

THE EFFECT OF LEADERSHIP AND WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE WITH JOB SATISFACTION AS AN INTERVENING VARIABLE AT PT. MEDCO E & P LEMATANG

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ABSTRACT

This research aims to determine the effect of leadership and work environment on employee performance with job satisfaction as an intervening variable at PT Medco E & P Lematang. The variables used by researchers are the variables of Leadership, Work Environment, Job Satisfaction and Performance. The sample in this study was 124 employees at PT Medco E & P Lematang who were selected by cluster sampling. The data used in this study are primary data with questionnaire data collection methods. The data analysis technique used is Structural Modeling Equation (SEM) with the Lisrel Program Application. The results of this study indicate that: (1) Leadership has an insignificant effect on employee performance, (2) Work Environment has a positive and significant effect on employee performance, (3) Leadership has a positive and significant effect on employee job satisfaction, (4) work environment has a positive and significant effect on employee job satisfaction, (5) job satisfaction has a positive and significant effect on employee performance at PT. Medco E & P Lematang.

Keywords: Leadership, Work Environment, Job Satisfaction and Performance

INTRODUCTION

Human resource management (HRM) plays a role as a driver in running operations and production in a company and is important in maintaining the continuity of the company's survival. The process of utilizing human resources and others effectively and efficiently is directed to achieve company goals. Human resources (HR) are also considered company assets. HR management and development require employee performance assessments as the main benchmark, because good human resource management will improve employee work performance and company productivity (Syarif et al., 2021).

One of the important factors that influences performance is job satisfaction. Job satisfaction, according to Edy Sutrisno (2019:74) is an employee's attitude towards work related to work situations, cooperation between employees, rewards received in work, and matters relating to physical and psychological factors. Job satisfaction reflects a person's feelings towards their work. This can be seen from the employee's positive attitude towards work and everything they face, so that it will support the optimization of employee performance itself. Employees who do not get job satisfaction will generally never achieve psychological satisfaction and will eventually develop negative attitudes or behavior and in turn can cause frustration and lack of discipline, on the other hand, satisfied employees will be able to work

well, enthusiastically, actively, and can perform better than employees who do not get job satisfaction (Octavianti & Hamni, 2022). Leadership also has an influence on employee performance. According to Tayaman, (2016:7) leadership is a science and art to influence other people or a group of individuals to work together, not to bring each other down in order to achieve organizational goals. The success of a company is determined by leadership skills. In addition, through creativity, leaders are able to maximize the potential in the company environment to increase company efficiency so that optimal performance can be achieved (Hasibuan., 2018).

In addition to job satisfaction and leadership, another factor that influences performance is the work environment. According to (Ekawati, 2022) The work environment is the conditions around workers when workers carry out their duties and responsibilities, which have an influence on workers when doing their work in order to carry out company operations, because the work environment has an important role for workers so that in completing their tasks can be carried out effectively and efficiently. The work environment can also affect job satisfaction. Unhealthy work environment conditions can cause employees to easily experience work stress, not be enthusiastic about working, not be disciplined, and vice versa if the work environment is healthy, employees will of course be enthusiastic about working, not get sick easily, easy to concentrate so that work is completed quickly according to the target achievement. The work environment itself has two dimensions, namely the physical dimension (room coloring, lighting, cleanliness, layout, noise, etc.) and the non-physical dimension (employee welfare, work atmosphere, relationships between employees, etc.). The company must be able to provide both dimensions in good condition so that it can make employees continue to work productively and cooperate with each other between employees and with leaders to achieve company goals and to increase employee job satisfaction itself (Marisyah, 2022). Research (Rivaldo & Ratnasari, 2020) if Leadership has a negative and insignificant effect on employee job satisfaction. Pebiyanti, N (2020) if the Work Environment directly has a positive and significant effect on job satisfaction. However, in another study according to (Nadilla et al., 2023) if the Work Environment has a positive but insignificant effect on Employee Job Satisfaction. Research (Purwaningsih, 2017) if Leadership partially has a positive and significant effect on employee performance. Husen A.I, et al. (2023) explained that Leadership does not have a significant effect on employee performance. (Warongan et al., 2022) explained that the Work Environment does not have a significant effect on employee performance. According to (M. Shalahuddin et al., 2023) stated that job satisfaction has a positive and significant effect on employee performance. Aprilia, R (2022) stated that job satisfaction has a positive effect on performance but does not have a significant effect on employee performance.

