The Influence of Work Environment, Work Discipline, Work Motivation, Leadership Style on Employee Performance with the Mediating Variable of Job Satisfaction in Manufacturing Company Employees in Batam

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Abstract

This research aims to determine the impact of the work environment, work discipline, work motivation, and leadership style on employee performance, with a focus on the mediating role of job satisfaction. The quantitative analysis method was employed, involving the distribution of questionnaires to 400 respondents from manufacturing companies in the city of Batam. The findings of the study reveal several significant relationships. The work environment has a considerable effect on job satisfaction, and similarly, work discipline and work motivation also significantly influence job satisfaction. Leadership style is found to have a significant impact on job satisfaction. Importantly, job satisfaction is identified as a significant factor influencing employee performance. Furthermore, the study indicates that job satisfaction mediates the relationship between the work environment and employee performance. Similarly, work discipline, work motivation, and leadership style also exhibit a mediated impact on employee performance through job satisfaction. These research results provide insights into the factors contributing to the development of highly qualified employees. Moreover, the study emphasizes the pivotal role of employee performance, highlighting its substantial impact on the overall success and performance of a company.
Keywords: *employee performance, work environment, work discipline, work motivation, leadership style, job satisfaction.*

A. Theoretical Background

Each company must be able to develop and improve the quality of its business in a different way, structured in a human performance improvement program. Humans as the driving force of a company are the most important factor, because the existence of a company depends on the people behind it. Achieving company goals requires employees who know how to complete their tasks [1]. Companies and employees are two things that need each other. If employees succeed in advancing the company, both parties get the same benefits. For employees, success is the reality of self-empowerment and the ability to meet today's demands. At the same time, business success is a means of growth and development of the company.

Performance is the result of carrying out the tasks given to someone, influenced by experience, ability, seriousness and time spent. This involves three main factors, namely individual ability, employee interest, and acceptance of delegated tasks, as well as employee roles and motivation. Basically, worker efficiency is under their individual control, where efficiency is reflected in performance when workers carry out tasks according to their roles. [2] Employee performance includes the actions or inactions they demonstrate. Performance management is a comprehensive process that aims to improve the overall performance of a company or organization, including the performance of individuals and work groups within it.[3]

The work environment involves all aspects and elements that have the potential to influence an organization or company, either directly or indirectly. The impact can be positive or negative on employee productivity and job satisfaction. The importance of creating a pleasant work atmosphere is emphasized because it can improve employee performance. Therefore, the quality of the work environment is considered good when employees can make a significant contribution to the company's progress, either directly or indirectly. One

factor that can influence job satisfaction is the work environment, because the comfort of this environment can increase employee job satisfaction. [4] According to research by Ayunasrah et al., the influence of the work environment on job satisfaction is very significant, where the more comfortable the work environment is, the greater the work results achieved by employees. [5]This finding is consistent with research conducted by Rangga & Santoso , which states that the work environment has significant influence on the performance of PT employees. United Motors Center Suzuki Surabaya. Hypothesis H2 is accepted, confirming that there is a suspicion that the work environment influences employee performance. [6] This conclusion also supports the results of research conducted by Krisnandi & Saputra, which shows that the work environment has a significant influence on the employee performance of PT Kapuas Prima Coal Tbk Jakarta employees. Hypothesis H4 is accepted, verifying the assumption that the work environment influences employee performance. [3] Findings from research by Nurcahyo & Indradewa also show that the performance of employees of the Education Financing Service Center of the Ministry of Education and Culture is positively and significantly influenced by the work environment which strengthens the assumption that the work environment has an impact on employee performance.

