## Effect of Physical Work Environment and Non-Physical Work Environment on Employee Performance through Job Satisfaction at PT. MNC Sky Vision Tbk Medan

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#### **ABSTRACT**

The purpose of this study was to analyze the effect of the physical work environment and non-physical work environment on employee performance through job satisfaction at PT. MNC Sky Vision Tbk Medan. This type of research is quantitative descriptive. population in this study were all employees of PT. MNC Sky Vision Tbk Medan, amounting to 137 people. The sampling method used is proportional sampling, namely the number of samples to be taken in 11 sections in PT. MNC is carried out proportionally in accordance with the total population of employees at the office of PT. MNC Sky Vision Tbk Medan as many as 57 employees. Types and sources of primary data use questionnaires and interviews, secondary data collection from official documents published through documentation studies. Data collection techniques with several research methods used. namely interviews. questionnaires and documentation studies. The data analysis method in this study uses structural equation modeling (SEM) with the Smart-PLS 3 analysis tool. The results of this study found that the physical work environment has a positive and significant effect on job satisfaction. Nonphysical work environment has a positive and significant effect on job satisfaction. Job satisfaction has a positive and significant effect on employee performance. The physical work environment has a positive and significant effect on employee performance. Non-physical work environment has a positive and significant effect on employee performance. Then indirectly the physical work environment has a positive and significant effect on employee performance through job satisfaction and the non-physical work environment has a positive and significant effect on employee performance through job satisfaction at PT. MNC Sky Vision Tbk Medan.

**Keywords:** Physical Work Environment, Non-Physical Work Environment, Employee .Performance, Job Satisfaction

### INTRODUCTION

Human resources in the organization have a very important role because the objectives of the organization can be achieved depending on the human factors that plan, implement and supervise the organization. Employees are the most important element in determining the back and forth of a company. To achieve company goals, employees are needed in accordance with the requirements in the company, and also must be able to carry out tasks that have been determined by the company. Every company will always try to improve the performance of its employees, with the hope of achieving company goals.

Performance basically focuses on problems in the planning, implementation, and also the results obtained after carrying out the work. The thing about performance

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is very important, because performance is one of the most important benchmarks of organizational quality. Performance is the result of work in terms of quality, quantity, and timeliness achieved by an employee in carrying out their duties in accordance with the responsibilities given to him. Performance is also referred to as the achievement or achievement of a person regarding the tasks assigned to him (Marwansyah, 2016).

An employee is said to have a good performance if the employee is able to produce work that is the same or exceeds the standards or criteria set together in the organization. Conversely, employees are said to have no performance if the work is less than the standards or criteria that have been set together.

Performance is the result of implementing a job, whether physical or non-material (Nawawi, 2011). So, employees who are in the organization have good performance, then the effectiveness or success of the organization will be achieved. Employee performance is the realization of the functions and work carried out by employees within a certain period by utilizing the ability to think and technology to achieve the expected goals. Employee performance will be high if job satisfaction felt by employees is also high. Employee satisfaction can also come from a comfortable work environment and can motivate employees in order to improve their performance.

Physical work environment and nonphysical work environment are factors that affect employee performance achieving company goals. According Sedarmayanti (2011) an employee is able to carry out work well so that an optimal result is achieved, if supported by an appropriate working environment. An environmental condition is said to be good or appropriate if employees can carry out their work optimally, healthy, safe and comfortable. According to Sutrisno (2010) the work environment is the overall work facilities and infrastructure that are around employees

that can influence the implementation of work. This work environment includes the workplace, facilities and job aids, cleanliness, lighting, tranquillity, relationships between fellow employees and the relationship between superiors and subordinates.

In general, employees want a pleasant, safe and well-lit workplace, always fresh air and not too long working hours. Provide a pleasant workplace to create a feeling of being at home. This activity is carried out by the company to avoid the waste of time and cost in recruiting new employees.

Job satisfaction covers a variety of components, such as emotions and one's behavioral tendencies. Disputes and disputes that exist in a company can occur between fellow employees and employees with the company's leadership. This happens because every human who is in the company has a variety of different characteristics, attitudes, and behaviors.

A good non-physical work environment is an environment that is able to create a sense of comfort and security for all employees. Therefore, the personnel manager should be able to create a formula to handle various forms of problems to create a conducive work environment.

Physical work environment and nonphysical work environment in PT. MNC Sky Vision Tbk is a problem that often arises from employees as a form of complaints in the work environment causing employees to feel uncomfortable. reasons that underlie researchers discussing the physical work environment and non-physical work environment are due to problems that arise at PT. MNC Sky Vision Tbk is located in the physical work non-physical environment and environment which is the employee's complaint.

