The Influence of Training Program and Work Environment on Employee Performance Through Work Satisfaction as a Mediating Variable

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Abstract. This study aims to investigate the effect of a training program and work environment on employee performance through work satisfaction. The research methodology used was descriptive quantitative with a path analysis approach to answer the research hypothesis. The research population was 78 employees of a company engaged in Information Technology in Medan, Indonesia. The study results show that training programs and work environments directly affect employee performance and job satisfaction can mediate the relationship between the training program and work environment on employee performance.

Keywords: Training program · work environment · work satisfaction · employee performance

1 Introduction

Employee performance is an essential part of achieving a company's vision and mission. A company should carry out various efforts to drive employee performance because, in the end, employee performance has a cumulative impact on the company performance. Several efforts to improve employee performance include: 1) Developing a training program as a medium to improve employee abilities and competencies and 2) Creating a comfortable work environment so that employees feel satisfied at work and ultimately increase employee performance [1].

The training program is part of education that involves the learning process to acquire and improve skills (i.e., physical, intellectual, social, and managerial) which takes a shorter time and prioritizes practice instead of theory. The training objectives are to establish: (1) Knowledge, that is, knowledge of work procedures, knowledge of company products, or other knowledge related to the company's business; (2) Skills, that is, skills to complete tasks, both soft, and hard skills, and (3) Attitude, or a positive work attitude, being able to work together, carrying out written company regulations and or procedures [2].

Furthermore, it is explained that the work environment is the situation and conditions that exist in the work environment itself, such as the treatment of superiors and co-workers, workload, awards for employees who excel, and so on. A conducive work

environment will be embodied if there is an excellent cooperative relationship between employees from all organizational elements by not looking at them subjectively but treating them fairly with various considerations.

Training programs and the work environment simultaneously affect employee performance [3]. The conclusion of their study reveals that companies need to intervene by implementing good training programs and maintaining a comfortable work environment because these two things can encourage job satisfaction and ultimately achieve good employee performance. Conversely, if employees feel dissatisfied, it can decrease performance.

Unfortunately, some companies face obstacles in achieving employee satisfaction. However, although the company has established a training program and a comfortable work environment, employees still feel dissatisfied with the company's policy. This dissatisfaction then becomes a trigger for the stagnation of employee performance. Since the training course and workplace culture have an impact on employee performance, this study will examine how job satisfaction influences this effect.

1.1 Human Resource Management

Human Resource Management (HRM) is the planning and implementation, organizing, directing, controlling, and procuring human resources. Personal relationships and duties in business corporations are examined in detail in this book. Human resources management is concerned with the people who work for a company [4].

Recognizing that an organization's workforce is a critical human resource, HRM uses a broad variety of activities to guarantee that HR is effectively and fairly employed for the benefit of both individual employees and the organization as a whole [5].

1.2 Training Program

One of HRM scopes is training and development. In order to provide nonmanagerial employees with the opportunity to gain specialized skillset for a limited period of time, organizations implement training programs [4]. The program shows that the company cares and continues to prepare quality company human resources. The company should arrange training programs that are structured, directed, and adapted to the needs of HR development. individuals,

1.3 Work Environment

Work environment is everything outside of work conditions, including issues, trends, and other events that can influence work decisions and behavior [6]. Work environment is all of the work attributes in the organization that affect employee performance [7]. Based on Dwiningtyas [8], the work environment is everything around employees at work, which can affect themselves and their work. Buchanan and Huczynski [6] explained that companies need to organize the work environment to encourage employee performance.

1.4 Work Satisfaction

In general, people work for their lives and look for comfort and tranquility, mainly because they spend their time at the workplace than at home, so people often say that the workplace is their second home. The job satisfaction theory reveals how workers' perceptions of their work, workspace, and ultimately job satisfaction for themselves. The more satisfied workers are at work will encourage positive performance.

1.5 Employee Performance

All aspects of the company determine employee performance as it cannot stand alone. High employee performance will ease a company achieve its targets. Performance is a qualitative and quantitative assessment that results in tasks and responsibilities being carried out correctly [9].