The success of a company in achieving the expected results can also be achieved through employee work discipline. Work discipline can be interpreted as full commitment from employees to complete their work responsibilities and always comply with the rules set by the company, both written and unwritten. Work discipline aims to ensure that the rules are obeyed and provides sanctions if the rules are not carried out. Work discipline is also a tool used by leaders to communicate with employees, with the hope that employees will change their behavior and increase awareness and compliance with company rules.[7]

Employee dissatisfaction can lead to a decline in work motivation, resulting in less productive behavior such as increased absenteeism, tardiness, and violations of regulations. Conversely, content and satisfied employees tend to contribute more positively to the company. [2] This correlation aligns with the findings of Jufrizen & Puspita Hadi, supporting the acceptance of Hypothesis H2, which posits that work discipline significantly influences employee performance at PT Perkebunan Nusantara III (Persero) Medan. [8] Similarly, Dhyan Parashakti & Ekhsan's research on PT Samsung Elektronik Indonesia and [9] Natalia Susanto's study on PT. Rembaka also affirm the positive and significant impact of work discipline on employee performance, as indicated by the acceptance of Hypotheses H1 and the consistent findings.

[2] The performance of an organization hinges not only on the efforts of its employees but also significantly on the planning, implementation, and control executed by superiors. Acknowledging the crucial role of superiors in motivating and managing employees is essential. Recognizing and rewarding employee achievements through awards, incentives, and motivation fosters enthusiasm and a sense of responsibility. Organizations that prioritize employee motivation make it easier to achieve their predetermined goals. [10] Motivation, in this context, arises from individuals having specific goals and a belief that their efforts will lead to the desired outcomes.

Motivation, particularly when supervisors inspire and engage employees through task assignments, can lead to an increase in job satisfaction. Job satisfaction, defined as an effective or emotional response to various work aspects, encompasses perceptions of fair wages, job skill-based classification, work atmosphere, superiors' leadership style, and the diversity of tasks involved. [11] This aligns with the research conducted by Farisi et al., where findings reveal a positive and significant influence of work motivation on employee performance, supporting the acceptance of Hypothesis H1. [12]This observation is consistent with Septiadi et al.'s research on PT Brawijaya Utama Palembang, which also confirms the positive and significant impact of work motivation on employee performance. [9]Additionally, Natalia Susanto's study on PT Rembaka reinforces this consensus,

emphasizing the significant effect of work motivation on employee performance.

Leadership style refers to the way a leader behaves and uses his authority. This style can vary between autocratic or democratic, hard or soft, and formal or informal. Company culture and espoused values influence management implementation. Not only influenced by individual behavior, leadership style is also related to the leadership situation faced by a leader [13]. Leadership quality is assessed based on how effective the decisions taken by the leader are. An effective leader must be able to respond to change, analyze the strengths and weaknesses of human resources, as well as improve organizational performance and resolve problems appropriately. Leadership style refers to the way a leader behaves and uses his power. Leadership style can be autocratic or democratic, firm or flexible, formal or informal. Apart from that, company culture and values also influence how leadership is carried out. It is important to note that leadership style does not only depend on individual behavior, but is also influenced by the context or leadership situation faced by a person[14], Evaluation of leadership quality is based on how effective the decisions taken by the leader are [15].

A leader who is considered effective must have the ability to respond to change, analyze the strengths and weaknesses of human resources, and then use this understanding to improve organizational performance and solve problems appropriately. [7] The effectiveness of a leader is also reflected in his ability to adapt to change and manage the challenges faced by the organization. [14] These results are in line with the research of Ozturk & Ozcan, which show a effect on employee performance. Hypothesis H2 is accepted which states that leadership style is thought to influence the performance of private bank head office employees. [16] These results are in line with Batubara, which show a significant effect on employee performance. The hypothesis is accepted which states that leadership style is thought to influence the performance of PT INALUM employees. [17] These results are in line with the research results of Nanjundeswaraswamy, which show

a significant effect on job satisfaction of mechanical manufacturing UKM employees.

Apart from factors such as work environment, work discipline, work motivation and leadership style, job satisfaction is a very crucial aspect in achieving optimal work results. When a team member is satisfied with his work, he will try his best with all his abilities to complete the task at hand. As a result, employee work productivity will experience a significant increase [4]. [9] Based on research by Susanto, job satisfaction felt by employees has a significant positive impact on work results, indicating that job satisfaction positively influences performance. [18] This finding is in line with other research, such as that conducted by Priyono, which also found that job satisfaction has a significant effect on employee performance. In research at PG. Kebon Agung Malang, Hypothesis H3 is accepted which states that job satisfaction is thought to influence employee performance. [19] This finding is also consistent with the research results of Febrianti and colleagues which show that job satisfaction has a significant effect on employee performance at PT Jabar Jaya Perkasa. Thus, overall, the literature supports the idea that job satisfaction can be linked to improved employee performance.