A large company must have problems in each of its elements, such as what happened at PT. Medco Energy E & P Lematang. Before discussing the phenomenon that occurred at PT. Medco Energy E & P Lematang, the researcher first explained the description of PT. Medco Energy E & P Lematang. This PT is a company that produces petroleum and natural gas. This company has explored in the South Sumatra region, one of which is in the Lematang area as a place for oil and gas production. Medco Energi has a vision to become the best energy company for investors, partners, staff employees, the public, shareholders, and the community. Medco Energi Company can achieve this vision because of the mission they have, namely building energy resources into a profitable investment portfolio and being carried out responsibly, and ensuring that each project is implemented on time according to the highest standards of good corporate governance and safety.

Employee performance is very important for a company to know the abilities, skills, goals, work standards and time used by employees to work. In this case, employee performance will determine the achievement of a goal expected by a company. The company in achieving its goals will find various problems. The problematic phenomena that occur at PT. Medco Energy that can affect the success of the company, related to oil and gas production which will basically be related to the abilities/potential of employees who work. The phenomena that occur at PT. Medco Energy, found in the results of work implementation in oil and gas production.

Employee Performance of PT. Medco Energy In the 2018-2022 period, there was an unstable oil and gas production. Especially in oil production which was relatively low in production. In 2018, oil production did not reach the target, which was realized at only 85 MBOEPD (equivalent to million barrels per day). In 2019, oil and gas production was realized at 103 MBOEPD, while the target of 105 MBOEPD was almost reaching the target. While in 2020, total oil and gas production met the target of 100 MBOEPD. In 2021, the target achievement decreased and the realization was only 94 MBOEPD. In 2022, oil and gas production exceeded the target of 163 MBOEPD. However, oil production is still stable as in the previous year, there was no increase. In this case, an evaluation is needed for employees to assess the potential in the performance carried out. This condition can be identified if the company's goals have not been achieved optimally. Medco Energy Company greatly supports the aspects of the company's income and profit/loss. PT. Medco Energy, which is a company that produces oil and gas, often causes unstable problems related to the turnover achieved.

Oil and gas company PT Medco Energi Internasional Tbk recorded revenues of US\$1.32 billion in 2021. This figure grew 21% (year-on-year/yoy) compared to the previous year's revenue of US\$1.1 billion. The average selling price for oil and natural gas rose in 2021. The selling price of oil increased 69% to US\$68 per barrel and the price of gas increased 26% to US\$6.5 per mmbtu. In 2021, Medco achieved a net profit of US\$47.02 million. This is Medco's first profit after suffering losses during the 2018-2020 period. Medco recorded a net loss of US\$51.3 million in 2018, a loss of US\$27.3 million in 2019, and a loss of US\$192.83 million in 2020. As seen from the graph above, revenue and profit/loss have been unstable since 2017, and increased in 2019, but soon fell again in 2020 and peaked again in 2021. This is a question mark for the company regarding unstable revenue, therefore the company will directly review employee performance in order to create production stability to achieve optimal results.

The results of the field survey obtained information that the problematic conditions that occurred at PT Medco Energy E & P Lematang were related to the relationship between employee colleagues which caused discomfort in the workplace such as employees sometimes fighting (emotional), not greeting each other to pitting employees against each other. In fact, to create comfort at work, support and participation from all members within the organization are needed. This is what needs to be evaluated.

Some employees do not realize the importance of their role and responsibilities for the company. This is indicated in the work of implementing unscheduled maintenance, where employees are seen throwing responsibility at each other, so that the work is completed slowly. This is indicated by employees in the production sector. The production section is divided into 2 shifts, day and night. Workers, especially night shifts, sometimes do not focus too much on their work because they often do not rest during the day. This causes other problems such as slowing down work on their responsibilities so that the burden is transferred to other employees. Of course, this happens because employee job satisfaction feels lacking so that in achieving performance it is not optimal.

. Another phenomenon related to promotion indicators, the survey results said that employees feel satisfied if leaders give support rewards for every achievement they get or always provide support related to the work they do. So they give great hope for leaders to always evaluate their work so that they can be promoted according to the level of performance they have given. Like the administration, Plans and production sections, one of which holds the company's milestones so that an assessment is carried out for promotion. The next indicator is supervision. This can be seen from the performance of supervisors in the security sector, where the security said that the leader did not supervise or came to the security post to see the performance of other employees who did not follow procedures or were lazy at work.

