EFFECT OF WORK ENVIRONMENT, WORK DISCIPLINE AND WORK SANCTIONS ON EMPLOYEE PERFORMANCE THROUGH JOB SATISFACTION IN PT. PERTAMINA IN BATAM CITY

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Abstract

This study aims to determine the effect of work environment, work discipline and work sanctions on employee performance through job satisfaction at PT. Pertamina in Batam City. This study uses primary and secondary data obtained through respondents, where respondents will provide verbal responses and or written responses in response to the statements given. The data analysis method used is the questionnaire method, namely by providing a list of questions or questionnaires to the respondents. The results show that Work Discipline has a positive path coefficient value of 0.152 and a T-Statistics value of 1.695 <1.96 (not significant), Work Discipline has a positive path coefficient value of 0.198 and a T-Statistics value of 3.176 > 1.96 (significant), Job Satisfaction has a positive path coefficient value of 0.514 and a T-Statistics value of 5.062 > 1.96 (significant), Work Environment has a positive path coefficient value of 0.139 and a T-Statistics value of 1.850 <1.96 (not significant), Work Environment has a positive path coefficient value of 0.197 and a T-Statistics value of 2.833 > 1.96 (significant), Work Sanctions have a positive path coefficient value of 0.674 and a T-Statistics value of 8.257 > 1.96 (significant), Work Sanctions have a path coefficient value positive value of 0.117 and the value of T-Statistics 0.934 <1.96 (not significant), Work Discipline (X2) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.078 (positive) with a probability value of 1.619 > 0.05 (not significant), Work Environment (X1) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.072 (positive) with a probability value of 1.756 > 0.05 (not significant), Sanctions Work (X3) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.347 (positive) with a probability value of 4.402 > 0.05 (not significant).

Keywords: Work Environment, Work Discipline, Work Sanctions, Employee Performance, Job Satisfaction

1. INTRODUCTION

Human resources are the most important mirror or treasure for an organization; therefore, they need special attention so that organizational goals can be achieved, both long-term goals and short-term goals. Employee job satisfaction is one of the important elements that need to be achieved by companies in order to develop human resources so that they can improve the quality and performance of employees in the organization. As a result, employees can complete tasks not only according to their position and position, but also on time, as working efficiently. Broadly, job satisfaction describes a general attitude of an individual towards his job. That is, work according to interactions with peers and superiors, following organizational rules and policies, meeting performance standards.

With many studies showings that there is a close relationship between job satisfaction with turnover rates and negative feelings of employees, then this relationship can occur in employees where there is a feeling of dissatisfaction and vice versa. This is very important in the work environment to prove the organization's ability to increase the job satisfaction of its employees. So, the level of employee job satisfaction will be reflected in the employee's feelings towards his work which is manifested in the form of a positive attitude towards everything he faces, and the tasks assigned to him. This type of employee no longer sees work as a burden of duty and coercion but sees work as pleasure and a necessity for sustainability and mutual prosperity. Therefore, Job satisfaction is very important to always pay attention to in maintaining the company and managing
human resources. Job satisfaction is an emotional state, whether favorable or not, in which employees view their work. Organizations that are not able to provide job satisfaction to their employees will face productivity risks.

Leaders should understand what their employees need and know what desires make them satisfied and can improve their performance. This includes leaders having to think about when and how much bonuses will be received by their employees if their targets or work goals are achieved. The need for research on work sanctions issues, managing employees is not an easy matter, especially if your company is large in scale and has many employees. There are a variety of organizational resource issues that you will encounter, some of which are absent employees and employees who are not on time (late).

Based on previous sources and expert opinions, it is said that there are main factors or signs that can lead to employee job satisfaction. Fair and proper remuneration; proper placement according to expertise; the severity of the work; work atmosphere and environment; equipment that supports the implementation of the work; the attitude of the leader in his leadership; and the nature of the work is monotonous or not is a summary of the factors that affect employee job satisfaction.

In accordance with the opinion above, the satisfaction factor is one of the determinants of the successful performance of an employee in the work environment which will be the target segment in this study.

