

The Influence of Environment and Leadership on Employee Performance through Employee Work Discipline at Tirta Komodo Regional Water Company in Manggarai Regency, East Nusa Tenggara

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Abstract: This research analyzes the influence of environment and leadership on employee performance through employee work discipline. The sample size for this study was approximately 90 employees. The data analysis method used in this study was path analysis, which is an extension of multiple linear regression analysis. The results obtained show that the work environment does not affect work discipline, while leadership has an effect on work discipline. The work environment affects employee performance. Leadership does not affect employee performance. Employee work discipline affects employee performance. The work environment and employee performance do not affect employee work discipline. Leadership and work discipline do not affect employee performance.

Keywords: Work environment, leadership, employee performance, work discipline.

1. Introduction

Several human resource implementation strategies include assessment, procurement, protection, employee motivation, employee empowerment, and maintenance of guidance discipline. The management and optimization of human resources are not entirely separated from employee factors. Therefore, an organization must consider the environment and discipline related to employee performance through work discipline. Performance is an essential component of organizational strategy because it helps achieve goals and can generate high levels of employee satisfaction. (Hidayat and Taufiq, 2012). The best way to increase employee productivity is to fully understand the work conditions. Organizations must provide a safe and productive work environment that encourages employees to work well. The work environment is an important factor that affects employee performance.

Employees will be more calm and motivated to complete their tasks in a positive, healthy, enjoyable, and motivating work environment. Similarly, if the labor market does not improve, people will become less enthusiastic and motivated to

do their job (Kusmayanti et al., 2020). The Tirta Komodo Regional Water Company is located in the middle of the city center, and the distance from the office to the main road is too close. This becomes a problem because the crowd or noise from the outside can disrupt employees' concentration while working. There are several factors that influence how well employees perform in their jobs, with workdays being the main factor. Every leader in the kingdom has a unique set of challenges when launching responsibilities.

Leadership can be seen as a tool to cause and control individuals or a group of people to work together to achieve certain goals. Shandi et al. (2020). Good job performance can be improved through professional leadership. A professional leader is one who is able to manage and develop an organization or company. As a result, the leader

Playing a major role in obtaining the vision, mission, and goals of the organization is the mastery of formal grammar. Improving work discipline can affect employee performance in achieving efficient goals. Discipline must be implemented within an organization in order to achieve predetermined goals. The most important factor that should be considered as a means of communication with those who do not understand the nature and uniqueness is discipline. (Wulandari and Hamzah, 2020). One of the causes of indiscipline is the employees' lack of knowledge about the laws, procedures, and policies that exist.

In this regard, organizational management must be as careful as possible to ensure that members are able to receive strict discipline and high-quality work. Despite the fact that the environment and leadership at PDAM Tirta Komodo do not often encounter problems related to employee labor, they continue to strive to improve employee performance and provide customer satisfaction. The drinking water sector is very important for the development of a country. Its role is not only as a production tool to assist other economic sectors (such as manufacturing, agriculture, mining, and health) but also as a

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factor that can fulfill the daily social needs of the community.

Especially in the Eastern region of Indonesia where many areas have insufficient water supply. This is caused by low rainfall in the area and the low managerial ability of water operators. Therefore, the government provides PDAM to support the needs of the community. The Regional Drinking Water Company is the largest part of drinking water management companies (PDAM). The community's complaints about the performance of the Manggarai District's PDAM are often a source of debate. However, there are issues such as water leakage and one of the problems that needs to be addressed is congestion. It is expected that the PDAM Tirta Komodo of the Manggarai District can carry out its service responsibilities while also striving to evaluate and improve its internal environmental aspects.

Nevertheless, the company continues to strive to improve employee performance through quality work discipline every year. The quality of employee performance in this company is still not optimal, thus requiring a great effort from the company through work discipline to achieve satisfying results. Based on the above background, the influence of leadership environment has a significant impact on improving employee performance through work discipline in PDAM Tirta Komodo of Manggarai District.

