The Role of Work Facilities, Employee Engagement, and Work Ethic in Enhancing Employee Performance with Job Satisfaction as an Intervening Factor at CV. Anugerah Tirta Persada Pangkalan Bun

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Abstract

This study explores the intricate relationships between work facilities, employee engagement, work ethic, job satisfaction, and employee performance within CV Anugerah Tirta Persada Pangkalan Bun. The research seeks to determine the impact of these factors on job satisfaction and how job satisfaction mediates their influence on employee performance. Utilizing a saturation sampling method, the study encompasses all 39 employees of the company. Data was collected via a comprehensive questionnaire covering respondent characteristics, work facility scale, work engagement scale, work ethic scale, job satisfaction scale, and employee performance scale, analyzed using SMARTPLS. Key findings reveal that work facilities and employee engagement do not significantly affect job satisfaction, as evidenced by p-values of 0.449 and 0.410, respectively. Conversely, work ethic significantly enhances job satisfaction with a p-value of 0.000. Job satisfaction is confirmed as a substantial predictor of employee performance (p-value 0.000). While job satisfaction significantly moderates the influence of employee engagement on performance (p-value 0.010), it does not moderate the effects of work facilities or work ethic on performance. Additionally, work ethic directly influences employee performance (p-value 0.012), while work facilities do not show a significant direct impact (p-value 0.177). These insights suggest prioritizing work ethic and employee engagement over work facilities to enhance job satisfaction and performance. The findings contribute valuable perspectives to human resource management practices, emphasizing the need for organizations to foster strong work ethics and employee engagement to boost overall performance.

Keywords: Work Ethic, Job Satisfaction, Organizational Support, Employee Performance, Organizational Commitment.

A. INTRODUCTION

Companies and organizations are constantly seeking methods to optimize the performance of their employees. The two main components that will potentially affect their performance are facilities and work ethic. Facilities include the physical environment and resources provided by the company to support employees in completing their tasks efficiently and comfortably. On the other hand, work ethic refers to the attitudes and values held by employees in performing their duties, including dedication, honesty, and responsibility.
Various studies have shown that facilities and work ethic have a significant effect on the goal of employee job satisfaction, which in turn can affect their performance. Previous research conducted by Alfi Yushro et al. (2022) at BPJS Ketenagakerjaan Pekanbaru Panam Branch revealed that work facilities have a big problem with employee happiness in their work. Research by Sholikhah et al. (2022) at a private bank in Jakarta also found that work facilities have a positive and significant impact on the job satisfaction of employees. Putriani (2022) at PT. supports and researches Perkebunan Mitra Ogan, which indicates that work facilities, along with communication and supervision, affect their performance satisfaction.

In addition to work facilities, work ethic is also proven to have a focused impact on their satisfaction and performance. Tiwi Nofitasari and Anton Prasetyo (2021) researched and showed that work ethic significantly influences employee job satisfaction at UPTD Gombong I Health Center Unit. Research by I Kadek Putrayasa and I Made Astrama (2021) at PT DIKA Denpasar also found that work ethic has a positive and meticulous influence on employee performance. Aghaatsa Ridho Anasta (2022) in his research at the Investment and Integrated One-Stop Service Office of Jambi City found similar results, where work ethic has a meaningful impact on job satisfaction.

Job satisfaction itself is a key factor that can connect facilities, work ethic, and employee performance. Research by Nabilla Salsabil Sausan (2020) at PT Asia Sakti Wahid Foods Manufacture Medan shows that job satisfaction significantly influences employee performance. Research by Fatriani Widayati et al. (2020) at SMP Negeri Sekayu District also found that job satisfaction greatly affects teacher performance.

This study aims to explore the impact of facilities and work ethic on employee performance, with job satisfaction acting as a mediating variable. By studying the relationship, we hope to provide greater insight into how offices can improve employee performance with facilities and work ethic reinforcement, and how job satisfaction acts as a mediator in the relationship.

B. METHOD

1. Thinking Process Framework

Work Facilities and Job Satisfaction: a) Alfi Yushro et al. (2022): Work facilities on employee satisfaction BPJS Employment Pekanbaru Panam; b) Sholikhah et al. (2022): Work facilities significantly improve employee work at a private bank in Jakarta; and c) Putriani (2022): Work facilities have a focused impact on employee job satisfaction at PT. Mitra Ogan Plantation.

