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THE EFFECT OF COMMITMENT, WORK ENVIRONMENT, AND COMPENSATION ON EMPLOYEE PERFORMANCE WITH JOB SATISFACTION AS A INTERVENING VARIABEL (CASE AT PT SAI APPAREL INDUSTRIES)

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Abstract:

The level of the company's ability to produce a product from the performance quality index is one of the performance indicators. The performance quality index shows a decrease in employee performance, where performance appraisal in a company shows the profitability and sustainability of the company's operations. This study aims to analyze the effect of commitment, work environment, and compensation on employee performance with mediation of job satisfaction at PT Sai Apparel Industries. This research uses quantitative methods with stratified random sampling techniques by giving questionnaires to the entire population of two hundred employees, and one hundred and thirtythree can be processed. This research uses the Structural Equation Model-Partial Least Square (SEM-PLS) with the SmartPLS 3.2 application. The results found that commitment has no effect on job satisfaction. However, it has a positive and significant effect on employee performance. Work environment, job satisfaction, and compensation have a positive and significant effect on job satisfaction and employee performance. In addition, job satisfaction cannot mediate the relationship between commitment and compensation, but the work environment has a positive and significant effect on job satisfaction and employee performance. job satisfaction has an impact on the work environment and employee performance.

Keywords: job satisfaction; employee performance; commitment; compensation; and work

environment

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1. Introduction

The impact of the Covid-19 crisis has affected the growth of most organizations and management professionals, especially in the field of human resources (Baert et al., 2020) (Kalogiannidis, 2021). The impact of quite complex implications influences the organization's ability to operate with high strategic performance and achieve sustainable development. The two-quarter global economic recession has triggered individual challenges in working and how to manage an organization now in an unstable condition. The occurrence of imbalance creates inconsistencies so that many changes occur in various fields. The problem at PT Sai Apparel Industries is that during the 2019-2021 period, employee performance targets were still not as

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expected, and even tended to decline. So, it can be estimated that each department produces product damage equal to 5 percent of total production.

The performance quality index which can describe the company's cognitive demands related to manufacturing tasks to optimize employee performance has become a quantitative assessment as one of the performance indicators of PT Sai Apparel Industries. *The Quality Performance Index* shows that there is a delay in production operational planning. The manufacturing process in *samples, quality control, cutting sewing* and *finishing* experienced production delays. The average change in the negative trend movement in the long term tends to decrease. A decrease in the amount of production indicates a significant decline in employee performance each year, thereby allowing for the potential for losses. Field facts that need to be considered to change gaps in work and improve employee performance can be done through applying the theory of employee performance as a company asset (Idris et al., 2020). According to (Halim Kazan, 2013) the concept of employee performance refers to the factors of commitment, institutions, work discipline, work environment, job satisfaction, work motivation, compensation and work promotions.

(Hendri, 2019) states that realizing company goals can be done by utilizing employee commitment as an alternative for developing human resources. Employees with strong commitment reflect a process to prove their seriousness in work, loyalty and positive contribution to the organization. Commitment is an attitude that shows employee attachment to the company. Luthans, (2015) defines commitment into five indicators, namely committing to core human values, clarifying and communicating the mission, ensuring social justice, creating a sense of community, and supporting employee development. (Amin, 2022) explains that organizational commitment is a form of social group consisting of several individuals who have the same perception about the unity of members in a company.

Another thing that companies need to pay attention to is the impact of the work environment. Certain work environment characteristics influence the occurrence of work events that give rise to emotional reactions, such as positive and influential (Fluegge-Woolf, 2014). A study by Idris et al., (2020), shows that a suitable work environment will have long-term effects, whereas an unsuitable work environment will cause employees to be stressed, not want to work, come late, and find it difficult to design an effective and efficient work system (Yusuf et al., n.d.)

(Idris et al., 2020) stated that the imbalance felt by employees is part of the evaluation of the sustainability of employee performance, while employee compensation is a measure of employee performance and is measured in ways that can improve employee performance which is seen as a management method for managing human resources.

Another aspect that is no less important for improving employee performance is job satisfaction. Job satisfaction is a collection of individual employee perceptions that will influence individual employee attitudes and behavior in the workplace and help improve employee performance (Hendri, 2019). A number of studies support the finding that there is a positive and significant influence between the independent variables of commitment, work environment, compensation on job satisfaction and employee performance. However, there are also those who show the opposite results. Some differences in previous research findings provide further opportunities to clarify gaps. Job satisfaction is an intervening variable which is a novelty in this research. It is hoped that it will further strengthen the influence of commitment, work environment, compensation on employee performance.