Another factor the company must consider in maintaining and improving the performance of its employees is to pay attention to the condition of the nonphysical work environment. Relating to work relationships both relationships with superiors and relationships with colleagues. This non-physical work environment is no less important than the physical work environment.

According to Arianto (2013) factors that affect employee performance are divided into two categories, namely financial and non-financial factors. Financial factors include salary, benefits and social security, while non-financial factors consist of work environment, leadership and among employees.

The work environment is anything that is around an employee that affects him in carrying out and completing tasks given to him in an area. So that research on the physical work environment is more directed at how employees get a sense of security, comfort, peace, satisfaction, in completing work in their work environment.

The customer's decision to stop is also due to the service from the employees who are not satisfying the customers so that the customers decide to unsubscribe or even pull out hardware. Withdrawals that continue to increase from year to year which causes the company will suffer losses so the company is likely to lose customers due to switch to another brand.

Problems that continue to occur cause companies to pay less attention to happens around the company what environment that can cause a decrease in the performance of employees who are not satisfied with the company. This will bring a very unfavorable impact on the company because employees who have commitment means that they have low job satisfaction and will result in low work performance and productivity as well. Conditions of employees with low job satisfaction, employees can not devote all their lives, feelings and time to the progress of the organization which will ultimately cause the organization to lose competitiveness.

Based on the phenomena that occur in the results of pre-research conducted by the author, it can be seen that the physical work environment, non-physical work environment and job satisfaction can affect employee performance at PT. MNC Sky Vision Tbk Medan. This can be triggered because employees feel satisfaction in working low so that employees are less enthusiastic in completing work.

The work environment in a company is very important for management to notice, even though the work environment does not carry out the production process within the company. A work environment that provides comfort for its employees can improve the performance of its employees, conversely an inadequate work environment can reduce the performance of its employees.

Physical work environment and nonphysical work environment are things that will affect employee performance with satisfaction as an intervening variable. A pleasant work environment for employees will bring a positive impact so that this can add to a sense of comfort and satisfaction so that employee performance will improve.

#### LITERATURE REVIEW

#### 2.1 Work Environment

The work environment is anything that is around workers that can influence themselves in carrying out the tasks they carry. The following understanding of the work environment put forward by Busro (2017:304) states that the work environment is a place that exists within the organization's physical environment, social environment, and virtual environment that can be used to improve employee performance and company performance on an ongoing basis.

#### 2.1.1 Physical Work Environment

All circumstances that exist around the workplace, which can affect employee performance. According Sedarmayanti (Rahmawanti et al, 2014) referred to the physical work environment that is all physical forms that are around the workplace which can affect the work of employees both directly and indirectly. The

physical work environment can be divided into two categories, including:

- a. Environment that is directly related to employees, such as: work centers, chairs, tables and so on.
- b. The intermediary environment or also called the work environment that affects the human condition, for example temperature, humidity, air circulation, lighting, mechanical vibration noise, odor, color, and others.

## 2.1.2 Non-Physical Work Environment

Non-physical work environment is the condition of the workplace environment of employees in the form of a harmonious work atmosphere, meaning that there is a relationship or communication between subordinates and superiors (vertical relationships) and relationships between employees (horizontal relationships). With a harmonious communication work and atmosphere, employees will feel comfortable in the workplace so that the work done can be done well, effectively and efficiently.

## 2.2 Employee Performance

Mangkunegara Tannady (2017:153) argues that performance is the result of quality and quantity of work achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. Mangkunegara further stated that in general performance can be divided into two, namely individual performance and organizational performance.

Soelaiman Sukmalana in Tannady (2017:153) argues that performance is something that is done and produced by the form of output in the form of products or services within a certain period and has a certain size and is done by a person or group of people through their skills, abilities, knowledge and experience. Employee performance is defined as the ability of employees to do certain things. Employee performance is very necessary, because with this performance will be known how far their ability to carry out the tasks assigned

to it. For this reason, it is necessary to determine clear and measurable criteria, and set them together to be used as a reference.

Performance is the work that can be achieved by both individual and group employees in an organization, in accordance with the authority and responsibility given by the organization in an effort to achieve the vision, mission and goals of the organization concerned by including the ability, perseverance, independence, ability to overcome problems according to the time limit given legally, not breaking the law and in accordance with morals and ethics (Busro, 2017:89).

