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The Effect of Work Facilities and Incentives on Employee Performance Mediated by Work Discipline at The Regional Public Drinking Water Company Tirta Mayang, Jambi City

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Abstract: This study aims to analyze the effect of work facilities and incentives on employee performance, with work discipline as a mediating variable at the Regional Drinking Water Company (Perumdam) Tirta Mayang in Jambi City. Employee performance is a key factor in improving the quality of public services, particularly in the clean water supply sector. This study used a quantitative approach with a survey method. The study population was all 153 employees of Perumdam Tirta Mayang in Jambi City. The sample size was determined using the Slovin formula with a tolerance of 7.5%, resulting in a sample size of 111 respondents. Data analysis used Structural Equation Modeling–Partial Least Squares (SEM-PLS). The results showed that work facilities and incentives had a positive and significant effect on work discipline. Work facilities and incentives also had a positive and significant effect on employee performance. Furthermore, work discipline had a positive and significant effect on employee performance and mediated the effect of work facilities and incentives on employee performance. These findings emphasize the importance of providing adequate work facilities and a fair incentive system to improve employee discipline and performance.

Keyword: Work Facilities, Incentives, Work Discipline, Employee Performance.

INTRODUCTION

Employee performance is a strategic factor determining an organization's success in achieving its stated goals. In the context of public sector organizations, employee performance plays a crucial role because it directly relates to the quality of service experienced by the public. The Regional Drinking Water Company (Perumdam) Tirta Mayang in Jambi City, as a regionally-owned enterprise engaged in clean water services, is required to provide optimal, sustainable, and high-quality services. To achieve this, organizations need to be supported by high-performing human resources, strong work discipline, and adequate work facilities and incentive systems.

According to Wibowo (2016), performance is the work results achieved by employees, both in quality and quantity, in accordance with their assigned responsibilities. Employee

performance is influenced not only by individual abilities but also by the work environment, facilities and infrastructure, reward systems, and work discipline. Therefore, organizations need to create conducive working conditions so that employees can work effectively and efficiently.

One important factor influencing employee performance is work facilities. Work facilities are the tools and infrastructure provided by an organization to support the smooth execution of employee duties. Sedarmayanti (2017) stated that adequate work facilities can improve employee comfort, safety, and productivity. The availability of complete work equipment, a comfortable workspace, and adequate technological support will help employees complete their work more quickly and accurately. Conversely, inadequate work facilities can create work obstacles, reduce morale, and negatively impact employee performance.

In addition to work facilities, incentives are also a crucial factor in improving employee performance. Incentives are a form of appreciation or additional remuneration given to employees based on their work performance. Hasibuan (2019) explains that incentives serve as a motivational tool that can encourage employees to work harder, improve discipline, and achieve predetermined work targets. Providing fair, appropriate, and transparent incentives will create a sense of appreciation in employees, thus encouraging them to improve their performance.

Work facilities and incentives not only directly impact employee performance but can also influence work discipline. Work discipline is the attitude and behavior of employees in complying with the regulations, procedures, and norms applicable within the organization. Rivai and Sagala (2019) state that work discipline reflects an employee's level of awareness and responsibility for assigned tasks. Employees with high work discipline tend to arrive on time, comply with work regulations, and complete work according to established standards, thus positively impacting performance.

In practice, employee performance issues are frequently encountered in public sector organizations, including regional companies. These issues include limited work facilities, suboptimal incentive systems, and employee discipline that needs improvement. These conditions can impact the quality of public services. Therefore, empirical studies are needed to analyze the factors influencing employee performance so that organizations can formulate appropriate policies.

Based on this description, this study is crucial to analyze the influence of work facilities and incentives on employee performance, with work discipline as a mediating variable, at Perumdam Tirta Mayang, Jambi City. The results of this study are expected to provide theoretical contributions to the development of human resource management science and provide practical contributions to Perumdam Tirta Mayang, Jambi City's management in improving employee performance and the quality of public services.

METHOD

This study was conducted on employees at the Regional Drinking Water Company (Perumdam) Tirta Mayang, Jambi City. The data used in this study were secondary and primary. According to Sugiyono in Sudirman et al. (2020), primary data is data collected directly by the researcher from primary sources, while secondary data is documentation, published data, or data used by the organization. The variables used in this study are work facilities (X1) and incentives (X2) as independent (exogenous) variables, work discipline (Y) as a mediating variable, and employee performance (Z) as a dependent (endogenous) variable.