2. Literature Review

A. Employee Performance

Bastian (2001) defines performance as a description of the level of implementation of an activity or policy program in order to achieve the goals, objectives, vision, and mission of the organization that are expressed in the formulation of the organization's strategic scheme. According to Mangkunegara (2001), performance is defined as the results with quality and quantity that can be obtained by an employee while performing the tasks and responsibilities assigned to him or her. According to (Adayani & Tirtayasa, 2019), performance is closely related to one's success in carrying out tasks, the results that can be obtained by an individual or group within an organization, are the same as the tasks and responsibilities of each individual, or how one is expected to be useful and behave according to what is expected when carrying out their duties.

B. Work Environment

To begin with, a poor working environment that neglects negative impacts and decreases work morale causes employees to be distracted, making them less enthusiastic and dedicated to their work. Environmental cleanliness is a shared responsibility, not just that of the cleaning staff. Logahan (2009:4) stated that there are two types of professional environments: professional and non-professional. According to Nursasongko (2012:3), the condition of a workplace is considered good if employees can carry out their tasks effectively, in a healthy and safe manner, and without causing disturbances.

The suitability of the work environment can be seen in the long run, or, if the work environment is inadequate, it can demand more labor and time. According to Suprayitno (2007),

a suitable work environment is closely related to all the tools and materials faced, the surrounding environment where a worker is located, the work methods, and the work arrangements both as an individual and as a group, as well as several indices of the work environment as follows: Workplace, facilities, and equipment that assist in work relationships, individual relationships, quiet lighting, and cleanliness. This is because of changes in the workplace. The work environment also refers to the environment in which someone works, the methods used in the work, and the rules that apply to all workers, both individuals and groups (Damayanto, 2019).

C. Leadership

Leadership is an environment that supports and enhances the spirit and morale in carrying out tasks and responsibilities entrusted to employees in an organization, as well as how a leader acts (Lina, 2014). According to Siagian and Khair (2018), a leader is someone who has a program that they run with the help of other group members to achieve a specific goal, such as motivating others to perform certain tasks so that the desired results can be achieved. Leadership is the process of persuading and directing subordinates to complete the tasks assigned to them. To achieve goals, a leader must act as an organizer of the organizational group (Kamal, 2015).

D. Work discipline

The issue of discipline is often defined accurately, both in terms of time and place as well as the type of activity; if done correctly, there is no such thing as being late, this is what is referred to as being on time. Similarly, if the location is consistently accessed, the predicate of discipline has already entered into someone's soul. Prayogi, Lesmana, and Siregar (2019) state that discipline is a quality that is necessary to comply with the rules set for daily activities or projects. Regardless of the nature of the project, if done with precision and timeliness, it is said to have a high level of discipline. Management discipline within an organization can also result in losses and downfall of the organization from employees who consistently violate discipline. (Khair, 2017) regulations, social norms, policies, and positive values existing are involved by organizational management.

E. Hypothesis

Based on the conceptual framework, the hypothesis of this study is:

- H1: It is suspected that the work environment variable affects work discipline.
- H2: It is suspected that the leadership variable has a significant effect on work discipline.
- H3: It is suspected that the work environment variable has a significant effect on employee performance.
- H4: It is suspected that the leadership variable has a significant effect on employee performance.
- H5: It is suspected that the work discipline variable has a significant effect on employee performance.
- H6: It is suspected that the work environment variable has a significant effect on employee performance through the variable of employee work discipline.

- H7: It is suspected that the leadership variable has a significant effect on employee performance through employee work discipline.

3. Research Methods

A. Operational Definition of Variables

1) Work Environment

The work environment is the social life within an organization that affects the employees' abilities. Indicators of variables for the work environment are aligned with:

1. Relationship with the recruitment manager.
2. Consistent availability of spacious work facilities.

2) Leadership

Leadership is the capacity of an individual to engage with or subdue a particular group to achieve specific goals. The indicators of this variable are measured by:

1. Communication tool.
2. Subordinate control tool.
3. Accountability.
4. Emotional control.

3) Employee Performance

A person who completes a job based on predetermined criteria is said to have achieved employee job performance. This variable's indicators are consistent with:"

1. Quality
2. Quantity
3. Timeliness
4. Independence

4) Work Discipline

Work discipline is an individual's ability to complete assigned tasks and adhere to established procedures; the indicators used in this variable align with these requirements:

1. Attendance Frequency
2. Level of Alertness
3. Compliance with work standards
4. Work Ethos

B. Population and Sample

The population is defined as the general area of objects or subjects that have certain qualities and characteristics that have been determined by the researcher for study in order to draw conclusions (Sugiyono, 2016). The number of employees at PDAM Tirta Komodo in this study is 90 people.