However, to find out the level of employee performance, there needs to be an assessment which consists of decision-making activities to determine something with a certain size based on criteria and is qualitative. Performance is influenced by work-related variables including role-stress and work/non-work conflicts. There are several criteria in measuring performance, namely: quality, quantity, timeliness, cost effectiveness and interpersonal relationships, employee performance has several elements, namely: quantity, quality, accuracy, attendance, cooperation ability, and loyalty.

The performance of Pertamina's employees in Indonesia can also be measured through the completion of their duties effectively and efficiently and carrying out their roles and functions. It is linearly related and positively related to the success of a company. There are negative factors that can reduce employee performance in a company. Among them are the desire of employees to achieve work performance, lack of speed in completing work so that they do not obey the rules, the influence of a less conducive environment, coworkers who can be a factor in decreasing their morale, or the lack of examples that must be used as a reference in achieving good work achievements. Good.

In Indonesia, according to Pertamina EP CEPU's 2021 annual report, Indonesia's economic condition in 2021 is still not fully recovered due to the COVID-19 pandemic that has lasted for almost two years. In the midst of uncertainty during the COVID-19 pandemic, the Indonesian government in 2021 will focus on accelerating economic recovery by relaxing social restrictions to encourage various economic activities. Although not yet stable, the Indonesian economy so far has shown a more positive direction.
Research conducted by (Hadjam & Nasiruddin, 2003) with the title The Role of Economic Difficulties, Job Satisfaction and Religiosity on Psychological Well-being, concluded that economic difficulties significantly affect psychological well-being, as well as job satisfaction. This encourages work passion, morale, and the realization of the goals of the company, employees and society. Therefore, every company always strives for its employees to have good discipline because a high discipline attitude will greatly affect the progress of the productivity of the company’s human resources. The application of work discipline at PT Pertamina Batam city aims so that all employees can improve their performance and are willing to voluntarily obey and obey every applicable order without any coercion.

The survey that was conducted from December to January 2021-2022 at PT. Pertamina in the city of Batam, data obtained that employee performance has not met operational standards. This is because employee discipline has not been fully implemented, where there are some employees who do not follow the applicable regulations. This can be seen from the presence of employees who don’t come on time or are often late. In evaluating employee performance, it can be seen from the duties and responsibilities that employees do. In line with realizing the importance of the process of improving the quality of human resources, the authors intend to conduct a study with the title "The Effect of Work Environment, Work Discipline and Work Sanctions on Employee Performance Through Job Satisfaction at PT. Pertamina in Batam City”.

2. IMPLEMENTATION METHOD

Place and time of research

This research was carried out at the Work Location of PT Pertamina Batam City, for a period of five months from July 2022 to September 2022. The research begins with literature search, submission and examination of research proposals, data collection and processing, completing thesis reports to thesis exams.

Research methods

This research method uses a causal model survey method using path analysis techniques. Based on the reasons, this study aims to confirm the theoretical model with empirical data. This study attempts to test the hypothesis used where this study will take a sample from a population and use a questionnaire as the main data collector.

Population and Research Sample

The population in this study are employees who work at the Work Location of PT Pertamina in Batam City, totaling 120 people regardless of strata and specific fields of work. According to Arikunto, if the subject is less than 100, it is better to take all of them, so that the research is a population study (census method) (Riduwan, 2012:210). The research sample in 120 respondents. Division of employees. per Sales Area Retail (marketing): 62 people, Fuel terminal: 22 people, Aviation terminal: 36 people.

Method of collecting data
The data collection technique used variable measurement using a questionnaire instrument. Each employee respondent was given five questionnaire instruments to be a source of measurement of the variables studied. Data were collected using the questionnaire method, namely by providing a list of questions or questionnaires to the respondents. The reason for using this method is that the research subjects are the people who know best about themselves, and the statements given by the subjects are true and reliable.

