# Predictors Employee Performance In Indonesian Manufacturing Company Using Path Anlysis

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| Article Info | Abstract |
|---|---|
| *Keywords:* Compentation, Employee Performance, Job Satisfaction, Organizational Culture, Work Environment <br><br> *JEL Classification:* L0, L20, L29 <br><br> DOI: 10.33830/jom.v15i2.736.2019 | This research aims to find path analysis that influencing emloyee performance in Indonesia manufacturing company. Design of this research is quantitative methode, There is 150 questionaires spreaded to manufacturing company. This research using multivariate anlysis with Statistical Package for the Social Sciences (SPSS). The result of this paper will described the important factors to build employee performance in manufacturing company. This study will strengtened the previous research about employee performance in manufacturing company. This research finding provides conceptual framework job satisfaction and employee performance. there are six hypotheses developed in this study, there are Four accepted hypotheses and two rejected hypotheses. This research will contributed to the body of knowledge, particularly in human resource management science. |

## Introduction

Human resources are important assets in companies where human resources are the determinant of success in the company, which has a role including planning (Hunt and Arnett, 2003; Porter, 1985), carry out and control various company operational activities. Increasingly tight competition in the world of corporate business requires qualified, competent and capable human resources. The two factors that influence the success of creating quality, competent and competent human resources are internal factors and external factors (Peranginangin, 2015). Where internal factors come from within a person such as competence, skill, attitude, maturity, commitment, integrity, awareness, and motivation. while external factors are factors that come from outside which are associated with the work environment such as work atmosphere, difficulty in assignments, leadership, and incentives. Both of these factors can determine the performance of employees.

Job satisfaction is a driving factor in increasing employee performance which in turn will contribute to improving organizational performance. Performance is the result of work that can be achieved by a person or group of people in an organization in order to achieve organizational goals within a certain period of time (Tai et al., 2012). Job satisfaction can be achieved if the environment in the company becomes a very important factor and must be considered by the company. If the work environment of the company becomes a convenience by employees, it will affect the performance of employees who can provide good work results. On the contrary, if the

work environment is not considered by the company, it can affect the poor work results of the employees because they do not feel comfortable with the environment and the work will be a bad outcome. It is hoped that increasing competency in both financial and non-financial institutions will create a conducive work environment and an organizational culture that is in line with the conditions of employees. The formed work culture leads to a productive work culture. compensation also affects employee performance where Compensation is everything that is received by employees as a reward for the work that has been done. Compensation is direct cash, indirect payments in the form of employee benefits, and incentives to motivate employees to work hard to achieve high productivity. Quality of human resources, competent and able to compete in the business world in the company can be created if the environment, organizational culture and compensation of the company can create a satisfaction for employees to realize the performance that produces a good product. so that companies can keep competing in the various worlds of corporate business.

**Employee Performance**

Performance can be described as an effective effort made to achieve goals, or the success of fulfilling a job effectively, from implementation and completion. Performance is a quantitative and qualitative expression, in which people, groups or businesses that do work can achieve the intended purpose related to this work (Olson and Slater, 2002). Employee performance can be improved through compensation, work environment, organizational culture. With compensation given by the company to employees, the enthusiasm, willingness and accuracy of the employees at work will be more maximal, focused and disciplined (Peranginangin and Kusumawardhani, 2018). According to (Mangkunegoro, 2005) explained that performance can be measured through the quality of work, employees, initiative, attendance, attitude, cooperation, reliability, knowledge of work, responsibility, and utilization of work time.

Performance is a concept that describes how a person can use his own potential or knowledge, skills and abilities to be able to achieve his own goals or expectations (Peranginangin, 2018; Setiawan et al., 2019). This is the percentage using the capacity of people to complete work successfully in a certain period of time. performance evaluation is a formal management system that a business has made to evaluate the quality of employee performance Performance evaluation is an activity carried out to measure the extent to which employees do their work.

