Determinants of employee performance: The mediating role of job satisfaction

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ABSTRACT

This research aims to analyze and look for empirical evidence of the influence of organizational transformation on job satisfaction, the influence of organizational culture on job satisfaction, the influence of employee engagement on job satisfaction, the influence of transformational leadership on job satisfaction, the influence of work environment on job satisfaction, the influence of organizational transformation on employee performance, the influence of leadership on employee performance, the influence of leadership Transformational to employee performance, the influence of organizational transformation on employee performance with job satisfaction as an intervening variable, the influence of employee engagement on employee performance with job satisfaction as an intervening variable, the influence of transformational leadership on employee performance as a varied intervening, the influence of the work environment on employee performance with job satisfaction as an intervening variable. From the results of the tests conducted known transformational leadership, Organizational Culture, Employee Engagement, Transformational Leadership, Work environment have significant effects on Job Satisfaction, as variable intervening employee performance has a significant influence on fixed variables.

JEL Classification:
O15

Introduction

The era of globalization has a very complex role for human sustainability, one of the problems is the sustainability of businesses affected by globalization. Big changes are happening all over the world. This era of globalization requires businesses to adapt and establish the right strategy to win global competition. The event demands that companies need to prepare to face the era of globalization of the industrial revolution 4.0 and this disruption, so that all corporate assets, especially human resources, which are strategic assets of the company need to be optimized. In an effort to transform into a digital telecommunication company PT Telkom Indonesia, especially Telkom Witel Purwokerto is a company that is adaptive to the times and has a strong organizational culture. To achieve the digital culture of the era that must be done by all Telkom people as an effort to face the digital era in order to achieve the goals, vision and mission of the company.

PT Telkom Indonesia Witel Purwokerto needs to prepare its human resources. Results conducted by Daniel Jansen (2019) showed that organizational changes have a significant effect on employee performance. While the results of research conducted by Fandy Balnsa (2017) showed that transformational leadership style and organizational culture did not significantly affect employee performance. Meanwhile, Wicaksono (2019) said employee engagement can determine employee efforts in the work they do every day and affect loyalty. Another factor that improves employee performance is leadership. The process of organizational change must start from continuous individual change. Another study conducted by Leony Hoki (2018) showed work stress and work environment negatively and insignificantly affect performance. Research conducted by Suratman (2019) shows a positive influence of job satisfaction on performance.

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Organizational culture, work environment, organizational transformation, and transformational leadership become key points in efforts to improve employee performance, to see the influence of employee engagement and job satisfaction on employee performance.

This research aims to analyze and look for empirical evidence of the influence of organizational transformation on job satisfaction, the influence of organizational culture on job satisfaction, the influence of employee engagement on job satisfaction, the influence of transformational leadership on job satisfaction, the influence of work environment on job satisfaction, the influence of organizational transformation on employee performance, the influence of employee engagement on employee performance, the influence of leadership.

**Literature Review**

**Conceptual Background and Hypothesis**

Whether or not employee performance can be assessed from 6 basic criteria or dimensions of performance measurement (Darmawan, 2013), namely quality, quantity, timeliness, need for supervision and impersonal impact. Employee performance is influenced by several other variables that can be measured by employee performance indicators that are considered to support performance as a matter of consideration of decision-making about actions on human resources (Sari, 2019).

Transformation has four-dimensional (4R) reframing, restructuring, revitalization and renewal. Reframing (Gouillart and Kelly, 1995). Transformation is an organizational change process that includes structures and processes in order to improve performance in accordance with the dynamics of the development of the organizational environment. Organizational change that covers all aspects provides the results of developing a healthy organizational culture to empower the development of continued success, so that organizational transformation in a company has an influence on satisfaction and performance. The better organizational transformation in a company, the higher employee job satisfaction means employee performance is higher (Simbolon, 2013).

Organizational culture is the beliefs, actions and shared systems that are embraced in performing actions as an organizational identity in achieving maximum performance. According to Molejono (2007), there are four dimensions as a free variable which is a corporate organizational culture, namely integrity, professionalism, transparency and appreciation for human resources. The opportunity given by the company to an employee to advance in working both in the form of knowledge and position has a significant influence on the job satisfaction generated (Suryani, 2016). The resulting job satisfaction is maximum then employee performance is even more optimal.

Employee Engagement is the use of self in a job by expressing themselves to achieve the vision and mission of the company. Schaeferi and Bakker (2010) explained that employee engagement has three aspects, namely: Vigor, Dedication, and Absorption. The better the employee engagement of the company, the higher the job satisfaction and employee performance.

Behavior and strategy as a result of a combination of philosophy, skills, traits and attitudes that are often applied by a leader to achieve maximum employee performance. According to Yukl (2010) there are four characteristics possessed by a leader so that it has transformational qualities, among others: Ideal influence, individual considerations, inspirational motivation, and intellectual stimulus. The influence of transformational leadership through feelings of pride, trust and inspiration or motivation can improve job satisfaction and performance (Putri, 2017). The better the transformational leadership style, the better the level of job satisfaction and employee performance.

