



Leadership Style, Work Environment, and Employee Performance: The Mediating Role of Job Satisfaction

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Abstract

The research entitled The Influence of leadership style and work environment on employee performance with job satisfaction as an intervening variable at the population and civil registration service of Kerinci regency aims to investigate the direct and indirect effects of organizational factors on employee performance. Although the title refers to Kerinci Regency, the actual object of study was the employees of the Population and Civil Registration Service in Sungai Penuh City. This study employs a quantitative causality research design using questionnaires as the primary method of data collection. The sampling technique adopted is saturated sampling, with a total of 74 respondents analyzed. Data were processed using multiple linear regression analysis assisted by the SmartPLS software. The findings reveal that leadership style has a positive and significant effect on job satisfaction, and the work environment also positively and significantly influences job satisfaction. Additionally, both leadership style and work environment exert a positive and significant impact on employee performance. However, job satisfaction itself has a negative and statistically insignificant effect on employee performance. Furthermore, job satisfaction does not mediate the relationship between leadership style and employee performance, nor between the work environment and employee performance.

Keywords: Leadership, Work Environment, Employee Performance, Job Satisfaction

1. Introduction

Employees are the most valuable human resources in all organizations. Without quality employees, organizational goals cannot be achieved properly (Darmawan et al., 2020). Organizations are carried out in a system consisting of activities carried out regularly and repeatedly by a group of people to achieve common goals. To achieve these goals, an organization must be supported by quality resources in the form of materials, capital, and human. Human resources in an organization have a very important role because they are the main drivers in carrying out activities or activities to achieve their goals. The success of an organization in maintaining its existence starts from the humans themselves as employees of the organization (Bandura, 2023).

Performance, according to (Van Iddekinge et al., 2023), is the amount of effort expended by an individual in devoting a certain amount of energy to a job. (Campbell & Wiernik, 2015) defines performance as the ability to complete a task or job that a person should have a certain degree of willingness and level of ability. A person's willingness and skills are not effective enough to do something without a clear understanding

of what is being done and how to do it. The success of an organization is highly dependent on its human resources; no matter how good the programs are, it means nothing without quality resources that achieve high achievements in every implementation of activities and tasks given to them. The success of an organization is influenced by the performance of its employees. To obtain high performance from employees, of course, it is necessary to know the factors that influence the performance itself.

Leadership style in the organization and has direct and indirect effects on employee performance (Babalola, 2016). The role of organizational leadership style supports the leadership style process, which consists of collaboration, commitment, and creativity. Organizational leaders will be able to create conditions as a basis for character so that they can encourage and support employee leadership styles that ultimately promote the best employee performance.

The results of the study conducted by (Alonderiene & Majauskaite, 2016) show that leadership style has an effect on job satisfaction. This shows that if a leader's leadership is better and of higher quality, employee job

satisfaction will be better. Based on the description above, the following hypothesis can be derived:

H1: It is suspected that leadership style has a significant effect on job satisfaction

A work environment condition is said to be good if employees can carry out activities optimally, healthily, safely, and comfortably. Therefore, determining and creating a good work environment will greatly determine the success of achieving organizational goals. Conversely, if the work environment is not good, it can reduce motivation and work enthusiasm and ultimately reduce employee performance. The work environment really needs to be considered because it is one of the important factors in determining employee performance. This is because they feel uncomfortable working so that performance is low. The results of research conducted by (Taheri et al., 2020) show that the work environment has a significant influence on job satisfaction. A good work environment can make employees feel happy, comfortable, and at home in the company. Based on the description above, the following hypothesis can be derived:

H2: It is suspected that the work environment has a significant effect on job satisfaction

Leadership is the ability of an individual to influence, motivate, and enable others to contribute to the effectiveness and success of an organization. So it can be said that leadership is a way to influence and motivate others so that they are willing to contribute to the success of the organization. Leadership in an organization is directed to influence the people they lead, so that they are willing to act as expected or directed by others who lead them. The results of research conducted by (Paais & Pattiruhu, 2020) show that leadership has a positive and significant influence on employee performance. However, the results of research conducted by (Pawirosumarto et al., 2017) show that leadership does not have a significant effect on employee performance. Based on the description above, the following hypothesis can be derived:

H3: It is suspected that leadership style has a significant effect on employee performance

The work environment is a fundamental part that can improve the quality of work and productivity. The work environment is a social, physical, and psychological life in an agency that can affect employee performance. The work environment is one of the important factors in creating good or bad employee performance. The results of the study conducted by (Taheri et al., 2020) showed that the work environment has a positive and significant influence on employee performance. Based

on the description above, the following hypothesis can be derived:

H4: It is suspected that the work environment has a significant influence on employee performance.

