

# The Role of Job Satisfaction in Mediating the Effect of Work Stress on Employee Performance at the Medan Belawan Primary Tax Service Office

Ahmad Affandy, Sri Rahayu, Erwansyah

## Abstract

Employee performance is an important factor in determining the success of public organizations, including the Medan Belawan Tax Office (KPP), which plays a strategic role in optimizing state revenue and providing services to taxpayers. High revenue targets, administrative burdens, and work pressure have the potential to cause work stress that can impact employee performance. This study aims to analyze the effect of work stress on employee performance with job satisfaction as a mediating variable at the Medan Belawan Tax Office. This study uses a quantitative approach with a census method of 100 permanent employees. Data were collected through questionnaires and analyzed using the Partial Least Square (PLS) method with the help of SmartPLS. The results show that work stress has a negative and significant effect on employee performance and job satisfaction. Job satisfaction has a positive and significant effect on employee performance. In addition, job satisfaction mediates the effect of work stress on employee performance. These findings indicate that effective work stress management and increased job satisfaction are important factors in maintaining and improving employee performance. This study is expected to contribute theoretically to the development of human resource management in the public sector and serve as practical consideration for the leadership of KPP Pratama Medan Belawan in formulating human resource management policies oriented toward employee welfare and performance.

**Keywords:** Work Stress, Job Satisfaction, Employee Performance

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2nd International Conference on Islamic Community Studies (ICICS)

Theme: History of Malay Civilisation and Islamic Human Capacity and Halal Hub in the Globalization Era

<https://proceeding.pancabudi.ac.id/index.php/ICIE/index>

## **Introduction**

Employee performance is one of the important factors in determining the success of public organizations in achieving their strategic objectives. This is particularly relevant in public service agencies such as the Medan Belawan Tax Office (KPP), which plays a vital role in optimizing state revenue and providing services to taxpayers. According to Robbins & Judge (2020), employee performance reflects the level of achievement of tasks and responsibilities assessed based on standards set by the organization (Robbins & Judge, 2020). In the context of taxation agencies, employees are faced with increasingly complex revenue targets, high administrative burdens, and dynamic relationships with taxpayers, thus demanding a high level of performance.

One factor that has the potential to affect employee performance is work stress. Robbins & Judge (2020) argue that work stress is a condition of tension that can disrupt the emotional balance, concentration, and work productivity of employees (Robbins & Judge, 2020). High work stress can reduce performance quality, as stress indicators such as emotional tension and physical fatigue have a negative impact on work effectiveness (Hasibuan, 2020). Previous studies have shown that work stress has a negative and significant effect on employee performance in government agencies due to high workloads and targets that often exceed human resource capacity (Hidayati & Ramadhan, 2020; Lubis & Darmawan, 2021).

However, the effect of work stress on employee performance is not only direct. Another important factor in this context is job satisfaction, which is the positive emotional attitude of employees towards their work that can foster higher motivation, commitment, and work energy (Atmaja, 2022). According to Robbins & Judge (2020), employees with high job satisfaction tend to perform better than those who are dissatisfied with their jobs (Robbins & Judge, 2020). Several empirical studies report that job satisfaction has a significant effect on the performance of public sector employees (Fitriani & Kurniawan, 2021) and can mediate the relationship between organizational contextual variables such as leadership and performance (Nugroho & Abdullah, 2023). These findings indicate that job satisfaction plays an important role as an intervening variable that can explain the mechanism of the relationship between cause and effect variables (Ghozali & Latan, 2015).

Particularly in the context of work stress, previous studies have also found that job satisfaction can reduce the negative impact of work stress on performance. A study by Nugroho & Abdullah (2023) shows that job satisfaction can mediate the effect of work stress on the performance of public organization employees, so that employees who maintain a good level of satisfaction tend to maintain their performance even when experiencing high work pressure. This condition is relevant to employees of the Medan Belawan Tax Office, who often experience work pressures such as tight reporting deadlines and urgent revenue targets, so that work stress is likely to have a real impact on their performance if it is not accompanied by an adequate level of job satisfaction.