The work environment is where employees do work activities, the work environment can have a positive and negative impact on employees in order to achieve performance results. According to Siagian (2014) states that broadly speaking there are two types of work environments, namely physical and non-physical work environments (Kartika, 2020). Good work environment conditions will increase high job satisfaction, if the work environment is bad there will be a decrease in job satisfaction due to discomfort in work.

Job satisfaction itself can be interpreted as an evaluation material that describes a person for work behavior that has been done. Priansa (2016) states the theory of job satisfaction in general, namely: the theory of two factors and the theory of value. Job satisfaction has relationships that influence each other's work activities (Wulandari, 2019). Job satisfaction has a relationship the better the job satisfaction produced, the better the employee performance. Based on the literature review and the results of previous research, the framework of thought developed in this study is described as follows:
The hypothesis in this study is as follows

H1: Organizational transformation has a significant effect on job satisfaction.
H2: Organizational culture has a significant effect on job satisfaction.
H3: Employee engagement has a significant effect on job satisfaction.
H4: Transformational leadership has a significant effect on job satisfaction.
H5: The work environment has a significant effect on job satisfaction.
H6: Job satisfaction has a significant effect on employee performance.
H7: Organizational transformation has a significant effect on employee performance.
H8: Organizational culture has a significant effect on employee performance.
H9: Employee engagement has a significant effect on employee performance.
H10: Transformational leadership has a significant effect on employee performance.
H11: The work environment has a significant effect on employee performance.
H12: Organizational transformation has a significant effect on employee performance with job satisfaction as an intervening variable.
H13: Organizational culture has a significant effect on employee performance with job satisfaction as an intervening variable.
H14: Organizational employee engagement has a significant effect on employee performance with job satisfaction as an intervening variable.
H15: Transformational leadership has a significant effect on employee performance with job satisfaction as an intervening variable.
H16: The organization's work environment has a significant effect on employee performance with job satisfaction as an intervening variable.

Research and Methodology

The research approach used by the authors in this study is the quantitative approach. Data collection is done by means of the distribution of custodies to permanent employees of PT. Telecommunications Indonesia, Witel Purwokerto.

The population in this study includes permanent employees of Witel Purwokerto which is a business unit that oversees the excesses of Banyumas karesidenan with a total of 443 permanent employees spread across Telkom subsidiaries with details, telkom organic permanent employees 46, 21 Agency Sales, 5 Graha Sarana Duta, 7 PT, Infomedia, 24 Telkom Akses and 1 PT PINS Indonesia so that the sample amounted to 104. Sampling techniques used are nonprobability sampling with purposive sampling techniques.

Data

In this study, primary data sourced from questionnaires distributed to permanent employees of PT. Telecommunications Indonesia, witel Purwokerto. The secondary data on the study are some company archives and records and some company documents. The data collection technique is done using questionnaires and interviews.

Variables

Employee performance variable (Y) measured by adopting Bernadin and Russell (1993) which uses 6 dimensions consisting of 16 items, organizational transformation (X1) measured by adopting Gouillart and Kelley (1995) which uses 4 dimensions with 9 elements, organizational culture (X2) measured by adopting Chatab (2007) consisting of 4 dimensions, employee engagement (X3,) measured by adopting from Schaeferi and Bakker (2010) consisting of 3 aspects, Transformational leadership (X4) is measured by 4 indicators and transformational quality is based on Yukl (2010) with 4 characteristics and 10 indicators, Work environment (X5) is measured based on Mangkunegara (2013) with 3 dimensions, and job satisfaction (Z) is measured by adopting Luthans (2006) consisting of seven dimensions.
| Variables                      | Dimension | Indicator                                                                 | Source                      |
|-------------------------------|-----------|----------------------------------------------------------------------------|-----------------------------|
| Performance (Y)              | Quality   | Thoroughness of work completion                                            | Bernadin and Russel (1993) |
|                               |           | Completion of work according to standards                                   |                             |
|                               |           | Completion of work in accordance with work procedures                      |                             |
|                               | Quantity  | Ability to meet work targets                                               |                             |
|                               |           | Ability to fulfill responsibilities                                         |                             |
|                               | Punctuality| Accuracy of completing work before the deadline                            |                             |
|                               |           | Ability to work effectively                                                |                             |
|                               | Cost Effective | Punctuality in getting the job done                                      |                             |
|                               |           | Ability to master the field of work                                        |                             |
| Need supervision              |           | Get work done independently                                                |                             |
|                               |           | Ability to appreciate the work of colleagues                               |                             |
| Interpersonal Influence       |           | Ability to work well together                                              |                             |
| Organizational Culture (X2)  | Integrity | Adhere to the applicable code of ethics and rules                          | Chatab (2007)               |
|                               | Professionalism | Effectiveness of task execution                                         |                             |
|                               |           | Discipline of task implementation                                          |                             |
|                               | Nudity    | Acting fairly                                                               |                             |
| Human Resources               | Award     | Be assertive                                                               |                             |
|                               |           | Reward & punishment                                                        |                             |
|                               |           | Openness                                                                   |                             |
| Employee Engagement (X3)      | Force     | Seriousness in work                                                        | Schaufeli and Bakker (2010) |
|                               |           | Persistence and thoroughness                                               |                             |
|                               | Dedication| Sacrifice of energy and time                                               |                             |
|                               |           | Feeling full of meaning                                                    |                             |
|                               | Absorption| Enthusiasm                                                                  |                             |
|                               |           | Pride                                                                       |                             |
| Transformational Leadership (X4) | Ideal Influence | Trust                                                                        | Yukl (2010)                |
|                               | Inspirational Motivation | Goal setting                                                               |                             |
|                               | Intellectual simulation | Creative ideas                                                             |                             |
|                               | Individualized consideration | Creating a work environment                                               |                             |
|                               | Work Environment (X5) | Physical work environment                                                  | Anwar P. Mangkunegara (2013)|
|                               |           | Hygiene                                                                     |                             |
|                               |           | Neatness                                                                    |                             |
Analysis and Findings

