



Analysis The Effect of Compensation and Work Environment on Cleaning Workers Performance With Work Motivation and Work Satisfaction as Mediating Variables in Swakelola Office Bukit Pelangi East Kutai

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ABSTRACT

This study examines the impact of compensation and work environment on cleaning workers performance, with work motivation and job satisfaction as mediators. Using a quantitative survey method with 100 respondents, data were analyzed through Structural Equation Modeling Partial Least Square (SEM-PLS). The findings reveal that compensation does not affect performance but significantly influences work motivation, which, in turn, improves performance. Compensation impacts performance when mediated by work motivation. The work environment significantly affects performance and job satisfaction, while job satisfaction does not influence performance or mediate the relationship between the of work environment and performance.

INTRODUCTION

The role of Human Resources in an organization is evident through employee performance. According to Mangkunegara (2017), employee performance is defined as the results achieved by employees, assessed based on both quality and quantity, in carrying out their responsibilities assigned by the organization. Furthermore, Handoko (2017) highlights several factors influencing employee performance, such as motivation, compensation systems, physical work environment, job satisfaction, stress management, and job design.

Table 1. Employee Absences 2020-2023

Year	Amount employee	Permission	Sick	Alpha	total
2020	125	6	10	3	19
2021	147	5	4	2	11
2022	174	8	5	5	18
2023	196	5	5	22	32

The table presented highlights a significant issue concerning employee attendance. In 2023, there was a notable increase in absenteeism, with 32 instances recorded. This rise negatively impacts organizational performance, as other employees are burdened with additional tasks in the absence of their colleagues, ultimately reducing overall productivity. Additionally, employees with low motivation are more prone to neglecting their responsibilities, often resulting in higher absenteeism rates. This aligns with Robbins' (2015) findings, cited in the study by Faradina et al. (2016), which identified four ways employees express dissatisfaction: (1) resigning and seeking employment elsewhere; (2) displaying careless behavior, such as arriving late, being absent without a valid reason, or intentionally making errors; (3) voicing their grievances to leaders in hopes of prompting changes; and (4) remaining optimistic, trusting the organization to take appropriate actions to improve conditions. Furthermore, based on the results of employee performance assessments according to their field groups for 2021-2023, the following are:

Table 2. The results of employee performance evaluations based on their respective fields of work for the years 2021-2023

No.	Field	Average value in 2021		Average value in 2022		Average value in 2023	
		Mark	Category	Mark	Category	Mark	Category
1.	Supervision & Security	82.3	Good	84.5	Good	88.1	Good
2.	Besides Cleanliness	86.1	Good	88.5	Good	91.2	Very good
3.	Garbae Collector	80.4	Good	84.8	Good	88.3	Good
4.	All Field & Park Cleaning	80.8	Good	75.0	Pretty good	72.7	Pretty good

5.	Cleaning Service for the Grand Mosque & Regent's Office.	81.6	Good	83.2	Good	85.9	Good
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The table above highlights a decline in performance evaluations within the overall field and park cleanliness sector, which has shown a consistent decrease in performance ratings over the years. Consequently, this study focuses on investigating the factors influencing performance in this specific area. Field observations revealed that cleaning workers in this sector receive salary compensation below the 2024 East Kutai Regency Minimum Wage (RMW). Additionally, work environment issues were identified, including malfunctioning equipment, such as lawn mowers, and a lack of solidarity and teamwork among employees, which negatively impact their job responsibilities.

Nitisemito (2003), as cited in the study by Santika and Antari (2019), emphasizes that the work environment comprises factors surrounding employees that can influence their ability to perform their duties effectively. This research aims to examine and analyze the impact of compensation and work environment on the performance of cleaning workers, with work motivation and job satisfaction serving as mediating variables at the Swakelola Office, Bukit Pelangi, East Kutai.

