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The Effect of Work Motivation and Work Environment on Employee Performance Mediated by Job Satisfaction Study at PT. Simultan Indoagro Mandiri Lamongan

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ABSTRACT

Every employee who works wants to have a high level of job satisfaction. A high level of satisfaction will affect employee performance. The most important factor in improving employee performance is work motivation and a positive work environment can increase motivation. The method used in this study is a quantitative method. The population of this study was all employees of PT Simultan Indoagro Mandiri Lamongan totaling 100 employees with a sampling technique of simple random sampling. The data collection methods used in this study were observation, interviews with respondents and questionnaires distributed to respondents. Data analysis techniques used include descriptive quantitative analysis, Structural Equation Modeling (SEM), Partial Least Square (PLS) analysis. The results showed that work motivation and work environment had a positive and significant effect on employee performance at PT Simultan Indoagro Mandiri Lamongan, with a t-statistics value> 1.96 and p-value <0.05. Work motivation and work environment have a significant effect on employee performance through job satisfaction at PT. Simultaneous Indoagro Mandiri Lamongan, with a t-statistics value> 1.96 and p-value <0.05.

INTRODUCTION

Human resources or often referred to as HR is the most important asset that every company must have and the assets that must be considered in the organization are the people who create goals, innovate and try to achieve goals and organizations. Good human resources show good performance. Currently, one of the government's efforts to realize the importance of human resources is to improve the quality of human resources. Human resource management can be applied in an organization or company so that anyone must learn it, not limited to the chairman or manager of the company (Bambang, 2023). Human resource management is the only resource that has reason, feelings, desires, skills, knowledge, drive, strength, and work (ratio, taste, and karsa). All of these potential resources affect the company's efforts to achieve its goals. The resources owned by an organization cannot provide maximum results if they are not supported by human resources who have high *job performance*.

In the current era of globalization, many companies need a qualified workforce to be able to face various challenges, so that they can find out changes in companies that are developing so quickly. Employee performance is an important factor in the company's ability to maintain productivity if it wants to get these goals (Darmawan, 2021). Employee performance is a result of work that can be achieved by a person or group of people in a company, in accordance with their duties and functions so as to achieve company goals. Employees who have high work performance or make optimal contributions to the company because they are satisfied with their work. Every employee who works wants to have a high level of job satisfaction. The level of satisfaction varies depending on the principles held. The more a job matches the wants and needs of employees, the higher their level of job satisfaction. In accordance with (Ayunasrah *et al.*, 2022) says job satisfaction is a very important factor to get maximum work results. When an employee feels satisfaction at work, of course he will try as much as possible to complete his work with his abilities. So it can be said a high level of satisfaction will affect employee performance.

Therefore, to improve job satisfaction performance and employee performance, a motivation is needed in the organization. Work motivation is the most important factor in improving employee performance. People with high work motivation do their work easily, which in turn has a positive impact on the results. According to Ajabar (2020: 39) work motivation is how to direct the power and all the potential of workers so that they want to work well together so that they can achieve organizational goals.

Hafidzi, *et al* (2019: 52) state that motivation is a driving force that creates a work spirit in a person so that they can work together, work effectively and integrate with total satisfaction. The work environment has a very big influence on employee performance (Joni and Hikmah, 2022). The work environment is a good part or creating working conditions that are conducive to work greatly affects the performance of these employees. The work environment in addition to influencing job satisfaction can also influence the improvement of employee performance.

Job satisfaction is a moderator for the effect of motivation and work environment on employee performance, which can increase or decrease the effect of motivation and work environment on the performance of each employee. The importance of the problem of motivation and work environment, so this research was conducted at PT Simultan Indoagro Mandiri Lamongan as a research subject. The company is a complete agricultural shop that provides fertilizers, pesticides. medicines, seeds etc. In 2020 - 2021 the number of sales had experienced a significant decline during the covid-19 pandemic which attacked causing sales to decline. Therefore, PT Simultan Indoagro Mandiri Lamongan strives to improve the employee performance of each employee.