3. RESULTS AND DISCUSSION

Results

From the results of respondent data processing (attached) with PLS software version 5, the following results are obtained:

a. Discriminant Validity

The highest correlation between variables is the correlation between Work Discipline variables of 0.931. From the correlation value, it can be concluded that Work Discipline (X2), Job Satisfaction (Y), Employee Performance (Z), Work Environment (X1), and Work Sanctions (X3)
have the square root value of Average Variance Extracted (AVE) > 0.781, and all of these variables are declared valid.

c. **Collinearity Value**

Collinearity testing is to prove the correlation between latent variables/constructs whether it is strong or not. If there is a strong correlation, it means that the model contains problems from a methodological point of view, because it has an impact on the estimation of its statistical significance. This problem is called collinearity.

d. **Inner VIF Value**

<table>
<thead>
<tr>
<th>Work Discipline</th>
<th>Satisfaction Work</th>
<th>Employee performance</th>
<th>Environment Work</th>
<th>Work Sanctions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Discipline</td>
<td>3.035</td>
<td>3.177</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job satisfaction</td>
<td></td>
<td></td>
<td>6.163</td>
<td></td>
</tr>
<tr>
<td>Employee performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work environment</td>
<td>2.695</td>
<td>2.815</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Sanctions</td>
<td>3.671</td>
<td>6.474</td>
<td></td>
<td></td>
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</tbody>
</table>

e. **Outer VIF Value**

<table>
<thead>
<tr>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discipline1</td>
</tr>
<tr>
<td>Discipline2</td>
</tr>
<tr>
<td>Discipline3</td>
</tr>
<tr>
<td>Discipline4</td>
</tr>
<tr>
<td>Discipline5</td>
</tr>
<tr>
<td>Environment1</td>
</tr>
<tr>
<td>Environment2</td>
</tr>
<tr>
<td>Environment3</td>
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<tr>
<td>Environment4</td>
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<tr>
<td>Environment5</td>
</tr>
<tr>
<td>Performance1</td>
</tr>
<tr>
<td>Performance2</td>
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<tr>
<td>Performance3</td>
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<tr>
<td>Performance4</td>
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</tbody>
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| Performance5 | 4.688 |
| Sanctions1   | 4.611 |
| Sanctions2   | 6.403 |
| Sanctions3   | 6.115 |
| Sanctions4   | 6.737 |
| Sanctions5   | 2.01 |
| Satisfaction1| 2.974 |
| Satisfaction2| 4.227 |
| Satisfaction3| 3.571 |
| Satisfaction4| 11.059|
| Satisfaction5| 9.028 |

There are still many indicators that have a VIF value < 5.00, so there is no collinearity problem.

Discussion

Direct Determination

a. Direct determination (direct effect) of Work Discipline variable on Job Satisfaction

Direct determination (direct effect) of the Work Discipline variable has a positive path coefficient value of 0.152 and a T-Statistics value of 1.695 <1.96 (not significant). This shows the prediction that if the value of the Work Discipline variable (X2) increases, the job satisfaction variable (Y) does not increase. This effect has a probability value (p-value) of 0.091>0.05. These findings are not in accordance with the theory. Discipline at work is the most important operational function of human resource management because the better the employee's work discipline, the better the performance that can be achieved.

b. Direct determination (direct effect) of Work Discipline variable on Employee Performance

Direct determination (direct effect) of the Work Discipline variable has a positive path coefficient value of 0.198 and a T-Statistics value of 3.176> 1.96 (significant). This shows a prediction that if the value of the Work Discipline variable (X2) increases, the Employee Performance variable (Z) also increases. This effect has a probability value (p-value) of 0.002 <0.05. The results of direct determination (direct effect) of work discipline variables on employee performance prove in accordance with the theory. Discipline is the awareness and willingness of someone who will obey the company's current regulations.

c. Direct determination (direct effect) variable Job Satisfaction on Employee Performance

Direct determination (direct effect) of Job Satisfaction variable has a positive path coefficient value of 0.514 and a T-Statistics value of 5.062> 1.96 (significant). This shows the prediction that if the value of the Job Satisfaction variable (Y) increases, the Employee Performance variable (Z) also increases. This effect has a probability value (p-value) of 0.000 <0.05. The results of this study are in accordance with the theory which states that according to
Dole and Schroeder (2010:45) job satisfaction can be defined as individual feelings and reactions to the work environment, while Testa (2011:76) defines job satisfaction as joy or a positive emotional statement resulting from an assessment. a job or work experiences.