The population in this study was all 153 employees of Perumdam Tirta Mayang, Jambi City. Because it was impossible to reach the entire population, this study used a purposive sampling method, where respondents were intentionally selected because they met the criteria. The sample size was determined using the Slovin formula (Sugiyono, 2023) with a 7.5% error rate, resulting in 111 respondents as the research sample.

Data collection was conducted using a questionnaire. The questionnaire was structured using a Likert scale. According to Sekaran and Bougie (2016), the Likert scale is effective for measuring respondents' attitudes, perceptions, and opinions regarding a research phenomenon. Data analysis in this study used Partial Least Squares (PLS) with the help of SmartPLS software. PLS was chosen because it is capable of analyzing structural models with relatively small sample sizes and does not require normal data distribution. According to Hair et al. (2017), PLS-SEM is very suitable for use in predictive and exploratory research with complex models and limited sample sizes.

RESULTS AND DISCUSSION

Description of Research Variables

The descriptive analysis in this study aims to provide a general overview of respondents' perceptions of the work environment, career development, work motivation, and employee performance at Perumdam Tirta Mayang, Jambi City. Data were obtained from 111 respondents completing a questionnaire using a five-point Likert scale. This analysis was conducted by examining the average value and trends in respondents' responses to each research variable. The scores for the respondents' responses are shown in the following table:

Table 1. Respondent Scores per Variable

No	Variables	Item	Total Score	Scale Range	Category
1	Work facilities (X1)	8	3322	3019,2 – 3729,5	Good
2	Incentives (X2)	8	3283	3019,2 – 3729,5	High
3	Work discipline (Y)	8	3290	3019,2 – 3729,5	High
4	Employee performance (Z)	10	4101	3774 – 4661	High

Source: Primary data, processed, 2025

The results of this study indicate that each employee has a positive perception of the variables of work facilities, incentives, work discipline, and employee performance. The total score for each variable: work facilities was 3322, categorized as Good, incentives 3283, categorized as Good, work discipline 3290, categorized as High, and employee performance 4101, categorized as High.

Measurement Model Evaluation Results (Outer Model)

The outer model evaluation aims to test the validity and reliability of the indicators, including:

1) Convergent Validity Testing

a. Loading Factor

Convergent validity is demonstrated through the magnitude of the loading factor, which represents the relationship between the latent construct and its measurement indicators. Convergent validity is assessed based on the magnitude of the loading factor, which describes the strength of the relationship between the indicator and the related latent construct. As a requirement for eligibility, an indicator is deemed to meet the criteria if it achieves a minimum loading factor value of 0.70 for the construct being measured. Below are presented the results obtained from this analysis.

