



EFFECT OF WORK ENVIRONMENT AND WORK COMPETENCY ON PERFORMANCE OF KPPU EMPLOYEES WITH WORK DISCIPLINE AS INTERVENING VARIABLE

Arif Bagus Widodo¹, Masyhudzulkhak Djamil², Ahmad Badawi Saluy³

¹⁾ Mercubuana University, Indonesia, abwkeiken@gmail.com.

²⁾ Mercubuana University, Indonesia, masydk@gmail.com.

³⁾ Mercubuana University, Indonesia, ahmad.badawi@mercubuana.ac.id.

Corresponding Author: Arif Bagus Widodo

Abstract: The background of the research in this thesis is that an agency often only demands high performance from employees, regardless of the factors that influence it, even though the fundamental factors in supporting performance, such as competence, work discipline and work environment must also be considered for the sake of increasing employee productivity. The research questions in writing this thesis are: (1) How does the work environment affect the work discipline of KPPU's employees (2) How is the influence of the Work Environment on KPPU Employee Performance? (3) How does competence affect KPPU's employees' work discipline? (4) How does competence affect KPPU's employee performance? (5) How does work discipline affect KPPU's employee performance? (6) What is the indirect effect of the Work Environment on KPPU Employee Performance through Work Discipline? (7) What is the indirect effect of Work Competence on KPPU Employee Performance through Work Discipline. This type of research is a causal research which aims to test the hypothesis about the effect of the independent variables (work environment, competence and work discipline) on the dependent variable (employee performance) in the Business Competition Supervisory Commission. From the results of this study, the authors concluded that: (1) Work Environment affects Work Discipline. (2) The work environment affects employee performance. (3) Competence affects work discipline. (4) Competence affects employee performance. (5) Work Discipline affects Employee Performance. (7) The work environment has an indirect effect on employee performance through work discipline. (8) Competence has an indirect effect on Employee Performance through Work discipline.

Keywords: Work Environment, Work Competence, Work Discipline and Employee Performance.

INTRODUCTION

Human Resources (HR) plays an important role in efforts to achieve the organizational goals that have been planned. Therefore, the organization's efforts to maintain its survival or growth increasingly depend on the management of its human resources. According to Herman Sofyandi in R. Supomo and Eti Nurhayati (2018:6) mentions human resource management,

namely: "A strategy in implementing management functions starting from planning, organizing, leading, and controlling in every activity/operational function of HR starting from the process of withdrawal, selection, training and development, placement which includes promotion, demotion, transfer, performance appraisal, compensation, industrial relations, to termination of employment, The opinion of Hasibuan in R. Supomo and Eti Nurhayati (2018:6) defines human resources, namely: "A science and art that regulates the relationship and role of the workforce to be effective and efficient in helping the realization of the goals of the company, employees and society".

To realize a clean and authoritative government system (good governance) and to realize good, efficient, effective and quality public services, of course, it is necessary to support professional, responsible, fair, honest and capable employees. In other words, when employees carry out their duties, they must be based on professionalism and ability based on qualifications in the field of knowledge they have.

An organization often only requires employees to see high performance. Basic factors that support performance, such as ability, work discipline, and work environment, must also be considered to increase employee productivity.

The Business Competition Supervisory Commission (KPPU) is one of the non-structural institutions (LNS) in Indonesia, KPPU has duties and responsibilities, especially for the implementation of Competition Law Enforcement, Harmonization of Government Policies, Supervision of Mergers and Acquisitions, and Partnership Supervision. To support the existing tasks and functions, KPPU is assisted by a Secretariat, which consists of the Secretariat General, the Deputy for Law Enforcement, and the Deputy for Studies and Advocacy.

The number of employees is 404 employees (data as of 2019), in addition to those at the Head Office and 6 Representative Offices in the regions. The following are the number of employees based on the existing organizational structure, as follows:

Table 1
Number of KPPU Employees

Number	Function	amount
1	Expert Council	1 people
2	KPPU General Secretariat	157 people
3	KPPU's Deputy for Studies and Advocacy	33 people
4	KPPU's Deputy for Law Enforcement	92 people
5	KPPU Commission Expert Staff	2 people
6	KPPU Regional Office	100 people
7	KPPU's Internal Supervisory Unit	10 people
8	KPPU Commission Working Group	9 people

Based on this information, it can be seen that there are 300 employees at the Head Office in Jakarta, while for regional offices, there are around 20 employees. Most of the employees who work within the KPPU are employees who have Post-Graduate and Graduate

education levels which reach up to 77% of employees, for the rest consist of employees who have Diploma and Secondary Education levels.

In order to. To support this research, the authors conducted a pre-survey with various research variables using a questionnaire aimed at 20 respondents, while the results of the pre-survey are shown in the following table.

Table 2
Pre-survey results on KPPU's Work Environment variable

No	Question	Yes	Not
1	The workplace building is in accordance with the needs	40%	60%
2	Adequate work equipment	40%	60%
3	Currently, the work facilities within the KPPU are sufficient in order to support work activities	50%	50%
4	Relations among colleagues within the KPPU are quite harmonious	60%	40%
5	Very harmonious relationship with superiors	50%	50%

(Data source: pre-research data results, 2020)

The definition of the work environment is everything that is around workers that can affect themselves in carrying out the tasks they carry out. The following is an explanation related to the work environment based on experts: Based on Siagian (2014: 56) it was stated that "The work environment is an environment where employees do their daily work."

Based on table 1.2, the situation of a sufficient work environment can cause employees to feel comfortable in carrying out work activities and this comfort will have an impact on improving employee performance.

According to the results of the pre-survey that has been done, it is known that the physical condition of the agency is not in accordance with the needs. Inadequate work equipment. Workspaces that do not support work activities create a sense of discomfort for employees because other employees are in and out of the room irregularly which results in the work space being not conducive, so that other employees find it difficult to concentrate at work. Good cooperation between employees among co-workers in the agency has not been carried out optimally, it can be seen from the existence of employees who prefer to work individually who should be able to work together with other co-workers, this condition causes a decrease in employee performance.