In addition to the performance and job satisfaction variables that influence it is the leadership variable, where researchers found a phenomenon that occurred at PT. Medco Energy E & P Lematang related to leadership. Based on the results of the survey data, an indicator of the phenomenon was obtained regarding communication skills. This happens to some old employees in the office sector, where some employees refuse job promotions because they have to move workplaces and there are employees who are less enthusiastic about improving performance and generally employees who have a work period of more than 5 years.

Another phenomenon is that there are still employees who neglect their responsibilities when making reports and there are some who experience delays or even slow down the time in submitting reports and there are still employees who do not complete work according to the deadline set by the company. There are still workers who do not use standard operating procedures, Personal Protective Equipment usually occurs in field employees. In this case, as a leader, you must be firm with employees to maintain the safety of the employees themselves and be able to carry out work according to the job description and provide supervision of the safety of employees who do not follow the procedure. There is still an employee who wants to provide an idea for the company's production achievements but the idea is not realized properly because there is miscommunication. Employees will be happy if their good ideas can be well received by a leader and given something like an award. Job promotion or idea development so that employees are more proactive in providing ideas without feeling awkward towards a leader. In this case, in addition to creating innovation, it can also provide a forum for employees and leaders to exchange opinions to create optimal company goals. In addition to performance variables, job satisfaction and leadership, another variable that influences is the work environment. The phenomenon related to the voice indicator that occurred at PT. Medco Energy E & P Lematang. The results of the researcher's field survey obtained information that there was a loud noise that occurred during the drilling of oil and gas wells so that workers in the office inevitably had to accept the consequences and also had to be safe for their health. Another phenomenon related to air indicators was the smell of gas that was very pungent to the community area. Of course, things like this must be evaluated so that problems like this do not happen again or are minimized, especially for field employees. The impact of this incident has drawn criticism from the community, both criticism for all employees and half of the community in the ring 1 area held a demonstration at PT. Medco Energy E & P Lematang because of the loud noise and smell of gas that disturbed the community. Another phenomenon is related to the relationship between superiors and subordinates. This is marked by the occurrence of a major problem between security employees and leaders, where they fought each other psychologically and threats until the employee is dismissed. This becomes a discussion between employees and evaluation material for employees to continue to act according to their respective positions and ethics..

THEORETICAL BASIS

Performance

According to Sinambela (2016), employee performance is the real achievement of employee work and is able to complete the responsibilities given. Something similar was also expressed by Hartini (2023), namely employee performance is the result achieved by workers in work according to certain criteria that apply to certain jobs. Quality employee performance is very much needed by organizations in order to improve work quality, so that this performance is achieved, employees should get satisfaction in working first. Performance is a function of motivation and ability

Indicators for measuring employee performance individually according to Robbins (2016:260) there are six indicators, namely:

1) Quality

Work quality is measured from employee perceptions of the quality of work produced and the perfection of tasks against employee skills and abilities.

2) Quantity

Is the amount produced expressed in terms such as the number of units, the number of activity cycles completed.

3) Timeliness

Is the level of activity completed at the beginning of the stated time, seen from the perspective of coordination with output results and maximizing the time available for other activities.

4) Effectiveness

Is the level of use of organizational resources (labor, money, technology, raw materials) maximized with the intention of increasing the results of each unit in the use of resources.

Job satisfaction

Job satisfaction according to Afandi (2018:73) is a general attitude towards one's work that shows the difference between the amount of rewards received by workers and the amount they believe they should receive. Meanwhile, according to Edy Sutrisno (2019:74) job satisfaction is an employee's attitude towards work related to work situations, cooperation between employees, rewards received in work, and matters concerning physical and psychological factors. According to Sutrisno (2017) defines job satisfaction as an employee's pleasant or unpleasant income regarding their work, this feeling can be seen from the employee's good behavior towards work and all things experienced in the work environment.

Afandi (2018:82) The indicators of job satisfaction include:

1) Work

The content of the work done by someone does it have satisfying elements

2) Wages

The amount of payment received by someone as a result of carrying out work is in accordance with the needs that are felt to be fair.

3) Promotion

The possibility of someone being able to develop through promotion.