However, the problem that occurs is that employee performance is not maximized. Problems related to employee work motivation which is the lack of enthusiasm or encouragement of employees due to too monotonous work routines so that boredom and laziness arise in employees. Moreover, the lack of motivation or attention given by leaders to employees who have performed well or who meet the goals of a company, it makes employees seem like they lack an encouragement that can make them maintain the results that have been achieved.

Another phenomenon related to the work environment based on research conducted by the author is the lack of enthusiasm at work. This can be seen from the attitude of coworkers who lack communication, lack of cooperation with other employees, and lack of human resource facilities. This phenomenon is in accordance with the opinion of Atrendi (2020), which states that there are several factors that influence the work environment, namely the work atmosphere, relationships with coworkers, and work facilities.

Based on the background description that has been described, the research entitled "The Effect of Motivation and Work Environment on Employee Performance Mediated by Job Satisfaction Variables at PT Simultan Indoagro Mandiri Lamongan" is very relevant in line with the rapid growth and intense competition in the agricultural industry. This research is key to providing an understanding to the owner of PT Simultan Indoagro Mandiri Lamongan regarding the factors that have the most influence on employee performance.

RESEARCH METHODS

The quantitative method is the method used in this study. The research variables consist of independent and dependent variables. The independent variable consists of work motivation (X1) and work environment (X2) while the dependent variable is employee performance (Y) and job satisfaction (Y). The type of data used in this study is quantitative. To obtain primary data using data collection techniques, namely interviews and questionnaires, secondary data obtained from sources that can support research, including documentation, literature, journals, previous research results and books related to research variables. The population of this study were all employees of PT Simultan Indoagro Mandiri Lamongan, totaling 100 employees. In this study the authors used a *non propability sampling* technique, namely *simple random sampling*. The number of research samples is 100 employees of PT. Simultan Indoagro Mandiri Lamongan. The data collection methods used in this study are observation, interviews (interviews) to respondents and questionnaires (questionnaires) distributed to respondents. The data analysis techniques used include descriptive quantitative analysis, *Structural Equation Modeling* (SEM), *Partial Least Square* (PLS) analysis.

RESULTS AND DISCUSSION Hypothesis Test

In testing the hypothesis, the diagram used in the Smart-PLS *software* can be seen in Figure 1 as follows.

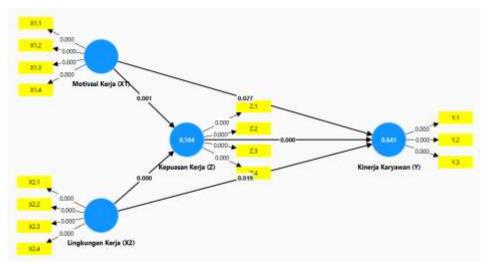


Figure 1. PLS diagram

Figure 1 above shows a diagram of the relationship between independent variables, mediation and dependent variables, as well as indicators of work motivation variables, work environment, job satisfaction and employee performance. The figure above shows the relationship between the variables of work motivation and work environment on the performance of employees of PT Simultan Indoagro Mandiri Lamongyang which is mediated by the variable job satisfaction.

Measurement Model (Outer Model)

Model measurement (*outer model*) in this study was carried out by testing convergent validity, discriminant validity and reliability tests.

a. Validity Test

1. Convergent Validity Test

This test is used to determine the suitability of each indicator relationship with its latent variable. Measurement of *convergent validity* is done using the *loading factor* and AVE values. This measurement is considered sufficient if the *loading factor* value obtained is above 0.7 and the

Average Variance Extracted (AVE) value obtained is greater than 0.5. The loading factor value obtained using Smart-PLS 4.0 can be seen in Table 1 as follows:

Table 1
Loading Factor

Indicator	Loading Factor	Rule of Thumb	Description
X1.1	0,775	0,7	Valid
X1.2	0,814	0,7	Valid
X1.3	0,806	0,7	Valid
X1.4	0,761	0,7	Valid
X2.1	0,827	0,7	Valid
X2.2	0,839	0,7	Valid
X2.3	0,841	0,7	Valid
X2.4	0,772	0,7	Valid
Y.1	0,921	0,7	Valid
Y.2	0,895	0,7	Valid
Y.3	0,898	0,7	Valid
Z .1	0,831	0,7	Valid
Z.2	0,859	0,7	Valid
Z.3	0,859	0,7	Valid
Z.4	0,843	0,7	Valid