A census sample, also known as a saturation sample, is a research sampling method because there are only about 90 employees, so the entire population becomes the subjects of the study.

C. Data Analysis Techniques

The analysis method in this research uses descriptive analysis, which can provide an overview of the answers. The respondents' answers to each statement in the questionnaire are analyzed using descriptive analysis, so the researcher can examine in detail the respondents' responses. Path analysis is used to test the magnitude of the contribution directed at path coefficients in each path diagram of the relationship between variables in the study that matches the hypotheses that have

been made in this study.

4. Results of Research and Discussion

A. The Research Results

Based on the method used with path analysis, regression results were obtained to compare the direct and indirect effects of each path. The path coefficient results were then transferred to the best possible path that can be used, and the total effect was also calculated through the addition of the total sum. The following shows the magnitude of the direct, indirect, and total effects calculated.

Table 1
Summary of hypotheses, direct effects, indirect effects, and total effects among variables

No	Hipotesis	Pengaruh langsung	Pengaruh Tidak Langsung	Pengaruh Total	Keterangan
1	X1 → Y1	0.111			Tidak Signifikan
2	X2 → Y1	0.372			Signifikan
3	X1 → Y2	0.268			Signifikan
4	X2 → Y2	0.087			Tidak signifikan
5	Y1 → Y2	0.518			Signifikan
6	X1 → Y1 → Y2		0.111 × 0.518 = 0.057498	0.057498 + 0.268 = 0.325498	Tidak Signifikan
7	X2 → Y1 → Y2		0.372 × 0.518 = 0.192696	0.087 + 0.192696 = 0.279696	Tidak Signifikan

Source: Primary Data Processed, 2023

Summary of the hypothesis results, direct and indirect effects, and the number of variables are as follows: The first test was conducted to test H1, which states that the work environment affects work discipline. The significant level value of 0.368, which is greater than 0.05, indicates that there is no significant difference between the work environment and work discipline. The impact of leadership on work discipline was tested in the second test, which aimed to test H2. The significant level value of 0.003, which is less than 0.05, indicates that leadership significantly affects work discipline.

The impact of the work environment on employee performance was tested to examine H3, which states that the environment affects employee performance. The significant level value of 0.017, which is less than 0.05, indicates that this result is valid. The effect of work discipline and leadership on employee performance was tested as H4, which states that leadership affects employee performance. The significant level value of 0.452, which is greater than 0.05. The impact of employee discipline on testing performance was planned to be tested for H5, which states that employee discipline affects performance. The significant level value of 0.000, which is less than 0.05.

The work discipline of employees also affects the work environment and performance of testing employees, which is used to test H6, which states that the work environment and employee performance do not affect employee work discipline. This result was obtained from 0.38, which is greater than 0.05. Employee performance is influenced by leadership and work discipline. The purpose of this study is to test H7, which states that leadership and work discipline affect work discipline. This

result was obtained from a value of 0.26, which is greater than 0.05.

After testing the model described earlier, the causal relationship path between one variable and another variable will be constructed in Figure 1, which depicts the path construction that can be obtained from the analysis results. Based on the statistical test results, the same method was obtained as the statistical decomposition.

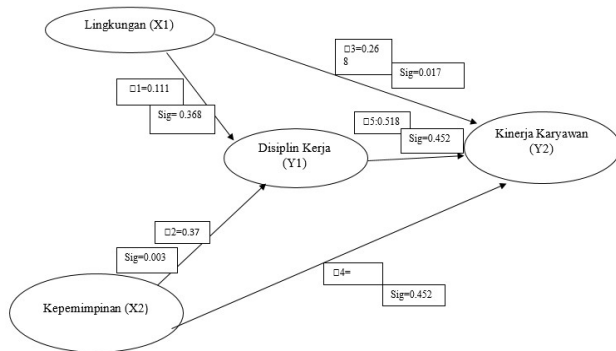


Fig. 1. Path analysis model results
Source: Path Analysis Model Results, 2023

Based on the above figure, the direct and indirect effects of each variable on performance can be seen in the diagram above.