**Job Satisfaction**

Job satisfaction is how satisfied someone is with his job. Job satisfaction refers to the feeling or condition of one's mind according to the nature of the work. According to Deasler, 2015 Job satisfaction is basically something that is individual. Each individual has a different level of satisfaction according to the value system that applies to him. The higher the assessment of activities is felt in accordance with the wishes of individuals, the higher satisfaction with these activities. Thus, satisfaction is an evaluation that describes a person with a feeling of being happy or unhappy, satisfied or not satisfied at work.

Factors that influence Job satisfaction, among others: Job satisfaction that employees feel is also influenced by the work they do. Rewards are remuneration in the form of money or bonuses given by the company to employees or employees. If the amount of pay or salary received by a person is fair in accordance with his workload, his performance and performance in the company, the employee will feel satisfied because he feels valued by the company accordingly. Companies need to hold promotional programs for employees or employees who have good achievements and good performance. Because with this matter the employee will prove how it works with physical evidence or the results has done.

There are two dimensions of supervision that affect job satisfaction. First, the concern of superiors towards subordinates, for example giving advice or assistance, communicating

personally and in the context of work. Kesua, opportunities given to subordinates to participate in decision-making that can affect their work. Working groups in a company also have an influence on the level of job satisfaction of employees or employees. A good relationship with fellow employees will make the work atmosphere comfortable, not stressed and can help each other. Employees relate to their work environment for personal comfort and ease of doing good work. These include spatial planning, cleanliness of workspaces, facilities and tools, temperature and noise levels. However, it can be concluded that job satisfaction describes the difference between what people expect from work and what they get. Job satisfaction is also visualized as a general ranking.

**Work Environment**

The work environment is the situation around where someone works and does his job. The work environment consists of safety for employees, job security, good relations with colleagues, recognition of good performance, motivation to perform well and participation in the decision making process in the company. A comfortable and conducive work environment will be an influence on the performance of employees in the company. The work environment is the whole tool tool and material faced (Setiyaningrum and Peranginangin, 2018), the surrounding environment in which a person works, the method of work, and work arrangements both as individuals and as a group.

Different factors in the work environment such as wages, working hours autonomy given to employee organizational structures and communication between employees & management can affect job satisfaction. The interaction between employees in business is very important to achieve greater organizational goals. The work environment has two main components, namely the physical work environment which is everything that is around the employee while working and the non-physical work environment which is an environment that occurs from human relations between subordinates and superiors, or with colleagues.

**Organizational Culture**

Organizational culture is a pattern of basic assumptions created by groups, or found in making deductions to deal with problems of external adaptation and internal integration, and those that have worked well enough to be considered legitimate and therefore, taught to new members as the right way to feel, think, and feel in the problem. Cultural frameworks are the result of dynamic interaction processes and the process includes a series of structures, routines, rules and norms that guide barriers to behavior (Alegre, Machuca, and Berbegal, 2016).

The types of organizational culture include, namely; This type of cultural hierarchical culture is considered well coordinated, characterized by formal rules and policies, market culture: Organizations that adopt this type of culture aim to be very competitive, while winning brings together employees and organizations, clan culture: this type of culture refers to "work environment good and comfortable, where the workforce is considered a large family and the boss is considered a mentor, Employees are characterized by high work and organizational commitment and friendly relations, and the type of adhocracy, this type of culture is characterized by innovation and risk taking, guaranteed by the environment very creative and dynamic work. organizational culture can be described as a compass that provides institutions with direction This offers a kind of informal language for interpretation of employee problems and events.

**Compentation**

Rachman (2016) explains that everything in the form of goods, money, and services received by employees is due to the services they have provided consisting of salaries, incentives, benefits, and services. According to Deasler (2015) employee compensation has two main components, namely direct financial payments (wages, salaries, incentives, commissions,

and bonuses) and indirect financial payments (financial benefits such as insurance and payments paid by the employer). Salary is remuneration in the form of money received by employees as a consequence of his position as an employee who contributes energy and mind in achieving company goals. or as a fixed payment someone receives from his membership in a company. Salaries generally apply weekly, monthly or annual pay rates (regardless of length of work), wages are direct financial rewards paid to employees based on working hours, number of items produced or number of services provided. Wages generally relate to hourly salary rates (the longer working hours the greater the wages received), the incentives are direct benefits paid to the compound because their performance exceeds the specified standards. Incentive programs are adjusted by providing additional payments based on productivity, sales, profits or efficiency efforts (cost reduction), indirect compensation is additional compensation given based on company policy towards all employees in an effort to improve the welfare of employees. For example, in the form of facilities, such as: insurance, allowances, pensions and others.