Employee performance reflects how employees meet job requirements well. Performance results from a process measured over a certain period based on predetermined provisions or agreements [10]. Employee performance is the achievement carried out by an employee or group of people following the authority or responsibility during a specific period.

1.6 Conceptual Framework

The conceptual framework explains the thinking flow in research [11]. The conceptual framework is prepared as a guide in research to guide researchers in finding answers according to the formulation of research problems.

1.7 Hypothesis

Based on the conceptual framework as described in Fig. 1, the hypotheses of this study are as follows: H1: There is a direct positive and significant influence between training and work satisfaction; H2: There is a direct positive and significant influence between work environment and work satisfaction; H3: There is a direct positive and significant influence
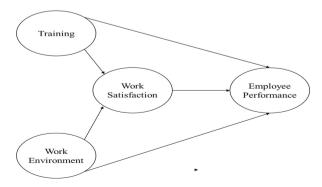

Fig. 1. Conceptual Framework.

between work satisfaction and employee performance; H4:There is a direct positive and significant influence between training and employee performance; H5: There is a direct positive and significant influence between work environment and employee performance. H6: There is an indirect positive and significant influence between training through work satisfaction and employee performance; H7: There is an indirect positive and significant influence between work environment through work satisfaction and employee performance.

2   Research Methods

The design used in this research was correlational analysis, a type of research carried out to detect the extent to which variations in a variable are correlated with one or more other variables based on the correlation coefficient [11]. Hypothesis testing was done by path analysis.

The population in this study was 78 employees at a Management Information Technology company located in Medan.

3   Results and Discussion

3.1   Description Statistic

The measuring instrument used in this study was a Likert-type questionnaire to measure respondents' attitudes towards research variables. From the results of the measurement of respondents' attitudes, categorization is determined according to the average score range for each item of the question as follows: first, range score of $(\overline{x}) \geq 4.33$ is in the "Very High" category. Second, range score of $3.67 \leq (\overline{x}) < 4.33$ is in the "High" category. Third, range score of $2.33 \leq (\overline{x}) < 3.67$ is the "Medium" category. Fourth, range score of $1.67 \leq (\overline{x}) < 2.33$ is the "Low" category. Fifth, Range score of $(\overline{x}) < 1.67$ is the "Very Low" category. Based on the above categories, the results based on each research variable are shown in Table 1.

Table 1 shows that the "Work Satisfaction" variable has the highest average score of 4.31 in the "High" category. The "Employee Performance" variable has an average score of 4.13 in the "High" category, the "Training" variable has an average score of 3.90 in the "High" category, and the "Work Environment" variable has an average score of 3.89 in the "High" category.

3.2   Hypothesis Testing – Path Equation

The results of the Path equations can be seen in Fig. 2.

Figure 2 exhibits that directly, the magnitude of the influence of training on work satisfaction is 0.130 and the magnitude of the influence of work environment on work satisfaction is 0.827 with an error value of 0.896. From this result, the direct equation of the path is obtained as follows:

$$Z = 0.130X1 + 0.827X2 + 0.896 \tag{1}$$

Table 1. Variable Description Based on Categorization

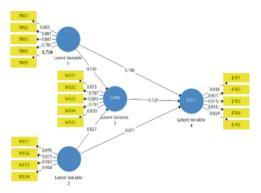| Variable	Average Score	Standard Deviation	Category
Training	3.90	1.36	"High"
Work Environment	3.89	1.36	"High"
Work Satisfaction	4.31	1.46	"High"
Employee Performance	4.31	1.36	"High"

Fig. 2. Path Analysis.

Indirectly, the magnitude of the influence of training through work satisfaction on employee performance is $(0.130 \times 0.120 = 0.016)$. The magnitude of the influence of work environment through work satisfaction on employee performance is $(0.827 \times 0.120 = 0.099)$. The influence of work satisfaction on employee performance is 0.120 with an error value of 0.917. From this result, the direct equation of the path is obtained as follows:

$$Y = 0.016X1 + 0.099X2 + 0.120Z + 0.917 \qquad (2)$$

3.3 Hypothesis Testing – Outer Model

Convergent validity testing was carried out through the outer loading test with the criteria of a valid questionnaire item if the correlation coefficient ≥ 0.7. The validity test results show that of the 12 sub-dimensions moving in the range of 0.820 to 0.965 so that all items were feasible when the research was taken. These results also indicate that no trimming was found in the study, so the study results are feasible to continue (Table 2).