B. Discussion

1) description of work environment, leadership, employee performance, and employee work discipline performance

The indicator of relationship with co-workers contributes the most significantly to the environment variable, namely, 'I am able to communicate well with superiors.' Then, the average score results for the leadership variable are interpreted as respondents tending to choose agree. The main contribution to the Leadership variable is on the decision-making ability indicator, which contains that the leader can formulate good policies at the appropriate time. Furthermore, the variable of Work Discipline is interpreted that respondents tend to choose agree. The main contribution in the Work Discipline variable is in the indicator of Compliance with Work Standards which contains always being responsible for the job. Employee Performance concludes that respondents tend to have a positive attitude. The main factor in the Employee Performance variable is the Independence Indicator which contains information about how consistent I am in managing work.

2) The influence of environment on work discipline

From the results of the initial hypothesis testing, which showed that the environmental variable did not significantly influence the work discipline variable, this is because work discipline is based on the attitude and self-awareness of employees towards company rules. However, the function of the environment as a work atmosphere, relationships with colleagues, and the availability of adequate facilities, relationships with colleagues, and the availability of complete facilities will eventually improve work discipline for employees at PDAM Tirta Komodo, Manggarai Regency. This research also supports the study by Candana et al. (2020), on the influence of motivation and work environment on employee

performance and work discipline as an intervening variable at Pt Bar Baris Hari. This study successfully determined that the work environment does not have a significant influence on work discipline.

3) The influence of leadership on work discipline

The leadership variable significantly influences work discipline, which means that leaders have a significant impact on employee discipline. Every leader must demonstrate good behavior towards their subordinates so that this attitude can serve as an example for their employees. This was partially tested (individually) for its influence on work discipline, such as the ability to control decisions, ability to motivate, ability to communicate, responsibility, and ability to control subordinates. This will increase employee work discipline at PDAM Tirta Komodo, Manggarai Regency.

This study complements the work of Ichsan, R.N & Gaol, J.L (2020), who researched the impact of leadership on employee work discipline in the Karo Regency Education Office. Based on the findings, it is recommended that leaders in the Karo Regency Office conduct more leadership activities, as this significantly influences employee work discipline, in order to achieve the vision and mission.

4) The influence of environment on employee performance

The environmental variable significantly influences employee performance. Based on the third hypothesis test in this study, it shows that the work environment has a positive impact on employee performance. A comfortable work environment will increase employee concentration, and this situation will increase employee productivity. This result was partially tested (individually) for its influence on employee performance, which affects the creation of employee performance at PDAM Tirta Komodo, Manggarai Regency, if the dimensions of work atmosphere, relationships with colleagues, and the availability of complete facilities are fulfilled.

This study successfully supports the research conducted by Sahlan et al. (2015), which investigated the influence of job satisfaction, work environment, and compensation on employee performance at PT Bank Sulut Airmadidi Branch. This study shows that, in part, the work environment is not significant in influencing employee performance.

5) The influence of leadership on employee performance

The leadership variable does not have an influence, which has a significant impact on employee performance. This means that if a leader is unable to control their subordinates, it will have a negative impact on employee performance. This finding was partially tested (individually) without affecting employee performance, where if the dimensions of the leader's ability to establish policies, communication skills, ability to motivate, responsibility, and ability to control subordinates are not fulfilled, employee performance will decrease at PDAM Tirta Komodo, Manggarai Regency.

This study complements the previous research by Arief Teguh Nugroho (2018), which found that employee performance is influenced by leadership style, motivation, and loyalty. This study successfully determined that leadership style does not have an influence on performance, which means that a

leader's good or bad leadership style cannot affect employee performance.