Batam City, which is known as an industrial city, received this title thanks to its strategic location on world trade routes. Its residents often identify Batam as the "second Singapore." Industrial companies in this city rely on human resources who have personal responsibility to achieve organizational goals by completing their tasks well. With a very strategic position, Batam has developed into a major manufacturing center in Indonesia, located close to Singapore and Malaysia. As time goes by, the growth of industrial areas in Batam continues to increase. In the 1990s, there were only 9 industrial areas, then this increased to 21 industrial areas in 2000. In 2021, the number of industrial areas has reached 26.

This research aims to analyze the impact of the work environment, work discipline, work motivation and leadership style on employee performance. This research model also involves the mediating variable job satisfaction. Thus, this research

is directed to investigate the complex relationship between these factors and how job satisfaction can mediate their influence on employee performance in the industrial context of Batam City.
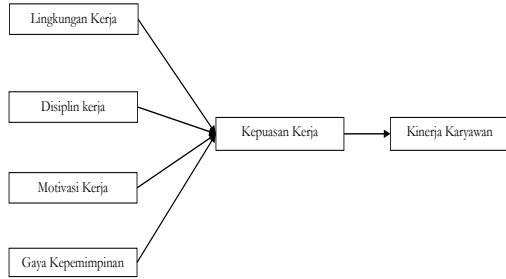

Figure 1. Framework Research

Hypothesis:

H1: The work environment has a significant positive effect on job satisfaction.

H2: Work discipline has a significant positive effect on job satisfaction.

H3: Work motivation has a significant positive effect on job satisfaction.

H4: Leadership style has a significant positive effect on job satisfaction.

H5: Job satisfaction has a significant positive effect on employee performance.

H6: The work environment has a significant positive effect on employee performance with job satisfaction as a mediating variable.

H7: Work discipline has a significant positive effect on employee performance with job satisfaction as a mediating variable.

H8: Work motivation has a significant positive influence on employee performance with job satisfaction as a mediating variable.

H9: Leadership style has a significant positive effect on employee performance with job satisfaction as a mediating variable.

The results of this research produced significant findings regarding the influence of the work environment, work motivation, work discipline, and leadership style on employee performance in manufacturing companies in Batam City. The main findings show that the relationship between these variables is very strong and influences each other, with the key role of job satisfaction as a vital link.

The contribution of this research can be seen in a deeper understanding of the dynamics of the work environment, motivation, work discipline and leadership style in the context of manufacturing companies in Batam City. This research also

opens new insights regarding the role of job satisfaction as a connecting element that optimizes the influence of these factors on employee performance. The practical impact of this research can help companies design more effective management strategies to improve employee performance and advance business continuity.

B. Research Method

This research is basic research where the research aims to develop science. This research is a form of research that measures several variables and tests the relationships between them. The method used in this research uses quantitative methods, namely research that uses words or sentences and pictures and numbers using samples and using questionnaires as the main data collection tool.[20]

[21] According to Hardani et al., quantitative research adopts a positivism approach and focuses on analyzing facts. On the other hand, qualitative research adopts a phenomenological approach which emphasizes the process of decoding and understanding observed social phenomena. This understanding does not only come from the researcher's perspective, but more importantly is an understanding of the phenomena and facts observed based on the point of view of the subject who is the object of research. This research studies the relationship between Work Environment, Work Discipline, Work Motivation, Leadership Style and the dependent variable Employee Performance with the mediating variable Job Satisfaction.