LITERATURE REVIEW

Compensation

According to Erisna (2018), compensation refers to the rewards provided by an organization to its employees in recognition of their contributions, whether through effort or expertise, to advance organizational goals. Sudaryo et al. (2018) highlight that the primary objectives of providing compensation are to attract, retain, and motivate employees. By offering appropriate compensation, organizations aim to enhance employee performance and boost motivation, thereby meeting the needs of their workforce.

Badriyah (2015) identifies three dimensions and indicators of compensation: salaries, incentives or allowances, and work facilities. Furthermore, findings from previous research have consistently demonstrated that compensation and motivation significantly influence employee performance, as shown in studies by Candradewi and Dewi (2019) and Nugraha et al. (2022).

Work environment

The work environment refers to the setting where employees perform their daily tasks and activities. A supportive and pleasant work environment can significantly influence employees' attitudes and behaviors, fostering a positive impact on their performance. When the work environment is well-maintained and comfortable, employees are likely to feel at ease and motivated, resulting in greater job satisfaction and productivity. Therefore, it is essential for

organizations to create and maintain a conducive work environment to ensure employees can perform their duties effectively and efficiently.

Sedarmayanti (2018) explains that employees are more likely to perform their tasks efficiently and achieve optimal results when supported by a conducive work environment. A favorable work environment is one that allows employees to carry out their activities in a manner that is healthy, safe, comfortable, and efficient. Conversely, an unsuitable work environment can have long-term negative impacts, as poor conditions may demand excessive energy, effort, and time, without the support of an effective work system.

Siagian (2014) categorizes the work environment into two dimensions: the physical and non-physical environment. The physical work environment encompasses factors such as workplace buildings, adequate equipment, and organizational facilities. Meanwhile, the non-physical environment includes interpersonal relationships with coworkers and subordinates, as well as collaboration among employees. Both physical and non-physical factors within the workplace significantly influence employees.

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Experiences and Performance.

A conducive work environment plays a crucial role in enhancing employee performance. Research carried out by Lestary et al. (2017) and Ismail (2023) emphasizes the significant influence of the workplace setting on employee productivity. A well-organized and nurturing atmosphere is demonstrated to enhance productivity and increase work efficiency.

Moreover, a positive work environment is closely linked to employee job satisfaction. Studies by Ningsih et al. (2022) and Juwita et al. (2023) demonstrate that the work environment significantly affects job satisfaction levels. A comfortable and supportive workplace not only fosters job satisfaction but also drives improvements in employee productivity and overall performance.

Job Satisfaction

According to Siagian, as cited in the study by Rosmaini & Tanjung (2019), job satisfaction reflects an employee's perception—whether positive or negative—about their job. This perception encompasses not only the execution of work tasks but also aspects such as interactions with colleagues, relationships with leaders, adherence to workplace regulations, and the overall work environment. Job satisfaction represents an individual's feelings towards their job, which can be observed through their attitude towards work and the workplace environment.

Munandar (2004), as referenced in Indrasari's (2017) book, outlines five dimensions of job satisfaction: satisfaction with salary, facilities, coworkers, supervision, and promotion. In this study, the researcher focuses on satisfaction with facilities, coworkers, and supervision to analyze how the work environment influences employee job satisfaction. The assumption is that a satisfactory work environment will positively impact employee satisfaction, leading to improved performance.

Previous studies support this perspective. Research by Octaviannand et al. (2017) and Angreni et al. (2019) confirms that job satisfaction significantly influences employee performance. Furthermore, Victoria et al. (2024) highlight that the work environment indirectly affects employee performance through job satisfaction as a mediating variable. A conducive work environment fosters greater job satisfaction, ultimately enhancing employee performance.

Work Motivation

According to Robbins and Coulter, as explained in Donni's book (2016), motivation is the willingness to exert significant effort to achieve organizational goals, with the effort being influenced by its ability to fulfill the needs of employees. Herzberg's theory, as cited in Hasibuan (2014), divides motivation into two categories: intrinsic and extrinsic factors.