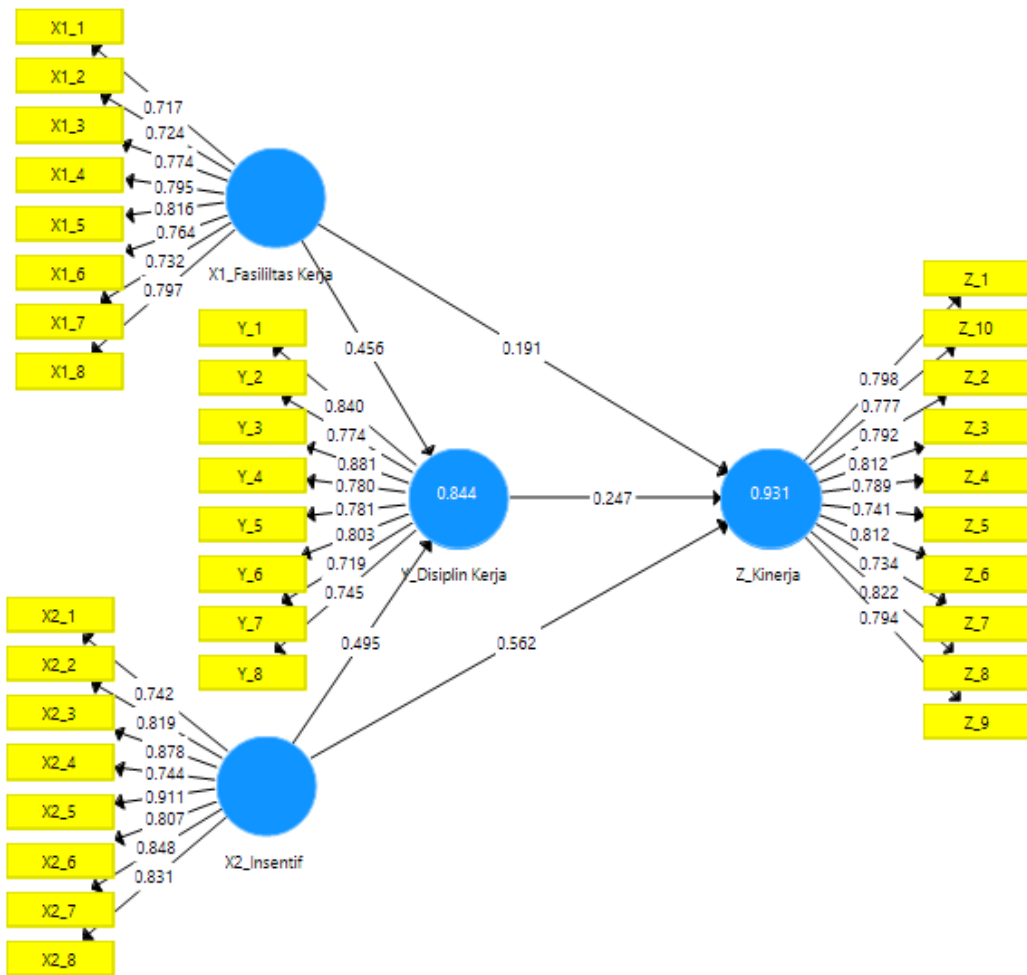


Figure 1. Outer Loading

Based on the SmartPLS 3.0 output, all research indicators showed outer loading values for each variable exceeding the minimum threshold of 0.70, thus meeting the convergent validity requirement. Overall, no indicators were eliminated because all met the convergent validity criteria, thus the measurement model was deemed suitable for proceeding to the structural analysis stage (inner model).

b. Average Variance Extracted (AVE)

Average Variance Extracted (AVE) is used to assess the extent to which a latent construct explains the variance of its constituent indicators compared to the variance caused by measurement error. According to Hair et al. (2017), AVE provides an indication of whether the latent construct explains more of the indicator variance than the error variance. In other words, AVE ensures that the indicators used have good measurement quality.

Ghozali and Latan (2015) stated that a construct is said to have good convergent validity if the AVE value is ≥ 0.50 . An AVE value ≥ 0.50 indicates that more than 50% of the indicator's variance can be explained by the latent construct, while the remainder is explained by measurement error. The following table presents the AVE values:

Table 2. Average Variance Extracted Values

Variables	AVE	Description
Work facilities (X1)	0,586	Valid
Incentives (X2)	0,679	Valid
Work discipline (Y)	0,627	Valid

Employee performance (Z)	0,620	Valid
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Source: SmartPLS 3 Output (2025).

Based on Table 2, which presents the Average Variance Extracted (AVE) values for each research variable, it is known that all variables—work facilities, incentives, work discipline, and employee performance—have AVE values above the recommended minimum threshold of 0.50. This AVE value indicates that more than 50% of the variance in the indicators of each construct is successfully explained by the construct, thus concluding that the four variables in this study have excellent convergent validity.

2) Discriminant Validity

Discriminant validity serves to verify that each latent construct analyzed has unique measurement characteristics and does not exhibit excessive similarity (overlap) with other constructs. This test was conducted using the cross-loading analysis method. An indicator is deemed to meet the requirements for discriminant validity if its loading value for the construct it is intended to measure is higher than its loading value for the other constructs. The results of applying this procedure in this study are presented below.

Table 3. Discriminant Validity (Cross Loading)

Item	Work facilities (X1)	Incentives (X2)	Work discipline (Y)	Employee performance (Z)
X1_1	0.717	0.714	0.688	0.739
X1_2	0.724	0.797	0.776	0.795
X1_3	0.774	0.584	0.584	0.632
X1_4	0.795	0.603	0.728	0.692
X1_5	0.816	0.612	0.641	0.677
X1_6	0.764	0.584	0.568	0.596
X1_7	0.732	0.720	0.647	0.672
X1_8	0.797	0.639	0.729	0.637
X2_1	0.692	0.742	0.716	0.737
X2_2	0.751	0.819	0.813	0.805
X2_3	0.739	0.878	0.716	0.786
X2_4	0.674	0.744	0.717	0.712
X2_5	0.728	0.911	0.775	0.854
X2_6	0.736	0.807	0.767	0.778
X2_7	0.694	0.848	0.651	0.772
X2_8	0.689	0.831	0.696	0.790
Y_1	0.806	0.749	0.840	0.781
Y_2	0.633	0.645	0.774	0.641
Y_3	0.818	0.799	0.881	0.819
Y_4	0.645	0.692	0.780	0.718
Y_5	0.635	0.655	0.781	0.646
Y_6	0.739	0.768	0.803	0.791
Y_7	0.628	0.574	0.719	0.646
Y_8	0.666	0.725	0.745	0.731
Z_1	0.676	0.696	0.636	0.798
Z_10	0.646	0.723	0.626	0.777
Z_2	0.700	0.678	0.738	0.792
Z_3	0.778	0.793	0.805	0.812