Work Ethic and Job Satisfaction: a) Tiwi Nofitasari and Anton Prasetyo (2021): Work ethic significantly contributes positively to the level of job satisfaction at UPTD Gombong I Health Center Unit; b) I Kadek Putrayasa and I Made Astrama (2021): Work ethic significantly influences the level of employee job satisfaction at PT.
Danamas Insan Kreasi Andalan (DIKA) Denpasar; c) Aghaatsa Ridho Anasta (2022): Work ethic has a significant positive impact on the level of employee job satisfaction at DPMPTSP Jambi City.


Work facilities as well as the work of employees are related to their stability through mediating variables: There is no detailed research available that fully explores this relationship.

Work Ethic and Job Satisfaction act as intermediary variables between employee performance and various other factors: No specific studies were found that fully addressed this relationship.

2. Conceptual Framework

The conceptual framework in this study is as follows:

![Conceptual Framework Diagram]

Figure 1. Conceptual Framework

Information:

The influence of variable X on variable M and variable M on variable Y
The influence of variable X on variable Y with variable M as mediation

3. Hypothesis

Based on the descriptions above, the researcher can provide several hypotheses in this study, namely:
H1: Work facilities have a positive and significant impact on job satisfaction.
H2: Employee engagement has a positive and significant impact on job satisfaction.
H3: Work ethic contributes positively and significantly to job satisfaction.
H4: Job satisfaction contributes positively and significantly to employee performance.

H5: Work facilities have a positive and significant impact on employee performance, with job satisfaction as an intervening variable.

H6: Work engagement has a positive and significant impact on employee performance, with job satisfaction acting as an intervening variable.

H7: Work ethic has a positive and significant impact on employee performance, with job satisfaction serving as an intervening variable.

H8: Work facilities have a positive and significant impact on employee performance.

H9: Work engagement has a positive and significant impact on employee performance.

H10: Work ethic has a positive and significant impact on employee performance.

4. Sampling Determination Procedure

In this study, non-probability samples were not randomly selected. Sugiyono (2001:60) explains that not all elements. The census, which is a sample for the entire population of members, is a non-probability technique. Especially in situations where the population is under 100 people (Supriyanto and Machfudz, 2010: 188).

The research sample is a partial representation of the population being studied for data collection purposes. Sugiyono (2002: 61-63) explains if saturation sampling is a technique where the entire population is used as the sample, then in this study, the researcher uses the saturation sampling method. In this context, the sample will be taken from CV Anugrah Tirta Persada Pangkalan Bun, which totals 39 employees.

5. Variable Identification

According to Sugiyono (2004: 31), variables are aspects that can take various forms to be studied, so that relevant information can be obtained and then concluded. There are three variables:

1. The independent variable, also known as the free variable (X), influences the dependent variable with effects that can be either positive or negative. In the context of this study, the independent variables include work facilities, employee engagement, and work ethic.

2. The Dependent Variable is part of the dependent variable category, consisting of a single variable. The mediating variable is job satisfaction.

3. The dependent variable, also known as the bound variable (Y), is a single variable influenced by the independent variables. In the context of this study, the dependent variable is employee performance at CV. Anugrah Tirta Persada Pangkalan Bun.
Table 1. Operational Definition of Variables

<table>
<thead>
<tr>
<th>No.</th>
<th>Variable</th>
<th>Definition</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Work Facilities (X1)</td>
<td>Everything used is as needed and can increase the efficiency of work results, as well as facilitate its use to speed up the work process in the company.</td>
<td>- Customized with needs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Optimally improve results</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Easy to use</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Accelerated work process</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Carefully organized</td>
</tr>
<tr>
<td>2</td>
<td>Employee Engagement (X2)</td>
<td>Good attitude of workers towards the organization and organizational values.</td>
<td>Employee engagement as psychological motivation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Employee engagement as a behavioral driver</td>
</tr>
<tr>
<td>3</td>
<td>Work Ethic (X3)</td>
<td>Morale and motivation are driven by perceptions of work in the company.</td>
<td>Dedication</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Obedience</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Integrity</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Responsibility</td>
</tr>
<tr>
<td>4</td>
<td>Job Satisfaction (M)</td>
<td>Job satisfaction is the level of satisfaction/dissatisfaction that subordinates feel towards their work.</td>
<td>Award</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Job progression</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Surveillance</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Additional facilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Leave</td>
</tr>
<tr>
<td>5</td>
<td>Employee Performance (Y)</td>
<td>Performance can be called the processing of a job achieved by employees of the standards that are set within the period, such as one year, is a company.</td>
<td>Work volume</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Quality standard</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Time efficiency</td>
</tr>
</tbody>
</table>

Source: data processed in 2024

6. Data Collection Sources and Procedures

According to Umar (2003), data sources are usually divided into several, namely:

a. Premier Data

Data collected through interviews or questionnaires is often used by someone. In this study, things include information obtained directly from employees and company leaders of CV. Anugrah Tirta Persada Pangkalan Bun who are respondents using individuals.

b. Secondary data

It is the main data and is processed further. In this research, the company CV. Anugrah Tirta Persada Pangkalan Bun. This data is in the form of information regarding work facilities, job engagement, work ethic, job satisfaction, and employee performance, the number of employees and others.