Intrinsic motivation refers to the internal drive that pushes an individual to achieve goals, often referred to as motivational factors. According to Herzberg, these factors include success, recognition, the work itself, responsibility, and opportunities for growth and development.

On the other hand, extrinsic motivation originates from external sources and influences an individual's behavior. This is known as the hygiene factor. Herzberg identifies several hygiene factors, such as organizational policies, leadership supervision, interpersonal relationships, working conditions, salary, and job security.

In this study, work motivation was measured using several indicators proposed by Siagian (2018), which include Driving Force, Desire, Willingness, Responsibility, and Obligation. This is supported by previous research conducted by Hariyanto et al. (2023) and Pratiwi et al. (2024), which demonstrated that motivation significantly influences employee performance. Additionally, research by Ervina et al. (2023) and Kahuningan & Netra (2023) also confirmed that compensation positively impacts employee performance, with motivation acting as a mediating variable between these two factors.

Work Performance

According to Panjaitan et al. (2018), performance refers to the results produced by employees that meet the standards and criteria set by the organization within a specific period. It represents the work accomplishments employees achieve while carrying out their tasks. For competency-based employees, performance is evaluated based on their skills, abilities, and attitudes during the execution of their duties. Irham Fahmi (2014) Employee performance can be evaluated through various dimensions or indicators, including the volume and quality of work, organization, teamwork, accountability, and proactivity.

H1: Compensation has a positive and significant influence on work performance.

H2: Compensation has a positive and significant influence on motivation.

H3: The work environment has a positive and significant influence on work performance.

H4: Work environment has a positive and significant influence on job satisfaction.

H5: Motivation has a positive and significant influence on work performance.

H6: Job satisfaction has a positive and significant influence on work performance.

H7: Compensation has a positive and significant influence on work performance with motivation as an intervening variable.

H8: The work environment has a positive and significant influence on work performance with job satisfaction as an intervening variable.

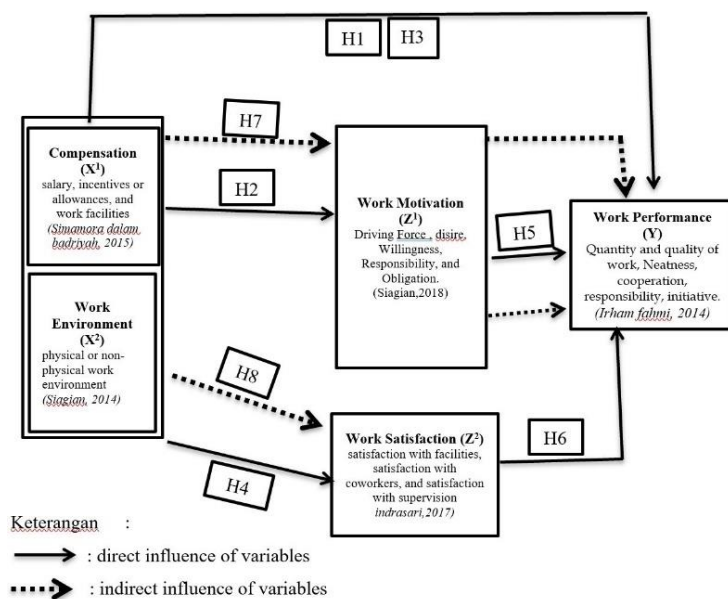


Figure 1. Framework of Thinking

METODOLOGY

Research methods

The type of research used based on the research objectives is using an explanatory research design. According to Silaen (2018) explains that if explanatory research or also called verification research aims to test a truth through testing hypotheses about the cause and effect between the variables to be studied. The type of research used in the study is quantitative research with a survey method, meaning that the technique of collecting information data is carried out using a series of questions asked to respondents.