Based on the problem of decreasing employee performance, the objectives to be achieved in this research are [1] analyzing the influence of commitment on employee performance [2]

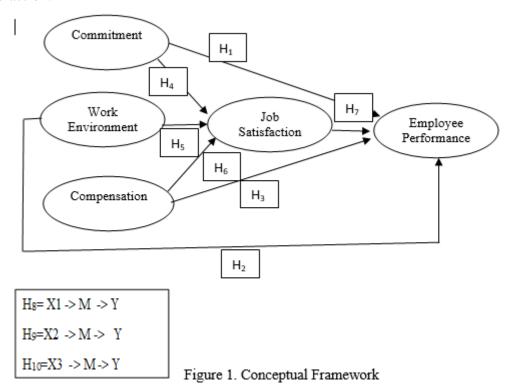
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analyzing the influence of the work environment on employee performance [3] analyzing the influence of compensation on employee performance [4] analyzing the influence of commitment on employee performance. job satisfaction [5] analyze the influence of the work environment on job satisfaction [6] analyze the influence of compensation on job satisfaction [7] analyze the influence of employee performance on job satisfaction [8] analyze the influence of commitment on performance mediated by job satisfaction [9] analyze the influence of the environment work on employee performance which is mediated by job satisfaction [10] analyzes the effect of compensation on employee performance which is mediated by job satisfaction.



Information:

C.M : Commitment (commitment)

WE : work environment

CP : compensation (compensation)

E.P employee performance (employee performance)

JS : job satisfaction (job satisfaction)

2. Research Method

This research uses quantitative methods and is classified as *explanatory research*. The type of data in this research consists of primary data and secondary data. The data collection techniques used were questionnaires and documentation. This research was conducted using a survey which took samples from a population with a questionnaire as the main data collection technique. The population in the study were all employees of *the finishing department* of PT Sai Apparel Industries

who were selected using probability sampling with *stratified random sampling* which was grouped according to education level. The sample size was determined using Slovin, namely a

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population of 200 employees with a confidence level of five percent, with a total of one hundred and thirty-three employees. The data analysis technique uses the *Partial Least Square* (PLS) approach with the SmartPLS Version 3.0 application. There are five variables involved in this research, commitment with indicators from (Lunthas, 2011; Amin, 2022) has fifteen indicators, work environment from (Sedarmayanti, 2018; Marlina et al., 2021) has eight indicators, compensation from (Simamora, 2015) has four indicators, job satisfaction from (Luthans, 2002; Hendri, 2019) has five indicators, and employee performance from (Robins, 2006; Komang et al., 2019) has six indicators. Therefore, the total number of indicators is thirty-eight.

3. Results and Discussion

3.1. Results

Validity test

The first stage, before carrying out analysis using PLS, is to carry out a validity test. The validity test was carried out to determine the precision and accuracy of the questionnaire, with *the Rule of thumb* according to (Hair et al., 2019) the factor loading value was >0.708 (reestimated again by removing indicators that were not significant), indicating that the construct validity test was valid.

Table 1. Outer Loading (Measurement Model)

	Commitment	Work	Compensation	Job	Performance
		environment	_	satisfaction	Employee
X1.1	0.844				
X1.2	0.756				
X1.3	0.780				
X1.4	0.779				
X1.5	0.807				
X1.6	0.809				
X1.7	0.844				
X1.8	0.710				
X1.9	0.825				
X1.10	0.711				
X1.11	0.733				
X1.12	0.812				
X1.13	0.745				
X1.14	0.729				
X1.15	0.795				
X2.1		0.716			
X2.2		0.731			
X2.3		0.736			
X2.4		0.680			
X2.5		0.750			
X2.6		0.735			
X2.7		0.753			
X2.8		0.699			
X3.1			0.807		
X3.2			0.851		
X3.3			0.892		
X3.4			0.852		
Y2.1				0.792	

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Y2.2		0.789	
Y2.3		0.721	
Y2.4		0.783	
Y2.5		0.737	
Y1.1			0.760
Y1.2			0.737
Y1.3			0.738
Y1.4			0.854
Y1.5			0.749
Y1.6			0.738

Source: primary data processing, 2023.

WE2 0.716 0.721 0.783 0.737 0.789 0.731` 0.736 0.750 0.735 0.753 0.199 0.809 0.256 0.711 0.733 **4**−0.851 Kompensasi

Figure 2. First 2 external models

Source: data processing with PLS, 2023.

Based on Figure 1, there are 38 indicators used in this research. The first outer results show 2 indicators that are not significant, including; WE4 and WE8.