#### 2.3 Job Satisfaction

satisfaction Job is basically something that is individual. Each individual has a different level of satisfaction in accordance with the value system that applies to him. According to Rivai & Sagala (2011:856) Job satisfaction in people depends on the difference between something that is considered to be obtained with the results achieved. According to Robbin in Wibowo (2016) job satisfaction is a general attitude towards one's work that shows the difference between the number of awards received by workers and the number that workers believe should be received.

Job satisfaction is a way for employees to feel themselves, their work and feelings that support or do not support the employees related to their work or condition. Work-related feelings involve aspects, such as efforts, career development opportunities, relationships with employees, work placement, organizational structure. Meanwhile, feelings related to him include age, health conditions, abilities, and education.

## **RESEARCH METHODS**

## 3.1 Types of Research

The nature of this research is explanatory research. Sugiyono (2012) states that, explanatory research is research that aims to explain the position of the

variables studied and the relationship between one variable with another.

The approach used in this research is survey. According to Kerlinger in Sugiyono (2012), the survey is a study conducted on both large and small populations, but the data studied is data taken from that population. So that found relative events, distribution and relationships between variables, sociological and psychological.

#### 3.2 Location and Time

This research was conducted at PT. MNC Sky Vision Tbk Medan, located at Jalan Gajah Mada No.7. The time of the research was from November 2019 to February 2020.

### 3.3 Population and Sample

Population is a generalization area consisting of objects or subjects that have certain qualities and characteristics, determined by researchers to be studied and then drawn conclusions (Sugiyono, 2012). So the population can be interpreted as a collection of research objects that have certain similarities to be observed. In this study the population of all employees working at PT. MNC Sky Vision Tbk Medan numbered 157 employees.

The sample in this study were some employees at the PT. MNC Sky Vision Tbk Medan Office. The sampling technique from each part of the company is by proportional sampling where the number of samples and respondents to be taken in 11 parts is carried out proportionally according to the total population of employees at the PT. MNC Sky Vision Tbk Medan Office. Based on the calculation results, the sample numbered 57 samples.

## **3.4 Data Analysis Methods**

Data analysis techniques in a study using two inferential statistical approaches.

Inferential statistics or also called inductive statistics are data analysis of an object or population through sample data drawn from a particular population. Data analysis using inferential statistics is very

important because it can explain a variety of interesting things. For example from the data that has been collected, researchers can find out:

a.the relationship between two variables,

b.differences in certain variables between different subgroups, and,

c.how a number of independent variables can explain the variance of a dependent variable.

The data analysis method in this study uses structural equation modeling (SEM) with the Smart-PLS analysis tool 3. According to Schumacker & Lomax (2016), SEM illustrates the relationship between observed and latent variables in various forms of theoretical models, which results in quantitative testing of hypotheses belonging to researchers. Basically SEM explains how a set of indicators explains the construct and how each construct interacts with each other.

#### **RESULT**

# **Hypothesis Testing Direct Effect (Inner Model)**

Table 1 presents the path coefficient values and p values for testing the significance of the direct effect.

Table 1. Path Coefficient and Significance Testing (Direct Effect)

Effect)					
Information	Original Sample	T Statistics	P Values		
	(O)	( O/STDEV )			
Z -> Y	0.504	2.349	0.019		
$X_1 \rightarrow Z$	0.431	3.209	0.001		
$X_1 \rightarrow Y$	0.412	2.392	0.017		
$X_2 \rightarrow Z$	0.229	1.986	0.048		
$X_2 \rightarrow Y$	0.062	0.588	0.557		

Source: PLS Output, (2020)

Based on the results in Table 1, the following results are obtained:

a.Known that job satisfaction (Z) has a positive effect on employee performance (Y) with a path coefficient value of 0.504 and significant with a p values of 0.019 < 0.05.

b.Known that physical work environment  $(X_1)$  has a positive effect on job satisfaction (Z) with a path coefficient value of 0.431 and significant with a p values of 0.001 < 0.05.

- c.Known that physical work environment  $(X_1)$  has a positive effect on employee performance (Y) with a path coefficient value of 0.412 and significant with a p values of 0.017 < 0.05.
- d.Known that non-physical work environment  $(X_2)$  has a positive effect on job satisfaction (Z) with a path coefficient value of 0.229 and significant with a p values of 0.048 < 0.05.
- e.Known that non-physical work environment  $(X_2)$  has a positive effect on employee performance (Y) with a path coefficient value of 0.062, and a significant value of p values is 0.557 < 0.1.