d. Direct determination (direct effect) of work environment variables on job satisfaction

Direct determination (direct effect) of the Work Environment variable has a positive path coefficient value of 0.139 and a T-Statistics value of 1.850 <1.96 (not significant). This shows the prediction that if the value of the Work Environment variable (X1) increases, the job satisfaction variable (Y) does not increase. This effect has a probability value (p-value) of 0.065>0.05. This finding is not in accordance with the theory. An easy-to-reach, comfortable work environment will certainly greatly affect the enthusiasm of employees to come to work.

e. Direct determination (direct effect) of work environment variables on employee performance

Direct determination (direct effect) of the Work Environment variable has a positive path coefficient value of 0.197 and a T-Statistics value of 2.833> 1.96 (significant). This shows the prediction that if the value of the Work Environment variable (X1) increases, the Employee Performance variable (Z) also increases. This effect has a probability value (p-value) of 0.005 <0.05. The results of the determination are in accordance with the theory which states that according to (Sutrisno, 2010) the work environment is the overall work facilities and infrastructure around employees who are doing work that can affect the implementation of the work.

f. Direct determination (direct effect) variable Job Sanctions on Job Satisfaction

Direct determination (direct effect) of the Work Sanctions variable has a positive path coefficient value of 0.674 and a T-Statistics value of 8.257> 1.96 (significant). This shows the prediction that if the value of the Work Sanctions variable (X3) increases, the job satisfaction variable (Y) also increases. This effect has a probability value (p-value) of 0.000 <0.05. This finding is in accordance with the theory that sanctions are one of the indicators that improve the course of the educational process at work to explain a person's behavior, so that in the future it can be overcome.

g. Direct determination (direct effect) variable Work Sanctions on Employee Performance

Direct determination (direct effect) of the Work Sanctions variable has a positive path coefficient value of 0.117 and a T-Statistics value of 0.351>0.05. This finding is not in accordance with the theory that explains that work sanctions are suffering that is given or caused intentionally by someone after an offense, crime and error has occurred.

Indirect Determination

a. Indirect Determination Coefficient Value of Work Discipline on Employee Performance through Job Satisfaction

The value of the Coefficient of Indirect Effect of Work Discipline (X2) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.078 (positive) with a probability value of 1.619 > 0.05 (not significant). Thus, the actual effect that occurs is indirect. In other words, the job satisfaction variable (Y) plays a mediating role but is not significant between the work discipline variable (X2) and the employee performance variable (Z).

b. The Value of the Coefficient of Indirect Determination of the Work Environment on Employee Performance through Job Satisfaction

The Coefficient of Indirect Influence of the Work Environment (X1) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.072 (positive) with a probability value of 1.756 > 0.05 (not significant). Thus, the actual effect that occurs is indirect. In other words, the Job Satisfaction variable (Y) has a mediating role but is not significant between the Work Environment variable (X1) and the Employee Performance variable (Z). This is not in accordance with the theory which states that the factors that determine job satisfaction are (Robbins, 2011: 181-182).
c. Indirect Determination Coefficient Value of Work Sanctions on Employee Performance through Job Satisfaction

The value of the Coefficient of Indirect Effect of Work Sanctions (X3) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.347 (positive) with a probability value of 4.402 > 0.05 (not significant). Thus, the actual effect that occurs is indirect. In other words, the Job Satisfaction variable (Y) plays a mediating but not significant role between the Job Sanctions variable (X3) and the Employee Performance variable (Z). This finding is not in accordance with the theory which states that performance is the achievement of certain organizational goals that can form quantitative and qualitative outputs of creativity or work flexibility.

