



# The Influence of Work Ability, Work Environment and Organizational Culture on Employee Performance with Motivation as a Mediating Variable

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**Abstract.** The purpose of this study is to investigate the factors that contribute to the decline in employee performance at ABC Company, specifically work ability, organizational culture, work environment, and motivation. This type of research employs quantitative methods in applied business research. The sample size was 58 ABC company employees who are still active and have worked for the company for at least three years. To test the hypotheses in this study, a PLS-based SEM approach was used. PLS testing was done in two stages: measurement model test and structural model test. A measurement model test was performed to assess the validity and reliability of each indicator's constructs. Meanwhile, the structural model test was performed to see if there is an influence between variables/correlations between constructs as assessed by the PLS t-test. This study demonstrates that work ability has a significant impact on employee performance. In the meantime, organizational culture, work environment, and motivation have no effect on employee performance. Motivation cannot mediate the relationship between employee performance and work ability, organizational culture, and work environment.

**Keywords:** Work ability · Work environment · Organization culture · Motivation

## 1 Introduction

The reform spirit has encouraged the State Civil Apparatus to modify and enhance the state government system in advancement, protection, and public services to stimulate the needs and interests of the community. Implementing good governance in public administration and holding government agencies accountable for their performance is a form of government accountability to the demands and expectations of the people in achieving national and state goals.

A performance appraisal, according to Najafi et al. [1], is a management tool that aids in the effective motivation and utilization of human resources. Assessing human capacity is challenging, regardless of how well it is designed and integrated into performance management and appraisal systems. Performance appraisal is an important issue for

organizations because it can be used to solve performance problems, set goals, provide rewards and discipline, and fire employees.

The value of SKP in ABC companies has decreased on average from 2019 to 2021. One aspect that is difficult to deal with in an organization is how to make its employees work efficiently. The importance of one's work ability has been researched by Fahrurrozi et al. [2] who found that work ability affects an employee's performance.

The work environment is anything or any factor that can directly or indirectly affect the organization or company and have a positive or negative impact on employee performance and job satisfaction. A pleasant work environment is very important in improving employee performance, so the work environment is good when employees can make a significant contribution to the company, either directly or indirectly, in the company's progress.

Organizational culture is a characteristic that the organization upholds and becomes an organizational role model as a differentiator between one organization and another organization.

In addition to work ability, organizational culture, and work environment, another factor that becomes an obstacle is work motivation. Motivation is a change that occurs in a person concerning symptoms of feelings, physical, and emotions that encourage the individual to do or act something caused by need, desire, and purpose. In doing a job, employees should have high performance.

### **1.1 Employee Performance**

Performance needs to be measured by the leadership so that it can be known to the extent of the development of an employee's performance in particular and the organization in general. According to Mangkunagara [3], performance is the result of an employee's work in quality and quantity in carrying out his duties in accordance with the responsibilities assigned to him. Rivai [4] specified employee performance as a person's or a group of people's willingness to do their job in complies with their responsibilities.

### **1.2 Work Ability**

Robbins [5] defined employability as an individual's ability to perform various tasks in a job. The ability to work is a state that exists in workers who are genuinely empowered and influential in working, following their field of work [6]. The success or failure of an organization depends heavily on human resources that are members and abilities. Managers and executors must possess three basic types of job skills: technical, social, and conceptual skills.

### **1.3 Work Environment**

The work environment, according to Kisworo [7], consists of the work system, job design, workplace conditions, and how people get treated at work by their managers and peers. Work systems, job design, working conditions, and how people are treated in the workplace with their managers and coworkers all contribute to the work environment. There are two types of work environments: physical work environments and non-physical work environments.

## 1.4 Organizational Culture

According to Luthans [8], organizational culture is the norms and values that guide organizational members' behavior. To be accepted by his environment, each person will conduct in accordance with the culture that will be in effect. A system of values, beliefs, and habits with a formal structure that produces organizational behavior norms is referred to as organizational culture. According to Siagian [9], organizational culture is composed of top management's leadership style and the norms and belief value systems of the individual involved.

## 1.5 Work Motivation

Robbins [5] mentioned that motivation is an activity that results in channeling and maintaining human behavior. This motivation is essential for managers, as managers have to work with and through others. Managers need to understand the people who behave in order to influence them to work the way the organization wants them to work. According to Robbins [5] motivation is the willingness to perform as an intention to dedicate a great deal of effort on organizational goals, influenced by that effort's ability to satisfy an individual need.