The success of an organization is largely determined by the performance of its employees. Performance is the quantity or quality of the work results of individuals or groups within an organization in carrying out their main tasks and functions based on norms, standard operating procedures, criteria and measurements that have been set or that apply in the organization. The results of research conducted by (Badrianto & Ekhsan, 2020) indicate that job satisfaction has a positive and significant influence on employee performance. Based on the description above, the following hypothesis can be derived:

H5: It is suspected that job satisfaction has a significant influence on employee performance

Leadership in an organization is directed to influence the people it leads, so that they are willing to act according to what is expected or directed by the person who leads it (Pranitasari, 2020). Performance is a person's success in carrying out tasks, work results that can be achieved by a person or group of people in an organization according to their respective authorities and responsibilities or regarding how a person is expected to function and behave according to the tasks that have been assigned to him and the quantity, quality, and time used in carrying out tasks (Novitasari et al., 2022). The feeling of worry in an individual is relatively small compared to his enthusiasm and courage to challenge himself so that people like this never want to run away from any problems in their work. Based on the description above, the following hypothesis can be drawn:

H6: It is suspected that leadership style has a significant effect on employee performance through job satisfaction as an intervening variable.

The work environment refers to the physical, social, and cultural conditions in which a person performs work. It encompasses a variety of elements that can affect employee experience, productivity, and well-being. Employee performance is a measure or assessment of how well an employee carries out the tasks and responsibilities assigned to their job (Novitasari et al., 2022). Job satisfaction is important for individual well-being and can affect employee retention rates in an organization (Irabor & Okolie, 2019). When employees are satisfied with their jobs, they tend to be more productive and committed to the

company. Based on the description above, the following hypothesis can be derived:

H7: *It is suspected that the work environment has a significant effect on employee performance through job satisfaction as an intervening variable.*

2. Method

The object of this study is all employees in the Population and Civil Registration Service of Kerinci

Regency. The research variables consist of three types, namely independent variables, dependent variables and mediating variables. The independent variables used in this study are leadership style (X1) and work environment (X2). The dependent variable used in this study is employee performance (Y). The intervening variable in this study is job satisfaction (Z).

Overall, the determination of attributes and indicators as well as the operational definition of the variables used in this study can be seen from each variable in Table. 1 below:

Table 1. Research Indicators

Variables	Indicators	References
Employee Performance (Y)	<ol style="list-style-type: none"> 1. Quantity. 2. Quality. 3. Teamwork. 4. Responsibility. 5. Initiative. 	(Askari et al., 2020)
Job Satisfaction (Z)	<ol style="list-style-type: none"> 1. Challenging work. 2. Supportive working conditions. 3. Decent salary or wages. 4. Personality fit with job. 5. Supportive coworkers. 	(Ashraf, 2019)
Leadership Style (X1)	<ol style="list-style-type: none"> 1. Leader's relationship with subordinates. 2. The willingness of the leader to accept suggestions from subordinates. 3. The willingness of the leader to help overcome the difficulties of subordinates. 4. The willingness of the leader to delegate his authority to subordinates. 5. The willingness of the leader to accept changes that occur in the implementation of work 	(Yeni, 2020)
Work Environment (X2)	<ol style="list-style-type: none"> 1. Lighting 2. Air Temperature 3. Noise 4. Use of Color 5. Space 	(Taheri et al., 2020)

With a total population of 74 employees at the Population and Civil Registration Service of Kerinci Regency, this study uses a saturated sampling technique in which all members of the population are used as research samples. This approach ensures comprehensive and accurate data coverage without filtering samples so that the results of the study completely represent the actual conditions of the agency.

The primary data of this study includes data obtained from the Population and Civil Registration Service of Kerinci Regency based on a list of questions (questionnaire) consisting of variables of leadership

style, work environment, employee performance and job satisfaction. The data collection technique was carried out using a questionnaire. The data analysis method in this study used the Structural Equation Modeling (SEM) tool using the Partial Least Square (PLS) program, PLS is a Structural Equation Modeling (SEM) equation model with an approach based on variance or component-based structural equation modeling.

