

An Analysis of Job Satisfaction on Employee Performance PT. Gading Raya Propertindo with Work Discipline as an Intervening Variable

Timotius^{1*}, Sutomo², Ludi Wishnu Wardhana³

^{1,2,3}Management Study Program, STIE Artha Bodhi Iswara, Surabaya, Indonesia

Abstract: Employee performance is one of the most important things in an organization, because employee performance makes the greatest contribution to organizational performance, therefore employee performance must receive greater attention compared to others. This study aims to analyze the effect of job satisfaction on employee performance with work discipline as an intervening variable. This study is important because it provides an in-depth understanding of how employee psychological factors contribute to improving overall organizational effectiveness, especially in the competitive and dynamic property sector, and provides a novel contribution to the human resource management literature in Indonesia. at PT. Gading Raya Propertindo. The method used is descriptive quantitative with a partial least square approach (SmartPLS 4). The sample in this study is the entire employee population (n = 50). Test results: The results show that job satisfaction has a positive and significant effect on work discipline and employee performance. Work discipline also significantly influences employee performance and partially mediates the relationship between job satisfaction and employee performance. The implications of this study demonstrate the importance for companies to simultaneously strengthen job satisfaction and discipline as a strategy to improve HR performance.

Keywords: Job satisfaction, Work discipline, Employee performance, SmartPLS, Intervening variables.

1. Introduction

In the business world, competition between companies is increasingly fierce. Changing consumer preferences, technological advances, and socio-economic dynamics are creating new challenges and strategic opportunities. Carnevale & Hatak (2020) state that organizations now face high levels of uncertainty in addressing "grand challenges" that cross sector and regional boundaries.

One of the determining factors of a company's competitiveness is human resources (HR). HR is not only viewed as a productive asset but also as human capital that can be developed, empowered, and used as a driver of competitive advantage. According to Kim et al. (2019), effective HR management drives efficiency, value creation, and sustainable organizational excellence.

In this context, job satisfaction is one of the main indicators describing the relationship between employees and the organization. Mira et al. (2019) called job satisfaction the "holy

grail" in organizational psychology because it has a direct influence on motivation, loyalty, and performance. Job satisfaction arises from the achievement of individual expectations regarding working conditions, recognition, promotion, and fairness.

Work discipline is also a crucial factor in determining the quality of individual and collective output within an organization. Rivai and Sagala describe work discipline as a managerial communication tool to foster employee awareness and compliance with organizational rules. Good discipline will increase productivity, time efficiency, and task accuracy.

Employee performance is the tangible result of an individual's internalization of organizational values. According to Simanjuntak (in Eliyana et al., 2019), performance is the outcome achieved in carrying out tasks and responsibilities based on indicators of quality, quantity, efficiency, and reliability. Therefore, performance is inextricably linked to levels of satisfaction and work discipline.

PT. Gading Raya Propertindo, a privately held property company, faces challenges in retaining and improving employee performance. Phenomena such as low discipline, mismatched job positions with educational backgrounds, and suboptimal employee satisfaction levels highlight the need for a more structured HR management strategy.

Based on this background, this study aims to analyze the effect of job satisfaction on employee performance, with work discipline as an intervening variable. This research is expected to provide academic contributions to human resource management studies and practical input for the management of PT. Gading Raya Propertindo in its efforts to improve employee performance.

A. Formulation of the Problem

Based on the description, theory, opinions and conclusions, the research problems are formulated as follows:

1. Description of job satisfaction, work discipline and employee performance at PT. Gading Raya Propertindo?
2. Does job satisfaction have a significant influence on work discipline at PT? Gading Raya Propertindo?
3. Does job satisfaction have a significant influence on

*Corresponding author: timorika13@gmail.com

- employee performance at PT. Gading Raya Propertindo?
4. Does work discipline have a significant influence on employee performance at PT. Gading Raya Propertindo?
 5. Does job satisfaction have a significant influence on employee performance through work discipline at PT. Gading Raya Propertindo?