Table 3
Pre Survey Competency Variable

No	Question	Yes	Not
1	Are the results of your work satisfactory enough for the company?	40%	60%
2	I can understand the duties and responsibilities given to me by the company	60%	40%
3	I comply with the values and norms that apply in the company	50%	50%
4	I can make optimal use of work time	50%	50%
5	I understand the Standard Operational Procedure in my work	40%	60%

(Data source: pre-research data results, 2020)

In accordance with table 1.3 above, the competence of employees within the KPPU is not enough by looking at the results obtained, although there are different assessments with other indicators with a percentage of 55% (on the use of working time) of the number of respondents who can take advantage of working time. Optimally although there is only one indicator that experiences a different assessment, it is possible that if a wider survey is carried out the results will be worse. As a result, the agency will experience the achievement of unsatisfactory employee performance results.

Table 4
Pre-Survey Discipline Variables

No	Question	Yes	Not
1	I always obey the rules / regulations of the company	40%	60%
2	Existing regulations create employee motivation in completing assigned tasks	40%	60%
3	I never go home before office hours	50%	50%
4	Leaders always urge them to follow the rules	60%	40%
5	I always try to correct my inappropriate behavior	50%	50%

(Data source: pre-research data results, 2020)

Based on the results obtained, it can be conveyed that discipline is a factor that affects employee performance. Based on Veithzal Rivai Zainal (2017:599) stated that: "Work discipline is a tool used by managers to communicate with employees so that they are willing to change a behavior as well as an effort to increase one's awareness and willingness to obey all company regulations and applicable social norms."

Undisciplined employees, of course, have low performance. Researchers want to know the discipline of employees, so a research using pre-research is aimed at 20 KPPU employees who are at the head office.

In table 4, regarding employee discipline, it is still said that it is not appropriate. It can be seen in compliance with predetermined regulations. As with the previous variables that have been carried out by the pre-survey, the results for the discipline indicators can be categorized as not good, although there is one indicator whose results are different in self-introspection (improvement of behavior).

Performance expectations are important things that must be achieved by every agency, including employees within the KPPU, on the grounds that performance is a gap for the agency's ability to manage each of its employees. Based on Afandi's explanation (2018: 83) "Performance is the result of work that can be achieved by a person or group of people in a company in accordance with their respective authorities and responsibilities in an effort to achieve organizational goals illegally, not violating the law and not contrary to morals and ethics. ethics."

Table 5
Pre-Survey of KPPU Employee Performance Variables

No	Question	Yes	Not
1	I feel able to complete the task well according to the given target	40%	60%
2	Every job given, I feel I have completed it in accordance with the set time	30%	70%
3	Seriously in completing the given task, so that there are no errors in the results of the work	50%	50%
4	I give suggestions in order to improve the implementation of work	40%	60%
5	I always try to always help fellow coworkers who have difficulty in doing work	50%	50%

(Data source: pre-research data results, 2020)

Based on table 1.5 above, the results obtained by the employee's performance have reached the predetermined target. However, there are poor results on the indicator of the lack of employees in terms of completing work in accordance with the time set with 70% results in the pre-survey conducted with 20 respondents. According to the results of the pre-research, it turns out that efforts still have to be made in terms of improving employee performance in terms of quality and quantity of work so that they can produce positive contributions to performance in the hope that organizational goals are achieved. The author sees various efforts that can be made by the KPPU in building employee performance so that they can achieve satisfactory results through positive competence improvements among employees, applying employee discipline at work,

Furthermore, the research objectives are: 1.) To find out how the influence of the Work Environment on the Work Discipline of KPPU's Employees. 2.) To find out how the Work Environment affects the Performance of KPPU's Employees. 3.) To find out how the influence of Competence on the Work Discipline of KPPU's Employees. 4.) To find out how the influence of Competence on the Performance of KPPU's Employees. 5.) To find out how the influence of Work Discipline on the Performance of KPPU's Employees. 6.) To find out how the indirect influence of the Work Environment on Employee Performance through Work Discipline. 7.) To find out how the indirect influence of Competence on Employee Performance through Work Discipline.

LITERATURE REVIEW

Understanding the Work Environment

Understanding the Physical Work Environment

The physical work environment has an explanation that all the circumstances that exist around the workplace, which can affect the level of employee performance. Based on Sedarmayanti (in Rahmawanti et al., 2014) the notion of the physical work environment is all physical conditions that exist around the workplace which can affect the work of employees both directly and indirectly.

Definition of Non-Physical Work Environment

Sedarmayanti explains (in Rahmawanti et al., 2014) that the non-physical work environment is all circumstances that occur when it comes to working relationships, both with superiors and with fellow co-workers, or with subordinates.

(Suwatno and Priansa, 2011:163) explains that in general the work environment consists of a physical work environment and a psychological work environment.

Physical environmental factors can be explained, namely the environment around workers. Conditions in the work environment can affect the level of employee job satisfaction which includes:

- a. Included in the workspace plan is the suitability of the arrangement and layout of work equipment, these results have a major influence on the comfort and appearance of employees' work.
- b. Work plan consisting of work equipment and work procedures or work methods, work equipment if it is not in accordance with the work will affect the health of the work results of its employees.
- c. Working Environment Conditions, especially in terms of lighting and noise are closely related to the comfort of the workers at work. As with air circulation, room temperature and appropriate lighting in the work environment greatly affect a person's condition in carrying out their duties.
- d. The level of Visual Privacy and Acoustical Privacy in certain job levels requires a workplace that can provide privacy for its employees.

Definition of Competence

Employee competence can be interpreted as a basis for carrying out work or tasks based on skills and knowledge and supported by the work attitude required by the job. The skills and abilities needed for employees demonstrated by the ability to consistently provide an adequate or high level of performance in a job function.