6) *The influence of work discipline on employee performance*

The work discipline variable significantly influences employee performance, which means that good work discipline from employees can increase employee performance, allowing the company's targets to be achieved. This result was tested partially (individually) with the work discipline variable, where if the perception of work discipline dimensions such as the level of alertness, attendance frequency, compliance with work standards, compliance with work policies, and work ethics are fulfilled, it will increase employee performance at PDAM Tirta Komodo, Manggarai Regency.

This study successfully supports the research by Effendi and Hridayantio (2021), which investigated the influence of leadership style, work discipline, and work environment on employee performance and motivation as an intervening variable. The findings of this study show that the leadership style, work discipline, and work environment variables all have a direct positive impact on employee work motivation.

7) *The impact of environment on employee performance through work discipline*

From the results of the sixth hypothesis test, it was revealed that the environment does not have a significant influence on work discipline. This hypothesis is supported by path analysis, which shows that the indirect influence has a smaller impact on employee performance compared to the direct impact. This means that there is no employee performance from the influence of the environment that is mediated by work discipline at PDAM Tirta Komodo, Manggarai Regency.

This study also successfully supports the research conducted by Raka Ragil Trimulyo and Dewi Urip Wahyuni (2022) and Sarah Dwi Kusmiyatun and Sonny (2021), particularly on the implications of work discipline, motivation, and work environment on employee performance (a case study at CV Bams Jaya Bersama). According to the findings of this study, the work environment does not have an influence on employee performance as measured by work discipline.

8) *The influence of leadership on employee performance through work discipline*

From the results of the seventh hypothesis test, it was found that leadership does not have a significant influence on employee performance through work discipline. This hypothesis was proven by path analysis, which showed that the indirect impact with work discipline was smaller than the direct impact, which means that there is no employee performance from the influence of leadership that is mediated by work discipline at PDAM Tirta Komodo, Manggarai Regency.

This study successfully reinforces the findings of Muhammad *et al.* (2021), which investigated the influence of work discipline, leadership, and motivation on employee performance. Based on the findings of this research, leadership does not have a positive or significant influence on employee performance in the Satuan Polisi Pamong Praja or Fire Department of Kepulauan Selayar Regency.

5. Conclusion and Suggestion

A. Conclusion

By focusing on data analysis and interpreting the results, the following conclusions can be drawn:

- 1) The results of the initial hypothesis testing show that the environment variable does not have a significant influence on employee work discipline. This is due to the fact that employee discipline in the company is based on established rules and the awareness of the workers.
- 2) Based on the results of the second hypothesis testing in this study, the leadership variable has a significant influence on work discipline. This means that a leader has a significant impact on employee discipline and can set a good example for employees, becoming a role model for them.
- 3) Based on the third hypothesis testing in this study, it is essentially a variable. Since effective employee performance can be achieved from an effective work environment, the work environment has a significant impact on employee performance. Employee performance can be improved by creating a positive work environment.
- 4) Based on the fourth hypothesis testing, it shows that the work discipline variable has a significant influence on employee performance, which means that effective employee performance is influenced by high work discipline.
- 5) From the results of the fifth hypothesis testing, it shows that the work discipline variable has a significant influence on employee performance, which means that good work discipline leads to effective employee performance.
- 6) From the results of the sixth hypothesis testing, the indirect influence on employee performance is smaller than the direct influence, which means that there is no employee performance from the influence of the environment that is mediated by work discipline at PDAM Tirta Komodo.
- 7) Based on the results of the seventh hypothesis test, the indirect influence on work discipline is smaller than the direct influence, which means that the absence of employee performance from the leadership influence is mediated by work discipline in PDAM Tirta Komodo.

B. Suggestion

From the summary of the conclusions, this study provides the following recommendations:

- 1) For the company, this study can be viewed as a reference to further improve employee productivity; therefore, the organization should make various efforts to understand the situation they are facing in order to achieve their goals.
- 2) For researchers interested in conducting similar research with related variables, it is hoped that they

will further observe the existing problems in PDAM Tirta Komodo in Manggarai Regency, as well as other objects, by including additional variables such as work stress and motivation. The research can determine the factors that influence employee performance.

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