Table 2 Outer Loading (Measurement Model)

	Commitment	Work	Compensation	Job	Performance
		environment		satisfaction	Employee
X1.1	0.844				
X1.2	0.756				
X1.3	0.780				
X1.4	0.779				
X1.5	0.807				
X1.6	0.809				
X1.7	0.844				
X1.8	0.710				
X1.9	0.825				
X1.10	0.711				
X1.11	0.733				

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X1.13 0.745 X1.14 0.729 X1.15 0.795 X2.1 0.716 X2.2 0.723 X2.3 0.735 X2.4 - X2.5 0.771 X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.749						
X1.14 0.729 X1.15 0.795 X2.1 0.716 X2.2 0.723 X2.3 0.735 X2.4 - X2.5 0.771 X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.737 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X1.12	0.812				
X1.15 0.795 X2.1 0.716 X2.2 0.723 X2.3 0.735 X2.4 - X2.5 0.771 X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X1.13	0.745				
X2.1 0.716 X2.2 0.723 X2.3 0.735 X2.4 - X2.5 0.771 X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X1.14	0.729				
X2.2 0.723 X2.3 0.735 X2.4 - X2.5 0.771 X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X1.15	0.795				
X2.3 0.735 X2.4 - X2.5 0.771 X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X2.1		0.716			
X2.4 - X2.5 0.771 X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X2.2		0.723			
X2.5 0.771 X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X2.3		0.735			
X2.6 0.776 X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X2.4		-			
X2.7 0.771 X2.8 - X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X2.5		0.771			
X2.8 - 0.807 X3.1 0.807 - X3.2 0.851 - X3.3 0.892 - X3.4 0.852 - Y2.1 0.790 - Y2.2 0.790 - Y2.3 0.719 - Y2.4 0.785 - Y2.5 0.738 - Y1.1 0.761 - Y1.2 0.737 - Y1.3 0.737 - Y1.4 0.854 - Y1.5 0.749 -	X2.6		0.776			
X3.1 0.807 X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X2.7		0.771			
X3.2 0.851 X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X2.8		-			
X3.3 0.892 X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X3.1			0.807		
X3.4 0.852 Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X3.2			0.851		
Y2.1 0.790 Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X3.3			0.892		
Y2.2 0.790 Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	X3.4			0.852		
Y2.3 0.719 Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	Y2.1				0.790	
Y2.4 0.785 Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	Y2.2				0.790	
Y2.5 0.738 Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	Y2.3				0.719	
Y1.1 0.761 Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	Y2.4				0.785	
Y1.2 0.737 Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	Y2.5				0.738	
Y1.3 0.737 Y1.4 0.854 Y1.5 0.749	Y1.1					0.761
Y1.4 0.854 Y1.5 0.749						
Y1.4 0.854 Y1.5 0.749	Y1.3					0.737
Y1.5 0.749	Y1.4					0.854
Y1.6 0.738	Y1.5					0.749
0.720	Y1.6					0.738

Source: primary data processing, 2023.

WE1 WE2 0.719 0.785 0.738 0.790 _ 0.716 0.723 0.776 0.771 0.779 0.807 0.197 0.809 0.257 0.825 0.761 0.167 0.737 0.733 0.854. 0.749 0.738 EP5 Kinerja Karyawan **←**0.851 EP6 -0.892 Kompensasi

Figure 3. second external model

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Based on Figure 3, after re-estimation was carried out again by removing indicators that were not significant, it can be seen that all indicators were declared significant with a factor loading value of >0.708 which is recommended, because it shows that the latent variable can explain 50 percent of the indicator variance, thus providing acceptable item reliability (Hair et al., 2018).

a) Reliability Test

The reliability test of the *Composite Reliability value* with *the Rule of Thumb for latent variables is declared reliable* >0.7 *for confirmatory* research and a value of 0.6-0.7 is still acceptable for *explonatory research*, and *the average variance extracted* (AVE) value must be >0.5 (Ghozali, 2021; Hair et al. al., 2018) shows reliability in proving the accuracy, consistency and determination of the instrument in latent variables. The results of the analysis are as follows:

Table 3. Construct Validity and Reliability Test

		· · · · · · · · · · · · · · · · · · ·		_
	Cronbach's	rho_A	Composite	Average Variance
	Alpha		Reliability	Extracted (AVE)
Job satisfaction	0.826	0.841	0.876	0.585
Employee	0.857	0.860	0.893	0.583
performance				
Commitment	0.954	0.960	0.959	0.608
Compensation	0.873	0.875	0.913	0.724
Work environment	0.845	0.853	0.885	0.561

Source: Data management with PLS, 2023.