The sample used was 104 employees using purposive sampling techniques. The data collection method used is a survey with questionnaires and interviews. Data analysis methods of the study include Descriptive Analysis, Validity Test, Reliability Test, Classical Assumption Test, Multiple Linear Analysis, Goodness of Fit Test, Hypothesis Test, And Sobel Test.

Descriptive Data

Response Rate

| Information                      | Frequency | Percentage |
|----------------------------------|-----------|------------|
| Questionnaires shared            | 104       | 100%       |
| Kueisoner who didn't return      | 0         | 0%         |
| Returning questionnaires         | 104       | 100%       |

Based on the table above it can be concluded that of the 104 questionnaires distributed to respondents all returned according to the frequency shared and all questions answered by respondents so that they can be used for analysis.

Profile Respondent

The characteristics of the 104 respondents who participated in the study varied and could be described by gender, age, education and length of work. The full table description is as follows:

| No | Information                  | Sum  | Percentage |
|----|------------------------------|------|------------|
| 1  | Gender                       |      |            |
|    | Male                         | 79   | 75%        |
|    | Female                       | 25   | 25%        |
|    | Jumlah                       | 104  | 100%       |
| 2  | Age                          |      |            |
|    | 20-30 years                  | 49   | 47%        |
|    | 31-40 years                  | 24   | 23%        |
|    | 41-50 years                  | 12   | 11%        |
|    | 51-60 years                  | 19   | 19%        |
|    | Sum                          | 104  | 100%       |
| 3  | Level Education              |      |            |
|    | Senior High School           | 18   | 17%        |
|    | Associate’s Degree           | 22   | 21%        |
Validity Test

Based on the validity test conducted to find out whether or not a statement is valid in each statement questionnaire, the results of the test validity of each variable statement are obtained results $r$ calculated greater than the table $r$. So it can be concluded that the questionnaire used is valid.

Reliability Test

Based on the results of the reliability test it can be concluded that the value of Alfa Cronbach $> 0.7$ so that all variables are declared reliable. So that this research instrument is worth using for this research.

Classic Assumption Test

Normality Test

By looking at the value of asymp sig it can be concluded that the data unstandardized residual has been distributed normally, because the value of Asymp sig $> 0.05$ so that residual data is normal distribution.

Multicollinearity Test

Multicollinearity test shows tolerance values $\geq 0.10$ while VIF does not $\leq 10$ meaning that the regression model does not have multicollinearity.

Heterokedastisity Test

The heteroscedasticity test showed that the overall significance value had been $> 0.05$ which means that there are no symptoms of heteroscedasticity.

Goodness of Fit Test

Determination Coefficient ($R^2$)

The Adjusted R Square value in the table above is 0.885 showing that independent variables consisting of transformational leadership, work environment, organizational culture, employee engagement, organizational transformation of 88.5% and the remaining 11.5% are explained by other variables.

Test F

Test F can be known the mean square value is greater than 0.05 which is 1.067 $> 0.05$. It can be concluded that the model is suitable to be used to predict that transformational leadership, work environment, organizational culture, employee engagement, organizational transformation, job satisfaction affects employee performance.