Competence is a professional that is often heard and conveyed by many people. In the work environment, we often hear or even pronounce the professional in various uses, especially related to the implementation of human resource development. However, there are also those who interpret competence as equivalent to ability or skill, there are others who interpret it as equivalent to skills, knowledge and a high level of education. Further explanation will be presented the notion of competence based on experts.

Wheeler Patricia and Geneva Haertel (Sunaryo, 2013: 24) explain that competence as a field that includes knowledge, skills, abilities, personality, experience, and characteristics that are useful for final results in the implementation of learning or work.

In addition, it can also be conveyed according to Dijkstra (in Sunaryo, 2013: 29) which states that competence involves three things, namely knowledge, skills, and motivation, which are indeed needed by a person to fulfill the needs of his position, role, and activities.

Further understanding, according to S. Chuenjitwongsa (2016), explains that competence has the following main components: learning, assessment, environmental support, and graduate characteristics. Explanation of competence by Spencer cited by Moehariono (2014: 5), namely as characteristics that become the basis of a person related to the effectiveness of individual performance in his work or the basic characteristics of individuals who have a causal relationship or as a cause and effect with the criteria that are used as the basis of reference. According to Spencer, competence has a place that lies on the inside of every human being and is forever in the personality of a person who can predict behavior and performance in a broad sense in all situations and job tasks for employees.

Definition of Discipline

Supomo and Nurhayati (2018), explain that work discipline has the meaning as an attitude or behavior of an employee in an organization to always obey, respect, and respect various rules and norms that have been determined by the organization which has a goal in order to achieve the ultimate goal for the organization. . If employees can carry out work discipline properly, it will reflect the level of responsibility for the tasks assigned to them. This will certainly encourage morale and improve employee performance, which in turn can have an impact on achieving the ultimate goal of an organization.

Sutrisno (2014), said that work discipline is the attitude or behavior of a person in accordance with applicable regulations, work procedures in the existing environment or behavior, as well as behavior and actions in accordance with existing regulations, written or unwritten. Mangkunegara's explanation (2014) states that work discipline is the implementation of management to enforce organizational guidelines.

Furthermore, work discipline is an absolute necessity and obligation to be implemented by employees in an organization by taking into account the provisions of the written rules within the organization, as well as those that are not written or verbal with the aim of being able to work responsibly, so as to achieve organizational goals by easy.

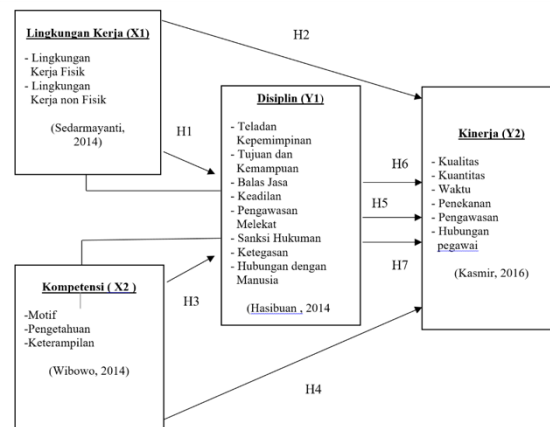


Figure 1
Framework

Definition of Performance

Marwansyah (2016) explains that performance is the achievement of someone or someone's achievement with regard to the obligations imposed on him. Based on this, Rivai and Sagala (2013) explain employee performance as real behavior that is displayed by each employee as work performance produced in accordance with their role in the organization. In accordance with this explanation, employee performance is the result of work, in the form of quantity or quality of employees obtained through the completion of the obligations given in accordance with the authorities and responsibilities of the employees.

RESEARCH METHODS

(2018:2) explains that the research method is a scientific method used to obtain data for certain purposes and uses. Something scientific means research activities based on scientific or theoretical characteristics, namely rational, empirical, and systematic. Rational understanding means research activities carried out in a reasonable way, so that it can be reached by human reasoning. Empirical means that the methods used can be observed by the human senses, so that other people can observe and know the methods used.

There are 3 (three) kinds of variables in the research. Independent variable (exogenous variable). (Sugiyono, 2004) states that the variable affect or be the cause of the change or result in the emergence of the dependent variable (bound). The next variable is the dependent variable (endogenous variable), namely the variable that is influenced or which is the result of the influence of the independent variable. For the latter, namely the intervening variable (mediation variable), the explanation is the variable that connects a main independent variable to the dependent variable in the analysis in research, (Ferdinand, 2006).

Operational research variables based on Sugiyono (2015, p.38) are an attribute or nature or value of objects or activities that have certain variations that have been determined to be studied and then produce conclusions.

Table 6
Operational Definition of Research Variables

Variable	Dimension	Indicator	Items	Scale		
Work environment	Physical Environment	Work	Building or work environment	1	Likert	
			Sufficient work equipment	2		
			Facilities provided	3		
			Provision of transportation facilities	4		
	Non-Physical Environment	Work	Peer-level relationships	5		Likert
			Relations with employee superiors	6		
Competence	Motive		Willingness of employees to complete tasks	7	Likert	
			Willingness to cooperate	8		
			Behave politely	9		
	Nature		Time discipline	10	Likert	
			Obey the rules	11		
			Tolerance	12		
	Self concept		Humble	13	Likert	
			Good time management	14		
			Dress etiquette	15		
	Knowledge		Good service ethic	16	Likert	
			Product knowledge	17		
			Ability in jobdes	18		
Skills			Mastering many scopes of work	19		Likert
			Able to complete various types of work	20		
			Receive input from coworkers	21		
Work discipline	Preventive discipline		Obey company regulations	22	Likert	
			Arrive on time	23		
			Come home on time	24		
	Corrective Discipline		Motivated by the rules applied	25		Likert
			Leaders always urge to obey the rules	26		
			Self-intropection	27		
Performance	Skills for work		Able to do tasks according to target	28	Likert	
			Responsibility for assigned tasks	29		

l. Quality time speed of getting the job done	. Punctuality in completing work	30	Likert
	. Number of jobs that can be completed	31	
j. Accuracy/accuracy	. no work error	32	Likert
	. The work produced by employees is in accordance with company standards	33	
k. Loyalty	. Willingness to work to achieve organizational goals	34	Likert
	. Willingness to work outside working hours	35	
i. Initiative	. Understanding to improve communication and coordination	36	Likert
	. Active desire in terms of self-development	37	
j. Cooperation	. Able to perform internal and external relations hubungan	38	Likert
	. Desire to help coworkers who are having difficulties	39	

The population is a generalization area consisting of objects/subjects that produce certain qualities and characteristics that are determined by researchers to be studied and then conclusions can be drawn, based on Sugiyono (2018: 80). Separation of the population can be distinguished, namely two types into a sampling population or research population and the target population or target population, the position of the target population has a size larger than the size of the sampling population. The population of this research is the employees of the Business Competition Supervisory Commission with a total of 300 people.