Based on the table above, the *composite reliability output results* for all research variables are above 0.7, it can be concluded that *composite reliability* is good.

b) Evaluate the R-Square value

Analysis of the coefficient of determination (R2) is a standard of model prediction accuracy used to explain how much influence certain exogenous latent variables have on endogenous latent variables, whether they have a substantive influence. R-Square values of 0.75, 0.5, and 0.25 can be concluded that the model is strong, moderate, and weak (Ghozali, 2023).

Table 4. Construct Reliability and Validity

Tubic 4. Co	iisti uct itciiasiiity (ana vanany	
	R-Square	R Square Adjusted	
Job satisfaction	0.277	0.261	
Employee	0.554	0.540	
performance			

Source: PLS data management, 2023.

Based on the coefficient of determination it can be seen that the stone geisser Q Square is 0.509. This means that the results of the analysis show that the level of diversity of the model has good feasibility, because the model is able to describe the actual conditions by 50.9%, while the remaining 49.1% is due to research instrument limitations and errors. The coefficient of determination value is quite high, so the model is suitable for interpretation.

c) Hypothesis Test Results

Hypothesis testing in PLS analysis is the value contained in the output result for inner weight, estimate for part coefficients, which is testing the significance of the path coefficient

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value in the model. The bootstrap resampling method was used to minimize data non-normality. The significance value used is *the t-value* 1.96 (*significance level* = 5%) (Ghozali, 2021)

Table 5. Hypothesis Testing of Part Coefficient (Mean STDEV, P-Value

Tuble et Hypoth			(,	
	Original	Sample	Standard	T Statistics	P Values
	Sample (O)	Mean (M)	Deviation	(O/STDEV)	
			(STDEV)		
Satisfaction ->	0.197	0.200	0.081	2,444	0.015
Employee Performance					
Commitment -> Job	0.070	0.073	0.096	0.733	0.464
Satisfaction					
Commitment ->	0.167	0.172	0.074	2,262	0.024
Employee Performance					
Compensation -> Job	0.257	0.257	0.085	3,005	0.003
Satisfaction					
Compensation ->	0.431	0.422	0.091	4,710	0,000
Employee Performance					
Work environment	0.329	0.342	0.080	4,099	0,000
-> Job Satisfaction					
Work environment	0.184	0.183	0.081	2,274	0.023
-> Employee					
Performance					

Source: data management with PLS, 2023.

Measuring the intervening role was carried out by testing the hypothesis through a Parth diagram resulting from Bootstrapping to prove the ability of the job satisfaction variable to be an intervening variable for the latent variables of commitment, work environment and compensation on employee performance. The results of *the Specific Indirect Effect* calculation are as follows:

Table 6. Specific Indirect Effect

	Original	Sample	Standard	T Statistics	P Values
	Sample	Mean (M)	Deviation	(O/STDEV)	
	(O)		(STDEV)		
Commitment -> Job Satisfaction	0.014	0.016	0.023	0.599	0.550
-> Employee Performance					
Compensation -> Job	0.051	0.052	0.029	1,752	0.080
Satisfaction - > Employee					
Performance					
Work Environment - > Job	0.065	0.068	0.031	2,083	0.038
Satisfaction -> Employee					
Performance					

Source: data management with PLS, 2023.

3.2. Discussion

1) The research results show that commitment has a positive and significant effect on employee performance (H1 is accepted). These results support research findings (Hendri, 2019) (Abdirahman et al., 2020) which explain that employees who have commitment can reflect strengths that show loyalty, carry out solid coordination between individual values and goals and support organizational goals and even put in more effort. work that can improve employee performance. Another perspective from the exchange-based theory

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(side bet theory) or side bet from Backer (1960) explains that commitment can be measured from a person's job role or position regardless of the stressful conditions faced. So, it can be interpreted that organizational commitment is the employee's psychological sympathy and dedication to achieving the performance expected by the company. However, this research is not in line with (Amin, 2022) who explains that commitment has no effect on employee performance.