Table 2. Convergent Validity

	Training	Work Env.	Work Sat.	Empl. Porf.
TR01	0.883			
TR02	0.881			
TR03	0.847			
TR04	0.785			
TR05	0.704			
WE01		0.970		
WE02		0.971		
WE03		0.963		
WE04		0.954		
WS01			0.855	
WS02			0.787	
WS03			0.883	
WS04			0.797	
WS05			0.850	
EP01				0.936
EP02				0.931
EP03				0.915
EP04				0.916
EP05				0.854

Table 3. Cronbach's Alpha

Variable	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Training (X!)	0.861	0.902	0.651
Work Environment (X2)	0.975	0.982	0.931
Work Satisfaction (X3)	0.891	0.920	0.698
Employee Performance (X4)	0.948	0.961	0.830

Table 3 depicts the composite reliability. Then, the reliability test of the research instrument through Cronbach's Alpha and Composite Reliability was carried out, where the coefficient obtained must be ≥ 0.700. According to Table 3, it is obtained all Cronbach's Alpha coefficients on the research instrument are above 0.700, so it can be concluded that all research instruments have met the reliability of the measuring instrument.

All Composite Reliability coefficients show above 0.700 and it is also concluded that all research instruments have high reliability.

3.4 Hypothesis Testing – Inner Model

The inner model is intended to see the study results following the research hypothesis. There are 2 (two) types of hypothesis testing in this study, direct and indirect effects. The direct effect of the hypothesis is shown in Table 4. It can be concluded training directly has a positive and significant effect on work satisfaction, as indicated by a significance value of $0.002 < 0.050$, so H-1 is rejected. Work environment directly has a positive and significant effect on work satisfaction, as indicated by a significance value of $0.000 < 0.050$, so H-2 is rejected. Work satisfaction directly has a positive and significant effect on employee performance, as indicated by a significance value of $0.003 < 0.050$, so H-3 is rejected. Training directly has a positive and significant effect on employee performance, as indicated by a significance value of $0.010 < 0.050$, so H-1 is rejected. Work environment directly has a positive and significant effect on employee performance as indicated by a significance value of $0.000 < 0.050$, so H-2 is rejected.

Meanwhile, the indirect effect of the hypothesis is shown in Table 5. It can be concluded Training indirectly has a positive and significant effect on employee performance through work satisfaction, as indicated by a significance value of $0.000 < 0.050$, so H-1 is rejected. Work environment indirectly has a positive and significant effect on employee performance through work satisfaction, as indicated by a significance value of $0.003 < 0.050$, so H-2 is rejected.

Table 4. Convergent Validity

	Standard Deviation (STDEV)	T-Statistic (|O/STDEV|)	P-Value
TR (X1) → WS (Z)	0.124	1.047	0.002
WE (X2) → WS (Z)	0.116	7.143	0.000
WS (Z) → EP (Y)	0.122	0.983	0.003
TR (Z) → EP (Y)	0.088	2.108	0.010
WE (Z) → EP (Y)	0.127	5.283	0.000

Table 5. Indirect Effect

	Standard Deviation (STDEV)	T-Statistic (|O/STDEV|)	P-Value
TR (X1) → WS (Z) → EP (Y)	0.026	0.590	0.000
WE (X1) → WS (Z) → EP (Y)	0.103	0.970	0.003

3.5 Discussion

The study's main results indicate that training program affects employee performance [12]. The study also shows that the work environment has a direct effect on employee performance [13].

Work satisfaction plays an essential role in mediating the effect of training programs and the work environment on employee performance indirectly [3, 14].

4 Conclusion

The study results show that work satisfaction can mediate the influence of training programs and work environment on employee performance. The impact of the indirect effect is better than the direct effect. As a suggestion, the company should maintain the work satisfaction of its employee before they arrange an HRM program to encourage employee performance. A decent training program and conducive work environment could trigger employee satisfaction, thus increasing employee performance.

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