Compensation is an important factor that influences how and why people work for an organization and not for other organizations. The factors that influence compensation policy, namely: demand and supply of employee skills, employee organization, the company's ability to pay, productivity of the company and the economy, living costs, the government.

In general, the purpose of compensation management is to help the company achieve the goals of the success of the company's strategy. The purpose of effective compensation management is: obtaining quality human resources. High enough compensation is needed to attract applicants.
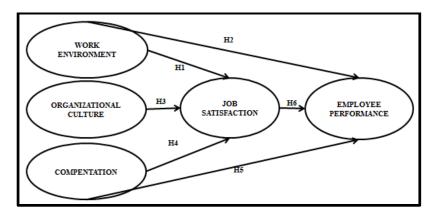


**Figure 1.** Proposed model

This study will examine how much influence the work environment, organizational culture and compensation on job satisfaction to improve employee performance so that the hypothesis can be obtained as follows:
a. H1 : Work Environment has a positive and significant effect on Employee Job Satisfaction.
b. H2 : Work Environment has a positive and significant effect on Employee Performance.
c. H3 : Organizational Culture has a positive and significant effect on Job Satisfaction.
d. H4 : Compensation has a positive and significant effect on Employee Job Satisfaction.
e. H5 : Compensation has a positive and significant effect on Employee Performance.
f. H6 : Job satisfaction has a positive and significant effect on Employee Performance.

**Research Methods**

The type of research used in this research is quantitative descriptive research. Descriptive research is research that aims to explain, summarize conditions, various situations. while quantitative is a study by testing the results of research in the form of data in the form of

numbers with analysis using statistics. Population is a generalization area consisting of subjects and objects with certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. The population used in this study are employees who work in manufacturing companies (Sekaran and Bougie, 2016).

The sample is a portion of the population that represents the entire object under study. This sample is based on the fact that in a scientific study there is no necessity or not absolutely all populations must be studied in its entirety but only part of the population can be done. So that the samples taken in this study amounted to 150 respondents who were employees of manufacturing companies. The sampling technique in this study used purposive sampling or aiming samples. The sample criteria chosen in this study are employees who work in manufacturing companies.

Data collection is done by distributing questionnaires to respondents to research and literature studies: Questionnaires are collection techniques and by distributing or sending questionnaires to respondents (Ferdinand, 2013). In this study the respondents were employees of manufacturing companies. This literature study is intended to collect data from literary books and journals related to the problem under study.

The research instrument used in this study was a questionnaire. The measuring instrument used to measure variables in this study using a Likert scale, where the variable is based on the subject to express his agreement with a psychological concept. The respondent's perception was measured using a Likert scale and given a numerical value. The Likert scale used is 10 points. Likert scale is used to measure attitudes, opinions, and perceptions of a person or group of people about social phenomena. From the score scores obtained from each question, then the next test would be carried out. Tests were carried out using path analysis with SPSS 22 soft ware.

**Result and Discussion**

In this section we will explain the descriptive data obtained from respondents. Descriptive data is presented so that profiles can be seen from the research data and the relationships that exist between the variables used in the study. Descriptive data describes the condition or condition of the respondent need to be considered as additional information to understand the results of the study. Respondents in this are employees who work in manufacturing companies.

The number of questionnaires distributed were 150 questionnaires. Details of the number of questionnaires distributed to employees. The questionnaire was distributed, all the questionnaires were collected completely. With a total return of 150 questionnaires and complete for processing.