Types and Sources of Research Data

This study focused on all employees working as cleaning staff in the field and garden within Swakelola Office Bukit Pelangi East Kutai. The data for the research was gathered through questionnaires. The researcher collected the data by distributing questionnaires that used a Likert scale. According to Sugiyono (2018), the Likert scale is used to measure the attitudes, opinions, or perceptions of individuals or groups regarding the phenomenon being studied. In the Likert scale, the variables being measured are represented by assigning scores or values to the items. The scale offers five alternative responses: 1 = Strongly Disagree (STS), 2 = Disagree (TS), 3 = Somewhat Agree (KS), 4 = Agree (S), and 5 = Strongly Agree (SS).

Population

According to Silaen (2018), the population refers to all individuals who possess specific characteristics or traits relevant to the study. In this research, the population consisted of all employees working in the field of field & garden cleaning at the Swakelola Office Bukit Pelangi East Kutai, totaling 121 people. Silaen (2018) also explains that a sample is a subset of the population selected in a particular manner to assess or observe its characteristics. The sampling technique used in this study was nonprobability sampling with a purposive sampling method. Sugiyono (2018) describes purposive sampling as a method for selecting data sources based on specific considerations. The purposive sampling technique was employed because not every individual within the population satisfies the criteria pertinent to the phenomenon under investigation. As a result, the researcher identified samples according to specific criteria, selecting 100 employees from the field and garden cleaning sector for this study.

Method of collecting data

In this study, data collection was carried out through questionnaires. The study involves three types of variables, which are as follows: two exogenous variables, namely (X1) compensation, consisting of 3 indicators and 3 questionnaire items, and (X2) work environment, which also consists of 3 indicators and 3 questionnaire items. The study also includes one endogenous variable, work performance (Y), consisting of 5 indicators and 9 questionnaire items. Additionally, the mediating variables are used to explain The impact of independent variables on the dependent variable was analyzed in this study.

Two mediating variables were investigated: Work Motivation (Z1), encompassing five indicators and eleven questionnaire items, and Job Satisfaction (Z2), comprising three indicators and five questionnaire items.

Research Data Analysis Techniques

This study employs the Structural Equation Modeling (SEM) method based on variance, specifically Partial Least Squares (PLS). According to Ghozali (2021), PLS is not only used for theory confirmation but also to explore the existence of relationships between latent variables. The PLS analysis includes two main evaluations: the outer model and the inner model.

RESEARCH RESULT

Validity Instrument

It is acknowledged that each indicator variable in the study has an outer loading value greater than 0.7. However, there is one indicator with an outer loading value below 0.7. According to Priest Ghozali (2021), an outer loading value between 0.5 and 0.6 is considered acceptable for meeting the requirements of convergent validity. In this study, the data loading factor shows that no variable indicators have an outer loading value below 0.5, confirming that all indicators are valid and suitable for use in the research and can be utilized for further analysis.

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Table 3. Former locker test results

	X1 compensation	X2 Work Environment	Y Performance	Z1 Work Motivation	Z2 Job Satisfaction
X1 Compensation	0.897				
X2 Work Environment	0.848	0.944			
Y Work performance	0.549	0.542	0.796		
Z1 Work Motivation	0.467	0.385	0.775	0.768	
Z2 Job Satisfaction	0.803	0.866	0.477	0.300	0.907

Based on the table above, it can be concluded that the former locker values for all variables, when compared to other variables, show higher correlation with the variable itself, indicating that the correlations are valid.