- 2) work environment has a positive and significant effect on performance (H2 is accepted). This finding is in line with research (Meregawa & Suwandana, 2020) (Idris et al., 2020) (Komang et al., 2018) (EkaWati et al., 2021) which reveals that a comfortable work environment can motivate employees to work by utilizing the level of job satisfaction by the best. Another perspective from social exchange theory (Social Exchange Theory) used to explain a person's work behavior (Cropanzano & Mitchell, 2005) states that someone who provides other people with valuable and useful resources feels obliged to return something comparable that will appear. Management is expected to be able to encourage initiative and creativity that creates employee enthusiasm to unite in the organization to achieve goals through the work environment so that it has a positive impact on employee performance. In contrast to Riyadi's empirical research, (2019) did not find a significant effect of improving the work environment. The work environment does not affect employee performance because the work environment provided by the organization does not meet employee needs.
- 3) Compensation has a positive and significant effect on employee performance (H3 is accepted). The research results are supported by (Kandhias Akbar & Kandhias Akbar, 2022) (Komang et al., 2018) stating that adequate compensation is highly correlated with social competence, with good enough competence it can provide peace of mind and determination for related employees. by fulfilling life's needs so that employees concentrate more on providing the best performance for the company. The perspective in terms of motivators and *hygiene* shows that indirectly, employees feel satisfaction from several factors, including compensation, so that the level of satisfaction and dissatisfaction depends on what employees feel about the applicable company policies in accordance with the two-factor theory (Herzberg, 1959). This statement is not in line with research (Idris et al., 2020) (Hutahayan, 2021) which states that employee performance levels are not affected by the size of compensation.
- 4) Commitment has no significant effect on job satisfaction. The research results show that commitment has a positive and insignificant effect (H4 is rejected). In line with (Internasional et al., 2021) organizational commitment is the employee responsibility to the company.
- 5) The work environment has a positive and significant effect on job satisfaction. The research results show that the work environment has a positive and significant effect (H5 is accepted). In line with research conducted by (Komang et al., 2018; Idris, 2020) it is stated that the work environment must support work activities, because it has been proven that the work environment triggers employees to feel job satisfaction by working more effectively and efficient to achieve organizational goals with what is done in the work.
- 6) compensation has a positive and significant effect on job satisfaction. The research results show that compensation has a positive and significant effect (H6 is accepted). Agree with research (Komang et al., 2018) which states that the higher the compensation received, the more significant it will be to increase job satisfaction. Especially in providing fair incentives to employees.

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- 7) Job satisfaction has a significant effect on employee performance. The research results show that job satisfaction has a significant effect (H7 is accepted). in line with research (Hendri, 2019) (Abdirahman et al., 2020) (Amin, 2022) (Idris et al., 2020) (Riyadi, 2019) stating that the more satisfied employees are with their work, the better the employee's performance. so companies must consider the suitability of salaries, incentives, allowances and supporting work facilities to create a work environment that meets employee satisfaction and performance. Job satisfaction is an important element for implementing human resource management and organizational behavior.
- 8) Commitment has no significant effect on employee performance which is mediated by job satisfaction. (*Direct-Only Non-Mediation*) (H8 rejected). In agreement with research by (Internasional et al., 2021) which states that employees have high organizational commitment to the Company so that satisfaction has no impact on employee performance.
- 9) The work environment has a positive and significant effect on employee performance through job satisfaction playing a full role in mediating the influence of the work environment on employee performance (*full mediation*) (H9 accepted). work is in line with studies (Ekawati et al., 2021; Indris 2020) which reveal that a good work environment has an indirect effect on improving employee performance through job satisfaction.
- 10) Compensation has an insignificant effect on employee performance through job satisfaction and cannot mediate the effect of commitment on employee performance (*Direct-Only Non-Mediation*) (H10 is rejected). agree with studies (Indris, 2020 and Hutahayan, 2021) stating that the size of the compensation level cannot affect performance, this is because some employees consider that providing compensation by the company is an obligation and necessity for what employees give to the company.

4. Conclusion

Based on the results and discussion, the conclusion in this research is that improving employee performance at PT Sai Apparel Industries in the finishing sector can be done by optimizing commitment, work environment and compensation. Increasing commitment can be supported by an emotional approach towards employees to grow employees' organizational commitment to remain committed to work. Creating a conducive work environment that has an impact on the integrity of employees who collaborate so that employees will not neglect that what is required of a job is responsibility. The compensation given by the company is considered not to be balanced with the workload which must be considered with aspects of feasibility and fairness.

Recommendation

Implementation of commitment must be the totality of employees in carrying out every work activity. So, companies need to pay attention to the work environment and compensation as its potential. Creating a stronger commitment to employees can provide job satisfaction and improve employee performance. The limitations of this research are that research using a questionnaire allows the answers given by respondents not to lead to the actual situation and the use of a limited sample so that the ability to generalize and validate the results is very limited.

Further research is recommended to use several similar companies so that they can explain a broader understanding, increase the number of respondent samples, with the hope that the greater the number of samples the higher the level of data accuracy, add other variables that influence employee performance besides the variables used in this research, so that the results

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are more measurable and more perfect. So that it can produce new research models by increasing the number of research references that support the topic being researched

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