Item	Work facilities (X1)	Incentives (X2)	Work discipline (Y)	Employee performance (Z)
Z_4	0.656	0.756	0.693	0.789
Z_5	0.730	0.720	0.792	0.741
Z_6	0.748	0.729	0.761	0.812
Z_7	0.718	0.777	0.717	0.734
Z_8	0.701	0.806	0.712	0.822
Z_9	0.691	0.767	0.715	0.794

Source: SmartPLS 3 Output (2025).

Table 3 shows that all indicators in the research variables have cross-loading values greater than 0.7. Based on these results, it can be concluded that the indicators used in this study have good discriminant validity in compiling their variables. All indicators have cross-loading values greater than the cross-loading values of the other variables. Therefore, the requirements for discriminant validity are met, and the model can proceed to the next stage of analysis.

3) Construct Reliability

Reliability reflects the instrument's ability to provide stable and consistent measurement results. Therefore, an instrument that meets these parameters can be considered reliable for the research data collection process. The construct reliability results in this study are presented through the Composite Reliability and Cronbach's Alpha values for each variable. Hair et al. (2017) stated that a construct is considered reliable if the composite reliability and Cronbach's Alpha values exceed 0.70.

The composite reliability and Cronbach's Alpha values for each variable can be seen in the following table:

Table 4. Composite Reliability and Cronbach's Alpha

Variables	Cronbach's Alpha	Composite Reliability	Description
Work facilities (X1)	0,899	0,919	Reliabel
Incentives (X2)	0,932	0,944	Reliabel
Work discipline (Y)	0,915	0,931	Reliabel
Employee performance (Z)	0,932	0,942	Reliabel

Source: SmartPLS 3 Output (2025).

Based on Table 4, the results of the composite reliability and Cronbach's alpha tests indicate that all variables are reliable, as they have composite reliability values greater than 0.70. This means that all variables in the study are reliable and trustworthy, and the research data can be used to produce the best research. Therefore, the constructs in this model are reliable and can be trusted for further testing.

Structural Model Test (Inner Model)

The inner model evaluation was conducted to determine the strength of the relationships between latent variables and the model's ability to explain endogenous variables.

1) R Square

The coefficient of determination (R^2) is used to measure the model's ability to explain the variance in the dependent variables. The coefficient of determination is a measure of the combined ability of exogenous latent variables to predict endogenous variable constructs. That is, the coefficient represents the amount of variance in the endogenous construct explained by all related exogenous constructs. This criterion is modified according to the number of

exogenous variable constructs. Table 5 shows the results of the R-square estimation using SmartPLS 3.0:

Table 5. R-Square Value

Variables	R Square	Adjusted R Square
Work discipline (Y)	0,844	0,839
Employee performance (Z)	0,931	0,927

Source: SmartPLS 3 Output (2025).

Table 5 shows the results for the R-square value for work discipline, which is 84.4 percent. This result indicates a strong relationship between work facilities and incentives and work discipline. Furthermore, the R-square value for performance is 92.7 percent. This result indicates a strong relationship between work facilities and incentives and performance.

b. F-Square Value (f² Effect Size)

The F-square test is conducted to assess the significance of an exogenous construct's contribution to changes in the R-square value if that construct is removed from the model. The criteria for interpreting effect size, according to Hair et al. (2017), are as follows: 1) A value of 0.02 indicates a small effect; 2) A value of 0.15 indicates a moderate effect; 3) A value of 0.35 represents a large effect; and 4) A value below 0.02 indicates that the variable does not have a significant effect. The results of the F-square calculation for this research model are presented in the following table:

Table 6. F-Square Value

Variables	Work discipline (Y)	Employee performance (Z)
Work facilities (X1)	0,333	0,098
Incentives (X2)	0,393	0,819
Work discipline (Y)		0,138

Source: SmartPLS 3 Output (2025).