Table 4. Cross Loading Test Results

	X1 Compensation	X2 Work Environment	Y Work Performance	Z1 Work Motivation	Z2 Job Satisfaction
X1.1	0.903	0.703	0.519	0.445	0.756
X1.2	0.885	0.834	0.474	0.408	0.691
X1.3	0.902	0.729	0.484	0.402	0.710
X2.1	0.790	0.930	0.448	0.290	0.826
X2.2	0.771	0.946	0.527	0.379	0.810
X2.3	0.839	0.956	0.558	0.419	0.816
Y1	0.402	0.327	0.772	0.633	0.326
Y2	0.368	0.375	0.797	0.617	0.368
Y3	0.393	0.431	0.763	0.567	0.365
Y4	0.485	0.523	0.835	0.613	0.405
Y5	0.493	0.417	0.717	0.587	0.379
Y6	0.402	0.482	0.827	0.657	0.383
Y7	0.471	0.487	0.873	0.739	0.362
Y8	0.479	0.400	0.755	0.535	0.411
Y9	0.451	0.429	0.817	0.575	0.434
Z1.1	0.332	0.171	0.557	0.731	0.230
Z1.2	0.219	0.254	0.592	0.760	0.114
Z1.3	0.460	0.218	0.563	0.778	0.174
Z1.4	0.396	0.383	0.688	0.862	0.309
Z1.5	0.306	0.215	0.641	0.789	0.196
Z1.6	0.286	0.285	0.669	0.798	0.259
Z1.7	0.323	0.334	0.529	0.709	0.317
Z1.8	0.377	0.366	0.626	0.817	0.220
Z1.9	0.435	0.277	0.551	0.747	0.217
Z1.10	0.419	0.368	0.580	0.693	0.270
Z1.11	0.372	0.367	0.523	0.747	0.215
Z2.1	0.751	0.757	0.371	0.243	0.930
Z2.2	0.691	0.733	0.465	0.309	0.877
Z2.3	0.741	0.846	0.378	0.237	0.902
Z2.4	0.748	0.733	0.456	0.264	0.926
Z2.5	0.709	0.841	0.487	0.303	0.898

Based on the table above, the correlation between the indicators and their respective variables is higher than the correlations with other variable.

Reliability Instrument

In this research, the evaluation of reliability was performed utilizing the Cronbach Alpha test. The findings indicated that all variables attained alpha values ranging from 0.80 to 0.90, surpassing the generally accepted benchmark of 0.70. Consequently, it can be inferred that all variables are dependable and appropriate for subsequent analysis.

Multicollinearity Instrument

The assessment of multicollinearity in this study aimed to determine whether there exists any correlation or influence among the independent variables. This observation is supported by Hair, as cited in the study conducted by Surya Wanasida et al. (2021), a Variance Inflation Factor (VIF) exceeding 10 signifies the existence of multicollinearity. Furthermore, the reliability of the variables was evaluated through the Cronbach Alpha test. The findings indicated that all variables exhibited alpha values ranging from 0.80 to 0.90, surpassing the acceptable threshold of 0.70. Consequently, It can be inferred that all variables are reliable and appropriate for subsequent analysis.