B. Research Purposes

In accordance with the problem formulation found above, the aim of this research is to:

1. To find out the description of job satisfaction, work discipline and employee performance at PT. Gading Raya Propertindo.
2. To determine the significant influence between job satisfaction variables on work discipline at PT. Gading Raya Propertindo.
3. To determine the significant influence between job satisfaction variables on employee performance at PT. Gading Raya Propertindo.
4. To determine the significant influence between work discipline variables on employee performance at PT. Gading Raya Propertindo.
5. To determine the significant influence between job satisfaction variables on employee performance through work discipline at PT. Gading Raya Propertindo.

2. Theoretical Study

The literature review in this study covers the main concepts, including:

Human Resource Management (HRM) HR is the field that regulates and manages employment relationships to support organizational goals. According to Aburumman *et al.* (2020), HR is a series of interrelated functions involved in attracting, developing, and retaining the workforce.

A. Job Satisfaction

Locke (in Loan, 2020) defines job satisfaction as a pleasurable emotional state resulting from work experiences. Factors influencing this include salary, work environment, autonomy, communication, and organizational commitment.

Work Discipline Rivai and Sagala (in Anugrah & Rachmad, 2022) describe work discipline as a manager's tool for shaping employee behavior and compliance. Discipline is assessed through indicators such as punctuality, attitude, responsibility, and adherence to work rules.

Employee performance, Mangkunegara (in Sakinah *et al.* 2022) Performance is the result of work behavior and the achievement of individual goals. Performance indicators include work quality, quantity, timeliness, effectiveness, and reliability.

B. Previous Research

Various previous studies, such as those by Jufrizen & Kandhita (2021), Manuaba *et al.* (2020), Efendi *et al.* (2020),

and Sarjan Malau *et al.* (2021), show that job satisfaction and work discipline are interrelated and directly and indirectly influence employee performance. The theoretical framework and previous research results form the basis for formulating the hypotheses that will be tested in this study.

3. Research Methodology

This study uses a descriptive quantitative approach with the aim of testing the relationship between variables using the Partial Least Squares analysis technique (SmartPLS 4.0). This method is suitable for testing causal relationships between latent constructs in a structural model, according to Shiau (in Purwanto & Sudargini, 2021).

A. Population and Sample

The population in this study was all permanent employees of PT. Gading Raya Propertindo, totaling 50 people. Because the population is relatively small, the sampling technique used was total sampling, that is, the entire population was sampled as stated. Arikunto (in Sm, A., Lubis, A., Si, M., & Sabrina, H. (2020).

B. Research Instrument

(Djoemadi *et al.*, 2019) Robbins and Judge explain the instrument used was a closed questionnaire with a Likert scale of 1-5. Job satisfaction variables were measured using indicators of the work itself, salary, promotion, coworkers, and supervision as explained by Luthans in Hendri, 2019. Hasibuan (in Efendi *et al.*, 2020) explained that work discipline variables were measured using indicators of punctuality, attitude, norms, and responsibility. Employee performance variables were measured based on work quality, work quantity, effectiveness, timeliness, and work reliability as stated by Rivai & Basri. (in Efendi *et al.*, 2020).

C. Validity and Reliability Test

Instrument testing was conducted through validity (outer loading and AVE) and reliability (composite reliability and Cronbach's alpha) tests. Valid criteria are if outer loading > 0.70, AVE > 0.50, and reliable if composite reliability and Cronbach's alpha > 0.70 (Hair *et al.*, 2019) in (Purwanto & Sudargini, 2021).

D. Data Analysis

Data were analyzed using the SEM-PLS method with SmartPLS software version 4.0. The analysis was carried out in two stages, namely:

1. Evaluation of the measurement model (outer model) to test the validity and reliability of the construct.
2. Evaluation of the structural model (inner model) to test the relationship between variables, including mediation testing (Henseler in Purwanto & Sudargini, 2021).