The population of this research is all employees of manufacturing companies in the city of Batam, totaling 311,209 employees [22]. The samples from this research were employees from 5 companies, namely PT Infineon Technologies Batam, PT. Kemet Electronic Indonesia, PT. Surya Teknologi Batam, PT Epson Batam, and PT. Rubycon Indonesia. The technique used in sampling in this research is purposive sampling, namely a technique for determining samples based on considerations in accordance with the objectives of the research being conducted.

Determination of sample size is based on the Morgan Table. Based on a research population of 311,209 employees,

the minimum sample studied was 381 employees. This research involved five companies as samples. So that outlier data can be avoided, 400 questionnaires were distributed, with each company receiving 100 questionnaires. The criteria used in this research are permanent employees from the five manufacturing companies with the largest number of employees with a minimum work period of 6 months.

In this research, descriptive statistics are of course used to determine the quantity and presentation of the demographic characteristics of respondents. The demographics of the respondents can be seen from gender, age, education, income and so on. This research was tested using the SEM-PLS (Structural Equation Modeling) program or also known as structural equation modeling. This program is a statistical technique used to test statistical models in the form of causal models. SEM can see the influence and accommodate variables in the structural model. Meanwhile, PLS (Partial Least Square) is a regression-based model creation method that assumes research data is free of distribution, meaning that research data does not depend on the size of the distribution.

C. Result and Discussion

This section presents the results of data sourced through questionnaires for this research. Data was collected from 400 respondents who came from employees of manufacturing companies in Batam. Based on respondents' age, education, position and income categories. The following are the results of the questionnaire distribution data and the results obtained based on the characteristics of each respondent:

Table 1. Questionnaire Distribution Data

| Variable	Category	Total	Percentage
1. Age	18-25 years	200	50
	26-30 years	142	35,5
	31-35 years	44	11
	>35 years	14	3,5
Total		400	100
2. Education	Senior High School	190	47,5
	Diploma	69	17,3
	Bachelor	139	34,8
	Magister	2	0,5
Total		400	100
3. Position	Manager	42	10,5
	Technician	78	20
	Operator	280	70
Total		400	100
4. Income	4.000.000 - 6.000.000	257	64,3
	6.000.000 - 8.000.000	94	23,5
	8.000.000 - 10.000.000	40	10
	> 10.000.000	9	2,3
Total		400	100

Source: Primary Data, (2023)

Model Evaluation Results

Assessing the external Partial Least Squares (PLS) model was carried out to ascertain the validity and reliability of the indicators gauging latent variables. SmartPLS 3.0 was employed by researchers for data processing in this study. The collected data underwent a screening process to ensure that no questionnaire responses contained values exceeding the predefined measurement scale.

1. Outer Model

Figure 2. Outer Loading Test
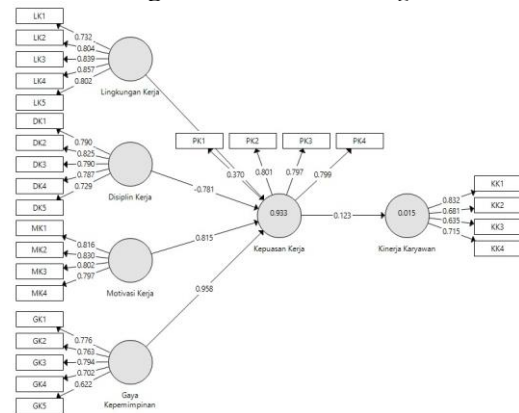
Source: Primary Data, (2023)

An optimal factor loading value is > 0.7, indicating that the indicator is valid for measuring the construct. In empirical research, a loading factor value > 0.5 is still deemed acceptable. Consequently, factor loading values < 0.5 should be excluded from the model. The square of the factor loading value is termed communality, reflecting the percentage of constructs capable of explaining variations in the indicators..[23]

Table 2. Average Variance Extracted (AVE)

Variable	Cronbach's Alpha	Reliability
Disiplin Kerja	0,844	Reliable
Gaya Kepemimpinan		
Kepuasan Kerja	0,789	Reliable
Kinerja Karyawan	0,665	Reliable
Lingkungan Kerja	0,696	Reliable
Motivasi Kerja	0,869	Reliable
	0,827	Reliable

