

ANALYSIS OF WORK QUALITY AND WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE THROUGH JOB SATISFACTION AT THE MEDAN SUNGGAL DISTRICT OFFICE

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Abstract

This study aims to analyze the effect of work quality and work environment on employee performance, both directly and indirectly through job satisfaction as an intervening variable at the Medan Sunggal District Office. This study uses a quantitative approach with a survey method. The population in this study were all State Civil Apparatus (ASN) at the Medan Sunggal District Office, totaling 90 people. The data analysis technique used was Partial Least Squares Structural Equation Modeling (PLS-SEM) with the help of the SmartPLS 3.0 application. The results of the study indicate that work quality has a positive and significant effect on employee performance both directly and through job satisfaction. The work environment also has a positive but insignificant effect on employee performance, but through job satisfaction it has a positive and significant effect. In addition, job satisfaction has been shown to have a positive and significant effect on employee performance. Job satisfaction also significantly mediates the effect of work quality and work environment on employee performance. These findings indicate that improving work quality and a good work environment will encourage higher job satisfaction, which ultimately improves employee performance.

Keywords: *work quality, work environment, job satisfaction, employee performance*

INTRODUCTION

Work quality is one of the important factors that reflects how well an employee carries out his/her duties and responsibilities effectively, efficiently, and in accordance with established standards. High work quality not only reflects the technical abilities of employees, but also includes responsibility, accuracy, and commitment to work. According to Dessler (2020), work quality is influenced by individual skills, workload, and organizational support. Employees who have high work quality tend to show satisfactory work results, thus contributing directly to achieving organizational goals. The work environment is also an important variable that helps determine the level of employee comfort and productivity. A conducive work environment includes physical aspects such as lighting, temperature, cleanliness, and air circulation, as well as non-physical aspects such as social relationships, work culture, and leadership style. Robbins and Judge (2022) stated that a positive work environment creates a pleasant work atmosphere and can minimize stress, thereby supporting improved performance. A study by Yulita et al. (2023) also proved that a good work environment significantly affects employee satisfaction and performance in sub-district government agencies.

Job satisfaction as an intervening variable in this study is an important link between work quality and work environment on employee performance. Job satisfaction reflects positive feelings about work, including perceptions of salary, career development opportunities, relationships with superiors and coworkers, and overall working conditions. According to Herzberg in his two-factor theory, job satisfaction arises from motivating factors such as recognition and achievement. Research by Shinta Oktafien et al. (2023) shows that job satisfaction mediates the influence of work quality and work environment on improving performance significantly. Employee performance as the most important variable in this study reflects the final result of the implementation of tasks by an employee in meeting the organization's targets and work standards. High-performing employees will make a real contribution to the effectiveness of public services, especially in the context of the Medan Sunggal District Office as a government

unit that is in direct contact with the community. Increasing employee performance can be achieved through improving the quality of work and the work environment accompanied by increasing job satisfaction. Therefore, this study aims to analyze the effect of work quality and the work environment on employee performance through job satisfaction as an intervening variable at the Medan Sunggal District Office.

LITERATURE REVIEW

1. Employee Performance

a) Understanding Employee Performance

According to Mangkunegara (2017) "employee performance (work achievement) is the work results in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him".

b) Employee Performance Indicators

According to Mangkunegara (2017), employee performance indicators include:

1) Quality of Work

Work quality measures how well an employee does what he or she is supposed to do, including accuracy, neatness, and precision in working according to established standards.

2) Quantity of Work

Work quantity measures how much work is produced by an employee in a certain time, which can be seen from the working speed of each employee.

3) Execution of Tasks

Task execution measures how accurate an employee is in performing his/her tasks and is error-free.

4) Responsibility

Responsibility refers to the awareness of the obligation to carry out work well and in accordance with the responsibilities given.