4. Discussion

A. Data analysis

1) Evaluation of the Measurement Model (Outer Model)

Table 1
Validity test table

Variabel	Item Pengukuran	Pemuatan luar (Outer loadings)	Cronbach's alpha	Keandalan komposit (rho_a)	Composite Reliability	AVE
DISIPLIN KERJA	dis 3	0.806	0.888	0.889	0.918	0.693
	dis 4	0.811				
	dis 5	0.793				
	dis 6	0.847				
	dis 7	0.812				
KEPUASAN KERJA	puas 2	0.847	0.798	0.807	0.882	0.714
	puas 3	0.786				
	puas 4	0.729				
KINERJA KARYAWAN	kin 1	0.797	0.921	0.933	0.937	0.681
	kin 2	0.866				
	kin 3	0.773				
	kin 4	0.856				
	kin 5	0.822				
	kin 6	0.917				
	kin 7	0.732				

Based on the results in the table above, it can be concluded that the evaluation of the measurement model (outer model) shows that all variables in this study have met the validity and reliability criteria. The work discipline variable is declared valid and reliable with *outer loading values* ranging from 0.793 to 0.881, *Composite Reliability (CR)* of 0.918, and *Average Variance Extracted (AVE)* of 0.693. Furthermore, the job satisfaction variable also shows good validity and reliability, with *outer loading values* between 0.729 to 0.847, CR of 0.887, and AVE of 0.714. Meanwhile, the employee performance variable is declared valid and reliable with *outer loading values* ranging from 0.732 to 0.917, CR of 0.937, and AVE of 0.681.

Cross-loading results show that each indicator has a higher loading value on the construct it measures compared to other constructs. This indicates that each - Each indicator has good discriminant validity and is able to reflect the intended construct accurately.

Table 3
Fornell Lacker table

Variabel	DISIPLIN KERJA	KEPUASAN KERJA	KINERJA KARYAWAN
DISIPLIN KERJA	0.832		
KEPUASAN KERJA	0.673	0.845	
KINERJA KARYAWAN	0.816	0.669	0.825

Table 2
Cross loading table

	Work Discipline (Z)	Job Satisfaction (X)	Employee Performance (Y)
dis 3	0.791		
dis 4	0.839		
dis 5	0.776		
dis 6	0.868		
dis 7	0.881		
kin 1		0.793	
kin 2		0.868	
kin 3		0.775	
kin 4		0.859	
kin 5		0.821	
kin 6		0.916	
kin 7		0.733	
satisfied 2		0.901	
satisfied 3		0.852	
satisfied 4		0.778	

The Fornell-Larcker analysis results show that the square root of the *Average Variance Extracted (AVE)* for each construct is greater than the correlation values between the other constructs. This finding indicates that each construct has adequate discriminant validity, allowing it to clearly differentiate itself from the other constructs in the model.

Table 4
Heretroit-Monotrait ratio table

	DISIPLIN KERJA	KEPUASAN KERJA	KINERJA KARYAWAN
DISIPLIN KERJA			
KEPUASAN KERJA	0.796		
KINERJA KARYAWAN	0.886	0.769	

The *Heterotrait-Monotrait Ratio (HTMT)* analysis show that all HTMT values are below the threshold of 0.90. This confirms that discriminant validity has been met, meaning that each construct in the model has clear differences from one another.

2) Structural Model Evaluation (Inner Model)

Table 5
Variance inflated factor table

	DISIPLIN KERJA	KEPUASAN KERJA	KINERJA KARYAWAN
DISIPLIN KERJA			1.828
KEPUASAN KERJA	1.000		1.828
KINERJA KARYAWAN			

The *Variance Inflation Factor (VIF)* evaluation show that all VIF values for each - each construct is below 5. Thus, it can be concluded that there are no symptoms of multicollinearity among the indicators, so the model can be said to be free from the problem of high correlation between independent variables.

B. Hypothesis Test (Direct Effect)

Based on the results of hypothesis testing, all relationships between variables show a significant influence, with the following details:

Influence Job satisfaction on work discipline has a significance value of $p = 0.000$. This indicates that job satisfaction has a significant effect on work discipline.

The effect of job satisfaction on employee performance shows a p value = 0.049, which means the effect is significant at a significance level of 5%.

Influence work discipline on employee performance is also significant, with a p value = 0.000.

Thus, the three hypotheses are declared accepted because they meet the established significance criteria.