4) Supervisor

A person who always gives orders or instructions in carrying out work

5) Co-workers

Co-workers who help each other in completing work

Leadership

According to Sutrisno (2016:218) Leadership is the process of directing and influencing activities related to the tasks of group members. Meanwhile, according to Fahmi (2016:122) defines that Leadership is a science that comprehensively examines how to direct, influence, and supervise others to carry out tasks according to planned orders. According to Kartono (2017), indicators that can be used as references for successful leadership in an organization/company are analytical skills, communication skills, courage, listening skills, assertiveness

Work environment

According to Sedarmayanti (2017:25) the work environment is all the tools and materials faced, the surrounding environment where a person works, his work methods, and his work arrangements both as individuals and as a group. Meanwhile, according to Sukanto and Indryo (2018:151) the work environment is everything around the worker that can affect their work including lighting arrangements, noise control, workplace cleanliness arrangements and workplace security arrangements.

Work environment indicators according to Sudaryo, Aribowo and Sofiati (2018:51-59) indicators of the circulation environment / Air Exchange, Noise / Sound, Relationships between superiors and subordinates

METHODOLOGY

The research method used is the associative method which is a study to test the alleged relationship (influence) between one variable and another. The variable in question is to determine the Influence of Leadership and Work Environment on Employee Performance with Job Satisfaction as an Intervening Variable at PT. Medco E & P Lematang.

The population used in this study were all staff/employees in the PT area. Medco E & P Lematang totaling 181 people. The formula that must be used to calculate the sample is to use the Slovin formula with an error rate of 5% or 0.05 The sample that will be used in the study on employees at PT. Medco E & P Lematang is 124 employees The data collection method used in this study is interviews and questionnaires, namely the answers from respondents to a series of questions related to the Influence of Leadership and Work Environment on Employee Performance with Job Satisfaction as an Intervening Variable at PT. Medco E & P Lematang, according to the indicators used by the researcher.

Primary data in this study were collected using a questionnaire distributed via electronic media, namely Google Drive, to approximately 124 employee respondents at PT. Medco E & P Lematang. The data analysis technique to measure the variables in this study used the structural equation modeling (SEM) capital equation. SEM modeling is a further development of path analysis, in the SEM method the quality relationship between exogenous variables and endogenous variables can be determined more completely

RESULTS AND DISCUSSION

Characteristics

Respondent profile from the characteristics of the gender of the respondents who were sampled in this study were 65.6% male and 34.4% female. Then from the characteristics of the marital status of the respondents who were sampled in this study, 87.2% were married and 12.8% were unmarried. When viewed from the work section of the respondents who were sampled in this study, 1.8% consisted of Manager, ISCS and OMO, Warehouse section 3.2%, Maintenance

9.7%, Security and Production section 21.8%, General Service section 12.9%, HSE section 5.6%, Medical section 4.0%, RTR section 14.5%, OEON section and Technician Public Affairs 0.8%. When viewed from the level of education of the respondents who were the sample in this study, namely, 38.7% had a high school education level, 61.3% a college/academy education level and 0% an elementary/middle school education level..

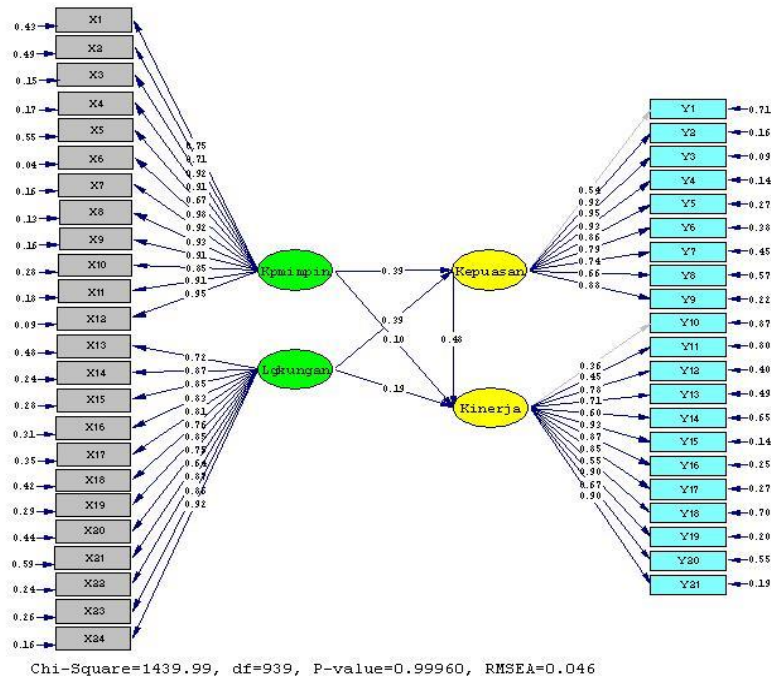


Figure 1. *Confirmatory Factor Analysis (CFA)*

The image above shows that all loading factor variables have values greater than the error value. This shows that the CFA (Confirmatory Factor Analysis) test in the early stages in the image above has met the requirements for the next stage of testing.

