to decide an action, and others (Mangkunegara, 2019).



3. RESEARCH METHOD

This research is a quantitative research that emphasizes measurable data through several hypothesis testing. This research was conducted at the Regional Research and Innovation Agency (Brida) Medan City which is located at Jl. Major General AH Nasution No. 32 Medan, Medan City, Prov. North Sumatra. 20216. Time This research was conducted in December 2022-April 2023. The population in this study were employees at the Medan City Regional Research and Innovation Agency (Brida), with a total of 43 employees. In this study, data analysis used the Partial Least Square (PLS) approach. PLS is a component- or variant-based Structural Equation Modeling (SEM) model. According to Ghozali & Latan (2015), PLS is an alternative approach that shifts from a covariance-based SEM approach to a variant-based one.

4. RESULTS AND DISCUSSION

4.1. Descriptive statistics

Based on the characteristics of respondents based on male gender, there were 23 respondents (53.49%) and 20 respondents ((46.51%) were female. This shows that male respondents were more dominant than respondents with male gender. This is triggered by various factors, including what is known to the Regional Research and Innovation Agency (Brida) of Medan City which is engaged in research and development, so that it requires its employees to go to the field and it requires a fairly strong physique. more men are employed than women because they are considered physically stronger. Based on the characteristics of the respondents, there were 5 respondents (11.63%) aged 19-24 years, 21 respondents (48.84%) aged 25-34 years, 13 respondents (30.23%) aged 35-44 years , and age > 45 years amounted to 4 respondents (.16%). This shows that most respondents in this study were employees aged 25-34 years.

Based on Characteristics of respondents with Diploma education level were 17 respondents (16.28%), 24 respondents with Bachelors degree (55.81%), and 12 respondents with Masters degree (27.91%). This shows that the majority of respondents in this study were employees with an undergraduate education level and this is the standard required for the Regional Research and Innovation Agency (Brida) in Medan City. Based on The characteristics of respondents based on length of service 1-10 years were 17 respondents (16.28%), respondents with years of service 11-20 years were 15 respondents 1 (34.88%), and respondents with years of service > 21 years were 21 respondents (48.84%). This shows that the majority of respondents in this study were respondents who had worked for more than 21 years, were employees who had enough experience in doing work so that their ability to carry out work processes was more experienced and also in the ability to make decisions on various problems that There is.

Table 2. Path Coefficient

	R-square	R-square adjusted
Job satisfaction	0.481	0.455
Employee Performance	0.695	0.672

Source: PLS Outputs (2023)

Table 2 explains that the RSquare value for the job satisfaction variable is 0.481, this means that the percentage of the influence of the work environment and competence on job satisfaction is 48.1%, while the remaining 51.9% is explained by other variables not examined in this study. As well as the RSquare value for the employee performance variable of 0.872, this means that the percentage of influence of the work environment and competence on employee performance is 69.5% while the remaining 30.5% is explained by other variables not examined in this study.

Table 3. Indirect Effects

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ((O/STDEV))	P values
Work Environment > Job Satisfaction > Employee Performance	0.335	0.332	0.105	3,179	0.001
Competency > Job Satisfaction > Employee Performance	0.099	0.102	0.042	2,336	0.010

Source: PLS Outputs (2023)

Table 3 explains that empirical evidence of the work environment on employee performance through job satisfaction is 0.335 with a pvalue of 0.001 <0.05. So it can be concluded that the work environment indirectly has a positive and significant effect on employee performance through job satisfaction. As well as empirical evidence of competency on employee performance through job satisfaction is 0.099 with a pvalue of 0.010 <0.05. So it can be concluded that competence indirectly has a positive and significant effect on employee performance through job satisfaction.

DISCUSSION

The results of the analysis show that when viewed from the dimensions of the non-physical environment, the statement "Collaboration between colleagues at my current workplace is very good" has a fairly high mean value of 3.67 and 18 respondents (41.9%) answered strongly agree. Cooperation between employees must be maintained properly, because it will affect the work they do. If cooperation between employees can be well established, employees will feel satisfied and be able to complete their work effectively and efficiently. Competency variables have a positive and significant effect on job satisfaction. This means that if the competence of employees at the Medan City Regional Research and Innovation Agency (Brida) is higher, this significantly increases employee job satisfaction and vice versa. Therefore job satisfaction contains a very important meaning, both from the side of the workers and by obtaining praise for work, determination, treatment, equipment and a good leadership atmosphere. Employees who prefer to enjoy job satisfaction in this job will prioritize their work from remuneration, even though remuneration is important. The existence of job satisfaction certainly affects several aspects which include the employees themselves.

Work environment variables have a positive and significant effect on employee performance. This means that if the work environment at the Medan City Regional Research and Innovation Agency (Brida) is getting better, this will significantly improve the performance of employees and vice versa. The work environment is a means of supporting the smooth running of the work process, where comfort and safety at work are also very much taken into account in creating a conducive and pleasant working atmosphere for employees so that it can support employee performance in carrying out their work activities. The work environment is also a series of conditions or circumstances in the work environment of an agency which is the place of work for employees who work in that environment.

Competency variables have a positive and significant effect on employee performance. This means that if the competence of employees at the Medan City Regional Research and Innovation Agency (Brida) is higher, this will significantly improve the performance of employees and vice versa. Competence is an ability that is based on skills and knowledge supported by work attitudes and their application in carrying out tasks and work in the workplace that refers to the specified



work requirements. Employee competence is a characteristic of the abilities, skills and knowledge of employees which is very useful for improving employee performance, meaning that the better employee competence will indirectly affect the improvement and improvement of employee performance.

Job satisfaction variable has a positive and significant effect on employee performance. This means that if job satisfaction increases among employees of the Medan City Regional Research and Innovation Agency (Brida), then this significantly increases the performance of employees and vice versa. Job satisfaction reflects a person's attitude towards his work. This can be seen in the positive attitude of employees towards work and everything that is encountered in the work environment. The results of the hypothesis test show that the work environment has a positive and significant effect on employee performance through job satisfaction as an intervening variable. This means that the better the work environment at the Medan City Regional Research and Innovation Agency (Brida), the higher the level of job satisfaction felt by employees so that this will improve employee performance and vice versa if the weaker the work environment, the lower the job satisfaction felt by employees so that things this will degrade performance. The results of the hypothesis test show that competence has a positive and significant effect on employee performance through job satisfaction as an intervening variable. This means that the better the competency at the Medan City Regional Research and Innovation Agency (Brida), the higher the level of job satisfaction felt by employees so this will improve employee performance and vice versa if the weaker the work environment, the lower the job satisfaction felt by employees so this will decrease performance.

5. CONCLUSION

Based on the results of the research above, it can be concluded that the work environment has a positive and significant effect on employee job satisfaction at the Medan City Regional Research and Innovation Agency (Brida). Competence has a positive and significant effect on employee job satisfaction at the Medan City Research and Innovation Agency (Brida). The work environment has a positive and significant effect on employee performance at the Medan City Research and Innovation Agency (Brida). Competence has a positive and significant effect on employee performance at the Medan City Research and Innovation Agency (Brida). Job satisfaction has a positive and significant effect on employee performance at the Medan City Research and Innovation Agency (Brida). The work environment has a positive and significant effect on employee performance through job satisfaction at the Regional Research and Innovation Agency (Brida) in Medan City. Competence has a positive and significant effect on employee performance through job satisfaction at the Medan City Research and Innovation Agency (Brida).

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