2) Job satisfaction

a) Understanding Job Satisfaction

Greenberg and Baron (2020) job satisfaction is the attitude of workers towards their work as a whole and towards specific aspects of the job, such as the type of work, compensation system, and social relationships in the workplace.

b) Job Satisfaction Indicators

Indicators of job satisfaction according to Greenberg & Baron (2020):

1) The nature of the work

2) Working conditions

3) Pay and benefits

4) Social relationships at work

5) Opportunities for advancement

6) Organizational justice

3) Work environment

a) Understanding the Work Environment

Gibson et al. (2020) work environment is all external aspects that influence how employees carry out their duties, both in the form of physical facilities and social and structural support from the organization.

b) Work Environment Indicators

Work environment indicators according to Gibson et al. (2020) which can be used as a reference in research:

1) Lighting

Sufficient lighting levels in the workspace so that employees can work comfortably and without visual disturbances.

2) Air circulation and room temperature

Good air quality and comfortable room temperature to support concentration and work health.

3) Workspace layout

Efficient and ergonomic space arrangement, allowing for effective mobility and work interaction.

4) Interpersonal relationships

The quality of social interaction, cooperation, and harmony between employees.

5) Relationship with superiors

Communication, trust, and support given by leaders to their subordinates.

- 6) Cleanliness and safety conditions of the work environment
Cleanliness of the workplace and guarantee of physical and psychological work safety.

4. Quality of Work

a) Definition of Work Quality

Robbins and Judge (2020) define work quality as "the degree to which work outcomes meet performance standards and contribute to organizational goals," namely the extent to which work results meet performance standards and support the achievement of organizational goals.

b) Work Quality Indicators

Work quality indicators according to Robbins (2020):

- 1) Timeliness
The extent to which the work was completed within the specified time.
- 2) Accuracy
The level of errors in the execution of tasks; the fewer the errors, the higher the quality of work.
- 3) Conformity to Standards
Whether the work results are in accordance with the standards or procedures set by the organization.
- 4) Productivity
The amount of work that can be completed in a certain time, while maintaining quality.
- 5) Responsibility for work (Responsibility)
The level of individual concern and commitment in completing their tasks and responsibilities.
- 6) Initiative
The ability to take action without always being directed, including in solving work problems.

Conceptual Framework

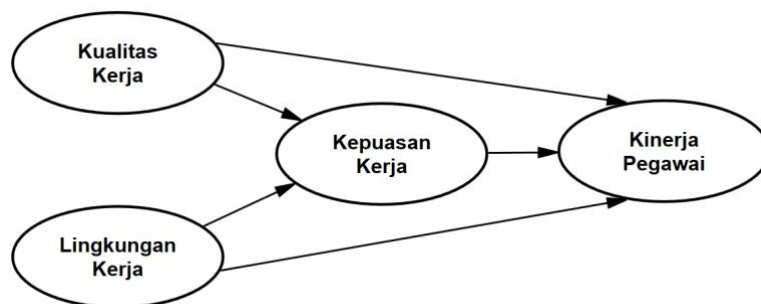


Figure 1. Conceptual Framework of Research

Research Hypothesis

- H1: Work quality has a positive and significant effect on employee performance at the Medan Sunggal District Office.
- H2: Work quality has a positive and significant effect on job satisfaction at the Medan Sunggal District Office.
- H3: The work environment has a positive and significant influence on employee performance at the Medan Sunggal District Office.
- H4: The work environment has a positive and significant effect on job satisfaction at the Medan Sunggal District Office.
- H5: Job satisfaction has a positive and significant effect on employee performance at the Medan Sunggal District Office.
- H6: Work quality has a positive and significant effect on employee performance through job satisfaction at the Medan Sunggal District Office.
- H7: The work environment has a positive and significant influence on employee performance through job satisfaction at the Medan Sunggal District Office.

RESEARCH METHODS

Types of research

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The type of research used by the researcher is quantitative research. This type of quantitative research is conducted to create a study that aims to adjust a study and to analyze the Quality of Work and Work Environment on Employee Performance Through Job Satisfaction at the Medan Sunggal District Office.