**Table 1.** Frequency of Respondents by Gender

| No | Gender | Number | Percentage |
|----|--------|--------|------------|
| 1 | Male | 71 | 47,3% |
| 2 | Female | 79 | 52,7% |
| | Total | 150 | 100,0% |

The majority of respondents were female with a total of 79 people or 52.7% and respondents male sex had fewer total than women which were 71 or 47.3%. Most respondents aged 19-25 years with a total of 64 people or 42.7%, and respondents aged 26-30 years with a number of 39 or 26.0%, while respondents aged 31-40 years amounted to 37 or 24.7% , and the least is the respondents aged > 40 years with the number 10 or 6.7%.

**Table 2.** Respondent's Frequency by Age

| No | Age | Number | Percentage |
|----|-----|--------|------------|
| 1 | 19-25 | 64 | 42,7% |
| 2 | 26-30 | 39 | 26,0% |
| 3 | 31-40 | 37 | 24,7% |
| 4 | > 40 | 10 | 6,7% |
| | Total | 150 | 100,0% |

**Table 3.** Respondent's Frequency Based on Education

| No | Education | Number | Percentage |
|----|-----------|--------|------------|
| 1 | Elementary | 1 | 7% |
| 2 | Junior Hig School | 30 | 20,0% |
| 3 | High School | 117 | 78,0% |
| 4 | Diploma | 1 | 7% |
| 5 | Bachelor | 1 | 7% |
| | Total | 150 | 100,0% |

Most of the respondents with high school education were 117 or 78.0% and the least were respondents who had elementary education, diplomas, and bachelor degrees.

**Table 4.** Respondent's Frequency By Experience

| No | Experience | Number | Percentage |
|----|------------|--------|------------|
| 1 | 1-2 Years | 42 | 28,0% |
| 2 | 2-4 Years | 76 | 50,7% |
| 3 | 4-6 Years | 32 | 21,3% |
| | Total | 150 | 100,0% |

The work experince of respondents is 2-4 years as many as 76 or 50.7% and 1-2 years as many as 42 or 28.0% and the length of work of respondents is at least 4-6 years with a total of 32 or 21.3%.

**Table 5.** Respondent's Frequency by Marriage Status

| No | Marital Status | Number | Percentage |
|----|----------------|--------|------------|
| 1 | Marriage | 87 | 58,0% |
| 2 | Single | 63 | 42,0% |
| | Total | 150 | 100,0% |

The most marital status of respondents is the status of marriage with the number of 87 or 58.0% and the marital status of the marriage of the respondent with a total of 63 or 42.0%.

**Test of Research Instrument**

**Validity Test**
Validity test is used to calculate each item question from each work environment variable, organizational culture variable, compensation variable, job satisfaction variable, and employee performance variable. Data taken from 150 respondents is then processed using SPSS statistics

22. Calculation of the validity of each variable based on the comparison between Pearson correlation value is > 0.1593 then the question is considered valid, and vice versa.

**Table 6. Result of Validity Test**

| Variables | Item | Pearson correlation | P value | Validity |
|---|---|---|---|---|
| Work Environment (X1) | WE1 | 0,363 | 0,00 | Valid |
| | WE2 | 0,335 | 0,00 | Valid |
| | WE 3 | 0,232 | 0,00 | Valid |
| | WE 4 | 0,391 | 0,00 | Valid |
| | WE 5 | 0,302 | 0,00 | Valid |
| Organizational Culture (X2) | OC1 | 0,337 | 0,00 | Valid |
| | OC 2 | 0,281 | 0,00 | Valid |
| | OC 3 | 0,337 | 0,00 | Valid |
| | OC 4 | 0,450 | 0,00 | Valid |
| | OC 5 | 0,281 | 0,00 | Valid |
| Compentation (X3) | C1 | 0,663 | 0,00 | Valid |
| | C2 | 0,423 | 0,00 | Valid |
| | C3 | 0,339 | 0,00 | Valid |
| | C4 | 0,300 | 0,00 | Valid |
| | C5 | 0,320 | 0,00 | Valid |
| Job Satisfaction (Y) | JS 1 | 0,449 | 0,00 | Valid |
| | JS 2 | 0,378 | 0,00 | Valid |
| | JS 3 | 0,285 | 0,00 | Valid |
| | JS 4 | 0,282 | 0,00 | Valid |
| | JS 5 | 0,531 | 0,00 | Valid |
| Employee Performance (z) | EP 1 | 0,416 | 0,00 | Valid |
| | EP 2 | 0,424 | 0,00 | Valid |
| | EP 3 | 0,224 | 0,00 | Valid |
| | EP 4 | 0,332 | 0,00 | Valid |
| | EP 5 | 0,343 | 0,00 | Valid |