Analysis Model Structural (Structural Model) / Inner Model

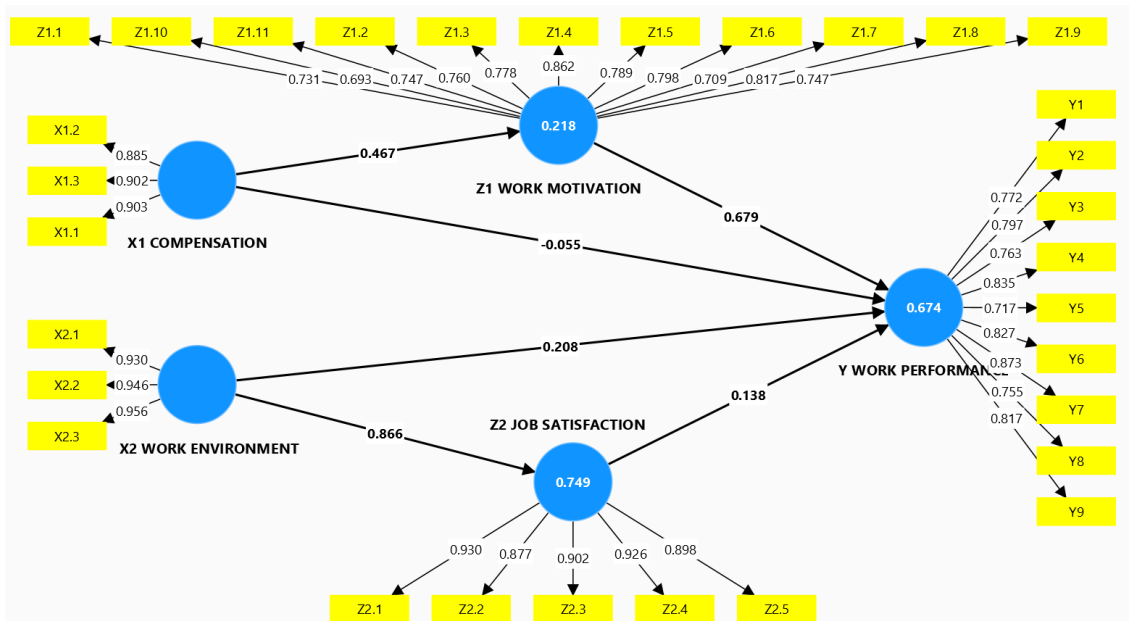


Figure 2. Structural Model

Square Analysis (R^2)

The Square Test Analysis is conducted to assess the R^2 value, which measures the impact of exogenous variables on endogenous variables. This stage is essential for evaluating the suitability of the model in this study and determining the extent to which the independent variables influence the dependent variable. In this research, the R square value provides insight into the influence of the independent variables, such as Compensation and Work Environment, on the Performance variable, as well as the effect of the Compensation variable on Motivation and the Work Environment variable on Job Satisfaction.

The results indicate that Compensation and Work Environment have an effect on Performance by 0.674 or 67.4%, while the impact of Compensation on Motivation is 0.218 or 21.8%, and the Work Environment influences Job Satisfaction by 0.749 or 74.9%.

Based on the processed R square values, this research model can be categorized as very good, as it is close to a value of 1 and far exceeds the general requirement of > 0.67 set by the study.

Analisis f-square effect size (f^2)

The F-square value serves to assess the influence of predictor variables on dependent variables. It helps measure the impact of latent variables on others. The effect size for F-square is classified as large (0.35), medium (0.15), and small (0.02).

The results indicate that the Compensation variable exerts a minor influence on Performance, reflected by an F-square value of 0.002, while it has a substantial impact on Motivation, with a value of 0.280. The Work Environment demonstrates a moderate effect on Performance, indicated by a value of 0.024, and a significant effect on Job Satisfaction, with a value of 2.986. Furthermore,

Motivation has a considerable effect on Performance, as evidenced by a criterion value of 1.076, whereas Job Satisfaction shows a minimal effect on Performance, with a value of 0.013. In summary, the most significant F-square value pertains to the influence of the Work Environment on Job Satisfaction.

Analysis Fit Model

The evaluation of model fit in this study was conducted using the Standardized Root Mean Square Residual (SRMR). According to Hair et al. (2021), an SRMR value below 0.08 indicates a well-fitting model, whereas Schmelleh et al. (2003) propose that an SRMR value ranging from 0.08 to 0.10 reflects an acceptable fit. Furthermore, the Normal Fit Index (NFI) produces values between 0 and 1, with values approaching 1 signifying a more suitable model. In this research, the NFI values were consistently near 1, indicating that the model demonstrates a good fit.

Analysis Path Coefficient / Direct Influence

The hypothesis in this study was tested using the PLS bootstrapping technique. The results of the bootstrapping calculation yield the T-statistic value for each relationship or path. Hypothesis testing was conducted with a significance level of 0.05 and a one-tailed test (1-tailed). A hypothesis is considered acceptable if the T-statistic value exceeds 1.64 (Jogiyanto, 2011). The outcomes of the hypothesis tests in this study will be presented in the following table.

Table 4. Path Coefficient Test Results.