The results of the analysis in Table 1 above show that the *factor loading* value on the variables of work motivation, work environment, employee performance and job satisfaction obtained is greater than 0.7 so it can be concluded that all indicators used in the variables of work motivation, work environment, employee performance and job satisfaction are declared valid. Thus, the data in this study passed the *convergent validity* test based on the *factor loading* value.

Apart from using *factor loading, Convergent Validity* analysis can also be done using the AVE value. Measurement using the AVE value is considered sufficient if the AVE value obtained is greater than 0.50. The results of the calculation of the *Average Variance Extracted* (AVE) value using Smart-PLS can be seen in table 2 as follows.

Table 2
Average Variance Extracted (AVE)

Variables	Average Variance Extracted (AVE)
Work Motivation	0,623
Work Environment	0,673
Employee Performance	0,818
Job Satisfaction	0,719

Based on Table 2 above, it can be seen that the AVE values of work motivation, work environment, employee performance and job satisfaction variables are 9.623, 0.673, 0.818 and 0.719, respectively. The four AVE values obtained are greater than 0.5 so it can be concluded that the variables of work motivation, work environment, employee performance and job satisfaction meet convergent validity based on AVE.

2. Discriminant Validity

Discriminant validity refers to the ability of an indicator to clearly distinguish the construct it measures from other constructs in a research model. This validity ensures that each indicator better represents the intended construct compared to other constructs. Discriminant validity testing is done by analyzing cross-loading, which compares the loading value of the indicator on the main construct with the cross-loading value of the indicator on other constructs. An indicator is considered to meet discriminant validity if the loading value on the main construct is higher than the cross-loading value on other constructs. The cross-loading analysis in this study was carried out using SmartPLS 4.0 software, and the results are shown in Table 3 below.

Table 3
Cross Loading

	Work Motivation	Work Environment	Employee Performance	Job Satisfaction
	(X1)	(X2)	(Y)	(\mathbf{Z})
X1.1	0.775	0.585	0.543	0.511
X1.2	0.814	0.565	0.512	0.511
X1.3	0.806	0.517	0.560	0.540
X1.4	0.761	0.463	0.469	0.509
X2.1	0.639	0.827	0.569	0.644
X2.2	0.506	0.839	0.539	0.577
X2.3	0.586	0.841	0.643	0.598
X2.4	0.473	0.772	0.551	0.512
Y.1	0.617	0.633	0.921	0.682
Y.2	0.599	0.642	0.895	0.677
Y.3	0.580	0.634	0.898	0.679
Z.1	0.561	0.585	0.607	0.831
Z.2	0.582	0.659	0.634	0.859
Z.3	0.577	0.611	0.677	0.859
Z.4	0.505	0.558	0.627	0.843

Based on the results of the discriminant validity test in Table 3 above, the *cross loading* value of each indicator on work motivation variables, work environment, employee performance and job satisfaction is higher than the *cross loading* value on other latent variables. Then, all *cross loading* values on variable indicators of work motivation, work environment, employee performance and job satisfaction are greater than 0.7. Thus it can be concluded that the data on this research instrument has met the criteria for discriminant validity.

Apart from using *cross loading*, testing discriminant validity can also be done using the *Fornell-Larcker Criterion* method. A model is declared to meet testing with the *Fornell-Larcker Criterion* method if it has a correlation value between constructs and their constituent indicators greater than the correlation value between other constructs in the model. The results of testing discriminant validity with the *Fornell-Larcker Criterion* can be seen in Table 4 as follows.