The results of the X1 variable validity test indicate that all the Pearson correlation values per item working environment variable > than 0.1593, then it is stated that the item is valid. The results of the validity test of the X2 variable indicate that all the pearson correlation values per item organizational culture variable > than 0.1593, then it is stated that the item is valid. The results of the X3 variable validity test indicate that all the Pearson correlation values per variable compensation item > than 0.1593, then it is stated that the item is valid. The results of the X3 variable validity test indicate that all the Pearson correlation values per variable compensation item > than 0.1593, then it is stated that the item is valid.    The results of the Z variable validity test show that all the Pearson correlation values per item variable employee performance > than 0.1593, then it is stated that the item is valid.

**Reliability Test**

Reliability testing is done to measure the reliability or consistency of the instrument. Question items are said to be reliable if someone's answer to the question is consistent (Tabachnick and Fidell, 2013). Measurement of reliability of questions by once distributing questionnaires to respondents, then the results of the score are measured correlation between scores of answers on the same questions with the help of SPSS computer program, with the facility Cronbach Alpha (a). A construct or variable is said to be reliable if it gives an alpha

Cronbach value > 0.60. For the calculation of the validity test and reliability test using the help of the Microsoft Excel and Static Package for Social Sciences Program 22. The reliability results can be seen as below:

**Tabel 7.** Result of Reliability Test

| Variable | Alpha | Reliability |
|----------|-------|-------------|
| WE | 0,652 | Reliable |
| OC | 0,575 | Reliable |
| C | 0,659 | Reliable |
| JS | 0,683 | Reliable |
| EP | 0,664 | Reliable |

Based on the table above and after calculating using SPSS version 22 soft ware, the results of the alpha value of each variable show a number greater than 0.60, then the questionnaire is declared reliable and can then be used as a research data collection tool or for consideration for further research, especially regarding work environment variables, organizational culture, compensation, job satisfaction, and employee performance.

**Test of Classical Assumption**
**Heteroscedasticity**

Heteroscedasticity test aims to test whether in the regression model variance inequality occurs from one residual to another observation. If the residual variance of observations to other observations remains, then it is called homoskedasticity. The presence or absence of heteroscedasticity is known by looking at the probability of a 5% confidence level if p value 0.05, then there is no reverse heteroscedasticity if p value < 0.05 then heteroscedasticity occurs. The results of the heteroscedasticity test are as follows:

**Table 8.** Heteroscedasticity

| Regression | Variable | Significancy | Heteroscedasticity |
|------------|----------|--------------|--------------------|
| X1- Z | WO | 0,000 | Heteroscedasticity Occur |
| X2- Z | OC | 0,004 | Heteroscedasticity Occur |
| X3- Z | C | 0,932 | Heteroscedasticity |
| | WO | 0,005 | Heteroscedasticity Occur |
| | OC | 0,003 | Heteroscedasticity Occur |
| X1, X2, X3, Y - Z | C | 0,932 | Heteroscedasticity |
| | JS | 0,072 | Heteroscedasticity |