The next stage is the stage of data collection carried out by researchers by distributing questionnaires to research respondents. In the event that the researcher does not need to provide an explanation of instructions directly to the research respondents, because the questionnaire sheet has included an explanation in terms of the procedure for filling out the questionnaire, it is assumed that the research respondents in this case can understand the correct and appropriate procedure for filling out the questionnaire. The size of the scale in terms of the research used is the Likert Scale.

Data analysis is breaking down the whole into smaller components to find out the dominant component, comparing one component to another, and comparing one or several components to the whole. Data analysis techniques are used to answer the problem formulation or test the hypotheses that have been formulated. Data management in this study will use smartPLS software.

FINDINGS AND DISCUSSION

Description of Data Collection

The author conducts research at the state agency, the Business Competition Supervisory Commission (KPPU), in this case KPPU is an independent institution that has the main task of enforcing competition law in accordance with applicable regulations. The KPPU's organization aims to create business competition and healthy partnerships with the aim of promoting a just and sustainable national economy in order to achieve people's welfare. In carrying out its duties and functions in implementing business competition law enforcement, KPPU is assisted by the Secretariat as well as reliable leadership and staff to become the front line guarding business competition. In the organizational structure, the Secretariat consists of three institutional functions, namely the Secretariat General, the Deputy for Law Enforcement.

Respondent Description

In this study, the respondents came from KPPU Secretariat employees, then the calculation was carried out using descriptive statistics. The characteristics of this research group of respondents include:

Table 7
Gender of Research Respondents

No	Gender	amount (person)	Percentage
1	Men	40	40%
2	Woman	60	60%
	amount	100	100%

(Source: Primary Data Processing Results, 2021)

According to Table 4.1, it can be seen that the results obtained with the highest percentage of sex women by 60% and the lowest percentage in the male sex by 40%.

Table 8
Educational Level of Research Respondents

No	Education Last	amount (Person)	Percentage
1	SMA/SMK	15	15%
2	D3	20	20%
3	S1	45	45%
4	S2	20	20%
	amount	100	100%

(Source:
Primary
Data

Processing Results, 2021

According to Table 8, it can be seen that the results obtained with the highest percentage at the level of undergraduate education are 45% and the lowest percentage is at high school/smk at 15%.

Table 9
Research Respondents Working Period

No	Length of work	amount (Person)	Percentage
	1 < 1 Year	7	7%
	21-10 Years	47	47%
	311-20 Years	36	36%
	4 > 20 Years	10	20%
		amount 100	100%

(Source: Primary Data Processing Results, 2021)

According to Table 9, it can be seen that the results obtained with the highest percentage of working hours are 1-10 years by 47% and the lowest percentage of years working <1 year is 7%.

A. Variable Description

In this study there are 4 (four) variables studied. These variables are Work Environment, Work Competence, Performance, and Work Discipline.

Through the questionnaires that have been distributed by the researchers, data on the variables can be obtained, namely:

Table 10
Assessment of the Research Work Environment

No.	Question	mean
1	The workplace building is in accordance with the needs.	4.34
2	Adequate work equipment.	4.47
3	The existing work facilities are sufficient to support work activities.	4.53
4	Have enough space to move at work.	4.57
5	The layout in the workplace is neatly arranged so that it can provide a sense of comfort in working.	4.48
6	Security facilities in the workplace are already, able to make a sense of working comfortably.	4.58
7	Air circulation in the workplace has been operating well, so I feel comfortable.	4.45
8	Lighting at work has supported the atmosphere at work	4.48

9	The relationship between co-workers is very harmonious.	4.37
10	Relations with superiors are very harmonious.	4.50

(Source: Primary Data Processing Results, 2021)

Based on the data on the results of the study, the highest work environment variable was 4.58 and the lowest was 4.34. It can be seen from these results that the factors that support the success of the work environment have got a high average, such as security in the workplace, sufficient space for work and work space facilities that support work activities

Table 11
Assessment of Competency Variables

No.	Question	mean
1	Are the results of your work satisfactory for the company?	4.37
2	I have understood the duties and responsibilities assigned to me by the organization.	4.26
3	I can respect the opinion of colleagues in responding to a work problem.	4.07
4	I make optimal use of my working time.	4.97
5	I have understood the Standard Operational Procedure in my field of work.	4.21
6	I understand the work I do because it is based on the educational background that I have studied.	4.29
7	I believe in my ability or reliability, especially in completing work.	5.08
8	I have complied with the values and norms that apply in the company.	4.53
9	I have been open to suggestions and criticism from fellow coworkers	4.91
10	I have been consistent in doing work according to my thoughts	4.98

(Source: Primary Data Processing Results, 2021)

According to the table above, the results of the highest work environment variable are 5.08 and the lowest are 4.07. It can be seen in the results that the factors that support success Many competencies have received high averages, such as the ability to complete work, be consistent in doing work and be open to suggestions and criticism.