Research Location and Research Time

The location of the research was conducted at the Medan Sunggal Sub-district Office, located at Jl. TB Simatupang No.193, Sunggal, Medan Sunggal District, Medan City. The research period was carried out for 3 months, starting from April to June 2025.

Population and Sample

The population and sample in this study were all permanent employees at the Medan Sunggal Sub-district Office. The number of employees at the Medan Sunggal Sub-district Office was 90 ASN and 168 Honorer. However, sampling was only carried out on employees with ASN status, totaling 90 people.

Research Data Sources

The data sources used in this study are primary data.

RESULTS AND DISCUSSION

Outer Model Analysis

Outer Model Analysis musePLS Algorithm, produce:

1) Validity Test

Table 1. ValuesOuter Loadings

	Job satisfaction	Employee Performance	Quality of Work	Work environment
X1.1			0.964	
X1.2			0.936	
X1.3			0.923	
X1.4			0.818	
X1.5			0.812	
X1.6			0.869	
X2.1				0.773
X2.2				0.748
X2.3				0.804
X2.4				0.893
X2.5				0.773
Y.1		0.867		
Y.2		0.926		
Y.3		0.893		
Y.4		0.830		
Z.1	0.908			
Z.2	0.864			
Z.3	0.816			

Source: Smart PLS Output, 2025

Based on the values in Table 1 above, it shows the results of testing the outer model through the loading factor value /outer loadings, all indicators in each variable have a loading value ≥ 0.70 . This shows that each indicator is able to represent the construct being measured validly and strongly. Therefore, it can be concluded

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that all items in the questionnaire have met the convergent validity criteria and can be used in further analysis. For more details, the above values can also be seen in the following figure.

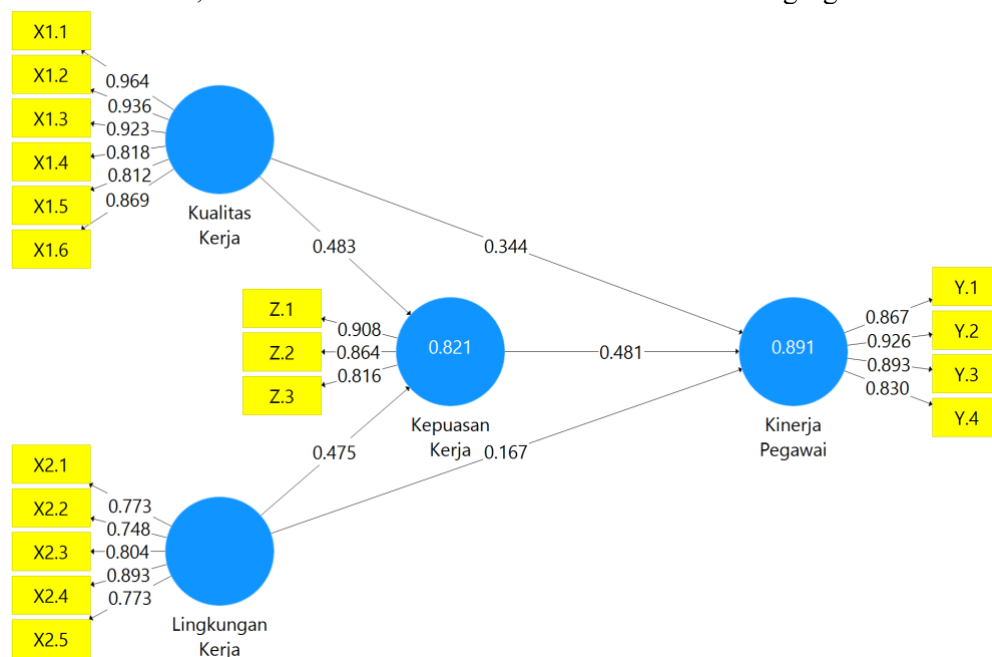


Figure 1. Outer Loadings

In this study there is an equation and the equation consists of two substructures for substructure 1:

$$Z = \beta_1 X_1 + \beta_2 X_2 + e_1$$

$$Z = 0.483 X_1 + 0.475 X_2 + e_1$$

For substructure 2:

$$Y = \beta_2 X_1 + \beta_3 X_2 + \beta_3 Z + e_2$$

$$Y = 0.344 X_1 + 0.167 X_2 + 0.481 Z + e_2$$

2) Reliability Test

Table 2. Construct Reliability and Validity Test

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Job satisfaction	0.828	0.833	0.898	0.746
Employee Performance	0.902	0.906	0.932	0.774
Quality of Work	0.946	0.950	0.957	0.790
Work environment	0.860	0.878	0.898	0.639

Source: Smart PLS Output, 2025

From Table 2 above, the results of the reliability test show that the Cronbach's Alpha and Composite Reliability values for all constructs have values above 0.70. This shows that all indicators have high internal consistency and can be relied on to measure their respective constructs. Thus, the research instrument is declared reliable and suitable for use in testing the structural model.

Structural Model Testing (Inner Model)

Inner model or structural model testing is conducted to see the relationship between constructs, significance values and R-square of the research model. The structural model is evaluated using R-square for the dependent construct.

1) Coefficient of Determination (R²)

In assessing the model with PLS, it starts by looking at the R-square for each dependent latent variable. The table below is the result of Rsquare estimation using SmartPLS.

Table 3. R Square Results

	R Square	R Square Adjusted
Job satisfaction	0.821	0.816
Employee Performance	0.891	0.886

Source: Smart PLS, 2025

In table 3 there is an R square value on both dependent variables for the job satisfaction variable there is an R square value of 0.821 meaning that the influence of work quality and work environment is 0.821 or 82.1% the rest is on other variables outside the model. The R square value of employee performance is 0.871 meaning that the influence of work quality, work environment and job satisfaction is 0.891 or 89.1% the rest is on other variables outside the model.

2) Hypothesis Testing

a) Direct Influence Between Variables

The direct influence between variables can be seen in the path coefficients value. The results of data processing show the direct influence value can be seen in the following table.

Table 4. Path Coefficients (Direct Effect)

	Original Sample	T Statistics	P Values	Conclusion
Job Quality -> Job Satisfaction	0.483	3,688	0,000	Accepted
Work Quality -> Employee Performance	0.344	2,017	0.044	Accepted
Work Environment -> Job Satisfaction	0.475	3,722	0,000	Accepted
Work Environment -> Employee Performance	0.167	1,347	0.179	Rejected
Job Satisfaction -> Employee Performance	0.481	2,828	0.005	Accepted

Source: Smart PLS Output, 2025

In the results of Table 4, there are direct influence values as follows:

1. Work quality has a positive and significant effect on job satisfaction with a t-statistic value of 3.688 above 1.96 and a significance of 0.000 below 0.05 means that work quality has a positive and significant effect on job satisfaction because the significance value is below 0.05. The results of this study are in accordance with the results of previous studies, namely that work quality has a positive and significant effect on job satisfaction (Priyono, 2020).
2. Work quality has a positive and significant effect on employee performance with a t-statistic value of 2.017 above 1.96 and a significance of 0.044 below 0.05 means that work quality has a positive and significant effect on employee performance because the significance value is below 0.05. This study is in line with research conducted by Nasution (2020) which states that work quality has a positive and significant effect on employee performance at PT. Asam Jawa.
3. The work environment has a positive and significant influence on job satisfaction with a t-statistic value of 3.722 above 1.96 and a significance of 0.000 below 0.05 means that the work environment has a positive and significant effect on job satisfaction because the significance value is below 0.05. The results of this study are in accordance with research conducted by Lestari & Darmawan (2020) which states that the work environment has a positive and significant effect on satisfaction.