	Original sample (o)	Sample mean (m)	Standard deviation (stdev)	T statistics	P values
X1 Compensation => Y Work performance	-0.055	-0.068	0.109	0.503	0.307
X1 Compensation => Z1 Work motivation	0.467	0.466	0.113	4.123	0.000
X2 Work Environment => Y Work performance	0.208	0.171	0.117	1,781	0.037
X2 Work Environment => Z2 Job Satisfaction	0.866	0.867	0.058	14,805	0.000

Z1 Work Motivation => Y Work performance	0.679	0.695	0.146	4,662	0.000
Z2 Job Satisfaction => Y Work performance	0.138	0.172	0.141	0.975	0.165

Indirect Effect Analysis (Mediation)

The indirect influence test stage helps determine the magnitude and significance of the influence between the independent variables and the dependent variables through the intervening variables. The results of this test can be seen in the table below:

Table 1.5 Results of Mediation Hypothesis

	Original sample (o)	Sample mean (m)	Standard deviation (stdev)	T statistics	P values
X1 Compensation => Z1 Work Motivation => Y performance	0.317	0.329	0.121	2.613	0.005
X2 Work environment => Z2 Job satisfaction => Y Work Performance	0.119	0.154	0.132	0.904	0.183

DISCUSSION

The evidence did not support the claim that compensation positively impacts performance, as reflected by a p-value of 0.307 (greater than 0.05) and a t-statistic of 0.503 (less than 1.64). This indicates that compensation does not affect performance, leading to the rejection of hypothesis 1. This outcome is due to employees perceiving that the organization provides salaries below the 2024 East Kutai Regency Minimum Wage (RMW), offers only one day's overtime incentives, and does not provide allowances, or health or work safety guarantees. The findings of this study align with research conducted by Bustomi et al. (2020) Octario (2022) and Mundakir & Zainuri (2018) state that compensation does not affect performance. However, compensation is shown to have a positive influence on work motivation, as indicated by the test results with a p-value of 0.000 (less than 0.05) and a t-statistic of 4.123 (greater than 1.64), meaning that compensation has an effect on work motivation. Therefore, hypothesis 2 is accepted. This implies that the better the compensation provided by the organization to cleaning staff employees, the more it motivates them to perform their work better. The results of this study align with research by Achmadi et al. (2023), which found that compensation influences work motivation. The work environment is shown to have a positive influence on employee performance, as indicated by the test results with a p-value of 0.037 (less than 0.05) and a t-statistic of 1.781 (greater than

1.64). This suggests that the work environment significantly impacts employee performance, thus validating hypothesis 3. As the organization improves the work environment for cleaning staff, their performance is expected to increase. These findings are consistent with research by Sari (2023) and Putri et al. (2023), which also concluded that the work environment affects employee performance.

Furthermore, research has demonstrated that the work environment significantly affects employee job satisfaction, evidenced by a p-value of 0.000 (which is below the 0.05 threshold) and a t-statistic of 14.805 (exceeding 1.64), confirming that the work environment affects job satisfaction. This leads to the acceptance of hypothesis 4, organisation must strive to improve the work environment to enhance employee satisfaction, which is expected to encourage greater engagement and dedication to work. The findings of this study align with the research of Ningsih et al. (2023) and Halim et al. (2023), which indicated that the work environment influences employee job satisfaction.

Additionally, it has been demonstrated that work motivation has a beneficial effect on employee performance. The findings from the tests indicate a p-value of 0.000 (which is below the threshold of 0.05) and a t-statistic of 4.662 (exceeding 1.64), thereby affirming that work motivation does indeed affect employee performance. Consequently, hypothesis 5 is validated.

It is essential for the organization to focus on improving employee work motivation, as this is expected to lead to enhanced performance outcomes. This assertion aligns with previous research conducted by Hariyanto et al. (2023) and Pratiwi et al. (2024), which demonstrate that motivation significantly influences employee performance. Conversely, job satisfaction has not been found to have a positive effect on employee performance, as evidenced by the test results showing a p-value of 0.165 (exceeding 0.05) and a t-statistic of 0.975 (below 1.64). This indicates a lack of significant impact of job satisfaction on performance, resulting in the rejection of hypothesis 6. Consequently, the organization should strive to improve employee job satisfaction, as this is anticipated to facilitate better performance. These conclusions are supported by studies conducted by Octaviannand et al. (2017) and Angreni et al. (2019), which indicate that job satisfaction influences performance.