Variable	AVE	Validity
Disiplin Kerja	0,616	Valid
Gaya Kepemimpinan	0,539	Valid
Kepuasan Kerja	0,513	Valid
Kinerja Karyawan	0,518	Valid
Lingkungan Kerja	0,653	Valid
Motivasi Kerja	0,658	Valid

Source: Primary Data, (2023)

The data in the table above shows that of all the AVE values in this test. There are 3 variables that have an AVE value greater than 0.5, namely the leadership style variable with an AVE value of 0.539, the job satisfaction variable with an AVE value of 0.513 and employee performance of 0.518 so that these variables are declared still valid. Meanwhile, the variables work discipline, work environment and work motivation have an AVE value greater than 0.5 (>0.5) so that these three variables can be declared valid.

2. Fornell-Laker Criterion

Table 3. Fornell-Laker Criterion

Variable	Disiplin Kerja	Gaya Kepemimpinan	Kepuasan Kerja	Kinerja Karyawan	Lingkungan Kerja	Motivasi Kerja
Disiplin Kerja	0,785					
Gaya Kepemimpinan	0,524	0,734				
Kepuasan Kerja	0,532	0,953	0,716			
Kinerja Karyawan	0,301	0,079	0,123	0,720		
Lingkungan Kerja	0,212	0,067	0,115	0,414	0,808	
Motivasi Kerja	0,983	0,493	0,528	0,300	0,208	0,811

Source: Primary Data, (2023)

Based on the table above, the Fornell-Laker Criterion value is greater when compared to the cross-loading value on other latent variables. This means that each variable already has a good Discriminant Validity value because the latent variable has a value that is highly correlated with other constructs.

Reliability Test Results

1. Cronbach's Alpha

The table below illustrates the overall Cronbach's Alpha value. In this case, each variable has a composite reality higher than 0.6. The Cronbach's Alpha reliability test value can be seen in the table below.

Table 4. Cronbach's Alpha
Source: Primary Data, (2023)

The results of the Cronbach's Alpha value reliability test show that the variables work discipline, leadership style, job satisfaction, employee performance, work environment and work motivation have Cronbach's Alpha values above 0.6 so that these variables can be declared reliable.

3. Composite Reliability

The table below illustrates the overall Composite Reliability value. In this case, each variable must have a Composite Reliability higher than 0.6 to be declared reliable.

Table 5. Composite Reliability

Variable	Composite Reliability	Reliability
Disiplin Kerja	**0,889**	Reliable
Gaya Kepemimpinan		
Kepuasan Kerja	0,853	Reliable
Kinerja Karyawan	0,797	Reliable
Lingkungan Kerja	0,810	Reliable
Motivasi Kerja	0,904	Reliable
	0,885	Reliable

Source: Primary Data, (2023)

Based on the SmartPLS output results in the table above, it can be seen that the Composite Reability value for all variables is above 0.70. In this case, with the values that have been produced, all variables can be said to have good reliability.

2. Path Coefficient & Indirect Effect

Path analysis is a method or path coefficient that is used to understand whether a variable has an influence or impact, either directly or indirectly, on other variables being studied.

Table 6. Path Coefficient

Model	T Statistics	P-Values	Signific ion
Lingkungan Kerja -> Kepuasan Kerja	2,362	0,019	H¹ Sig
Disiplin Kerja -> Kepuasan Kerja	6,483	0,000	H² Sig
Motivasi Kerja -> Kepuasan	6,414	0,000	H³ Sig

Kerja			
Gaya Kepemimpinan -> Kepuasan Kerja	50,781	0,000	H⁴ Sig
Kepuasan Kerja -> Kinerja Karyawan	2,699	0,007	H⁵ Sig

Source: Primary Data, (2023)