Multiple Linear Analysis Test

Regression Multiple Analysis Model I

Based on the results of calculations of multiple linear regression analysis, multiple linear regression equations can be created as follows:

$$Z = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

$$Z = 8.632 + 0.169 X_1 + 0.137 X_2 + 0.348 X_3 + 0.193 X_4 + 0.329 X_5 + e$$

Regression Multiple Analysis Model II

Based on the results of calculations of multiple linear regression analysis on, it can be made a double linear regression equation as follows:

$$Y = \alpha + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + b_5 X_5 + b_6 Z$$
Discussion

Influence of Organizational Transformation on Job Satisfaction

The result of research that has been done, that organizational transformation has an effect on job satisfaction. Based on the test results obtained a significance value of 0.025 with a regression coefficient value of 0.169 indicates that it has a positive direction. A significance value smaller than 0.05 indicates that the variable of organizational transformation to job satisfaction has a significant positive influence, so H1 is declared acceptable. This research is in line with the theory presented by Gouillart and Kelly that organizational transformation is carried out to achieve the goal in unison by recasting the corporate architecture. The transformation that must be done is a change in concept, the readiness of the company to be competitive, the spirit to develop, and human resources. In essence, PT. Telekomunikasi Indonesia, Witel Purwokerto to achieve the goal in providing services, namely job satisfaction needs to transform the organization. In the transformation of the organization. In the organizational transformation considered by the company, namely Reframing, Restructuring, Revitalization and Renewal, so that PT. Telekomunikasi Indonesia, Witel Purwokerto conducts organizational transformation paying attention to the principles of organizational transformation. This is in line with research conducted by Rozama (2019) which states that organizational transformation has a positive and significant effect on job satisfaction. Then research conducted by Jansen (2019) stated that job satisfaction has a positive and significant effect on job satisfaction. It can be concluded that the better the organizational transformation carried out by PT. Telecommunications Indonesia, Witel Purwokerto will be the higher the job satisfaction generated by employees.

Influence of Culture Organizational on Job Satisfaction

The result of research that has been done, that organizational culture affects job satisfaction. Based on the test results obtained a significance value of 0.027 with a regression coefficient value of 0.137 indicating a positive direction. A significance value smaller than 0.05 indicates that organizational culture towards job satisfaction has a significant positive influence, so H2 is accepted. This research is in accordance with the dimensions of organizational culture conveyed by Moeljono that corporate organizational culture is integrity, professionalism, transparency, and appreciation for human resources.

Influence of Employee Engagement on Job Satisfaction

The results of research that has been done show that employee engagement affects job satisfaction. Based on the test statistics t test, with an error value of 5%, the test heresy is obtained by 0.00. This means that the significance is less than the error value so that it shows a significant influence of employee engagement on job satisfaction. This research uses a theory from Schaufeli & Bakker (2010) that divides employee engagement into three aspects, namely vigor, dedication, and absorption. Based on table 4.24, employees of PT. Telkom Indonesia Witel Purwokerto understands and applies these aspects well. The positive influence of employee engagement is in line with bustasar &sumarsh research (2012). This shows that the higher the employee engagement, the higher the employee will have high job satisfaction. But these results, contrary to previous research conducted by Wulandari & Ratnawati (2019). One of the indicators in the form of employee discipline has no effect on job satisfaction. This is due to propaganda-propaganda about the discipline of work that makes the stigma so bad that employees do not feel satisfied in their work. The company can increase job satisfaction through employee engagement by holding interest and talent counseling so that employees are expected to be able to reflect on the interest in the field of work that will be done in the future.

Effect of Transformational Leadership on Job Satisfaction

The results of this study show an influence between transformational leadership and job satisfaction. The results of the test statistics t with a significance level of 5% showed a value of 0.003. This means that the nilali test is less than the level of significance. This shows a significant influence of transformational leadership on job satisfaction. This research uses a theory from Yukl (2010). Yukl divides the dimensions of transformational leadership into four parts, namely ideal influence, inspirational motivation, intelectual stimulation, and individualized consideration. Transformational leadership has a focus on the company's needs and employee development. PT. Telecommunications Indonesia Witel Purwokerto as an incumbent company always makes breakthroughs to maintain and widen the market. These breakthrough programs encourage employees to continue to grow and develop in accordance with the direction and needs of the company as well.

Effect of the Work Environment on Job Satisfaction

The results of this study show an influence between the work environment and job satisfaction. The results of the test statistics t with a significance level of 5% showed a value of 0.000. This means that the nilali test is less than the level of significance. This shows a significant influence of the work environment on job satisfaction. This research uses a theory from Mangkunegara (2013), the work environment in question, among others, a clear job description, challenging work targets, effective work communication patterns, work climate, and relatively adequate work facilities. Siagian (2006) divides the dimensions of work into physical work environments, non-physical, and psychological work environments. These three dimensions are a unity in the work environment. Robbins' theory (1996) concludes that employees prefer to work in clean and relatively modern facilities and supported with adequate

\[ Y = 6.515 + 0.148 X_1 + 0.072 X_2 + 0.232 X_3 - 0.148 X_4 + 0.140 X_5 - 0.592 \]
The results of the study are in line with Purba & Heryanto (2019) and Kabur et al. (2019). The study states that there is a positive influence caused by the work environment on job satisfaction. A conducive work environment is needed in an organization. Employees need a good work environment for personal comfort and to facilitate in doing their tasks well. The environment in question is not only a tangible environment but also an intangible environment as well. For example, the relationship among employees, employees and superiors, work situations that are full of family nuances, etc. Based on these findings it can be concluded that if the work environment in PT. Telecommunications Indonesia Witel Purwokerto is better, then employee job satisfaction will increase as well. The environmental conditions in question are not only limited to physical comfort that can be enjoyed directly, but also a non-physical environment that can be felt by all employees. A conducive non-social environment can make employees feel comfortable and at home working in the company.