Table 12
Assessment of Work Discipline Variables

No.	Question	mean
1	I always obey company rules/stipulations.	4.28
2	The rules that have been set can make me motivated in terms of completing the given task.	4.56
3	I never go home before office hours.	4.03
4	I have had a good performance and do not waste time with other events or activities.	4.13
5	Leaders always urge them to follow the applicable regulations	4.20
6	I always try to correct my inappropriate behavior.	4.24
7	I have always carried out my duties properly and precisely, and always tried to complete them to the best of my ability.	4.37
8	I have used office equipment / state property (BMN) well and participated in maintaining / caring for it.	4.40
9	I have understood the employee code of conduct and I have carried out orders correctly.	4.41
10	I always wear complete and neat official clothes.	4.42
11	I always have always carried out my job duties well, and have tried to complete them to the maximum.	4.43

(Source: Primary Data Processing Results, 2021)

Table 13
Assessment of Research Employee Performance Variables

No.	Question	mean
1	I feel I have been able to complete the task well and according to the given target.	4.24
2	Every job given, I feel that I can complete it in accordance with the time available.	4.18

3	Seriously in completing the given task, so that there are no errors in the results of the work.	4.18
4	I make suggestions in order to improve the implementation of the work.	4.06
5	I have always tried to help my co-workers who are having difficulties, especially in terms of work.	4.28
6	I like to help co-workers who have difficulty at work.	4.43
7	I have worked according to the working hours that have been set.	4.32
8	I have completed the work according to the working hours or time that has been set.	4.24
9	I'm always absent when I'm not really in an urgent situation at work.	4.37
10	I have always been on time during working hours.	4.58
11	I can always fulfill the job targets and tasks of the organization properly and appropriately.	4.40
12	I have been able to complete the amount of work as set by the company or organization.	4.46

(Source: Primary Data Processing Results, 2021)

According to the table above, the results of the performance variable are 4.58 and the lowest is 4.06. It can be seen from these results that the factors that support the success of the work environment have gotten a high average, such as being on time, completing work as determined, and meeting work targets.

Data analysis

The authors in this study, performed data analysis techniques using Partial Least Square (PLS).

Test Measurement (Outer) Model

Construct Validity Test

At the stage of the construct validity test that has been carried out there are 2 (two) test stages, namely the convergent validity test which explains the correlation between item scores (component scores) and construct validity scores and discriminant validity tests by measuring with reflexive indicators that are assessed based on cross loading measurements in the construct (Ghozali, 2015). Things that need to be considered in the convergent validity test include:

- The value of the loading factor with the provisions of the recommended value is more than 0.70. Average variance extracted (AVE) value

- with the provisions, with the recommended value above 0.5.

The results of this questionnaire are the results that have been deleted on invalid items, the results of the loading factor values in the table after adjustment or deletion (already valid):

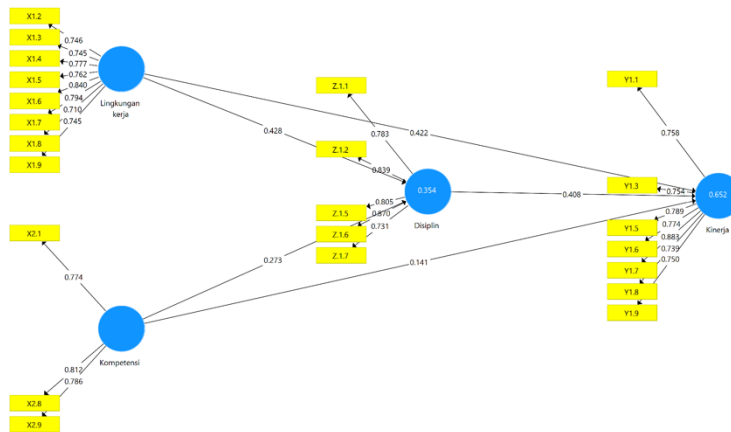


Figure 3
Result of Research Loading Factor Value

Furthermore, the results of the loading factor values obtained in this study are as follows:

Table 14
Result of Research Loading Factor Value

No	Items Statement	Loading Value Factor	Status
1	X1.2	0.746	Valid
2	X1.3	0.745	Valid
3	X1.4	0.777	Valid
4	X1.5	0.762	Valid
5	X1.6	0.840	Valid
6	X1.7	0.794	Valid
7	X1.8	0.710	Valid
8	X1.9	0.745	Valid
1	X2.1	0.774	Valid
2	X2.8	0.812	Valid
3	X2.9	0.786	Valid
1	Z1.1	0.783	Valid
2	Z1.2	0.839	Valid
3	Z1.5	0.805	Valid
4	Z1.6	0.870	Valid
5	Z1.7	0.731	Valid

1	Y1.1	0.758	Valid
2	Y1.3	0.754	Valid
3	Y1.5	0.789	Valid
4	Y1.6	0.774	Valid
5	Y1.7	0.883	Valid
6	Y1.8	0.739	Valid
7	Y1.9	0.750	Valid

(Source: Primary Data Processing Results, 2021)

Furthermore, according to the table below, it shows that there are 4 (four) variables with the results giving an AVE value > 0.50 with the lowest value 0.58 for the Work Environment variable and the highest value limit is 0.65 for the Work Discipline variable.

Table 15
Result of Research Loading Factor Value

Variable	AVE	Score Critical	Information
Work Discipline	0.65	0.5	Valid
Performance	0.60	0.5	Valid
Job competence	0.62	0.5	Valid
Work environment	0.58	0.5	Valid

(Source: Primary Data Processing Results, 2021)

Discriminant Validity Test

A model can be said to have large discriminant validity if the AVE root for each construct is greater than the correlation between other constructs in the model (Chin, Gopal, and Salinsbury in Abdillah and Jogiyanto 2015:195). The results are the AVE root value and the correlation of latent variables that have been calculated in the table:

Table 16
Research Discriminant Validity Results

	Discipline	Performanc e	Job competence	Work environment
Work Discipline	0.807			
Performance	0.700	0.779		

Job competence	0.450	0.499	0.791	
Work environment	0.540	0.701	0.413	0.766

According to table 4.10 the AVE root value and the correlation of latent variables above, all variables are declared valid because the AVE root value is correlation of latent variables.