Lastly, the results of hypothesis 7 indicate that work motivation acts as a mediator, with compensation positively influencing the performance of cleaning staff. This is confirmed by a p-value of 0.005 (less than 0.05) and a t-statistic of 2.613 (greater than 1.64), suggesting that work motivation plays a significant mediating role in the relationship between compensation and performance.

The findings of this study support hypothesis 7, which posits that work motivation acts as a mediator in the relationship between compensation and employee performance. The analysis shows that compensation positively influences employee performance, and this effect is mediated by work motivation. This means that compensation not only directly affects employee performance but also has an indirect effect through work motivation, which further enhances performance.

These results are consistent with previous research by Kahuningan & Netra (2023) and Candradewi & Dewi (2019), which concluded that work motivation effectively mediates the relationship between compensation and employee performance.

The findings of Hypothesis 8 show that job satisfaction does not mediate the relationship between the work environment and the performance of cleaning staff employees. The P-value of 0.183 (greater than 0.05) and the t-statistic of 0.904 (less than 1.64) indicate that job satisfaction does not significantly mediate this relationship. Therefore, hypothesis 8 is rejected.

This suggests that while the work environment directly influences employee performance, job satisfaction does not play a mediating role. Leaders of organisation should focus on improving job satisfaction, as enhancing this factor could contribute to better employee performance. These findings align with previous research by Kartikawati et al. (2024) and Ayunasrah et al. (2022), which also concluded that job satisfaction does not mediate the impact of the work environment on employee performance.

CONCLUSION AND RECOMMENDATIONS

The findings of the research indicate that compensation does not directly impact employee performance, evidenced by a P value of 0.307 (greater than 0.05) and a T statistic value of 0.503 (less than 1.64). Conversely, compensation does affect employee work motivation, as demonstrated by a significant P value of 0.000 (less than 0.05) and a T statistic value of 4.123 (greater than 1.64). This implies that compensation has a positive and significant influence on work motivation.

The work environment, on the other hand, significantly impacts employee performance, with a P value of 0.037 (<0.05) and a T statistic of 1.781 (>1.64), indicating a positive and significant relationship between the two. Additionally, the work environment also positively affects employee job satisfaction, as supported by a P value of 0.000 (<0.05) and a T statistic value of 14.805 (>1.64), demonstrating a strong influence on job satisfaction.

Work motivation plays a critical role in improving employee performance, with a P value of 0.000 (<0.05) and a T statistic of 4.662 (>1.64) confirming a significant and positive relationship. However, job satisfaction does not influence employee performance, as evidenced by a P value of 0.165 (>0.05) and a T statistic value of 0.975 (<1.64).

Additionally, compensation influences employee performance; however, this relationship is mediated by work motivation. This is supported by a P value of 0.005 (which is less than 0.05) and a T statistic value of 2.613 (which exceeds 1.64). Consequently, work motivation serves as a mediating factor between compensation and employee performance.

Lastly, the work environment does not affect employee performance through job satisfaction as a mediating variable, with a P value of 0.183 (>0.05) and a T statistic of 0.904 (<1.64), suggesting that job satisfaction does not mediate the impact of the work environment on employee performance.

ADVANCED RESEARCH

This research focused exclusively on field and park cleaning personnel in the Bukit Pelangi region of East Kutai Regency. For subsequent studies, it is advisable to broaden the scope to encompass a wider and more diverse demographic, including cleaning service employees, waste collectors, and various other daily laborers.. This study focused on the variables of compensation and work environment, with motivation and job satisfaction as mediators, to examine their impact on the performance of cleaning workers. Future studies could incorporate additional variables that also influence the performance of cleaning workers, enabling a comparative analysis to further enrich the findings of this research.

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