Table 7. Indirect Effect

Model	T Statistics	P-Values	Signification
Lingkungan Kerja -> Kepuasan Kerja -> Kinerja Karyawan	1,357	0,175	H⁶ Not significant
Disiplin Kerja -> Kepuasan Kerja -> Kinerja Karyawan	2,423	0,016	H⁷ Significant
Motivasi Kerja -> Kepuasan Kerja -> Kinerja Karyawan	2,389	0,017	H⁸ Significant
Gaya Kepemimpinan -> Kepuasan Kerja -> Kinerja Karyawan	2,754	0,006	H⁹ Significant

Source: Primary Data, (2023)

The table above is the result of the path coefficient test and indirect effects which are the standard for determining whether the hypothesis in this research is significant or not. The condition for getting significant results is that the P-Value must not be higher than 0.05.[24]

3. R Square

Table 8. R Square

Dependent Variable	R Square Adjusted
Job Satisfaction	0,932
Employee Performance	0,013

Source: Primary Data, (2023)

To the R Square values in the table, the job satisfaction variable is impacted by the work environment variables, work discipline, work motivation, and leadership style, accounting for 34.9%. The remaining 65.1% is attributed to other variables not considered in this research model. Similarly, employee performance variables are influenced by work environment variables, work discipline, work motivation, leadership style, and job satisfaction, explaining 11.7%. The remaining 88.3% are influenced by variables beyond the scope of this research model.

These R Square values offer insight into the proportion of variability in job satisfaction and employee performance variables that can be clarified by the variables included in the research model. Despite the notable contributions of the model variables, there are still other external variables influencing job satisfaction and employee performance.

4. Quality Index

This test is used for comparisons between models and covariance metrics between indicators where the Goodness of Fit (GoF) value can be said to be low if the value is ≥ 0.10, moderate if the value is ≥ 0.25 and said to be large if the value is ≥ 0.36. The GoF index value can be calculated from the root of the Average Variance Extracted (AVE) multiplied by R2 or the average R Square

$$GoF = \sqrt{(0,58 \times 0,47)}$$
$$GoF = 0,36$$

Based on the results above, the GoF value of 0.36 is greater than 0.36. So according to the resulting model criteria, the GoF value is included in the high category.

The Influence of the Work Environment on Job Satisfaction

Hypothesis testing (H1) shows that it is acceptable. Based on statistical tests, the t statistic was obtained at 2.362 and the P-Value value was 0.019, fulfilling the requirement for a P-Value value of no more than 0.05. Based on the regression results, it shows that the work environment can influence the job satisfaction of employees of manufacturing companies in Batam. This can be interpreted as meaning that at work there needs to be support from superiors and from the company to foster a sense of satisfaction in employees because of a sense of attention from the company.

The Influence of Work Discipline on Job Satisfaction

Hypothesis testing (H2) shows that it is acceptable. Based on statistical tests, the t statistic was obtained at 6.483 and the P-Value value was 0.000, fulfilling the requirement for a P-Value value of no more than 0.05. Based on the regression results, it shows that work discipline can influence the job satisfaction of employees of manufacturing companies in Batam. This means that good work discipline makes employees neat within themselves and at work, thereby fostering a sense of satisfaction.

The Influence of Work Motivation on Job Satisfaction

Hypothesis testing (H3) shows that it is acceptable. Based on statistical tests, the t statistic was obtained at 6.414 and the P-Value value was 0.000, fulfilling the requirement for a P-Value value of no more than 0.05. Based on the regression results, it shows that work motivation can influence the job satisfaction of employees of manufacturing companies in Batam. This means that to achieve good performance, the company needs to foster a sense of satisfaction in its employees.

The Influence of Leadership Style on Job Satisfaction

Hypothesis testing (H4) shows that it is acceptable. Based on statistical tests, the t statistic was obtained at 50.781 and the P-Value was 0.000, fulfilling the requirement for a P-Value value of no more than 0.05. Based on the regression results, it shows that leadership style can influence the job satisfaction of employees of manufacturing companies in Batam. This means creating a positive work climate and enriching employee work experience, which ultimately contributes to increased job satisfaction. Leaders who understand and pay attention to employee needs have great potential in creating a productive and satisfying work environment.