3. Result and Discussion

Based on the results of the outer model test using SmartPLS, the correlation values between the research variable statement items were obtained as follows:

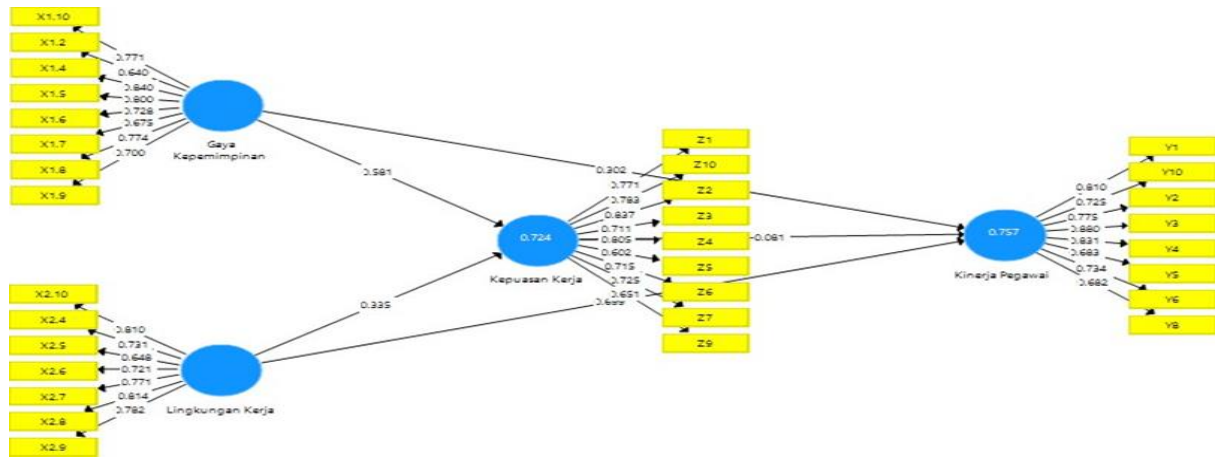


Figure 1. SEM PLS Analysis Result

After the level of data validity is known, the next step and Cronbach alpha value, the value of each construct is to find out the level of data reliability or the level of is said to be reliable if it provides a cronbach alpha reliability of each construct or variable. This value > 0.70. assessment is by looking at the composite reliability

Table 2
 Construct Reliability dan Validity Result

Explanation	Cronbach'S Alpha	rho_A	Composite Reliability	AVE
Employee Performance (Y)	0,899	0,907	0,919	0,590
Leadership Style (X1)	0,883	0,891	0,908	0,553
Work Environment (X2)	0,875	0,889	0,903	0,571
Job Satisfaction (Z)	0,894	0,904	0,914	0,543

Source: SmartPLS Processing, 2025

Based on the Table 2 above, the Cronbach alpha value above 0.70 has been found, meaning that the level of data reliability has been good or reliable. Then, the composite reliability value of each construct is > 0.70, so it can also be concluded that the level of data reliability is good or reliable. Next, the coefficient of determination test is presented in the table below:

Keterangan	R-Square	R-Square Adjusted
Job Satisfaction (Z)	0,724	0,717
Employee Performance (Y)	0,757	0,747

Source: SmartPLS Processing, 2025

Table 3. R-Square Test Results

The following is the SmartPLS output, which illustrates the estimated output for testing path coefficients

Tabel 4. Path Coefficient Result

Hypothesis	Description	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Explanation
H1	Leadership Style (X1) > Satisfaction Work (Z)	0,581	0,514	0,174	3,343	0,001	Accepted
H2	Work Environment (X2) > Job Satisfaction (Z)	0,335	0,398	0,151	2,224	0,027	Accepted
H3	Leadership Style (X1) > Employee Performance (Y)	0,302	0,298	0,151	1,996	0,046	Accepted
H4	Work Environment (X2) > Employee Performance	0,699	0,675	0,117	5,962	0,000	Accepted

	(Y)						
H5	Job satisfaction (Z) > Employee Performance (Y)	-0,081	-0,067	0,184	0,443	0,658	Rejected
H6	Leadership Style (X1) > Job Satisfaction (Y) > Employee Performance (Y)	-0,047	-0,030	0,098	0,483	0,630	Rejected
H7	Work Environment (X2) Job Satisfaction (Z) Employee Performance	-0,027	-0,028	0,082	0,332	0,740	Rejected

Source: SmartPLS Processing, 2025

The Influence of Leadership Style on Job Satisfaction

Based on the test results using the SmartPLS tool, there is a positive and significant influence of leadership style on job satisfaction. Where the original sample coefficient value is 0.581 which is the magnitude of the influence of the leadership style construct on job satisfaction. Then, the t-statistic value > t-table 1.96 at alpha 5% or 3.343 > 1.96, the P-Values value is 0.001 < 0.05, then it can be obtained that H0 is rejected and H1 is accepted.