The results of the f² effect size test indicate that work facilities have a moderate effect on work discipline, with an f² value of 0.333. Incentives have a greater effect on work discipline (f² = 0.393). Meanwhile, work facilities have a relatively small effect on employee performance (f² = 0.098), and incentives have the largest effect on employee performance (f² = 0.819). Discipline has a relatively small effect on employee performance (f² = 0.138). These findings indicate that improvements in employee performance are more influenced by financial aspects than by work behavior.

Structural Model

In SEM PLS analysis, the structural model value in this study can be seen from the direct effects value, also known as the path coefficient. Next, path coefficients between constructs are measured to determine the significance and strength of the relationship and to test the hypothesis.

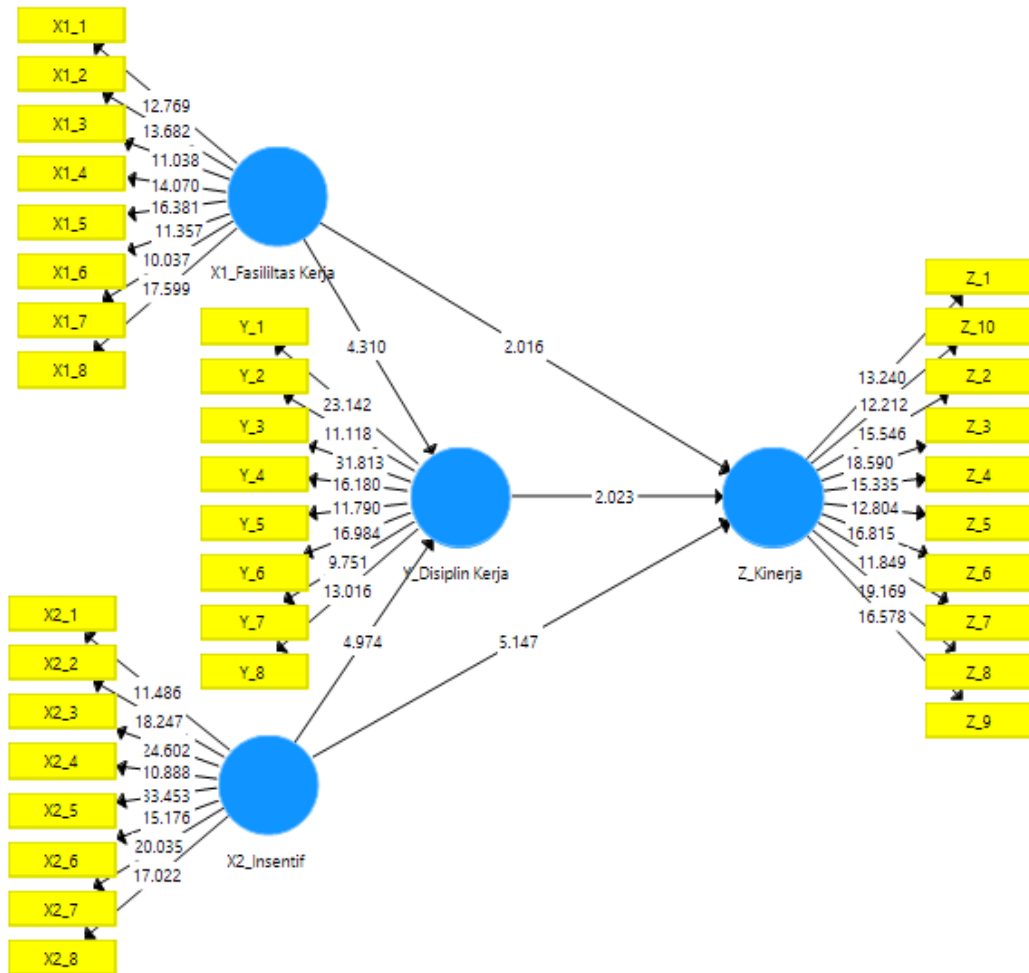


Figure 2. Bootstrapping

Hypothesis Testing

Hypothesis testing of the effect of exogenous variables on endogenous variables is performed by comparing the p-values of the path coefficients with a significance level of $\alpha = 0.05$. The test is considered highly significant if the p-value is less than or equal to 0.05 ($p\text{-value} \leq 0.05$) or using the t-table value of 1.96. The criteria for rejecting and accepting the hypothesis are: if the t-statistic > the calculated t-statistic, the hypothesis is rejected, and if the t-statistic < the calculated t-statistic, the hypothesis is accepted.