Table 4
Fornell-Larcker criterion

1 of neu-Laicker criterion					
	Job	Employee	Work	Work	
	Satisfaction (Z)	Performance (Y)	Environment (X2)	Motivation (X1)	
Job Satisfaction (Z)	0.848				
Employee Performance (Y)	0.751	0.905			
Work Environment (X2)	0.713	0.703	0.820		
Work Motivation (X1)	0.657	0.662	0.676	0.789	

The results of the discriminant validity analysis with the *Fornell-Larcker Criterion* in Table 4 are carried out by looking at the value at the intersection of rows and columns. Based on the results of the above analysis, it can be seen that the correlation value between job satisfaction and job satisfaction is 0.848 greater than the correlation value between job satisfaction and employee performance (0.751) the correlation value between job satisfaction and work environment (0.713) and the correlation value between job satisfaction and work motivation (0.657). The correlation value between employee performance obtained is 0.905 which is greater than the correlation value between employee performance and job satisfaction (0.751), the correlation value between employee

performance and the work environment (0.703) and the correlation value between employee performance and work motivation. The correlation value between work environment and work environment obtained is 0.820 which is greater than the correlation value between work environment and job satisfaction (0.713), the correlation value of work environment and employee performance (0.703) and the correlation value between work environment and work motivation. The correlation value of work motivation with work motivation obtained is 0.789 greater than the correlation value between job satisfaction and work motivation (0.657), the correlation value between work motivation and employee performance (0.662) and the correlation value between work motivation and work environment (0.676). The results of this analysis show that the correlation value between constructs and their constituent indicators is greater than the correlation value between other constructs in the model. Based on this, it is known that the *discriminant validity* requirements for this model have been met.

b. Reliability Test

The reliability test aims to test the accuracy and consistency of the indicator as a variable measuring instrument. In this study, the reliability test was carried out using the *composite reliability* and *Cronbach's alpha* values. A variable is considered to have good reliability if the *Cronbach's alpha* and *composite reliability* values obtained are greater than 0.70. *The Cronbach's alpha* and *composite reliability* values obtained using Smart-PLS *software* are shown in Table 5.

Table 5
Composite Reliability and Cronbach Alpha

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	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Job Satisfaction (Z)	0.870	0.871	0.911	0.719
Employee Performance (Y)	0.889	0.889	0.931	0.818
Work Environment (X2)	0.838	0.841	0.891	0.673
Work Motivation (X1)	0.798	0.799	0.868	0.623

Table 5 above shows that the *Cronbach's alpha* and *composite reliability* values on job satisfaction, employee performance, work environment and work motivation variables obtained are more than 0.7. Thus it can be concluded that the variables of job satisfaction, employee performance, work environment and work motivation are reliable. So that the reliability test in this study is fulfilled.

Structural Model Evaluation

a. Collinearity Statistics (VIF)

The multicollinearity check aims to determine how strong the correlation is between latent variables or constructs. If there is a strong correlation, it indicates a methodological problem in the model, as this can affect the statistical significance of the estimates. This condition is known as multicollinearity. The multicollinearity test is carried out by looking at the *Variance Inflation Factor* (VIF) value. If the VIF value < 5, it is concluded that there is no multicollinearity and if the VIF value > 5, it is concluded that multicollinearity occurs. The results of the VIF value calculation can be seen in Table 6 as follows:

Table 6 VIF Value

vii value				
Indicator	VIF			
X1.1	1.544			
X1.2	1.769			
X1.3	1.633			
X1.4	1.561			

X2.1	1.980
X2.2	2.134
X2.3	1.966
X2.4	1.668
Y.1	2.991
Y.2	2.425
Y.3	2.525
Z .1	1.977
Z.2	2.178
Z.3	2.185
Z.4	2.101

Based on Table 6 above, the VIF value for each variable indicator of work motivation, work environment, job satisfaction and employee performance <5, it is concluded that there is no multicollinearity.

b. Coefficient of Determination (*R-Square*)

The *R-Square* (R²) value in this study aims to determine the influence of the *independent* variable on the *dependent* variable. The criteria for interpreting the *R-Square* (R²) value in this study are divided into three categories, namely 0.75 indicates a strong influence, 0.50 indicates a moderate influence, and 0.25 indicates a weak influence. The results of the calculation of the *R-Square* value using Smart-PLS *software* can be seen in Table 7 as follows:

Table 7 R-Square

	R-square	Adjusted R-square
Employee Performance	0,641	0,630

Based on Table 7 above, the *r-square* value is 0.641 which shows that the influence of work motivation variables, work environment and job satisfaction on the performance of employees of PT Simultan Indoagro Mandiri Lamongan is 64.1%, the remaining 35.9% is influenced by other variables not involved in this research model. Then based on Table 4.15 above, the *r-square* value is 0.641, where the value is included in the medium category, this shows that there is a moderate influence of the variables of work motivation, work environment and job satisfaction on the performance of employees of PT. Simultan Indoagro Mandiri.

c. Goodness Of Fit (Gof) Assessment

The Goodness Of Fit (Gof) assessment in this study was carried out using the Q-square value, which aims to test the *goodness of fit of the* model obtained. If the Gof value obtained is more than 0 and close to 1, the better and the more suitable (fit) the model is with the data used. The calculation of the GoF value can be seen in the following stages:

GoF =
$$1[(1 - R_1^2)(1 - R_2^2)]$$

GoF = $1[(1 - 0.564)(1 - 0.641)]$
GoF = 0.843

The results of the GoF calculation using the formula above obtained a value of 0.843. The GoF value obtained is greater than 0 (0.843 > 0), this indicates that the model used in this study has good quality, in the sense that the model used in this study is suitable (fit).

Hypothesis Test

Hypothesis testing in this study was conducted to determine the effect of the independent variable on the dependent variable. Hypothesis testing is done by paying attention to the t-statistic value and *p-value*. The criteria for direct hypothesis testing are as follows:

1. If the t-statistic obtained> 1.96 and *p-value* <0.05, it is concluded that the independent variable has a significant effect on the dependent variable.

2. If the t-statistic < 1.96 and p-value> 0.05, it is concluded that the independent variable has no effect on the dependent variable. The results of the analysis using Smart-PLS obtained the *original sample* value, *t-statistics* and *p-value* in Table 8 as follows.

Original Sample, T-statistics, P-Value

	Original sample (O)	T statistics (O/STDEV)	P values	Conclusion
Work Motivation (X1) -> Employee Performance (Y)	0.203	2.214	0.027	There is an influence (significant positive)
Work Environment (X2) -> Employee Performance (Y)	0.256	2.346	0.019	There is an influence (significant positive)

Based on the direct hypothesis test results in Table 8 above, the following results can be obtained:

- 1. The results of the analysis of the effect of work motivation on employee performance obtained a *t-statistics* value of 2.346> 1.96 and a *p-value* of 0.027 <0.05, then H₁ is accepted so it can be concluded that work motivation affects employee performance at PT. Simultan Indoagro Mandiri Lamongan. The *original sample* value of the effect of work motivation on employee performance is positive, which means that work motivation has a positive and significant effect on employee performance at PT. Simultan Indoagro Mandiri Lamongan.
- 2. The results of the analysis of the effect of the work environment on employee performance obtained a *t-statistics* value of 2.214> 1.96 and obtained a *p-value* of 0.019 <0.05, then H ₂ is accepted so it can be concluded that the work environment affects employee performance at PT Simultan Indoagro Mandiri Lamongan. The *original sample* value of the effect of the work environment on employee performance is positive, which means that the work environment has a positive and significant effect on employee performance at PT. Simultan Indoagro Mandiri Lamongan.

Mediation Test

Mediation testing in this study aims to analyze whether there is an indirect effect through mediator variables or mediation effects. The testing process is carried out using the *t-statistics* and *P-Value* values. If the *t-statistics* has a value greater than 1.96 and the *P-Value* is less than 0.05, it can be concluded that there is a significant indirect effect or mediation effect. Conversely, if the *t-statistics* are less than 1.96 and the *P-Value* is greater than 0.05, then no significant mediation effect is found. The complete results of the mediation effect analysis in this study are summarized in Table 9.