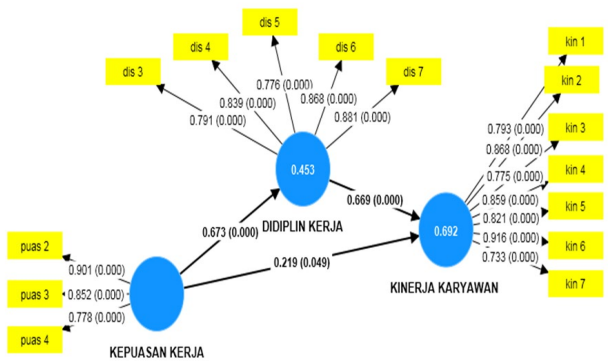


Fig. 1. Picture direct effect

Table 6
Direct effect table

Hipotesis	path Coefficient	p-value	95% Interval Kepercayaan Path Coefficient		T statistik	f square
			Batas Bawah	Batas Atas		
DISIPLIN KERJA -> KINERJA KARYAWAN	0.669	0.000	0.477	0.891	6.417	0.796
KEPUASAN KERJA -> DISIPLIN KERJA	0.673	0.000	0.271	0.871	4.018	0.828
KEPUASAN KERJA -> KINERJA KARYAWAN	0.219	0.049	-0.028	0.415	1.967	0.085

Table 7
Mediation test table (Indirect effect)

Hipotesis	path Coefficient	p-value	95% Interval Kepercayaan		Efek Mediasi
			Batas Bawah	Batas Atas	
kepuasan kerja -> disiplin kerja -> kinerja karyawan	0.45	0.002	0.169	0.721	0,202

C. Mediation Test (Indirect Effect)

The mediation hypothesis testing the effect of job satisfaction on employee performance through work discipline showed significant results. The mediation effect value was 0.202 with a significance level of $p = 0.002$. These results indicate that work discipline partially mediates the relationship between job satisfaction and employee performance. In other words, job satisfaction not only directly influences performance but also indirectly through increased work discipline.

D. Research Result

1) The Influence of Job Satisfaction on Work Discipline

The analysis results show that job satisfaction has a positive and significant influence on work discipline, with a significance value of $p = 0.000$. This means that the higher the level of job satisfaction experienced by employees, the higher the level of work discipline they demonstrate. This can be explained by the fact that employees who feel satisfied with their jobs tend to be more responsible, obey regulations, and maintain discipline at work.

E. The Influence of Job Satisfaction on Employee Performance

Job satisfaction was also shown to have a significant direct effect on employee performance, with a p-value of 0.049. This indicates that job satisfaction encourages employees to work more optimally, increase productivity, and demonstrate better performance. Although the effect was significant, the

significance level was borderline (5%), indicating that other factors may also play a role in directly driving employee performance.

F. The Influence of Work Discipline on Employee Performance

Work discipline has a positive and significant effect on employee performance, with a significance value of $p = 0.000$. This means that the higher the work discipline an employee possesses, the better their performance will be. Disciplined employees tend to be more consistent, focused, and able to complete tasks on time, which contributes to achieving optimal performance.

G. The Influence of Job Satisfaction on Employee Performance through Work Discipline (Mediation)

The results of the mediation test show that work discipline significantly and partially mediates the relationship between job satisfaction and employee performance, with a mediation effect value of 0.202 and a significance value of $p = 0.002$. This means that part of the influence of job satisfaction on employee performance is carried out through increased work discipline. Although job satisfaction has a direct influence on performance, the existence of work discipline strengthens the relationship. In other words, satisfied employees not only directly improve their performance, but are also encouraged to be more disciplined, which in turn has an impact on better performance.

5. Conclusion and Implications

A. Conclusion

Based on the results of the analysis and discussion, it can be concluded that job satisfaction has a positive and significant effect on work discipline and employee performance at PT. Gading Raya Propertindo. Work discipline also has a significant influence on improving employee performance. Furthermore, work discipline is proven to partially mediate the relationship between job satisfaction and employee performance, which means that job satisfaction not only has a direct impact on performance, but also through increased discipline. This finding emphasizes the importance of human resource management strategies that emphasize strengthening job satisfaction and discipline to achieve optimal performance in a sustainable manner.