The basis for testing the hypothesis is the value found in the output result for inner weight.

Table 6 Direct Effect

Direct Effect	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work facilities (X1) -> Work discipline (Y)	0.456	0.457	0.106	4.310	0.000
Insentif (X2) -> Work discipline (Y)	0.495	0.496	0.100	4.974	0.000
Work facilities (X1) -> Employee performance (Z)	0.191	0.194	0.095	2.016	0.045
Insentif (X2) -> Employee performance (Z)	0.562	0.569	0.109	5.147	0.000

Direct Effect	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work discipline (Y) -> Kinerja pegawai (Z)	0.247	0.238	0.122	2.023	0.044
Work facilities (X1) -> Work discipline (Y) -> Employee performance (Z)	0.303	0.306	0.060	5.080	0.000
Insentif (X ₂) -> Work discipline (Y) -> Employee performance (Z)	0.051	0.050	0.026	1.989	0.048

Source: SmartPLS 3 Output (2025)

Based on the table above, the following interpretations can be made: 1.The bootstrapping test results show that the effect of work facilities on work discipline has a t-statistic of 4.310 and a p-value of 0.000. These values meet the significance criteria ($4.310 > 1.96$ and $0.000 < 0.05$), thus concluding that work facilities have a positive and significant effect on employee performance. 2.The statistical analysis shows that the effect of incentives on discipline has a t-statistic of 4.974 with a p-value of 0.000. Based on the hypothesis testing criteria, the t-statistic exceeds the rule of thumb of 1.96 ($4.974 > 1.96$). The p-value is also lower than the significance level of 5 ($0.000 < 0.05$).

Therefore, it can be concluded that incentives have a positive and statistically significant effect on discipline. 3.Statistical analysis shows that the effect of work facilities on employee performance has a t-statistic of 2.016 with a p-value of 0.045. Based on the hypothesis testing criteria, the t-statistic exceeds the rule of thumb of 1.96 ($2.016 > 1.96$). The p-value is also less than the 5% significance level ($0.045 < 0.05$). Therefore, it can be concluded that work facilities have a positive and statistically significant effect on employee performance. 4.Statistical analysis shows that the effect of incentives on employee performance has a t-statistic of 5.147 with a p-value of 0.000.

Based on the hypothesis testing criteria, the t-statistic exceeds the rule of thumb of 1.96 ($5.147 > 1.96$). The p-value is also less than the 5% significance level ($0.000 < 0.05$). Therefore, it can be concluded that incentives have a positive and statistically significant effect on employee performance. 5.Statistical analysis shows that discipline has a t-statistic of 2.023 with a p-value of 0.044 on its performance. Based on the hypothesis testing criteria, the t-statistic exceeds the rule of thumb of 1.96 ($2.023 > 1.96$). Furthermore, the p-value is less than the 5% significance level ($0.044 < 0.05$).

Therefore, it can be concluded that discipline has a positive and statistically significant effect on employee performance. 6.The results of the indirect effect test indicate that work facilities have a t-statistic of $5.080 > 1.96$ on employee performance and a p-value of $0.000 < 0.05$. These values meet the significance criteria, thus concluding that work discipline significantly mediates the effect of work facilities on employee performance. 7.The results of the indirect effect test indicate that the influence of incentives on employee performance through work discipline has a T-statistic of $1.989 > 1.96$ and a P-value of $0.048 < 0.05$. These values meet the significance criteria, thus concluding that work discipline significantly mediates the effect of work facilities on employee performance.

This study aims to analyze the influence of work facilities and incentives on employee performance, both directly and indirectly, through work discipline as a mediating variable at Perumda Air Minum Tirta Mayang, Jambi City. The results provide an empirical overview of the importance of supporting work facilities, reward systems, and employee discipline in improving the performance of public service organizations.

The Effect of Work Facilities on Work Discipline

The results indicate that work facilities have a positive and significant effect on employee work discipline. This means that the more adequate the work facilities provided by Perumda Tirta Mayang, the higher the level of employee work discipline. These work facilities include complete work equipment, a comfortable workspace, the availability of operational support facilities, and a safe and decent work environment.

Theoretically, these findings align with Sedarmayanti's (2017) opinion, which states that work facilities are a physical work environment factor that can influence employee attitudes and behavior, including work discipline. Good work facilities create a sense of comfort and security, thus encouraging employees to arrive on time, comply with regulations, and carry out tasks according to procedures.