**Effect of Organizational Transformation on Employee Performance**

The results of this study show an influence between organizational transformation and employee performance. The results of the test statistics t with a significance level of 5% showed a value of 0.000. This means that the nihilai test is less than the level of significance. This shows a significant influence of organizational transformation on employee performance. This research uses the theory of Luthans (2006). According to him, job satisfaction is an expression of a person's feelings or attitude towards his work, towards promotional opportunities, relationships with colleagues, supervision and feelings of satisfaction with the job itself. There are six aspects that can be described as job satisfaction, namely satisfaction with the job itself, on salary or wages, against promotional opportunities, to supervision, of colleagues, and to working conditions. Job satisfaction is more skewed toward eels than behavior. This study contradicts Panggabean et al. (2020) which states that satisfaction with Panggabean et al. (2020) which states that job satisfaction has a negative and significant effect on the intention of moving jobs, but has no effect on affective commitment and employee performance. However, previous research such as: Fidzyah & Setiawati (2019), Usman (2019), Sulastiningtyas & Nilasari (2018), Rozanna et al. (2019), Marhayani et al. (2019), and Andriyastuti et al. (2019) expressed a positive influence between job satisfaction and employee performance. These studies align with the results of this study. The relationship of job satisfaction with employee performance has a positive and significant influence. The relationship means that the more satisfied employees are with the company, the better the work performance and work results shown will be better or vice versa. If a person feels satisfaction in his work then his work spirit will increase. Such encouragement can make it easier to achieve the goals set by the company.

**Effect of Job Satisfaction on Employee Performance**

The results of this study show an influence between job satisfaction and employee performance. The results of the test statistics t with a significance level of 5% showed a value of 0.000. This means that the test value is less than the level of significance. In addition, thitung's result of 3.689 is greater than tabel. This shows the significant influence of organizational transformation on employee performance. This research is in line with the theory presented by Gouillart and Kelly that organizational transformation is carried out to achieve the goal in unison by recasting the corporate architecture. The transformation that must be done is a change in concept, the readiness of the company to be competitive, the spirit to develop, and human resources. In essence, PT. Telekomunikasi Indonesia, Witel Purwokerto to achieve the goal of providing good services needs to transform the organization. In the organizational transformation considered by the company, namely Reframing, Restructuring, Revitalization and Renewal, so that PT. Telekomunikasi Indonesia, Witel Purwokerto conducts organizational transformation paying attention to the principles of organizational transformation. The results of this study are in line with research conducted by Rozanna et al. (2019), Jansen et al. (2019), Susilo & Rahman (2019), Rohim & Gunawan (2019), and Notanubun et al. (2019). Organizational transformation has a positive effect on improving employee performance in the corporation. Organizational transformation is something that must be done to adapt to the progress of the times. In an era of disruption that demands everything to change quickly, PT. Telekomunikasi Indonesia Witel Purwokerto performs updates that improve the working performance of its employees. However, the results of this study contradict the research of Simbolon & Anisah (2013) and Supratiwi (2019) which states that organizational transformation has a weak role in organizational performance. The object of this study is the local government in Indonesia. This happened because of the lack of initiative from the local government to provide a breakthrough for the realization of good government. Local government organizations tend to be pegged to the status quo so that organizational reshuffles and renewals don't have a big influence on improving employee performance.

**Influence of Organizational Culture on Employee Performance**

Influence of Organizational Culture on Employee Performance The results of this study show an influence between organizational culture and employee performance. The results of the test statistics t with a significance level of 5% showed a value of 0.031. This means that the nihilai test is less than the level of significance. In addition, thitung's yield of 2.188 is greater than tabel. This shows a significant influence of organizational culture on employee performance. This study uses a theory from Chatab (2007). Chatab defines organizational culture as a set of assumptions or systems of beliefs, values, and norms developed in an organization that serve as a code of conduct for its members to address the problems of external adaptation and internal integration, dividing the cultural dimension into four parts. This theory is supported from dari Moeljono (2007) and Edison et al. (2017). The results of this study are supported by previous studies conducted by Rohim & Gunawan (2019), Rozanna et al. (2019), Ferdian & Nirmalasari (2019), Frinaldi et al. (2019), Fidzyah & Setiawati (2019), and Kuswati (2020). The culture built by the company has a significant impact on employee performance. However, the results of this study also contradict previous research conducted by Suryani (2016) and Sari (2019).
Research conducted by Suryani and Sari on companies that have static organizational cultural characteristics does not show a significant influence of organizational culture on employee performance. Organizational culture that is a product of the company's mind should get a dynamic position to support and improve the performance of its employees. In strong cultured companies managers tend to move vigorously in the same direction in good coordination. This alignment, motivation, organization and supervision can indeed support performance, but if the resulting actions are aligned with business strategies in the particular environment in which the company operates. Performance will not improve when business behavior and methods are not aligned with product or service markets, financial markets, and the labor market. Even a proper cultural context or strategic one cannot encourage superior performance in the long run, if it does not contain norms and values that can help companies adapt to a rapidly changing environment.