1) Construct Validity Test

The validity of a manifest variable is an evaluation of the factor loading of the variable against its latent variable. A variable is said to have good validity against its construct variable or latent variable, if the Average Variance Extract (AVE) is greater than 0.50. Of the 9 statements of the construct validity test of the job satisfaction instrument, each is greater than 0.05 and overall the Average Variance Extract (AVE) value is greater than 0.50. The results show that all indicators of job satisfaction variables have passed the validity test, because they have met the requirements, namely the loading factors value ≥ 0.05 so that the instrument is declared valid and can be used as a valid measuring tool in further analysis

a) Performance Validity Test Results

The validity test of the performance instrument construct is each greater than 0.05 and overall the Average Variance Extract (AVE) value is greater than 0.50. The results show that all indicators of performance variables have passed the validity test, because they

have met the requirements, namely the loading factors value ≥ 0.05 so that the instrument is declared valid and can be used as a valid measuring tool in further analysis.

b) Leadership Validity Test Results

The statement of the leadership instrument construct validity test, each greater than 0.05 and overall the Average Variance Extract (AVE) value is greater than 0.50. The results show that all indicators of leadership variables have passed the validity test, because they have met the requirements, namely the loading factors value ≥ 0.05 so that the instrument is declared valid and can be used as a valid measuring tool in further analysis

c) Results of Work Environment Validity Test

The validity test of the work environment instrument construct, each is greater than 0.05 and overall the Average Variance Extract (AVE) value is greater than 0.50. The results show that all indicators of the work environment variables have passed the validity test, because they have met the requirements, namely the loading factors value ≥ 0.05 so that the instrument is declared valid and can be used as a valid measuring tool in further analysis.

2) Construct Reliability Test

The calculation result of CR value > 0.70 so it can be concluded that all constructs in the full model loading factor for performance, work motivation, discipline and organizational culture variables in this study are acceptable and reliable.

3). Model Suitability Test

Based on the Goodness of Fit appendix. a summary of the model suitability test results can be made as follows:

Table 1. Goodness of Fit

<i>Goodness Of Fit Index</i>	<i>Cut Of Value</i>	Hasil Analisis	Evaluasi Model
P-Value	$\geq 0,05$	0,9996	Good Fit
RMSEA	$\leq 0,1$	0,046	Good Fit
GFI	$\geq 0,90$	0,41	Not Fit
NNFI	$\geq 0,90$	0,92	Good Fit
SRMR	$\leq 0,1$	0,10	Good Fit
IFI	$\geq 0,90$	0,92	Good Fit
CFI	$\geq 0,90$	0,92	Good Fit
RFI	$\geq 0,90$	0,88	Fit
NNFI	$\geq 0,90$	0,92	Good Fit

Source: Research Data Processing Results, 2024

It can be concluded that the model is good because the overall goodness of fit index criteria are already in the good fit category, especially the P-Value value which is greater than 0.05 and the RMSEA value which is less than 0.05 so that there is no need to modify the model.

Structural Equation Modeling (SEM) Analysis

1) Structural Model

Next, a structural model test will be carried out, namely testing the significance of the influence. The image below is the result of the structural equation based on LISREL software

Table 2. Structural equations

No	Variable	Nilai T-Values	Cr Rate	Results
1	Leadership-Satisfaction	4,28	> 1,96	Significant
2	Environment-Satisfaction	4,20	> 1,96	Significant
3	Leadership-Performance	1,19	< 1,96	Not Significant
4	Environment-Performance	2,14	> 1,96	Significant
5	Satisfaction-Performance	3,15	> 1,96	Significant

Source: Research Data Processing Results, 2024

The research hypothesis test can be seen as follows:

- 1) The Influence of Leadership on Employee Job Satisfaction
Based on 2. it can be seen that the results of the T-Values calculation are $4.28 > 1.96$ so that H_0 is rejected. This means that with a 5% error rate it can be concluded that Leadership has a significant effect on Employee Job Satisfaction.
- 2) The Influence of the Work Environment on Employee Job Satisfaction
Based on Table 2. it can be seen that the results of the T-Values calculation are $4.20 > 1.96$ so that H_0 is rejected. This means that with a 5% error rate it can be concluded that the Work Environment has a significant effect on Employee Job Satisfaction.
- 3) The Influence of Leadership on Employee Performance
Based on Figure IV.15 it can be seen that the results of the T-Values calculation are $1.19 < 1.96$ so that H_0 is accepted. This means that with a 5% error rate it can be concluded that leadership has no significant effect on performance.
- 4) The Influence of Work Environment on Employee Performance
Based on Figure or IV.16, it can be seen that the results of the T-Values calculation are $2.14 > 1.96$ so that H_0 is rejected. This means that with a 5% error rate, it can be concluded that the Work Environment has a significant effect on Employee Performance.
- 5) The Influence of Job Satisfaction on Employee Performance
Based on Figure or IV.13, it can be seen that the results of the T-Values calculation are $3.15 > 1.96$ so that H_0 is rejected. This means that with a 5% error rate, it can be concluded that Job Satisfaction has a significant effect on Employee Performance

Then the direct influence, indirect influence and total influence. The results of the direct influence, indirect influence and total influence can be seen in table IV.18 below:

Table 3. Direct effect, indirect effect and total effect

No	Channel	Intervening Variables	Direct Influence	Indirect Influence	Total Influence
1	Leadership-Satisfaction	-	0,39		0,39
2	Environment-Satisfaction	-	0,39		0,39

No	Channel	Intervening Variables	Direct Influence	Indirect Influence	Total Influence
3	Leadership-Performance	-	0,10		0,1
4	Environment-Performance	-	0,19		0,19
5	Satisfaction-Performance	-	0,48		0,48
6	Leadership-Satisfaction-Performance	Satisfaction	0,39	0,19	0,58
7	Environment-Satisfaction-Performance	Satisfaction	0,39	0,19	0,58

Source: Research Data Processing Results, 2024

It can be seen the direct influence, indirect influence and total influence described as follows:

- a) The direct influence of the Leadership variable on Job Satisfaction, based on the table above shows 0.39, meaning that if Leadership carries out its responsibilities well, it will increase employee job satisfaction or vice versa. Based on the test results, the influence of Leadership on Job Satisfaction is proven to be significant.
- b) The direct influence of the Work Environment variable on Job Satisfaction, based on the table above shows 0.39, meaning that if employees have a safe and peaceful work environment, it will increase employee job satisfaction or vice versa. Based on the test results, the influence of the Work Environment on job satisfaction is proven to be significant.
- c) The direct influence of the Leadership variable on performance, based on the table above shows 0.10, meaning that if Leadership is unable to improve employee performance, it will harm the company or vice versa. Based on the test results, the influence of Leadership on performance is proven to be insignificant.
- d) The direct influence of the Work Environment variable on performance, based on the table above shows 0.19, meaning that if the company's work environment is implemented well without any misunderstandings with coworkers, it will certainly improve employee performance or vice versa. Based on the test results, the influence of the Work Environment on performance is proven to be significant.
- e) The direct influence of the Job Satisfaction variable on Performance, based on the table above shows 0.48, meaning that if employees feel satisfied in doing their work in the company, it will increase the employee's performance itself or vice versa. Based on the test results, the influence of Job Satisfaction on performance is proven to be significant.
- f) The direct influence of Leadership on Performance is 0.10 while the indirect influence of the Leadership variable on performance with job satisfaction as an intervening variable is 0.19. This means that Job Satisfaction strengthens the influence of Leadership on performance.
- g) The direct influence of the Work Environment on performance is 0.19 while the indirect influence of the Work Environment variable on performance with Job Satisfaction as an intervening variable is 0.19. This means that indirectly the total value of the influence of job satisfaction as an Intervening variable is the same or does not strengthen and also does not weaken.

DISCUSSION

1. The Influence of Leadership on Employee Job Satisfaction at PT. Medco E & P Lematang

Based on the test results, Leadership has a positive and significant effect on Employee Job Satisfaction at PT. Medco E & P Lematang. The test results using the Lisrel application showed a T-Value of $4.28 > 1.96$, so it can be concluded that Leadership has a positive and significant effect on Job Satisfaction. This is supported by the theory according to Suhendi and Anggara (2015:269), which states that Leadership can affect morale and job satisfaction, security, quality of work life, and the level of organizational/company performance.