## 2 Research Methods

The quantitative research methods were employed in this study. The target population in this study was ABC company employees. The sampling technique used the judgment (purposive) sampling method. Characteristics of the samples taken in this study were as follows:

1. Employees with active status in ABC company.
2. Employees who have worked for at least 3 (three) years in ABC company.

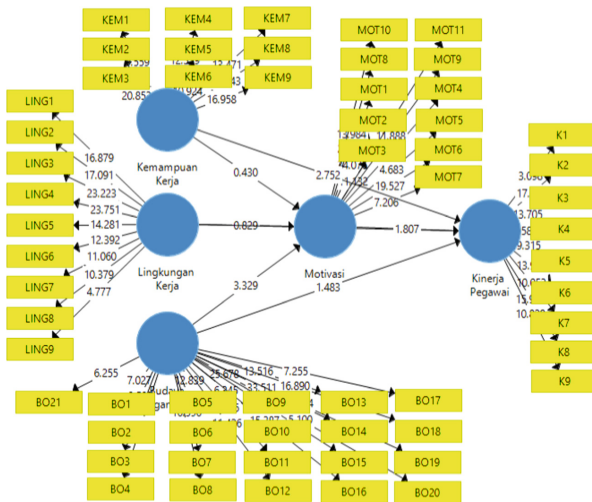
The number of respondents who met the characteristics of the research sample was 58 people. The Partial Least Square (PLS) method was used to test all hypotheses in this study.

## 3 Results and Discussion

The final structural analysis model can be seen in Fig. 1.

Table 1 is a summary of the results of the PLS (Partial Least Square) analysis.

This study demonstrates that work ability has a significant impact on employee performance in ABC company. It can be concluded that work ability is important in maintaining employee performance. If the work ability needed for a function or position in an agency is right, then employee performance will be good, and vice versa. Placement of employees in the right positions that match employees' abilities and skills can affect their performance.



**Fig. 1.** Structural Analysis

**Table 1.** The Results of the PLS

Path	T-Stat.	P Values	Conclusion
Work capability → Employee Performance	2.787	0.006	H1 accepted
Work environment → Employee performance	1.538	0.125	H2 rejected
Organizational culture → Employee performance	1.483	0.139	H3 rejected
Work motivation → Employee performance	1.807	0.071	H4 rejected
Work ability → Motivation → Employee performance	0.362	0.717	H5 rejected
Work environment → Motivation → Employee performance	0.632	5.528	H6 rejected
Organizational culture → Motivation → Employee performance	1.675	0.095	H7 rejected

The work environment has no great impact on the performance of ABC company employees. In line with the work environment, which is so dynamic, the work environment is not one of the factors affecting employee performance. There are still employees who are not satisfied with their work; it affects their performance. Dissatisfaction is because there are still inadequate facilities such as noise, disturbances in cleanliness, air temperature, and lighting. For this reason, ABC company needs to improve its existing facilities to provide comfort and job satisfaction to its employees.

Organizational culture has no significant effect on the performance of employees. This is due to the lack of internalization regarding an excellent organizational culture.

Leaders must be able to provide understanding or impact of the formation of organizational culture on performance to change the mindset of employees to sort out which organizational culture is good or not.

Employee motivation has no effect on their performance. This is because employees have no appreciation system for their work performance.

Motivation cannot mediate the relationship of work ability, work environment, and organizational culture to the performance of employees. This is suspected that there are mediation factors and motivation that can mediate the relationship for employees. The placement of employees that matches their abilities can improve their performance. A poor work environment affects satisfaction at work, not work motivation. An organizational culture that prioritizes mutual respect for fellow employees is not accompanied by feedback obtained by employees. ABC company must review so that existing feedback can affect employee performance.

## 4 Conclusion

This study demonstrates that work ability has a significant influence on employee performance in ABC company. The work environment has no great impact on the performance of ABC company employees. Employee performance is not influenced by organizational culture. Employee motivation has no effect on their performance. Motivation cannot mediate the relationship between work ability, work environment, and organizational culture and employee performance.

This research has limitations as follows: This research was conducted only in ABC company, and it may give different results when done in other organizations. This study was conducted on employees of ABC company, the sample used only 58 respondents. It may provide different results if the research is conducted in other companies with a larger sample and more varied types of customer business fields. This study only discussed the influence of motivation as a mediation variable. While the mediation variable in affecting employee performance can be further developed, such as employee satisfaction.

**Acknowledgments.** Finally, I'd like to express my gratitude to everyone who helped make this journal a reality. This journal seems far from excellent, but it should be useful to both researchers and scholars. As a result, constructive, meaningful suggestions and criticism are encouraged.

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