R-Square Nilai Value

<table>
<thead>
<tr>
<th></th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job satisfaction</td>
<td>0.838</td>
<td>0.834</td>
</tr>
<tr>
<td>Employee performance</td>
<td>0.912</td>
<td>0.909</td>
</tr>
</tbody>
</table>

Coefficient of Determination (R-Square) is a way to assess how much endogenous constructs can be explained by exogenous constructs. Based on the results of the analysis of the coefficient of determination above, it can be concluded as follows:

1. The R Square value of the effect of X1, X2, and X3 simultaneously on Y is 0.838 with an adjusted R Square value of 0.834. So it can be explained that all exogenous constructs (X1, X2, and X3) simultaneously affect Y by 0.834 or 83.4%. Because the R Square adjusted value is more than 75%, the influence of all exogenous constructs on Y is strong.
2. The R Square value of the influence of X1, X2, and X3 simultaneously on Z is 0.912 with an adjusted R Square value of 0.909. So it can be explained that all exogenous constructs (X1, X2, and X3) simultaneously affect Z by 0.909 or 90.9%. Because the R Square adjusted value is more than 75%, the effect of all exogenous constructs on Z is strong.

4. CONCLUSION

1. The direct effect of the Work Discipline variable has a positive path coefficient value of 0.152 and a T-Statistics value of 1.695 < 1.96 (not significant). This shows the prediction that if the value of the Work Discipline variable (X2) increases, the job satisfaction variable (Y) does not increase. This effect has a probability value (p-value) of 0.091 > 0.05.
2. The direct effect of the Work Discipline variable has a positive path coefficient value of 0.198 and a T-Statistics value of 3.176 > 1.96 (significant). This shows a prediction that if the value of the Work Discipline variable (X2) increases, the Employee Performance variable (Z) also increases. This effect has a probability value (p-value) of 0.002 < 0.05.
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4. The direct effect of the Work Environment variable has a positive path coefficient value of 0.139 and a T-Statistics value of 1.850 < 1.96 (not significant). This shows the prediction that if the value of the Work Environment variable (X1) increases, the job satisfaction variable (Y) does not increase. This effect has a probability value (p-value) of 0.065 > 0.05.
5. The direct effect of the Work Environment variable has a positive path coefficient value of 0.197 and a T-Statistics value of 2.833 > 1.96 (significant). This shows the prediction that if
the value of the Work Environment variable (X1) increases, the Employee Performance variable (Z) also increases. This effect has a probability value (p-value) of 0.005 < 0.05.

6. The direct effect of the Work Sanctions variable has a positive path coefficient value of 0.674 and a T-Statistics value of 8.257 > 1.96 (significant). This shows the prediction that if the value of the Work Sanctions variable (X3) increases, the variable job satisfaction (Y) also increases. This effect has a probability value (p-value) of 0.000 < 0.05.

7. The direct effect of the Work Sanctions variable has a positive path coefficient value of 0.117 and a T-Statistics value of 0.934 <1.96 (not significant). This shows the prediction that if the value of the Work Sanctions variable (X3) increases, the Employee Performance variable (Z) does not increase. This effect has a probability value (p-value) of 0.351 > 0.05.

8. The value of the Coefficient of Indirect Effect of Work Discipline (X2) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.078 (positive) with a probability value of 1.619 > 0.05 (not significant). Thus, the actual effect that occurs is indirect. In other words, the job satisfaction variable (Y) plays a mediating role but is not significant between the work discipline variable (X2) and the employee performance variable (Z).

9. The Coefficient of Indirect Influence of the Work Environment (X1) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.072 (positive) with a probability value of 1.756 > 0.05 (not significant). Thus, the actual effect that occurs is indirect. In other words, the Job Satisfaction variable (Y) has a mediating role but is not significant between the Work Environment variable (X1) and the Employee Performance variable (Z).

10. The value of the Coefficient of Indirect Effect of Work Sanctions (X3) -> Job Satisfaction (Y) -> Employee Performance (Z) is 0.347 (positive) with a probability value of 4.402 > 0.05 (not significant). Thus, the actual effect that occurs is indirect. In other words, the Job Satisfaction variable (Y) plays a mediating but not significant role between the Job Sanctions variable (X3) and the Employee Performance variable (Z).

REFERENCES


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