Reliability Test

This stage of reliability testing was carried out with the aim of measuring the internal consistency of the research measuring instrument. According to Sugiyono (2017) states that the reliability test is to see how big the results are measurements using the previous object, will produce the same data. Reliability test is carried out jointly on all statements. The reliability test in PLS can be measured using the calculated value of Cronbach's alpha and composite reliability. Things that need to be considered in reliability testing, namely:

- The value of Cronbach's alpha results, the results obtained with the recommended value above 0.70.
- Composite reliability value, the results obtained with the recommended value above 0.70

Table 17
Research Reliability Test Results

Variable	Cronbach Alpha	Score Critical	Information
Work Discipline	0.86	0.70	Reliable
Performance	0.89	0.70	Reliable
Job competence	0.70	0.70	Reliable
Work environment	0.90	0.70	Reliable

(Source: Prime Data Processing Results, 2021)

The results of Table 17 are generated for Cronbach's Alpha coefficient > 0.70 so that all statement items on the variables of Work Discipline, Performance, Work Competence, and Work Environment are reliable.

Structural Test (Inner) Model

The second stage is the structural (inner) model test. Structural model test This study aims to show the effect of the independent latent variable on the dependent latent variable (Hair et al., 2017). Structural model can be measured using coefficients of determination (R^2) and path

coefficients.

- a. *Coefficients of determination (R²)* shows how much influence between the variables and the model. The recommended R-square value ranges from 0 to 1.
- b. *Path coefficients* is the estimated path coefficient which is the estimated value for the path relationship in the structural model using the statistical t test obtained by the bootstrapping procedure. While the statistical significance test has a criterion value of 1.65 with a significance level of 10%, a value of 1.96 with a maximum significance level of 5%, a value of 2.58 with a maximum significance level of 1%.

Table 18
R²

NoVariable	R ²
1 Work Discipline	0.354
2 Performance	0.658

The results in the table above, the R-square results obtained are 0.354 on the Work Discipline variable, and 0.658 on the Performance variable. It can be explained that the influence of this variable is very strong because it is close to 1.

Table 19
Research Path Coefficient Estimation Results

No	Variable	Path Coefficient	P Value	Status
1	Work Environment > Work Discipline	0.428	0.000	Significant
2	Work Environment > Performance	0.422	0.000	Significant
3	Competence > Work Discipline	0.273	0.014	Significant
4	Competence > Employee Performance	0.141	0.045	Significant
5	Work Discipline > Employee Performance	0.408	0.000	Significant

To be able to test the proposed research hypothesis, it can use the results of the magnitude of the p-value. When the result is greater than the p-values less than 0.05, then H₀ is rejected or there is a significant effect for that variable. The estimated path coefficients that have been obtained are used to test the strength of the causal effect between variables and explain the firmness of the relationship between the direction of the variables according to table 4.13 which is stated as follows:

- The total work discipline variable has a significant effect on the performance variable with

- a p-value of $0.000 < 0.05$
- The total competence variable has a significant effect on the Work Discipline variable with a p-value of $0.017 < 0.05$
- The total competence variable has a significant effect on the performance variable with a p-value of $0.031 < 0.05$
- The total work environment variable has a significant effect on the work discipline variable with a p-value of $0.000 < 0.05$
- The total work environment variable has a significant effect on the performance variable with a p-value of $0.000 < 0.05$.

Hypothesis test

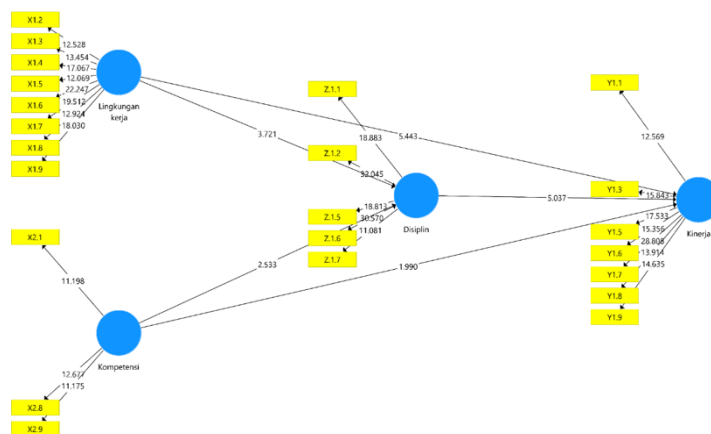


Figure 4
Test result

Furthermore, the results of hypothesis testing obtained in this research are as follows:

Table 20
Research Hypothesis Testing

No	Variable	Original Sample	T Statistics	P Values
Direct Influence				
1	KPPU's Work Environment > Work Discipline of KPPU's employees	0.428	3,721	0.000
2	KPPU's Work Environment > KPPU's Employee Performance	0.422	5,443	0.000
3	Competence of KPPU's employees > Work Discipline of KPPU's employees	0.273	2,553	0.012
4	Competence of KPPU's employees > KPPU's Employee Performance	0.141	1,990	0.047
5	Work Discipline of KPPU's	0.408	5.037	0.000

Employees> KPPU's Employee
Performance

Indirect Influence				
6	Competence of KPPU's employees> Work Discipline of KPPU's employees> Performance of KPPU's employees	0.111	2,241	0.025
7	Competence of KPPU's employees> Work Discipline of KPPU's employees> Performance of KPPU's employees	0.175	2,814	0.005

H1: Work Environment has an effect on Work Discipline.

The table above shows that the relationship between Work Environment and Work Discipline is significant with T Statics 3.721 (> 1.96). The original sample value is positive, namely 0.428 which indicates that the direction of the relationship between the Work Environment and Work Discipline is positive. Thus the hypothesis H1 in this study is accepted. Hypothesis testing on the work environment has an effect on work discipline, supported by previous research conducted by Miftachul Mujib (2016) who conducted a research entitled "The Influence of the Work Environment and Commitment to Work Discipline on Employees of the Yogyakarta Special Region Personnel Board", the results obtained is the independent variable (Work Environment) capable of influencing Work Discipline.