This study is in line with research according to Pebiyanti, N (2020) which states that Leadership has a positive and significant effect on job satisfaction. However, this is not in line with research conducted by (Rivaldo & Ratnasari, 2020) from the results of this study it was found that Leadership had a negative and insignificant effect on employee job satisfaction.

Every employee is not completely satisfied with the leader in the company, the lack of good communication, assertiveness and direction in carrying out work makes employees less satisfied in doing their jobs.

Researchers suggest that a leader can provide support and supervision for employees. If the leader provides good interaction, it will certainly create employee satisfaction while working or vice versa. It is expected that a leader can establish communication with employees, especially employees who have worked for a long time to be ready to be promoted to a position so that they can develop further. It is expected that the leader will provide firmness to employees so that they do not delay work and are enthusiastic when working. The leader must also be able to always provide direction to employees so that it is easy to achieve the company's goals.

2. The Influence of Work Environment on Employee Job Satisfaction at PT. Medco E & P Lematang

Based on the test results, the Work Environment has a positive and significant effect on Employee Job Satisfaction at PT. Medco E & P Lematang. The test results using the lisrel application showed a T-Value of $4.20 > 1.96$, so it can be concluded that Leadership has a positive and significant effect on Job Satisfaction.

According to Ratnasari (2017) the work environment is a strong influencing factor, because with a good work environment, employee job satisfaction will increase, this proves that the work environment has an effect on employee job satisfaction in working at a company

This study is in line with Pebiyanti, N (2020) which states that the Work Environment directly has a positive and significant effect on job satisfaction. However, it is not in line with research according to (Nadilla et al., 2023) this study states that the Work Environment has a positive but not significant effect on Employee Job Satisfaction.

Employees are not comfortable in the company environment, the lack of a calm environment and minimal fresh air and having problems between superiors and subordinates causes employees to feel dissatisfied in doing their jobs.

Researchers suggest that to increase employee job satisfaction in terms of the work environment, the company must mobilize leaders to order employees to check the condition of the company that must be addressed immediately, such as noise or gas odor and find solutions to prevent it because the situation is uncomfortable for all employees who work. It is expected that

superiors and subordinates can avoid problems and both can lower their egos and act professionally in the work area because of the same goal, namely achieving company goals. The Influence of the Work Environment on Employee Performance at PT. Medco E & P Lematang with Job Satisfaction as an Intervening Variable can be explained, Based on the results of testing the direct influence of the Work Environment on performance of 0.39 while the indirect influence of the work environment on performance with job satisfaction as an intervening variable of 0.19. This means that job satisfaction actually strengthens the influence of the work environment on performance. In this case, the work environment variable needs to be supported by the intervening variable of job satisfaction, with the support of job satisfaction it can actually strengthen the influence of the work environment on performance.

3. The Influence of Leadership on Employee Performance at PT. Medco E & P Lematang

Based on the test results, Leadership has no significant effect on Employee Performance at PT. Medco E & P Lematang. The test results using the Lisrel application showed a T-Value of $1.19 < 1.96$. So it can be concluded that Leadership has no significant effect on employee performance. According to Kasmir's theory (2016: 189) one of the factors that influences employee performance is Leadership.

The reasons why the Leadership variable does not affect performance are: first, because the elements in the indicators other than those asked by the researcher may affect performance, meaning that in this case the researcher in conducting the study only took three indicators that were close to the goal in asking questions to respondents because according to the researcher, these indicators are the indicators that best represent or are in accordance with the phenomena and facts when making observations. However, the results obtained by the researcher from the questionnaire that had been distributed and processed actually stated that the leadership variable had no effect on performance, so it is very possible that the indicators of leadership that were not included in this study have a significant positive effect on the leadership variable on performance.

There are still employees who have not worked in accordance with the company's goals because they need the role of a leader as a guide. Researchers suggest that a leader should be able to encourage employees to be more advanced, especially for long-term employees. It is expected that leaders provide firmness for employees to carry out work with full responsibility or leaders can supervise and interact with employees. In this way, employees will be enthusiastic about working and motivated to develop further..

4. The Influence of Work Environment on Employee Performance at PT. Medco E & P Lematang

Based on the test results, the Work Environment has a positive and significant effect on Employee Performance at PT. Medco E & P Lematang. The test results using the Lisrel application showed a T-Value of $2.14 > 1.96$, so it can be concluded that the Work Environment has a positive and significant effect on Employee Performance. The results of this study are in accordance with the theory according to Kasmir (2016: 189) one of the factors that influences employee performance is the work environment.