The Influence of Job Satisfaction on Employee Performance

Hypothesis testing (H5) shows that it is acceptable. Based on statistical tests, the t statistic was obtained at 2.699 and the P-Value value was 0.007, fulfilling the requirement for a P-Value value of no more than 0.05. Based on the regression results, it shows that job satisfaction can influence the performance of manufacturing company employees in Batam. This means that a positive environment makes employees feel satisfied because they have a safe and comfortable work environment.

The Influence of the Work Environment on Employee Performance with Job Satisfaction as a Mediating Variable

Hypothesis testing (H6) shows that it is acceptable. Based on statistical tests, the t statistic was obtained at 1.357 and the P-Value value was 0.175, fulfilling the requirement for a P-Value value of more than 0.05. Based on the regression results, it shows that the work environment cannot influence employee performance with job satisfaction as a mediating variable for employees of manufacturing companies in Batam. The work environment is influenced by factors such as individual differences, which can lead to variations in employee satisfaction and productivity. Even though the physical work environment is considered good, the lack of good interpersonal relationships can reduce its effectiveness. Disabilities in the work environment may not affect performance if the job provides adequate challenges. Even though physical conditions are positive, ineffective management can reduce the positive impact on employee performance. An imbalance between work and personal life can reduce the ability of previously considered favorable work environments to overcome the negative impacts of stress or burnout.

The Influence of Work Discipline on Employee Performance with Job Satisfaction as a Mediating Variable

Hypothesis testing (H7) shows that it is acceptable. Based on statistical tests, the t statistic was obtained at 2.423 and the P-Value value was 0.016, fulfilling the requirement for a P-Value value of no more than 0.05. Based on the regression results, it shows that work discipline can influence employee performance with job satisfaction as a mediating variable for employees of manufacturing companies in Batam. This means that employees who are disciplined tend to feel satisfied with their work, and high job satisfaction can motivate employees to improve their overall performance.

The Influence of Work Motivation on Employee Performance with Job Satisfaction as a Mediating Variable

Hypothesis testing (H8) shows that it is acceptable. Based on statistical tests, the t statistic was obtained at 2.389 and the P-Value value was 0.017, fulfilling the requirement for a P-Value value of no more

than 0.05. Based on the regression results, it shows that work motivation can influence employee performance with job satisfaction as a mediating variable for employees of manufacturing companies in Batam. This shows that employees who feel motivated to achieve their goals are more likely to find satisfaction in their work. High job satisfaction can be a channel through which motivation influences performance because satisfied employees tend to be more committed and productive.

The Influence of Leadership Style on Employee Performance with Job Satisfaction as a Mediating Variable

Hypothesis testing (H9) shows that it is acceptable. Based on statistical tests, the coefficient value was obtained at 2.754 and the P-Value value was 0.006, fulfilling the requirement for a P-Value value of no more than 0.05. Based on the regression results, it shows that leadership style can influence employee performance with job satisfaction as a mediating variable for employees of manufacturing companies in Batam. In this case, job satisfaction is considered as an intermediary that connects leadership factors with performance. Job satisfaction can create conditions that support increased productivity and positive contributions of employees to the organization.

D. Conclusion

This study aims to assess the impact of the work environment, work discipline, motivation, and leadership style on employee performance, with job satisfaction serving as a mediating variable. The research employed a questionnaire distributed to 400 respondents, and the gathered data underwent analysis using Smart PLS version 3.0.

Previous research and discussions have concluded that the work environment, work discipline, work motivation, and leadership style significantly influence job satisfaction. Additionally, job satisfaction has been demonstrated to significantly impact employee performance. Conversely, work discipline, work motivation, and leadership style also affect employee performance through job satisfaction as a mediating variable. However, the work environment variable does not exhibit a significant influence on employee performance through job satisfaction as a mediating variable. These findings enhance our understanding of the distinct roles each factor plays in shaping job satisfaction and employee performance within specific work environments.

E. Recommendations

Based on these conclusions, it can be recommended for future researchers to examine other variables that influence performance, work environment, work motivation, leadership style, work discipline and job satisfaction, with different objects that may have a significant influence on employee performance.

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