From the results of heteroscedasticity test can be seen that the variable compensation and job satisfaction obtained p value of > 0.05 then heteroscedasticity occurs. while the work environment variable and organizational culture p value < 0.05, heteroscedasticity occurs.
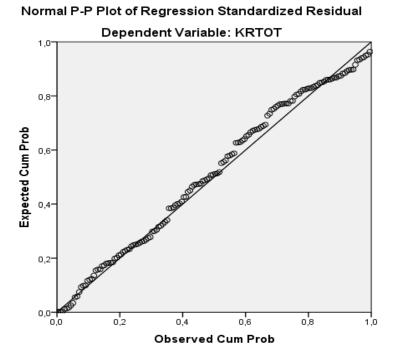
**Normality Test**



**Figure 2.** Grafic normal probability plot

Based on the Normal P-P Plot of Standardized Residual Regression contained in Figure 4.4.3 it can be seen that the points spread around the diagonal line and its spread follows the diagonal line direction. Thus the residuals in this study have met the assumptions of normality.

**Result of Hypothesis Test**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | | Durbin-Watson |
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | ,658[a] | ,432 | ,421 | 3,301 | ,432 | 37,062 | 3 | 146 | ,000 | 1,762 |

a. Predictors: (Constant), BOTOT, LKTOT, KPTOT
b. Dependent Variable: KKTOT

**Model Anova**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 1211,717 | 3 | 403,906 | 37,062 | ,000[b] |
| | Residual | 1591,117 | 146 | 10,898 | | |
| | Total | 2802,833 | 149 | | | |

a. Dependent Variable: KKTOT
b. Predictors: (Constant), BOTOT, LKTOT, KPTOT

**Coefficients**[a]

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Correlations | | | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Zero-order | Partial | Part | Tolerance | VIF |
| 1 | (Constant) | 7,900 | 2,963 | | 2,666 | ,009 | | | | | |
| | JS | ,297 | ,073 | ,327 | 4,056 | ,000 | ,533 | ,318 | ,253 | ,598 | 1,672 |
| | WE | ,491 | ,080 | ,445 | 6,121 | ,000 | ,597 | ,452 | ,382 | ,734 | 1,362 |
| | OC | -,021 | ,072 | -,022 | -,286 | ,775 | ,347 | -,024 | -,018 | ,654 | 1,530 |

a. Dependent Variable: EP

**Model Summary**[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | | Durbin-Watson |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change | |
| 1 | ,497[a] | ,247 | ,236 | 3,407 | ,247 | 24,066 | 2 | 147 | ,000 | 1,356 |

a. Predictors: (Constant), WE,OC,C
b. Dependent Variable: JS,EP

**ANOVA**[a]

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 558,677 | 2 | 279,338 | 24,066 | ,000[b] |
| | Residual | 1706,283 | 147 | 11,607 | | |
| | Total | 2264,960 | 149 | | | |

a. Predictors: (Constant), WE,OC,C
b. Dependent Variable: JS,EP

**Coefficients**[a]

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Correlations | | | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Zero-order | Partial | Part | Tolerance | VIF |
| 1 | (Constant) | 20,148 | 2,939 | | 6,856 | ,000 | | | | | |
| | EP | ,151 | ,067 | ,185 | 2,248 | ,026 | ,370 | ,182 | ,161 | ,760 | 1,316 |
| | WE | ,376 | ,081 | ,379 | 4,621 | ,000 | ,470 | ,356 | ,331 | ,760 | 1,316 |

a. Dependent Variable: KK

**Model Summary**[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | | Durbin-Watson |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change | |
| 1 | ,416[a] | ,173 | ,167 | 3,558 | ,173 | 30,919 | 1 | 148 | ,000 | 1,538 |

a. Predictors: (Constant), WE,OC,C
b. Dependent Variable: JS,EP

**ANOVA**[a]

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 391,406 | 1 | 391,406 | 30,919 | ,000[b] |
| | Residual | 1873,554 | 148 | 12,659 | | |
| | Total | 2264,960 | 149 | | | |

a. Predictors: (Constant), WE,OC,C
b. Dependent Variable: JS,EP

**Coefficients**[a]

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Correlations | | | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Zero-order | Partial | Part | Tolerance | VIF |
| 1 | (Constant) | 26,451 | 2,532 | | 10,445 | ,000 | | | | | |
| | EP | ,374 | ,067 | ,416 | 5,560 | ,000 | ,416 | ,416 | ,416 | 1,000 | 1,000 |