B. Implications

This research has both practical and theoretical implications. Practically, PT. Gading Raya Propertindo needs to pay attention to job satisfaction indicators such as workload balance, career path, and interpersonal relationships, as these have been shown to encourage disciplined behavior that subsequently improves performance. The company can also design a reward-based discipline strengthening policy to stimulate loyalty and work engagement.

Theoretically, this research reinforces the concept that psychological variables such as job satisfaction not only directly impact performance but also indirectly through attitudinal variables such as work discipline. This opens up

opportunities for the development of more integrative performance management models in the modern HR field.

Appendix

References

- [1] Aburumman, O., Salleh, A., Omar, K., & Abadi, M. (2020). The impact of human resource management practices and career satisfaction on employee's turnover intention. *Management Science Letters*, *10*(3), 641–652.
- [2] Anugrah, B., & Rachmad, YE (nd). Effect of work environment, work discipline, work motivation on employee performance through job satisfaction.
- [3] Carnevale, J. B., & Hatak, I. (2020). Employee adjustment and well-being in the era of COVID-19: Implications for human resource management. *Journal of Business Research*, *116*, 183–187.
- [4] Djoemadi, FR, Setiawan, M., Noermijati, N., & Irawanto, DW (2019). The effect of work satisfaction on employee engagement. *Polish Journal of Management Studies*, *19*(2), 101–111.
- [5] Efendi, R., Rifa'i, MR, Bahrun, K., Milla, H., & Suharmi. (2020). Comparative Study of Post-Marriage Nationality of Women in Legal Systems of Different Countries International Journal of Multicultural and Multireligious Understanding the Mediation of Work Motivation on the Effects of Work Discipline and Compensation on. *International Journal of Multicultural and Multireligious Understanding*, *7*(1), 689–703.
- [6] Eliyana, A., Ma'arif, S., & Muzakki. (2019). Job satisfaction and organizational commitment effect in the transformational leadership towards employee performance. *European Research on Management and Business Economics*, *25*(3), 144–150.
- [7] Hendri, MI (2019). The mediating effect of job satisfaction and organizational commitment on the organizational learning effect of the employee performance. *International Journal of Productivity and Performance Management*, *68*(7), 1208–1234.
- [8] Jufrizen, J., & Kandhita, ES (2021a). The effect of organizational justice on employee performance by job satisfaction as an intervening variable. *Journal of Business Management Studies*, *10*(1), 1.
- [9] Kim, Y.J., Kim, W.G., Choi, H.M., & Phetvaroon, K. (2019). The effect of green human resource management on hotel employees' eco-friendly behavior and environmental performance. *International Journal of Hospitality Management*, *76*, 83–93, April 2018.
- [10] Loan, LTM (2020). The influence of organizational commitment on employees' job performance: The mediating role of job satisfaction. *Management Science Letters*, *10*(14), 3307–3312.
- [11] Manuaba, IBP, Sujana, IW, & Widnyana, IW (2020a). Influence of Leadership and Organizational Climate on Employee Performance with Job Satisfaction as Intervening Variable at Denpasar National Polytechnic. *International Journal of Contemporary Research and Reviews*, *11*(01), 21718–21728.
- [12] Mira, MS, Choong, YV, & Thim, CK (2019). The effect of HRM practices and employees' job satisfaction on employee performance. *Management Science Letters*, *9*(6), 771–786.
- [13] Purwanto, A., & Sudargini, Y. (nd). Partial Least Squares Structural Squation Modeling (PLS-SEM) Analysis for Social and Management Research: A Literature Review. *Journal of Industrial Engineering & Management Research*, *2*(4).
- [14] Sakinah, LN, Irwan, M., & Nasution, P. (2022). Analysis of the Work Quality of Administrative Employees of Madrasah Aliyah Negeri 2 Medan Model Analysis of the Work Quality of Administrative Employees of Madrasah Aliyah Negeri 2 Medan Model. In *Journal of Indonesian Management*, vol. 2, issue 2.
- [15] Sarjan Malau, T., Kasmir, K., & Author, C. (2021). Effect of workload and work discipline on employee performance of pt. xx with job satisfaction as intervening variable.
- [16] Sm, A., Lubis, A., Si, M., & Sabrina, H. (nd). The effect of loyalty and integrity on leadership policies at pt. quantum training centre medan.