H2: Work environment affects employee performance.

The table above shows that the relationship between Work Environment and Employee Performance is significant with T Statics 5.443 (> 1.96). The original sample value is positive, which is 0.422 which indicates that the direction of the relationship between the Work Environment and Employee Performance is positive. Thus the hypothesis H2 in this study is accepted. Hypothesis testing on the work environment has an effect on employee performance, supported by previous research conducted by Moh. Amir Fiqi (2018) who has conducted research with the title "The Influence of Work Environment and Work Discipline on Employee Performance at CV. Tiara Abadi Pamekasan", the results obtained are that the work environment variable has a significant effect on the performance of employees of CV. Eternal Tiara.

H3: Competence affects Work Discipline.

The table above shows that the relationship between Competence and Work Discipline is significant with T Statics 2.533 (> 1.96). The original sample value is positive, which is 0.273 which indicates that the direction of the relationship between the Work Environment and Work Discipline is positive. Thus the hypothesis H3 in this study is accepted. Hypothesis testing on Competence has an effect on Work Discipline, supported by previous research conducted by

Muhammad Riyanda (2017) who has conducted a study entitled "The Effect of Competence and Work Discipline on Employee Performance at the Yogyakarta City Licensing Service", the results obtained are that there is an influence positive and significant work discipline on employee performance at the Yogyakarta City Licensing Service.

H4: Competence affects employee performance.

The table above shows that the relationship between Competence and Employee Performance is significant with T Statics 1,990 (> 1.96). The original sample value is positive, namely 0.141 which indicates that the direction of the relationship between Competence and Employee Performance is positive. Thus the hypothesis H4 in this study is accepted. Hypothesis testing on Competence has an effect on Employee Performance, supported by previous research conducted by Annisa Putri Soetrisno and Alini Gilang (2018) who have conducted research entitled "The Influence of Competence on Employee Performance at PT. Telekomunikasi Indonesia Tbk Witel Bandung", the results obtained are that there is a significant influence of the Competency variable on the Employee Performance variable of PT. Telekomunikasi Indonesia Tbk Witel Bandung.

H5: Work Discipline has an effect on Employee Performance.

The table above shows that the relationship between Work Discipline and Employee Performance is significant with T Statics 5.037 (> 1.96). Original value *sampleis* positive that is equal to 0.408 which indicates that the direction of the relationship between Work Discipline and Employee Performance is positive. Thus the hypothesis H5 in this study is accepted. Hypothesis testing on Work Discipline has an effect on Employee Performance, supported by previous research conducted by Asep Suprihat and Masyhudzulhak Djamil (2018) who conducted a study entitled "The Influence of Leadership, Work Discipline, and Organizational Culture on Employee Performance at the Rawalumbu District Office" , the results obtained are that partially there is a positive and significant effect of the Leadership Variables, Work Discipline on Employee Performance Variables, and there is an insignificant positive influence of Organizational Culture Variables on Employee Performance Variables, but simultaneously the Leadership, Work Discipline, and Variables Organizational Culture has a positive and significant effect on the Employee Performance Variable of the Rawalumbu District Office.

H6: Work Environment through Work Discipline has a positive effect on Employee Performance.

The table above shows that the relationship between the Work Environment, Work Discipline and Employee Performance is significant with T Statics 2,241 ($> 1,96$). Original sample value is positive that is equal to 0.111 which shows that the direction of the relationship between the Work Environment and Employee Performance through Work Discipline is positive. Thus the hypothesis H6 in this study is accepted. Hypothesis testing of the Work Environment through Work Discipline has a positive effect on Employee Performance, supported by previous research

conducted by Maulina Agustita (2017) who has conducted research with the title "The Influence of Competence, Work Discipline and Work Environment on Employee Performance at the Office of PT Perkebunan Nusantara VII Palembang", the results obtained are that there is an influence of competence, work discipline and work environment on employee performance either partially or simultaneously.

H7: Work Environment through Work Discipline has a positive effect on Employee Performance.

The table above shows that the relationship between Work Environment, Work Discipline and Employee Performance is significant with T Statics 2.814 (> 1.96). The original sample value is positive, namely 0.175 which indicates that the direction of the relationship between the Work Environment and Employee Performance through Work Discipline is positive. Thus the hypothesis H7 in this study is accepted. Hypothesis testing on Work Environment, Competence, Work Discipline and Employee Performance together has an effect on Employee Performance, supported by previous research conducted by Ammara Khairani Lubis (2019) who has conducted research with the title "The Influence of Competence, Discipline and Work Environment on Employee Performance at the Medan City Communication and Informatics Service ", the results obtained are that competence, discipline and work environment together (simultaneously) have a positive and significant effect on the performance of the Medan City Communication and Informatics Service employee.

CONCLUSION AND RECOMMENDATION

Conclusion

In accordance with the results of the research that has been submitted, the results of this study are intended to be able to find out how the "Effect of the Work Environment and Work Competence on the Performance of KPPU Employees with Work Discipline as Intervening Variables", the results obtained are as follows:

1. KPPU's Work Environment has a positive effect on the Work Discipline of KPPU's employees.
2. KPPU's Work Environment has a positive effect on KPPU's Employee Performance.
3. The Work Competence of KPPU's employees has a positive effect on the Work Discipline of KPPU's employees.
4. The Work Competence of KPPU's employees has a positive effect on the Performance of KPPU's Employees.
5. Work Discipline of KPPU employees has a positive effect on the Performance of KPPU's Employees.
6. The Work Environment of KPPU's employees through the Work Discipline of KPPU's employees has a positive effect on the Performance of KPPU's Employees.
7. Competence of KPPU's employees through Work Discipline of KPPU's employees has a positive effect on Performance KPPU employee.

B. Suggestion

According to the conclusions obtained from the research, the suggestions submitted are as follows:

1. Work environment

Based on the results of the study, it shows that the lowest value loading factor is in question number 3 "the currently available work facilities are sufficient to support work activities" and number 9 "relationships among co-workers are very harmonious", this can be followed up by the leadership by conducting improvement of work facilities carried out in stages as well as conducting training or group activities between lower levels or staff, so it is hoped that if these activities have been carried out they can improve performance through work environment factors.