a. Dependent Variable: EP

The general form of the regression equation is:
$$Y = \alpha + \beta1X1 + \beta2X2 + \beta2X3 + \beta3Z$$
So that, the regression results can be arranged into a regression equation as follows:
$$Y = 26,451 + 0,491\ X1 + (-021)\ X2 + 0,297\ X3 + 0,374$$
Where :
Z  =  Employee performance
α  =  constant
β1  =  variable constant X1
β2  =  variable constant X2
β3  =  variable constant X3
X1  =  Work Environment
X2  =  Organizational culture
X3  =  Compensation

Based on the table above it can be seen that:
a.   The value of the constant 26.451 means that the value of the job satisfaction variable is 26.451 if it is not influenced by the independent variable.
b.   Regression coefficient value for variable X1 is 0.491 meaning X1 has a positive influence. If it has an increase of 1 unit of work environment variable, it will increase employee performance by 0.491.

c.   Regression coefficient value for variable X2 is -0,021 means that X2 has a positive influence. If it has an increase of 1 unit variable of organizational culture, it will increase employee performance by -0.021.

d.   Regression coefficient value for X3 variable is 0.297 which means X3 has a positive influence. If you have an increase of 1 unit of compensation variable, it will increase employee performance by 0.297.

e.   The regression coefficient value for the Z variable is 0.374 which means that the variable has a positive direction so it will increase the variable productivity value by 0.374.

**T test**

determine the effect of the work environment, organizational culture, compensation and job satisfaction on employee performance partially used the t test.

**a.   Effect of Work Environment on Job Satisfaction**

Hypothesis:

H0 = Work environment does not affect employee performance

H2 = Work environment has an effect on job satisfaction.

If the study is < 0.05 then H0 is rejected and H2 is accepted

If the sig study is > 0.05 then H0 is accepted and H2 is rejected

From the above research obtained a significance of 0,000 < 0,05, H0 is rejected and H2 is accepted. The direction of the coefficient is positive if the better working environment will be higher job satisfaction. Then the second hypothesis "work environment influences work satisfaction" is proven.

**b.   Effect of Organizational Culture on Job Satisfaction**

Hypothesis:

H0 = Work environment does not affect employee performance

H3 = Work environment influences employee performance.

If the study is < 0.05 then H0 is rejected and H3 is accepted

If the sig study is > 0.05 then H0 is accepted and H3 is rejected

From the above research obtained a significance of 0.775 > 0.05, H0 is accepted and H3 is rejected. The direction of the coefficient is negative, ie if the organizational culture is getting better, it will not affect job satisfaction. So the third hypothesis "organizational culture has an effect on job satisfaction" is not proven.

**c.   Effect of Compensation on Job Satisfaction**

Hypothesis:

H0 = compensation does not affect job satisfaction

H4 = compensation has an effect on job satisfaction.

If the study is < 0.05 then H0 is rejected and H4 is accepted

If sig research > 0.05 then H0 is accepted and H4 is rejected.

From the above research the significance is 0,000 < 0,05, H0 is rejected and H4 is accepted. The direction of the coefficient is positive, ie if the compensation is better the job satisfaction will be higher. Then the fourth hypothesis "influential compensation for job satisfaction" is proven.

**d.      Effect of the Work Environment on Employee Performance**

Hypothesis:

H0 = Work environment does not affect employee performance

H1 = Work environment influences employee performance.

If the study is < 0.05 then H0 is rejected and H2 is accepted

If the sig study is > 0.05 then H0 is accepted and H2 is rejected.

From the above research obtained a significance of 0,000 < 0,05, H0 is rejected and H1 is accepted. the direction of the coefficient is positive if the better working environment will be the higher the employee's performance. Then the first hypothesis of "work environment influences employee performance" is proven.