The results of this study also support previous research conducted by Sari and Nugroho (2019) and Putra et al. (2021), which found that work facilities significantly influence employee work discipline in public service agencies. Therefore, providing adequate work facilities is a crucial prerequisite for fostering employee work discipline at Perumda Tirta Mayang, Jambi City.

The Effect of Incentives on Work Discipline

The results of the study indicate that incentives have a positive and significant effect on work discipline. This demonstrates that providing fair and performance-based incentives can encourage employees to work with greater discipline. Incentives serve as an external motivational tool that can increase employee compliance with work rules, working hours, and established targets.

According to Hasibuan (2019), incentives are additional rewards given to employees for specific work achievements and play a crucial role in fostering discipline and work enthusiasm. Employees who feel their efforts are recognized through incentives tend to exhibit more positive work behaviors, including high levels of discipline.

This finding aligns with research by Hidayat (2022) and Pariesti et al. (2022), which concluded that incentives have a significant effect on employee work discipline. In the context of Perumda Tirta Mayang in Jambi City, a transparent and performance-based incentive system has been shown to increase employee awareness of compliance with applicable regulations and work standards.

The Effect of Work Facilities on Employee Performance

The results of the study also indicate that work facilities have a positive and significant effect on employee performance. This means that the better the work facilities provided, the more optimal employee performance will be. Adequate work facilities enable employees to work more effectively and efficiently, with minimal technical obstacles.

According to Wibowo (2016), employee performance is significantly influenced by supporting work factors, one of which is work facilities. Adequate facilities help employees complete work on time, improve the quality of work results, and reduce the rate of errors.

The results of this study support previous research conducted by Putri (2021), Yuliana et al. (2021), and Aris et al. (2024), which stated that work facilities significantly influence employee performance. In public service organizations such as Perumda Tirta Mayang, adequate work facilities are a crucial factor in supporting smooth public service delivery.

The Effect of Incentives on Employee Performance

The results of this study indicate that incentives have a positive and significant effect on employee performance. This indicates that incentives provided by the company can increase employee work motivation, thus improving performance.

Theoretically, Mangkunegara (2017) states that incentives are a form of reward that can improve employee motivation and performance. Employees who receive incentives commensurate with their contributions will be motivated to work harder, achieve work targets, and deliver their best performance for the organization.

These results align with research by Siregar and Lubis (2021), which found that incentives have a positive and significant impact on employee performance. Therefore, providing appropriate incentives at Perumda Tirta Mayang, Jambi City, is an important strategy for improving employee productivity and performance quality.

The Influence of Work Discipline on Employee Performance

The results of this study indicate that work discipline has a positive and significant impact on employee performance. This means that employees with a high level of work discipline tend to demonstrate better performance than those with less discipline.

According to Hasibuan (2019), work discipline is a person's awareness and willingness to comply with applicable regulations and norms within an organization. Good work discipline will encourage employees to work consistently, responsibly, and focus on achieving organizational goals.

These findings support the research findings of Pratama et al. (2020), Rahman (2022), and Aris et al. (2024), which states that work discipline has a significant influence on employee performance. In the context of Perumda Tirta Mayang in Jambi City, work discipline is a key factor in maintaining the quality of clean water services to the community.

The Role of Work Discipline as a Mediator of the Effect of Work Facilities on Employee Performance

The results of this study indicate that work discipline acts as a mediating variable in the relationship between work facilities and employee performance at the Regional Public Water Company (Perumda) Tirta Mayang in Jambi City. This finding indicates that work facilities not only directly influence employee performance but also have an indirect effect through increased work discipline.

Adequate work facilities, such as the availability of complete work equipment, a comfortable workspace, adequate operational support facilities, and a safe work environment, can create a conducive work environment for employees. These conditions encourage employees to work in a more orderly manner, be punctual, and comply with applicable work regulations. Therefore, work facilities are a crucial factor in shaping employee discipline. This aligns with Sedarmayanti's (2017) opinion, which states that a good work environment and facilities can influence employee attitudes and behavior, including work discipline.

Improved work discipline resulting from adequate work facilities further contributes to improved employee performance. Disciplined employees tend to have high attendance rates, utilize work time effectively, and carry out tasks in accordance with established standards and procedures. According to Hasibuan (2019), work discipline is a key factor determining employee performance, as it reflects an employee's level of responsibility and commitment to their work.