The data sources that have been obtained are from company leaders as sources of information about the data used in this study, namely the head of CV Anugrah

Source: data processed in 2024
Tirta Persada Pangkalan Bun as the full holder of data information owned by the company and employees at CV Anugrah Tirta Persada Pangkalan Bun.

Medium Data Collection Procedures, namely:

1) The observation technique is used as a tool to obtain organizational commitment, an overview of people in CV Anugrah Tirta Persada Pangkalan Bun obtained from employees directly. Observations were made directly to the object of research, namely in the employees of CV Anugrah Tirta Persada Pangkalan Bun.

2) This interview can be called a direct question and answer session with the HRD Manager or CV. Anugrah Tirta Persada Pangkalan Bun employees during the observation to obtain data related to the influence of support with organizational commitment as material for writing this research.

3) A questionnaire or questionnaire is a written data collection regarding the effect of organizational commitment on organizational commitment. This method is often considered effective because respondents can directly mark the column provided with a check mark (✓), the questionnaire given to all employees of CV Anugrah Tirta Persada Pangkalan Bun as respondents is a collection of questions and statements compiled.

7. Data Processing & Analysis

Data was collected using a questionnaire distributed to employees of CV Anugrah Tirta Persada Pangkalan Bun. This questionnaire includes several sections: Section A: Respondent characteristics. Section B: Work Facility Scale. Section C: Work Attachment Scale. Section D: Work Ethic Scale. Section E: Job Satisfaction Scale. Section F: Employee Performance Scale. Questionnaire Preparation using Likert scale 5 points: 1: Strongly Disagree; 2: Disagree; 3: Neutral; 4: Agree; 5: Strongly Agree. Data Processing with SMARTPLS.

C. RESULT AND DISCUSSION

1. Overview of Research Objects

The idea of setting up a speciality beverage plant on September 01, 2002, in the context of establishing a new venture on the scale of a drinking water treatment plant, especially in a rural area, was considered an unattainable aspiration. However, we were convinced that with strong determination and dedication, results would be achieved. Finally, on March 03, 2003, an AMDK Processing Plant was successfully established by CV. Anugrah Tirta Persada.

In the end, the brand of bottled water product named NAIDA was approved and production was launched on September 01, 2003. On October 05, 2006, the factory suffered a fire disaster that destroyed nearly 80% of the building and production equipment. As a result, all practical activities were temporarily halted. However, the management did not stand still and continued to make improvements and learn. Finally, after persistent efforts, the first production could be resumed on
February 07, 2007. CV. Anugrah Tirta Persada is located in West Kotawaringin Regency, Central Kalimantan 74182, Indonesia. The location is right on the edge of a big road near intersection 3 (three) Purbasari village from Pangkalan Bun next to the road and opposite there is another PT.

2. Calculation Result

Based on the first stage, it can be seen if the outer loading value for each indicator with each variable in the model. The outer loading value for indicators that have a value above 0.50 means that the variable indicator is valid. It is known that there are still outer loading values of indicators that have an outer loading value below 0.50, namely in indicators X1.2, X1.7, X1.8 and X1.9 then stage 2 there are 2 subvariables eliminate X1.1 and X1.10, which means that the indicators are eliminated. From the invalid indicators that have been eliminated, the outer loading value in the study below can be known:

![Figure 2. Outer Model Test Results](image)

Based on the image above, it can be seen that the outer loading value of each indicator in this research model has a value above 0.50, meaning that all indicators of the variables in this model are valid. In addition to the outer loading value, the validity of the variable indicators in this model can also be seen from the AVE value and the AVE root value. The AVE value and the AVE root in this model can be seen in the table below:
Table 2. Construct Reliability and Validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach's Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement (X2)</td>
<td>0.858</td>
<td>0.970</td>
<td>0.898</td>
<td>0.688</td>
</tr>
<tr>
<td>Employee Performance (Y)</td>
<td>0.861</td>
<td>0.882</td>
<td>0.894</td>
<td>0.585</td>
</tr>
<tr>
<td>Job Satisfaction (M)</td>
<td>0.960</td>
<td>0.964</td>
<td>0.966</td>
<td>0.738</td>
</tr>
<tr>
<td>Work Ethic (X3)</td>
<td>0.916</td>
<td>0.923</td>
<td>0.929</td>
<td>0.570</td>
</tr>
<tr>
<td>Work Facilities (X1)</td>
<td>0.919</td>
<td>0.990</td>
<td>0.941</td>
<td>0.802</td>
</tr>
</tbody>
</table>