**e.      Effect of Compensation on Employee Performance**

Hypothesis:

H0 = compensation does not affect employee performance

H5 = compensation has an effect on employee performance.

If the study is < 0.05 then H0 is rejected and H5 is accepted

if the research sig is > 0.05 then H0 is accepted and H5 is rejected.

From the above research obtained a significance of 0.026 > 0.05, H0 is accepted and H5 is rejected. The direction of the coefficient is negative, ie if the compensation is better then it will not affect the employee's performance. So the fifth hypothesis "compensation affects employee performance" is not proven.

**F Test**

Effect of Job Satisfaction on Employee Performanc

Hypothesis:

H0 = job satisfaction does not affect employee performance

H6 = satisfaction affects employee performance.

If the study is < 0.05 then H0 is rejected and H6 is accepted

if the research sig > 0.05 then H0 is accepted and H6 is rejected.

From the above research obtained a significance of 0,000 < 0,05, H0 is rejected and H2 is accepted. the direction of the coefficient is positive if the better job satisfaction will be the higher the employee's performance. Then the sixth hypothesis "job satisfaction influences employee performance" is proven.

**Coefficient of Determination (R$^2$)**

From the results of the adjusted R square of 0.167, it can be interpreted for the contribution of work environment variables, organizational culture, compensation and job satisfaction on employee performance by 1.67%, the remaining 100% - 1.67% = 98.33%.

**Table 9.** Recapitulation of Hypothesis Results

| No. | Hypothesis | Accepted/Rejected |
|-----|------------|-------------------|
| H1 | The influence of the work environment on employee performance | Accepted |
| H2 | The influence of work environment on job satisfaction | Accepted |
| H3 | The influence of organizational culture on job satisfaction | Rejected |
| H4 | The influence of compensation on job satisfaction | Accepted |
| H5 | The influence of compensation on employee performance | Rejected |
| H6 | The influence of job satisfaction on employee performance | Accepted |

**Conclusion**

Based on the results of this study prove that the work environment has an effect on job satisfaction, as evidenced by the significance value of 0,000 < 0,05. The regression coefficient has a positive direction which means that the better the work environment, the job satisfaction will also be higher. The work environment influences employee performance, as evidenced by the significance value of 0,000 < 0,05. The regression coefficient has a positive direction which means that the better the work environment, the employee's performance will also be higher.

The current organizational culture has not been able to improve job satisfaction, as evidenced by the significance value of 0.775 > 0.05. A good organizational culture has not been able to always increase job satisfaction. Compensation has an effect on job satisfaction, as evidenced by the significance value of 0,000 < 0,05. The regression coefficient has a positive direction which means that the better the work environment, the employee's performance will also be higher. Compensation currently has not been able to improve employee performance, as evidenced by the significance value of, 026 > 0.05. Good compensation has not been able to always improve employee performance. Job satisfaction affects employee performance, as evidenced by the significance value of 0,000 < 0,05. The regression coefficient has a positive direction, which means the better job satisfaction, the employee's performance will also be higher.

The findings of this study are the importance of mediating employee job satisfaction. Employee job satisfaction is able to mediate the work environment, organizational culture, and compensation. The results of this study contribute to strengthening the body of knowledge, especially about behavior theory. The results of this study will develop and enrich the science of human resource management.

The results of this study provide implications for decision making in implementing strategies to improve employee performance. Employee performance can be improved through increased employee job satisfaction, where employee job satisfaction is built by a conducive work environment and competitive compensation. Managers must develop a conducive work environment both physically and non-physically. A good physical work environment is of course based on standards provided by the government and other standardization bodies, while a good non-physical work environment requires a broad role including all departments in the organization. For compensation is very dependent on the situation of the labor market, where companies must be able to provide compensation above the labor market average.

We realize that this research requires further research. The first limitation, the object of this study is only the company's employees so that the conclusions that emerge can still be debated.

Furthermore, overcoming the second is that this research has not included other variables that actually also have a role in improving employee performance. For future research, it is necessary to do dyadic or triadic research and add other variables to provide more complete conclusions.

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