**Influence of Employee Engagement on Employee Performance**

The results of this study show the influence between employee engagement and employee performance. The results of the test statistics \( t \) with a significance level of 5% showed a value of 0.000. This means that the nilali test is less than the level of significance. In addition, the titung results of 4,445 greater than \( t_{table} \). This shows a significant influence of employee engagement on employee performance. This research uses a theory from Schaufeli & Bakker (2010) that divides employee engagement into three aspects, namely vigor, dedication, and absorption. According to Schaufeli & Bakker, engagement is a positive and happy state of mind regarding work characterized by passion, dedication, and absorption. The better the sense of engagement owned by employees, the more passion and dedication in work. The results of this study are supported by previous studies conducted by Wicaksno & Rahmawati (2019), Nurfaiz et al. (2019), Al Hawayi et al. (2019), and Ramani & Vanitha (2019). There is a positive and significant influence between employee engagement on employee performance. But Monika research research (2018) shows the opposite result, namely the absence of a significant influence between employee engagement and employee performance. This is due to the dominance of employees who are categorized as generation z. This generation is a generation born from 1998 to 2010. Employees of PT. Telecommunications Indonesia Witel Purwokerto It is dominated by the age range of 25 years and above so it does not belong to generation z. Employees of this company have a strong sense of belonging to their company so that it continues to encourage improvement in the quality of work. Good employee engagement is felt by employees will make it work well. Employees feel part of the agency and make it a sense of pride to be a part of it. Thus, it makes the employees work optimally. This can have a positive impact in the form of achieving organizational goals and can provide maximum service. Conversely, if the feeling is not owned by employees, then employees will also not work efficiently, have low commitment, poor productivity all of which affect the low performance of the company.

**The Influence of Transformational Leadership on Employee Performance**

The results of this study showed no influence between transformational leadership and employee performance. The results of the test statistics \( t \) with a significance level of 5% showed a value of 0.000. This means that the nilali test is less than the level of significance. In addition, the titung yield of -4.274 is smaller than \( t_{table} \). This shows the absence of significant influence of transformational leadership on employee performance. This research uses a theory from Yukl (2010). Yukl divides the dimensions of transformational leadership into four parts, namely ideal influence, inspirational motivation, intellectual stimulation, and individualized consideration. Transformational leadership has a focus on the company's needs and employee development. PT. Telecommunications Indonesia Witel Purwokerto as an incumbent company always makes breakthroughs to maintain and widen the market. These breakthrough programs encourage employees to continue to grow and develop in accordance with the direction and needs of the company so as to affect employee job satisfaction. The transformational leadership model in PT. Telecommunications Indonesia Witel Purwokerto has not been able to improve employee performance because of the leadership style of someone who has a very broad scope and other points of view. The results are in line with previous studies conducted by Balnsa &Arrazi (2017) which stated that transformational leadership styles do not significantly affect employee performance. Transformational leadership styles do not have a significant influence on employee performance. Transformational Leadership Pattern in Telkom which began to be implemented since 2003 has not been sustainable to provide influence to improve employee performance. The level of professionalism of leadership will bring the company able to compete in the current era of competition. To motivate employees so that they can carry out their duties well, leaders must communicate expectations, provide challenging work and build employee confidence. Leaders also pay attention to employees personally such as the need to excel, the need to develop, reward and advice. In addition, the leadership is also able to stimulate the intellectual perspective of employees in new ways of completing work. One form of change in leadership style is the elimination of bureaucratic barriers in communicating between leaders and employees. Communication is not only formal but prioritizes informal nuances. From the way of dressing there is no difference between the leader who was previously required to wear a tie and a suit, currently it is no longer an obligation. Employees are also given the opportunity to innovate and new ways of work and develop their competencies as optimally as possible so that this atmosphere provides encouraging appreciation value.