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4. The work environment has a positive but not significant influence on employee performance with a t-statistic value of 1.347 below 1.96 and a significance of 0.179 above 0.05 means that the work environment has a positive but not significant effect on employee performance because the significance value is above 0.05. The results of this study are also in accordance with research conducted by Nurhandayani (2022) which states that the work environment has a positive and significant effect on employee performance.
 5. Job satisfaction has a positive and significant effect on employee performance with a t-statistic value of 2.828 above 1.96 and a significance of 0.005 below 0.05 means that job satisfaction has a positive and significant effect on employee performance because the significance value is below 0.05. Basri & Rauf's (2021) research also states that job satisfaction has a positive and significant effect on employee performance.
- b) Indirect Influence Between Variables
- The indirect influence between variables can be seen in the specific indirect effects values, which can be seen in Table 5 below.

Table 5. Specific Indirect Effects (Indirect Effects)

	Original Sample	T Statistics	P Values	Conclusion
Job Quality -> Job Satisfaction -> Employee Performance	0.232	2,445	0.015	Accepted
Work Environment -> Job Satisfaction -> Employee Performance	0.228	2,047	0.041	Accepted

Source: Smart PLS, 2025

In table 5 there is an indirect influence between variables which will be explained as follows:

1. Work quality has a positive and significant effect on employee performance through job satisfaction with a t-statistic value of 2.445 and a significance value of 0.015 means that job satisfaction acts as an intervening variable between work quality and employee performance. Fajar & Susanti (2023) also stated in their research that work quality has a positive and significant effect on employee performance through job satisfaction.
2. The work environment has a positive and significant influence on employee performance through job satisfaction with a t-statistic value of 2.047 and a significance value of 0.041 means that job satisfaction acts as an intervening variable between job promotion and employee performance. Handoko & Hartati (2021) also stated in their research that job promotion has a positive and significant effect on employee performance through job satisfaction.

CONCLUSION

1. Work quality has a positive and significant effect on employee performance at the Medan Sunggal District Office.
2. Work quality has a positive and significant effect on job satisfaction at the Medan Sunggal District Office.
3. The work environment has a positive and significant influence on employee performance at the Medan Sunggal District Office.
4. The work environment has a positive and significant influence on job satisfaction at the Medan Sunggal District Office.
5. Job satisfaction has a positive and significant effect on employee performance at the Medan Sunggal District Office.
6. Work quality has a positive and significant effect on employee performance through job satisfaction at the Medan Sunggal District Office.
7. The work environment has a positive and significant influence on employee performance through job satisfaction at the Medan Sunggal District Office.

SUGGESTION

1. In the work quality variable, it turns out that the indicator with the lowest value is the statement "I am fully responsible for the results of my work". Agencies need to build a work culture that emphasizes the importance of individual responsibility for the results of their work, for example through a performance-based evaluation

- system, work ethic training, and awards for employees who demonstrate high integrity. Thus, employee work ethic can continue to be improved systematically.
2. Work environment with the statement "My workspace has comfortable air circulation and temperature." Agencies need to ensure that physical facilities in the workplace, such as air circulation, lighting, and room temperature, are always well maintained. Routine maintenance of ventilation and air conditioning (AC) systems and the provision of other supporting comfort facilities will increase employee productivity and work enthusiasm.
 3. For job satisfaction with the statement "I have a good opportunity to develop my career in my workplace". Agencies are advised to continue to provide career development opportunities for employees, such as advanced training, fair promotions, and clear career paths. This will encourage employees to be more motivated in improving their performance and loyalty to the organization.
 4. Employee performance with the statement "I am always responsible for the work I do". Agencies should continue to encourage and maintain a work culture that emphasizes individual responsibility by giving appreciation to employees who show dedication and integrity in completing their tasks. This will strengthen work spirit and professionalism in the work environment.

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