In other words, there is a positive and significant influence of leadership style on job satisfaction. Leadership style can affect employee job satisfaction. Leadership style can be defined as the encouragement and support given by leaders to employees in the work that has been allocated to them. Leadership style can reflect the extent to which leaders behave in a way that optimizes participants using learning on the job. Leadership style can build individual enthusiasm and motivation, thereby increasing work engagement. In addition, leadership style can help increase job satisfaction through emotional exhaustion. These results are in line with research conducted by (Ilham, 2018) which states that leadership style has a positive and significant effect on job satisfaction.

The Influence of Work Environment on Job Satisfaction

Based on the test results using the SmartPLS tool there is a positive and significant influence of the work environment on job satisfaction where the original sample coefficient value is 0.335 which is the magnitude of the influence of the work environment construct on job satisfaction. Then, the t-statistic value > t-table 1.96 at alpha 5% or 2.224 > 1.96, P-Values 0.027 < 0.05 then it can be obtained that H0 is rejected and H2 is accepted.

In other words, there is a positive and significant influence of the work environment on job satisfaction. Employees who have a comfortable, safe and conducive work environment will work diligently and diligently, so that their job satisfaction will be higher.

The work environment can also encourage employees to carry out their duties well and achieve maximum results for the company. A comfortable work environment encourages employees to work harder and achieve better results. Employees who feel motivated tend to be more productive and effective, which can contribute to job satisfaction because they feel that they are making progress and making meaningful contributions. Motivated employees are more likely to be actively involved in their work and in the organization. This involvement increases the sense of belonging and job satisfaction because employees feel more connected to the goals and vision of the company. These results are in line with research conducted by (Badrianto & Ekhsan, 2020) which states that the work environment has a positive and significant influence on job satisfaction.

The Influence of Leadership Style on Employee Performance

Based on the test results using the SmartPLS tool, there is a positive and significant influence of leadership style on employee performance. Where the original sample coefficient value is 0.302 which is the magnitude of the influence of the leadership style construct on employee performance. Then, the t-statistic value > t-table 1.96 at alpha 5% or 1,996 > 1.96, the P-Values value is 0.046 < 0.05, then it can be obtained that H0 is rejected and H3 is accepted. In other words, there is a positive and significant influence of leadership style on employee performance. This support can come in the form of informational and emotional support, appreciation, assistance, or words of encouragement. Support from leaders can increase employee morale, especially when they face obstacles or problems. This support can help employees to develop and overcome challenges better. These results are in line with research conducted by (Razak et al., 2018) which states that leadership style has a positive and significant effect on employee performance.

The Influence of the Work Environment on Employee Performance

Based on the test results using the SmartPLS tool, there is a positive and significant influence of the work

environment on employee performance. Where the original sample coefficient value is 0.699 which is the magnitude of the influence of the work environment construct on employee performance. Then, the t-statistic value $> t\text{-table } 1.96 \text{ at } \alpha 5\% \text{ or } 5.962 > 1.96$, P-Values $0.000 < 0.05$ then it can be obtained that H_0 is rejected and H_4 is accepted. In other words, there is a positive and significant influence of the work environment on employee performance. The work environment plays a role as the main driving factor in employee performance. Employees who feel motivated tend to make greater contributions, work more efficiently, and achieve better results. Therefore, companies that invest in strategies to improve employee motivation will see a positive impact on the overall performance and success of the organization. This result is in line with research conducted by (Prabowo et al., 2018) which states that motivation has a positive and significant influence on employee performance.

The Influence of Job Satisfaction on Employee Performance

Based on the test results using the SmartPLS tool, there is a negative and insignificant influence of job satisfaction on employee performance. Where the original sample coefficient value is -0.081 which is the magnitude of the influence of the job satisfaction construct on employee performance. Then, the t-statistic value $< t\text{-table } 1.96 \text{ at } \alpha 5\% \text{ or } 0.443 < 1.96$, the P-Values value $0.658 > 0.05$, then H_0 is accepted and H_5 is rejected.