The role of work discipline as a mediating variable indicates that good work facilities will optimally improve employee performance if accompanied by increased work discipline. Without work discipline, the effect of work facilities on performance tends to be suboptimal. In other words, work facilities serve as a trigger for work discipline, while work discipline serves as an internal mechanism that translates this support into productive and high-performance work behavior.

This finding aligns with previous research by Putra and Wibowo (2020) and Yuliana et al. (2021), which found that work discipline mediates the influence of the work environment

and facilities on employee performance. These studies confirm that adequate work facilities will have a greater impact on performance if they can improve employee discipline.

In the context of Perumda Tirta Mayang in Jambi City, as a public service organization, adequate work facilities are crucial, given the demands for sustainable and timely clean water services. Employee discipline fostered through supportive work facilities will impact service quality, speed of work completion, and employee reliability in carrying out operational tasks. Therefore, the management of Perumda Tirta Mayang in Jambi City needs to ensure the availability and continuous maintenance of work facilities as an effort to build work discipline and improve overall employee performance.

The Role of Work Discipline as a Mediator of the Effect of Incentives on Employee Performance

The results of this study indicate that work discipline acts as a mediating variable in the relationship between incentives and employee performance at the Regional Drinking Water Company (Perumda) Tirta Mayang in Jambi City. This finding indicates that incentives not only directly influence employee performance but also have an indirect effect through increased work discipline.

Incentives are a form of recognition given by organizations to employees for work achievements or contributions. Fair, appropriate, and performance-based incentives can encourage employees to demonstrate more positive work behaviors, including improved work discipline. Employees who receive incentives will feel that their efforts and adherence to work rules are valued by the organization, thus encouraging them to be more compliant with established work hours, regulations, and targets. This aligns with Hasibuan's (2019) opinion, which states that incentives serve as an external motivational tool that can improve employee discipline and work enthusiasm.

The work discipline that results from incentives significantly contributes to improved employee performance. Disciplined employees tend to work consistently, utilize their work time effectively, and complete tasks with a high degree of responsibility. According to Mangkunegara (2017), work discipline is a crucial factor influencing employee performance, as it reflects the employee's level of compliance and commitment to organizational goals.

The role of work discipline as a mediating variable indicates that the effect of incentives on employee performance will be more optimal if the incentives are able to improve work discipline. In other words, incentives not only motivate employees to work harder but also foster orderly and consistent work behavior, which ultimately impacts performance improvement. Without work discipline, the effect of incentives on performance tends to be temporary and unsustainable.

This study's findings align with previous research by Hidayat (2022) and Siregar and Lubis (2021), which found that work discipline mediates the effect of incentives on employee performance. These studies confirm that effective incentives are those that can drive changes in employee work behavior toward greater discipline, rather than simply increasing motivation momentarily.

In the context of Perumda Tirta Mayang in Jambi City, a public service organization, a consistently and transparently implemented incentive system will encourage employees to work with greater discipline in providing services to the public. The work discipline fostered through incentives will impact the quality, quantity, and timeliness of services, thereby sustainably improving employee performance. Therefore, management needs to consider designing an incentive system that is not solely focused on work results, but also on compliance with regulations and employee discipline.

CONCLUSION

Based on the research results and discussion regarding the influence of work facilities and incentives on employee performance, mediated by work discipline, at the Regional Drinking Water Company (Perumda) Tirta Mayang in Jambi City, it can be concluded that work facilities and incentives play a significant role in improving employee performance, both directly and indirectly.

Work facilities have been shown to have a positive effect on work discipline and employee performance. The availability of adequate work facilities creates a conducive work environment, encouraging employees to work more orderly, comply with regulations, and be responsible in carrying out their duties. The work discipline fostered by these facilities subsequently contributes to improved employee performance.

Incentives have also been shown to positively impact work discipline and employee performance. Fair, performance-based incentives can increase employee motivation and awareness to comply with work regulations. Improved work discipline resulting from incentives helps motivate employees to work more effectively and productively, thus sustainably improving employee performance.

Work discipline has been shown to positively impact employee performance and act as a mediating variable in the relationship between work facilities and employee performance, as well as between incentives and employee performance. This demonstrates that work discipline is an important mechanism that bridges the influence of organizational factors on employee performance. Therefore, improving employee performance at Perumda Tirta Mayang, Jambi City, depends not only on the provision of work facilities and incentives, but also on the organization's efforts to consistently build and maintain employee work discipline.

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