Table 9
Path Coefficients T-Values, P-Values

1 ath Coefficients 1 - values, 1 - values				
	Original sample (O)	T statistics (O/STDEV)	P values	Conclusion
Work Environment (X2) -> Job Satisfaction (Z) -> Employee Performance (Y)	0.215	2.914	0.004	There is an influence (significant positive)
Work Motivation (X1) -> Job Satisfaction (Z) -> Employee Performance (Y)	0.140	2.330	0.020	There is an influence (significant positive)

Based on the mediation test results in table 9 above, it can be seen that:

1. The results of the analysis of the effect of work motivation on employee performance through job satisfaction obtained a t-statistics value of 2.330> 1.96 and the *p-value* obtained is 0.020

- <0.05, so H₃ is accepted so it is concluded that work motivation affects employee performance mediated by job satisfaction at PT Simultan Indoagro Mandiri Lamongan.
- 2. The results of the analysis of the effect of the work environment on employee performance through job satisfaction obtained a t-statistics value of 2.914> 1.96 and the *p-value* obtained is 0.004 <0.05 then H₄ is accepted so it is concluded that the work environment affects employee performance mediated by job satisfaction at PT Simultan Indoagro Mandiri Lamongan.

DISCUSSION

1. Effect of Work Motivation (X1) on Employee Performance (Y)

The results of testing the first hypothesis concluded that work motivation has a positive and significant effect on employee performance at PT Simultan Indoagro Mandiri Lamongan. This means that the higher the work motivation possessed by employees, the better the quality of their performance. Work motivation in this study is measured by 4 indicators, namely physical needs, need for security, need for recognition and social needs. Meanwhile, employee performance is measured through 3 indicators, namely quality of work results, quantity of work results and work efforts. High work motivation makes employees more proactive, has a great sense of responsibility, and is oriented towards achieving the best results.

The results of this study are in accordance with the results of previous research conducted by Sudarmanto *et al* (2022) whose results state that work has a significant positive effect on being able to improve employee performance in Pasuruan City Inspectorate employees. Other research conducted by Nauval *et al.* (2022) which also shows that motivation has a positive effect and on employee performance. Based on the explanation of the results of previous research, it can be used as a reference to conduct new research with different samples and researchers have an overview of the research results to be obtained.

Work motivation is one of the key factors that can affect the level of employee performance in a company, including at PT Simultan Indoagro Mandiri Lamongan. Work motivation can be interpreted as a driving force that creates work enthusiasm in a person so that they can work effectively with total satisfaction. In this study, work motivation plays an important role in determining how employees make their best contribution to achieving company targets.

2. Effect of Work Environment (X2) on Employee Performance (Y)

The results of direct hypothesis testing on the second hypothesis show that the work environment on employee performance is positive, which means that the work environment has a positive and significant effect on employee performance at PT Simultan Indoagro Mandiri Lamongan. This means that by supporting the work environment, the better the quality of performance. The work environment in this study was measured using 4 indicators, namely the work atmosphere, relationships with coworkers, work facilities and noise in the workplace. A comfortable work atmosphere creates a conducive environment for employees to focus and increase their productivity. When the work atmosphere is supportive, employees are more motivated to provide high-quality work and work efficiently.

The results of this study are in line with the results of research conducted by Ramban & Edalmen (2022) where the results of their research show that the work environment has a positive and significant effect on employee performance. Then, other research conducted by Daryanto *et al* (2023) found that the work environment affects employee performance.

A conducive work environment has an important role in improving employee performance at PT Simultan Indoagro Mandiri Lamongan. A good work environment creates a comfortable atmosphere, harmonious relationships between employees, adequate work facilities, and controlled noise levels. This will cause employees to work optimally, thus having a positive impact on the quality, quantity and work effort that employees produce.

Employee performance at PT Simultan Indoagro Mandiri Lamongan as measured by the quality of work results, quantity of work results, and work effort shows a significant increase in a supportive work environment. Employee work effort also increases in a positive work environment. When employees feel that the company cares about their needs, they tend to give greater commitment and

work with dedication. Overall, the results of this study indicate that the work environment is an important factor that should not be ignored in an effort to improve employee performance at PT Simultan Indoagro Mandiri Lamongan. By creating a conducive work environment, companies can maximize employee potential, increase productivity and achieve their business goals more effectively.