**The Impact of the Work Environment on Employee Performance**

The results of this study show a positive influence between the work environment and employee performance. The results of the test statistics \( t \) with a significance level of 5% showed a value of 0.003. This means that the nilali test is less than the level of significance. In addition, the titung results of 3,070 greater than \( t_{table} \). This shows a significant influence of the work environment on employee performance. This research uses a theory from Mangkunegara (2013), the work environment in question, among others, a clear job description, challenging work targets, effective work communication patterns, work climate, and relatively adequate work facilities.
Siagian (2006) divides the dimensions of work into physical work environments, non-physical, and psychological work environments. These three dimensions are a unity in the work environment. Robbins' theory (1996) concludes that employees prefer to work in clean and relatively modern facilities. Hasil penelitian ini seefar dengan penelitian yang dilakukan oleh Purba & Heryanto (2019), Kabur et al. (2019), Susanto (2018), dan Tangkawarou et al. (2019). However, this study also contradicts research conducted by Robin & Hoki (2018). The results of the study revealed that the work environment has a negative and insignificant effect on employee performance. This happened because of the addition of work stress as an independent variable in the study. A good work environment and mindset will trigger the morale of employees. The work environment becomes one of the important elements to support the process of achieving the company's goals. The work environment itself consists of physical and non-physical attached to employees so that it cannot be separated from employee development efforts. A good and conducive work environment will make employees feel comfortable during activities. With the availability of complete facilities and infrastructure will make employees feel the fulfillment of needs while carrying out office activities have been fulfilled. The work environment consists of physical and non-physical dimensions that are attached to employees and cannot be separated to achieve the goals of a company. The creation of a good and conducive work environment such as lighting, air circulation, comfortable workspace, cleanliness, layout (Lay Out), relationships with superiors and fellow colleagues, security and good communication between all components of the company are able to motivate employees to produce optimal performance to achieve the company's goals. The work environment is very influential on employee performance where employees will not be able to do the work as expected without being supported by a supportive environment and employee comfort in carrying out daily work is very dependent on the environment in which they work. A company's work environment is said to be good if it can motivate employees to be able to do a better job and have an impact on better employee performance.

**Indirect Influence of Organizational Transformation on Employee Performance Through Job Satisfaction**

Based on the results of the sobel test that has been done, it can be concluded that the value of thitung is greater than the tabel, which is 2.2289653 > 1.98447. That is, indirectly organizational transformation has an influence on employee performance through job satisfaction as an intervening variable. This is in line with research conducted by Rozanna et al. (2019) which states that job satisfaction can be a mediator of organizational transformation in affecting employee performance. Therefore, the hypothesis that reads “organizational transformation indirectly affects employee performance through job satisfaction as an intervening variable” is evident. Based on previous research literature studies used in this study, there are similarities of research conducted by Rozanna et al. (2019) with this research, i.e. organizations or companies engaged in the public sector. The object of this research, namely PT. Telecommunications Indonesia Witel Purwokerto is a public sector company that strongly supports digital transformation. Digital transformation enhances employee capabilities to prevent the Industrial Revolution 4.0. This can clarify the employee's career so that it can improve employee performance.

**Indirect Influence of Organizational Culture on Employee Performance Through Job Satisfaction**

Based on the results of the sobel test that has been done, it can be concluded that the value of thitung is greater than the tabel, which is 2.2038651> 1.98447. That is, indirectly organizational culture has an influence on employee performance through job satisfaction as an intervening variable. This is in line with research conducted by Rozanna et al. (2019) and Fidyah & Setiawati (2019) which states that job satisfaction is able to be a mediator of organizational culture in influencing employee performance. Therefore, the hypothesis that reads “organizational culture indirectly affects employee performance through job satisfaction as an intervening variable is proven to be. Organizational culture as values that help organizational members understand acceptable and unacceptable actions in the organization or the organization's value system and will affect the way work is done and the way employees behave is good, with the other sense that with leaders encouraging their employees to be active in making a new idea or idea for the development of the organization has formed an employee interest. in pursuing the field of work that is being done so that with a growing active attitude and employee interest in his work will contribute to the implementation of the vision and Organizational culture as values that help organizational members understand acceptable and unacceptable actions in the organization or the organization's value system and will affect the way work is done and the way employees behave is good, with the other sense that with leaders encouraging their employees to be active in making a new idea or idea for the development of the organization has formed an employee interest. in pursuing the field of work that is being done so that with a growing active attitude and employee interest in his work will contribute to the implementation of the vision and mission. It is in an organization and supports the work program in an organization. The leadership's drive to be able to work faster and in accordance with the tasks that have formed a seriousness in their employees in completing the burden of the tasks they carry out so that with the encouragement of the leadership and earnestness as a commitment from their employees will create a work accuracy that is in accordance with the time that has been given and an increase in the quality and quantity of their work in an organization. Coordination with colleagues in completing a job in the organization will form an attitude of mutual help among its employees in working, this attitude is very important in forming a commitment from an employee to his organization so that coordination is built and helps each other among his employees as an important role in fostering commitment will create a commitment to the organization.