## **Mediation Testing (Indirect Effect)**

Then the indirect effect test is performed, testing whether job satisfaction (Z) is significant in mediating the effect of physical work environment  $(X_1)$ , non-physical work environment  $(X_2)$  on employee performance (Y).

Table 2. Indirect Test Results (Indirect Effect)

Information	Original Sample (O)	T Statistics ( O/STDEV )	P Values
$X_1 \rightarrow Z \rightarrow Y$	0.325	2.598	0.010
$X_2 \rightarrow Z \rightarrow Y$	0.173	1.896	0.059

Source: PLS Output, (2020)

Based on the mediation test results in Table 2, the results are obtained:

- a.Known that p values  $X_1 \rightarrow Y$  is 0.010 < significance level of 0.05, then physical work environment indirectly significantly effect employee performance, through job satisfaction. In other words, job satisfaction is significant as mediating the relationship between physical work environment on employee performance.
- b.Known that p values  $X_2 \rightarrow Y$  is 0.059 < significance level of 0.1, then non-physical work environment indirectly significantly effect employee performance, through job satisfaction. In other words, job satisfaction is significant as mediating the relationship between non-physical work environment on employee performance.

# CONCLUSION AND SUGGESTION CONCLUSION

Based on the results of the analysis several conclusions and suggestions can be drawn as follows:

- 1. Physical work environment has a positive and significant effect on job satisfaction.
- 2.Non-physical work environment has a positive and significant effect on job satisfaction.
- 3. Physical work environment has a positive and significant effect on employee performance.
- 4.Non-physical work environment has a positive and significant effect on employee performance.
- 5.Job satisfaction has a positive and significant effect on employee performance.
  6.Physical work environment indirectly significantly effect on employee performance, through job satisfaction. In other words, job satisfaction is significant as mediating the relationship between physical work environment on employee performance.
- 7.Non-physical work environment indirectly significantly effect employee performance, through job satisfaction. In other words, job satisfaction is significant as mediating the relationship between non-physical work environment on employee performance.

#### **SUGGESTION**

Based on the research results and conclusions above, the authors provide the following suggestions in the hope that they can provide input for the progress and development of PT. MNC Sky Vision Tbk Medan, as follows:

1.From the research results of PT. MNC Sky Vision Tbk Medan is advised to pay more attention to the physical work environment around the company in order to support the smooth completion of jobs for employees. Because many employees complain that the company does not pay enough attention to the condition of the company which they think is very important to be considered by the company whose physical work environment conditions really

need to be renewed, such as checking the office every month or every six months to find out what only that must be treated, replaced, equipped or repaired again. Physical working environment conditions which include complete work equipment, neatly arranged workspaces, lighting sources, and air circulation, unpleasant odors, good security, employees feel less fulfilled that causes their performance to decline. It's good if the company to improve the physical work environment for the sake of mutual comfort. A well-organized physical work environment will have a good impact on improving the performance of PT. MNC Sky Vision Tbk Medan.

2.Paying attention to the non-physical work environment that is by providing motivation to employees, establishing good relations between superiors and subordinates and relations between employees and fellow employees so that communication is well established, always maintain harmony and pay attention to what is needed by employees at PT. MNC Sky Vision Tbk to maintain harmony communication well maintained can do a Family Gathering that can be packaged in recreational events, which are carried out in a pleasant atmosphere and inserted with several forms of games (outbound, paintball, rafting, etc.) that can be done once a year in order to strengthen the brotherhood between fellow employees of the company PT. MNC Sky Vision Tbk Medan. If it has worked well the non-physical environment will be more hormonal atmosphere. Harmonious work atmosphere and good communication employees will feel comfortable in working so that the work done can be carried out effectively and efficiently.

3.We recommend that the company PT. MNC Sky Vision Tbk Medan conducted training for prospective new employees, especially children in the millennial generation to better understand how to deal with consumers who subscribe to cable TV at PT. MNC Sky Vision Tbk Medan due to many complaints from consumers of the

services provided by the employees of PT. MNC Sky Vision Tbk Medan is not satisfying for consumers, employees who serve are not smiling, jutek faces and are not friendly in handling any complaints that occur for this reason it requires training for new employees and old employees. Conduct useful training for new employees and old ones to gain new knowledge in dealing with consumers and in the completion of their work.

4.For further researchers, it is advisable to expand the research so that more complete information will be obtained about what factors can influence Employee Performance at PT. MNC Sky Vision Tbk Medan. So that action can be taken to improve the factors that cause the low performance and can take appropriate measures to overcome the causes of the low performance. So that PT. MNC Sky Vision Tbk Medan can improve even better through the results of research conducted every study.

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