In other words, there is a negative and insignificant influence of job satisfaction on employee performance. Job satisfaction is a positive attitude or feeling about the work being done and is the result of evaluating the characteristics of the job. Job satisfaction is related to the pleasant feelings or emotions that arise from the work obtained. High job satisfaction can improve employee performance by motivating them to work better, more creatively, and more dedicatedly. Companies that focus on improving job satisfaction will often see improvements in employee productivity and work quality, as well as additional benefits such as greater loyalty and better working relationships. This result is not in line with research conducted by (Badrianto & Ekhsan, 2020) which states that job satisfaction has a positive and significant effect on employee performance.

The Influence of Leadership Style on Employee Performance through Job Satisfaction

Based on the test results using the SmartPLS tool, there is no significant influence of leadership style on employee performance through job satisfaction. Where

the original sample coefficient value is -0.047 which is the magnitude of the influence of the leadership style construct on employee performance through job satisfaction. Then, the t-statistic value $< t\text{-table } 1.96 \text{ at } \alpha 5\% \text{ or } 0.483 < 1.96$, the P-Values value $0.630 > 0.05$, then it can be obtained that H_0 is accepted and H_6 is rejected.

In other words, there is no significant influence of leadership style on employee performance through job satisfaction. Leadership style functions as an important factor that increases job satisfaction, which in turn has a positive impact on employee performance. Supportive and collaborative leadership styles help employees feel more satisfied, which motivates them to contribute better and achieve better results.

Employees who feel satisfied working at the Population and Civil Registration Service of Kerinci Regency have not been able to directly improve employee performance. Employees feel satisfied working because their needs have been met and employees have complied with applicable regulations. However, the satisfaction obtained is merely a sense of satisfaction with the work done with the results obtained. After employees are satisfied, employee performance remains good but does not increase. These results reject the results of research conducted by (Ilham, 2018) which states that leadership style has a positive effect on employee performance through job satisfaction.

The Influence of the Work Environment on Employee Performance through Job Satisfaction

Based on the test results using the SmartPLS tool, there is a negative and insignificant influence of the work environment on employee performance through job satisfaction. Where the original sample coefficient value is -0.027 which is the magnitude of the influence of the work environment construct on employee performance through job satisfaction. Then, the t-statistic value $< t\text{-table } 1.96 \text{ at } \alpha 5\% \text{ or } 0.332 < 1.96$, the P-Values value $0.740 > 0.05$, then H_0 is accepted and H_7 is rejected.

In other words, there is a negative and insignificant influence of the work environment on employee performance through job satisfaction. A comfortable work environment can provide a driving force that creates a person's passion for work so that they are able to work together, work effectively, and be integrated with all their efforts to achieve satisfaction.

A comfortable work environment can increase job satisfaction, and increased job satisfaction contributes to better employee performance. This relationship suggests that companies that focus on improving the work environment will often see improvements in

employee satisfaction and performance, creating a positive cycle that supports organizational success. This result is in line with research conducted by (da Cruz Carvalho et al., 2020) which states that motivation has a positive and significant influence on employee performance through job satisfaction.

4. Conclusion

Based on the results and discussions presented in the previous chapters, several important conclusions can be drawn regarding the factors that influence job satisfaction and employee performance at the Population and Civil Registration Service of Kerinci Regency. First, leadership style has a significant influence on job satisfaction, indicating that the way leaders manage, communicate, and motivate employees contributes meaningfully to how satisfied employees feel with their work. Similarly, the work environment also has a significant positive impact on job satisfaction, which suggests that supportive and conducive working conditions play an essential role in shaping employees' attitudes toward their jobs. Furthermore, both leadership style and work environment are found to significantly affect employee performance, highlighting their direct roles in driving productivity and efficiency. However, job satisfaction, in contrast, does not have a significant effect on employee performance, nor does it serve as a mediating variable between leadership style or work environment and performance. This indicates that while job satisfaction is shaped by both leadership and environment, it does not directly translate into measurable improvements in performance within this organizational context.

In light of these findings, several suggestions can be proposed. For the Population and Civil Registration Service of Kerinci Regency, it is recommended to continue strengthening both leadership approaches and the overall work environment to enhance employee performance. A well-developed leadership style not only improves job satisfaction but also contributes to a more positive and productive workplace. Likewise, maintaining a supportive work environment will help facilitate optimal performance, thereby ensuring that the institution's goals and targets are effectively met. Furthermore, for future researchers, it is advisable to expand the scope of study by exploring additional variables that may influence employee performance, such as work experience, job stress, work discipline, organizational climate, and work motivation. Including moderating or intervening variables could also offer deeper insight into the complex dynamics between organizational factors and employee outcomes. Broadening the sample size and research objects is also encouraged to enhance the generalizability of the findings.

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