**Indirect Influence of Employee Engagement on Employee Performance Through Job Satisfaction**

Based on the results of the sobel test that has been carried out, it can be concluded that the value of thitung is greater than the tabel, which is 3.5351228> 1.98447. That is, indirectly employee engagement has an influence on employee performance through job
satisfaction as an intervening variable. This is in line with research conducted by Al-Dalameh (2018) which states that job satisfaction is able to be a mediator of employee engagement in influencing employee performance. Therefore, the hypothesis that reads "employee engagement indirectly affects employee performance through job satisfaction as an intervening variable" is evident. Based on the results of the sobel test that has been carried out, it can be concluded that the value of thitung is greater than the tabel, which is 3.5351228 > 1.98447. That is, indirectly employee engagement has an influence on employee performance through job satisfaction as an intervening variable. This is in line with research conducted by Al-Dalameh (2018) which states that job satisfaction is able to be a mediator of employee engagement in influencing employee performance. Therefore, the hypothesis that reads "employee engagement indirectly affects employee performance through job satisfaction as an intervening variable" is evident. Based on the description above, it can be concluded that employee engagement is proven to improve employee performance. This can be interpreted that strong employee engagement variables will increase employee job satisfaction so that it will also improve employee performance. Based on previous research used, there are several differences and similarities with the research conducted. The understanding between the two studies is to use employee engagement variables and employee performance. While the difference is in the addition of organic culture variables as independent variables (X1) and job satisfaction variables as intervening variables (Z). Previous research was conducted at a bank, Civil Society Organization IPPA HQ. This research was conducted at a service company. This research was conducted at PT. Indonesian telekomunikas Witel Purwokerto to prove existing theories and to test the hypotheses specified in this study. The theory used in this study is by Schaufeli and Bakker (2010) on employee engagement variables and Bernardin and Russell's theory (1993) on employee performance variables. In addition, luthans theory (2006) is also used on the variable of job satisfaction. The study found that the fourteenth hypothesis was proven, through the use of Schaufeli and Bakker's theory (2002) on employee engagement variables, Luthans theory (2006) on job satisfaction variables, and Bernardin and Russell's theory (1993) on employee performance variables. In this study, employee engagement affects employee performance with job satisfaction as an intervening variable in PT. Indonesian Telekomunikasi Witel Purwokerto.

**Indirect Influence of Transformational Leadership On Employee Performance Through Job Satisfaction**

Based on the results of the sobel test that has been done, it can be concluded that the value of thitung is greater than the tabel, which is 2.9435133 > 1.98447. That is, indirectly transformational leadership has an influence on employee performance through job satisfaction as an intervening variable. This is in line with research conducted by Andrians (2017) which states that job satisfaction can be a transformational leadership mediator in influencing employee performance. Therefore, the hypothesis that reads "transformational leadership indirectly affects employee performance through job satisfaction as an intervening variable" is evident. Leadership style becomes an important factor that influences work behavior such as employee performance. Leadership style directly influences Job Satisfaction through its accuracy in creating attractive jobs and work environments, the application of responsibilities and the application of regulations.

**Indirect Influence of The Work Environment on Employee Performance Through Job Satisfaction**

Based on the results of sobel tests that have been done, it can be concluded that the value of thitung is greater than the tabel, which is 4.0993654 > 1.98447. That is, indirectly the work environment has an influence on employee performance through job satisfaction as an intervening variable. This is in line with research conducted with Suliantiningsih & Nilsarani (2018) and Purba (2019) which states that job satisfaction can be a mediator of the work environment in affecting employee performance. Therefore, the hypothesis that reads "the work environment indirectly affects employee performance through job satisfaction as an intervening variable" is proven. Suliantiningsih & Nilsarani (2018) and Purba (2019) research states that the work environment has a positive and significant effect on job satisfaction. Job satisfaction has a positive and significant effect in mediating the work environment on employee performance. The results showed that through job satisfaction, the work environment has a positive and significant effect on employee performance. Which means that when the performance environment is made as comfortable as possible and makes employees feel satisfied, then the employees will give higher performance, but when the work environment is not in accordance with the expectations of the employees, then the performance will be mediocre.

**Conclusion**

Based on the results of data analysis through questionnaires that have been distributed to all employees of PT. Telekomunikasi Indonesia, Witel Purwokerto can be explained that: Organizational transformation has a significant positive effect on job satisfaction; Organizational culture has a significant positive effect on job satisfaction; Employee engagement has a significant positive effect on job satisfaction; Transformational leadership has a significant positive effect on job satisfaction; The work environment has a significant positive effect on employee performance; Organizational transformation has a significant positive effect on employee performance; Organizational culture has a significant positive effect on employee performance; Employee engagement has a significant positive effect on employee performance; Transformational leadership has a significant negative effect on employee performance; The work environment has a significant positive effect on employee performance with job satisfaction as an intervening variable; Culture has a significant positive effect on employee performance with job satisfaction as an intervening variable; Employee engagement has a significant positive effect on employee performance with job satisfaction as an intervening variable; Transformational leadership has a significant positive effect on employee performance with
job satisfaction as an intervening variable; The work environment has a significant positive effect on employee performance with job satisfaction as an intervening variable.

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