Source: Data Processing Results with SmartPLS, 2024

Based on the table above, it can be seen that the AVE value of each construct has a value greater than 0.50 so it can be seen that all constructs in this research model are valid. Besides that has passed the collinearity test, and reliability test. To test the model structure (inner model) in this study, the R2 (R Square) value test was used. R2 is a measure of the proportion of variation in the value of the influenced variable (endogenous) that can be explained by the influencing variable (exogenous).

Table 3. R2 Value

<table>
<thead>
<tr>
<th>Construct</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Satisfaction (M)</td>
<td>0.637</td>
<td>0.606</td>
</tr>
<tr>
<td>Employee Performance (Y)</td>
<td>0.813</td>
<td>0.791</td>
</tr>
</tbody>
</table>

Source: Data Processing Results with SmartPLS, 2024

Employee Performance of 0.813 is included in the substantial proportion (large proportion / strong), which means that the proportion of variation in the value of endogenous variables is also explained by the ecosen variable in this study by 81.3%, the remaining 18.7% Job Satisfaction of 0.637 is included in the substantial proportion (moderate proportion), which means that the ecosen in the study is 63.7%, the remaining 36.3% explains in this study.
3. **Hypothesis Testing**

To test the hypothesis in this model, see the graph and table below:

![Graph](image)

**Figure 3. Path Analysis**

Source: Data Processing Results with SmartPLS, 2024

**Table 4. Path Coefficients (Mean, STDEV, T-Values, P-Values)**

| Path                                                                 | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|----------------------------------------------------------------------|---------------------|-----------------|-----------------------------|------------------|----------|
| Employee Engagement (X2) -> Employee Performance (Y)                | 0.225               | 0.177           | 0.118                       | 1.913            | 0.032    |
| Employee Engagement (X2) -> Job Satisfaction (M)                   | -0.027              | 0.002           | 0.119                       | 0.229            | 0.410    |
| Job Satisfaction (M) -> Employee Performance (Y)                   | 0.993               | 0.988           | 0.109                       | 9.142            | 0.000    |
| Work Ethic (X3) -> Employee Performance (Y)                        | -0.251              | -0.225          | 0.107                       | 2.344            | 0.012    |
| Work Ethic (X3) -> Job Satisfaction (M)                            | 0.805               | 0.809           | 0.086                       | 9.327            | 0.000    |
| Work Facilities (X1) -> Employee Performance (Y)                   | 0.113               | 0.081           | 0.121                       | 0.940            | 0.177    |
| Work Facilities (X1) -> Job Satisfaction (M)                       | 0.016               | -0.016          | 0.124                       | 0.129            | 0.449    |
| X1-M-Y -> Employee Performance (Y)                                 | -0.059              | -0.059          | 0.084                       | 0.698            | 0.245    |
| X2-M-Y -> Employee Performance (Y)                                 | 0.362               | 0.276           | 0.150                       | 2.422            | 0.010    |
| X3-M-Y -> Employee Performance (Y)                                 | -0.068              | -0.062          | 0.101                       | 0.671            | 0.253    |

Source: Data Processing Results with SmartPLS, 2024
Based on the table above, it can be seen that:

1) The influence of work facilities on job satisfaction is not significant, indicated by a p-value of 0.449, which exceeds the significance threshold of 0.05. Thus, Hypothesis 1 is rejected due to lack of supporting evidence.

2) The influence of employee engagement on job satisfaction is not significant, with a p-value of 0.410, greater than 0.05. Therefore, Hypothesis 2 is rejected or not supported.

3) The influence of work ethic on job satisfaction is identified with a significance value (p-value) of 0.000, which is less than 0.05. This indicates a significant positive influence. Thus, Hypothesis 3 is accepted or supported.

4) The influence of job satisfaction to employee performance is indicated by a significance value (p-value) of 0.000, which is less than 0.05. This shows a significant positive influence. Therefore, Hypothesis 4 is accepted or supported.

5) Job satisfaction’s moderation on employee performance has a significance value (p-value) of 0.245, greater than 0.05. This indicates no positive and significant moderating influence on the relationship between work facilities and employee performance. Therefore, Hypothesis 5 is rejected or not supported.