In line with research conducted by Pebiyanti, N (2020) which states that the Work Environment has a positive and significant effect on performance. However, this study is not in line with (Warongan et al., 2022) This study explains that the Work Environment does not have a significant effect on employee performance.

The work environment greatly affects employee performance because these risks cause employees to not focus and are often disturbed while working, resulting in a lack of enthusiasm for work. Researchers suggest making the employee work environment comfortable so that employees can focus more on their work and of course if employees focus on their work, it will help the company achieve its goals optimally. But in this case, of course, it is necessary to find the right solution to overcome the risk problems that occur. If the noise continues to disturb, then the leader must be ready to mobilize field employees to overcome it as well as the smell of gas that occurs when producing gas. Then it is expected to get a comfortable environment when working, interaction and continuity are needed between superiors and subordinates so that in working together they provide optimal results..

5. The Influence of Job Satisfaction on Employee Performance at PT. Medco E & P Lematang

Based on the test results, Job Satisfaction has a positive and significant effect on Employee Performance at PT. Medco E & P Lematang. The test results using the Lisrel application showed a T-Value of $3.15 > 1.96$, so it can be concluded that Job Satisfaction has a positive and significant effect on Employee Performance. The results of this study are in accordance with the theory according to Kasmir (2016: 189) one of the factors that influences employee performance is job satisfaction.

In line with research conducted by (M. Shalahuddin et al., 2023) this study states that Job Satisfaction has a positive and significant effect on employee performance. However, it is not in line with research conducted by Aprilia, R (2022) this study states that Job Satisfaction has a positive effect on performance but does not have a significant effect on employee performance.

The reason this study is different from Aprilia, R's (2022) research is because it is based on several aspects, namely, the data testing method in Aprilia, R's (2022) research uses the SPSS application, while this study uses SEM Lisrel. The sampling method used by Aprilia, R (2022) is a saturated sample technique while this study uses the Cluster Sampling technique (sample area). The data analysis method used by Aprilia, R (2022) uses multiple linear regression analysis while this study uses Structural Equation Modeling (SEM). Job satisfaction greatly affects employee performance because to improve employee performance, employees must first feel comfortable in the company, if employees are comfortable in the company, a sense of satisfaction will arise and they can carry out their work with full responsibility according to the employee's work unit. Researchers suggest that employee job satisfaction should be a consideration for the company. If employees feel satisfied with their work, it will benefit the company itself or vice versa. Employees who are satisfied with their work will be ready to be promoted anywhere according to the responsibilities given by the company and employees will also not underestimate their work and know their role in the company. One form that can make employees feel satisfied is with the figure of a leader who can appreciate his employees and support his employees such as giving awards, this will make employees feel appreciated and of course useful to help the company achieve maximum achievements.

CONCLUSION

Based on the discussion that has been discussed in the previous chapter, the following conclusions can be drawn from the results of the study, namely as follows;

1. To improve Leadership towards Job Satisfaction, it is hoped that leaders can establish good communication and be able to encourage employees to develop further, then it is hoped that

leaders are able to provide assertiveness to employees and provide direction as a form of interaction with employees and it will also be easy to achieve company goals if employees feel satisfied with the caring attitude of a leader.

2. To improve the Work Environment towards Job Satisfaction is to try to find solutions to overcome the noise and pungent gas odor that makes the work environment uncomfortable. The role of leaders has a strong influence in this case to direct employees to overcome problems that occur, therefore superiors and subordinates are expected to be able to work together well to help with any problems that occur in the company.
3. To improve Leadership towards Performance, it is hoped that leaders can establish good communication with employees to develop further, then leaders are expected to provide more assertiveness to employees to be more responsible for their work and it is hoped that leaders can always provide direction to employees in order to achieve optimal company goals.
4. To improve the Work Environment towards Performance, periodic checks are needed by employees to overcome the smell of noise and gas that can be a major risk at work. Then it is expected that superiors and subordinates in creating a good work environment require good interaction, avoid problems because in essence the goals of superiors and subordinates are the same. Both work and both want to achieve the company's targets.
5. To improve Job Satisfaction towards Performance, Employees are expected to be able to achieve targets/increase the company's production achievements at least within a period of 5 years. Therefore, good cooperation is needed with fellow co-workers to work together to achieve the company's targets.

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