3. The Effect of Work Motivation (X1) on Employee Performance (Y) Through Job Satisfaction (Z)

The results of testing the third hypothesis with the mediation test concluded that work motivation affects employee performance mediated by job satisfaction at PT Simultan Indoagro Mandiri Lamongan. High work motivation will encourage employees to work more effectively, productively and focus on achieving company goals. When employees' basic needs, such as physical needs, security, recognition and social relationships are met, they tend to have greater enthusiasm to give the best results in their work.

The results of this study are in line with the results of research conducted by Nadapdap *et al* (2022) whose results show that work motivation has a positive and significant effect on employee performance through job satisfaction as a mediating variable in Surabaya shoe factory employees. Then other research conducted by Rahmawati *et. al* (2023) states that job satisfaction plays an important role as a mediating variable between work motivation and employee performance.

Job satisfaction plays an important role in strengthening the relationship between work motivation and employee performance. Employees who are satisfied with their jobs, whether in terms of the tasks assigned, compensation or wages, promotion opportunities, or relationships with coworkers are more likely to improve the quality and quantity of their work.

Job satisfaction as a mediating variable indicates that not only does work motivation directly affect employee performance, but most of the effect occurs through perceived satisfaction. The results show that the relationship between work motivation and employee performance is stronger when employees feel satisfied with their jobs.

4. The Effect of Work Environment (X2) on Employee Performance (Y) Through Job Satisfaction (Z)

The results of testing the fourth hypothesis concluded that the work environment affects employee performance mediated by job satisfaction at PT Simultan Indoagro Mandiri Lamongan. The results of this study indicate that job satisfaction can mediate the effect of the work environment on employee performance, when the work environment felt by employees supports job satisfaction, it will significantly improve employee performance.

The results of this study are in line with the results of research conducted by Pandamean (2022) which shows that the work environment has a significant effect on employee performance mediated by job satisfaction at the Food Security and Livestock Service Office of North Sumatra Province. Then other research conducted by Victoria & Edalmen (2024) also states that job satisfaction fully mediates the effect of the work environment on employee performance.

The work environment is one of the factors that play an important role in determining employee performance. A conducive work environment includes not only physical aspects, such as facilities and workspace comfort, but also non-physical aspects, such as interpersonal relationships, organizational culture and managerial support. A good work environment can create a comfortable and supportive atmosphere for employees to carry out their duties optimally.

In this study, job satisfaction functions as a mediating variable that strengthens the effect of the work environment on employee performance. A supportive work environment such as a comfortable work atmosphere, good relationships between employees, adequate work facilities and guaranteed uniformity in the workplace at PT Simultan Indoagro Mandiri Lamongan can increase job satisfaction. Satisfied employees will be more eager to work, more focused on completing tasks and more creative in facing challenges. This ultimately contributes to improved performance, both in terms of productivity, work quality and efficiency.

CONCLUSION

Work motivation has a positive and significant effect on employee performance at PT Simultan Indoagro Mandiri Lamongan, which is indicated by the *t-statistics* value> 1.96 and the *p-value* obtained is smaller than the value of 0.05 . These results indicate that the first hypothesis is accepted. The work environment has a positive and significant effect on employee performance at PT Simultan Indoagro Mandiri Lamongan, which is indicated by the *t-statistics* value> 1.96 and the *p-value* obtained is smaller than the value of 0.05 . These results indicate that the second hypothesis is accepted. Work motivation has a significant effect on employee performance through job satisfaction at PT Simultan Indoagro Mandiri Lamongan, which is indicated by the *t-statistics* value> 1.96 and the *p-value* obtained is smaller than the value of 0.05. These results indicate that the third *hypothesis* is accepted. These results indicate that the third hypothesis is accepted. These results indicated by the *t-statistics* value> 1.96 and the *p-value* obtained is smaller than the value of 0.05 . These results indicated by the *t-statistics* value> 1.96 and the *p-value* obtained is smaller than the value of 0.05 . These results indicate that the fourth hypothesis is accepted.

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