6) Job satisfaction’s moderation on the influence of employee engagement on employee performance has a significance value (p-value) of 0.010, less than 0.05. This indicates a positive and significant moderation in the influence of employee engagement on employee performance. Thus, Hypothesis 6 is accepted or supported.

7) Job satisfaction’s moderation through work ethic on employee performance has a significance value (p-value) of 0.253, greater than 0.05. This indicates that job satisfaction does not positively and significantly moderate the influence of work ethic on employee performance. Therefore, Hypothesis 7 is rejected or not supported.

8) The influence of work facilities on employee performance is under consideration, with a significance value (p-value) of 0.177, greater than 0.05. This indicates no significant positive influence. Thus, Hypothesis 8 is rejected or not supported.

9) The influence of work ethic on employee performance is under consideration with a significance value (p-value) of 0.012, greater than 0.05. This indicates a significant positive influence. Therefore, Hypothesis 9 is accepted or supported.

10) The significance value (p-value) of the influence of employee engagement on employee performance is 0.032, indicating a statistically significant relationship, meaning there is a positive and significant influence. (Hypothesis 10 is accepted/proven).
4. Discussion

The research investigates the relationships between work facilities, employee engagement, work ethic, job satisfaction, and employee performance. The findings yield significant insights into how these variables interact in a workplace setting.

a. Work Facilities and Job Satisfaction: Contrary to many previous studies which indicated a positive correlation, this study finds no significant influence of work facilities on job satisfaction (p-value = 0.449). This suggests that, in the context of this study, employees may not prioritize facilities as a major factor contributing to their job satisfaction. It could imply that other factors, such as organizational culture or interpersonal relationships, play a more critical role in determining satisfaction levels.

b. Employee Engagement and Job Satisfaction: Similarly, the study reveals no significant influence of employee engagement on job satisfaction (p-value = 0.410). This is surprising given the established literature highlighting the importance of engagement in enhancing job satisfaction. This discrepancy might be due to specific organizational characteristics or measurement methods.

c. Work Ethic and Job Satisfaction: The findings confirm a significant positive influence of work ethic on job satisfaction (p-value < 0.05). Employees with a strong work ethic are likely more committed, motivated, and derive greater satisfaction from their jobs. This aligns with previous research emphasizing the importance of intrinsic values and personal dedication in job satisfaction.

d. Job Satisfaction and Employee Performance: Consistent with established theories, job satisfaction significantly influences employee performance (p-value < 0.05). Satisfied employees are typically more productive, committed, and perform better, corroborating the hypothesis that enhancing job satisfaction can directly boost organizational performance.

e. Moderating Role of Job Satisfaction: a) Between Work Facilities and Employee Performance: Job satisfaction does not significantly moderate the relationship between work facilities and employee performance (p-value = 0.245). This finding suggests that the impact of work facilities on performance is not substantially altered by the level of job satisfaction; b) Between Employee Engagement and Employee Performance: Job satisfaction significantly moderates the influence of employee engagement on employee performance (p-value = 0.010). Higher job satisfaction amplifies the positive effect of employee engagement on performance, indicating that engaged and satisfied employees are particularly high performers; and c) Between Work Ethic and Employee Performance: Job satisfaction does not significantly moderate the relationship between work ethic and employee performance (p-value = 0.253). This suggests that the direct influence of work ethic on performance is not significantly impacted by the level of job satisfaction.
f. Direct Influences on Employee Performance: a) Work Facilities: There is no significant direct influence of work facilities on employee performance (p-value = 0.177), suggesting that other factors might be more crucial in enhancing performance; b) Work Ethic: The study confirms a significant positive influence of work ethic on employee performance (p-value = 0.012). Employees with strong work ethics tend to perform better due to their dedication and commitment; and c) Employee Engagement: A significant positive relationship is found between employee engagement and employee performance (p-value = 0.032). Engaged employees are more likely to be motivated and put forth greater effort, leading to improved performance.

4. CONCLUSION
The research provides valuable insights into the complex dynamics between work facilities, employee engagement, work ethic, job satisfaction, and employee performance. Key conclusions include: a) Work facilities and employee engagement, surprisingly, do not significantly influence job satisfaction within the context of this study; b) Work ethic plays a crucial role in enhancing job satisfaction; c) Job satisfaction is a significant predictor of employee performance; d) The moderating role of job satisfaction varies, significantly enhancing the impact of employee engagement on performance but not affecting the relationships involving work facilities or work ethic; and e) Direct influences on performance underscore the importance of work ethic and employee engagement in work facilities

REFERENCES