2. Job competence

Based on the results of the study, it shows that the loading factor value is the lowest value in question number 1 on the question "are the results of your work satisfactory for the company", this can be followed up by the leadership by monitoring and evaluating every achievement that has been made, so that it can find out the obstacles Encountered so that further solutions can be found.

3. Work Discipline

Based on the results of the study, it shows that the lowest value loading factor is in question number 7 on the question "I have always carried out tasks properly and precisely, and always tried to complete them optimally", this can be followed up by the leadership by taking an intensive and periodic approach, With the implementation of these activities, it is expected that all employees can carry out the targets in accordance with the plans that have been submitted.

4. Employee Performance

Based on the results of the study, it shows that the lowest value loading factor is in question number 8 with the question "I complete the work according to the set working hours", this can be followed up by the leadership by brainstorming so that they can find new ideas that can support performance achievement. by each employee in accordance with their existing duties and functions.

BIBLIOGRAPHY

- Ahmad Fardian Firdaus; Sugiyono Madelan; Ahmad Badawi Saluy. (2021). "Supplier / Partnership Selection System Analysis Based on Analytic Hierarchy Method Process in Oil and Gas Drilling Project (Case Study: PT. KMI)". International Journal of Innovative Science and Research Technology, Vol.6, Issue 3, page. 403 -411.
- Amalia Utami Dewi; Madelan, Sugiyono; Ahmad Badawi salute. (2021). "Analysis of the Application of Total Quality Management in Lens Products in PT. XYZ" Scholars Bulletin, Scholars Bulletin. Vol.7, Issue,3. Pages, 14-20.

- Christie HK Pasaribu; Sugiyono Madelan; Ahmad Badawi Saluy. (2021) "Single and Multifactor Productivity Analysis of Manual and Automatic Machines at Powder Coating Company PT. TKM in Bekasi" *International Journal of Innovative Science and Research Technology*, *International Journal of Innovative Science and Research Technology*, Vol.6, Issu,2,Page, 518-524.
- Doddy Agustiani; Sugiyono Madelan; Ahmad Badawi Saluy. (2021). "Quality Control Analysis Using Six Sigma Method to Reduce Post Pin Isolator Rject in Natural Drying Pt Xyz". *International Journal of Innovative Science and Research Technology*.Vol.6.Issu,1,Page, 1417-1426.
- Dzulkipli, M. (2013). *The Influence of Leadership Style, Motivation, Work Discipline, Competence and Organizational Culture on Employee Performance (Case Study at the Directorate of Floriculture Cultivation and Postharvest)*.
- Kemalasari, Novawiguna., Ahmad Badawi Saluy. (2018). *The Effect of Human Capital, Structural Capital and Relation Capital on Company Performance*. *Saudi Journal of Humanities and Social Sciences Saudi Journal of Humanities and Social Sciences*. Vol.3, Issue.5, Page.642-650.
- Mz, Masydzulhak Djamil and Dadan Zaenudin. (2018). "The Influence of Compensation, Motivation and Work Environment on Employee Performance of PT. AEM". *Scientific Journal of Management and Business*. Vol.2. Number 1. pp 26-41.
- Nuryanto, Uli; Djamil, Masydzulhak; Sutawidjaya, Ahmad; Saluy, Ahmad Badawi.(2020)"THE ROLE OF HUMAN RESOURCES MANAGERIAL AS A COMPETITIVE ADVANTAGE IN IMPROVING SUSTAINABLE ORGANIZATIONAL PERFORMANCEAt-Tijarah: *Journal of Islamic Management and Business Science*. Vol.1, Edition.6, Hal. 1-22.
- Nuryanto, Uli Wildan, Masydzulhak Djamilb, Achmad Hidayat, and Ahmad Badawi Saluy; Sutawidjaya. "The Roles of Green Competitive Advantage as Intervention Between Core Competence and Organizational Performance." *International Journal of Innovation, Creativity and Change*. Volume 11, Issue 6, 2020.www.ijicc.net.
- Nuryanto, UW, Djamil, M., Sutawidjaya, AH, & Saluy, AB. (2020). *Lecturer Performance Improvement Strategy Through Development of Social Capital Dimensions in Private Universities in Serang City*. *Independent Journal: Science, Arts, And Technology*, 14-25.
- Prawirosentono. 2010. *Employee Performance and Motivation*. Earth Literacy, Jakarta.
- Saluy, AB, & Treshia, Y. (2018). *The effect of work motivation, work discipline and compensation on employee performance (Case Study at PT IE Company)*. *Scientific Journal of Management and Business*, 53-70.
- Saluy, Ahmad Badawi., Masydzulhak Djamil., Setiawan, MS., and Novawiguna Kemalasari. (2021). *Analysis of The Influence of Total Quality Management (TQM) Principles on Service Quality*. *Productivity management*, GITO Verlag, P. 458-471.
- Sinaga, D., Madelan, S., & Saluy, A. B. (2021). *Analysis of Supply Chain Management Performance Using SCOR Method in Compressor Distributor Company at PT. Petro Development Pattern*. *International Journal of Innovative Science and Research Technology*, Volume 6, Issue 2, February – 2021, Page 91-102.
- Sugiyono. (2018). *Quantitative, Qualitative, and R&D Research Methods*. Bandung: Alfabeta.
- Syafarudin., A. Masydzulhak., Saluy, Ahmad Badawi. (2020). *The Impact Of Aligning Successful Application Of Market Orientation On E-Commerce's Service Quality Strategy: The Case*

of Starred Hotel Visitors On The Indonesian Island Of Sumatra Proposing a conceptual framework. *International Journal of Economics, Commerce and Management*.
Yamin, Sofyan & Kurniawan, H. (2010). *Partial Least Square Path Modeling*. Salemba Infotek.