However, research that specifically investigates the role of job satisfaction as a mediator in the relationship between work stress and employee performance in tax agencies, particularly KPP Pratama Medan Belawan, is still very limited. In fact, the characteristics of work in the taxation environment, which demands high accuracy and ever-increasing performance targets, make understanding the mechanism of the relationship between work stress, job satisfaction, and employee performance an important empirical and practical necessity. Therefore, this study attempts to fill this gap by examining the role of job satisfaction in mediating the influence of work stress on employee performance at the Medan Belawan Tax Office.

## **Literature Review**

### **Employee Performance**

#### **Definition of Employee Performance**

According to Robbins & Judge (2020), employee performance is the level of work output of an individual in carrying out the tasks that are their responsibility, which is assessed based on standards or criteria set by the organization.

### **Factors Affecting Employee Performance**

Factors Affecting Employee Performance according to Robbins & Judge (2020):

- 1) Job satisfaction  
Employees who are satisfied with their jobs will perform better. Job satisfaction is one of the strongest predictors of performance.
- 2) Work stress  
High work stress is negatively associated with performance. The higher the work stress, the lower the quality and productivity of work.
- 3) Leadership  
Leaders play a major role in improving or decreasing employee performance. The performance of subordinates is greatly influenced by how leaders treat, motivate, and provide direction.
- 4) Organizational commitment  
Employees feel proud, emotionally attached, and want to continue being part of the organization. The stronger the employees' commitment to the organization, the higher their performance.

### **Employee Performance Indicators**

Employee Performance Indicators According to Robbins & Judge (2020):

- 1) Primary task performance  
Employees are assessed based on how well they perform their primary responsibilities.
- 2) Organizational Citizenship Behavior  
High-performing employees not only complete their core tasks, but also contribute to transformational leadership.
- 3) Destructive Work Behavior  
The lower the destructive work behavior, the higher the employee's performance.
- 4) Adaptability  
Adaptability is important because modern work changes very quickly.
- 5) Effort and Initiative  
High-performing employees are typically proactive, not just waiting for instructions.

### **Job Satisfaction**

#### **Understanding Job Satisfaction**

According to Atmaja (2022), job satisfaction is a pleasant emotional attitude and love for one's work.

#### **Factors Affecting Job Satisfaction**

According to Atmaja (2022), the factors that influence job satisfaction are:

- 1) The Work Itself  
Related to the characteristics and content of the work performed by employees. A well-designed job will provide meaning, challenges, and a sense of accomplishment.
- 2) Salary or Compensation  
Salary is an extrinsic factor that greatly influences job satisfaction because it is directly related to the fulfillment of economic needs and a sense of fairness.
- 3) Promotion Opportunities and Career Development  
Promotion opportunities reflect employees' future expectations within the organization. This factor is particularly important for employees who are focused on self-development and long-term career growth.
- 4) Supervision or Leadership

Supervision or leadership plays an important role in shaping the psychological work climate. Supervisors are the direct representation of the organization in the eyes of employees.

5) Relationships with Coworkers

Relationships between employees affect emotional and social comfort in the workplace. A positive social environment can be a source of psychological support for employees.

6) Working Conditions

Working conditions encompass both physical and non-physical aspects of the work environment that support employees in performing their duties.

### **Job Satisfaction Indicators**

According to Atmaja (2022), job satisfaction can be measured through several indicators that describe employees' emotional responses to their work. These indicators include:

1) Job Satisfaction

Describes the extent to which employees feel their work is meaningful, interesting, and in line with their abilities.

2) Satisfaction with Salary/Compensation

Refers to the level of employee satisfaction with the fairness, adequacy, and accuracy of the compensation received (salary, incentives, benefits).

3) Satisfaction with Promotion Opportunities

Assessing whether employees feel they have opportunities for growth, to obtain higher positions, with a transparent and fair promotion process.

4) Satisfaction with Supervision/Superiors

Describes employees' feelings about their superiors' leadership style, support, communication, and fairness in leadership.

5) Satisfaction with Coworkers

Measuring the extent to which employees feel comfortable and supported by their coworkers, including aspects such as cooperation, social relationships, harmonious communication, and team solidarity.

### **Work Stress**

#### **Definition of Work Stress**

Hasibuan (2020) explains that work stress is a condition of tension that affects a person's emotions, thought processes, and condition at work, causing the individual to become tense, anxious, and uncooperative.

#### **Indicators of Work Stress**

According to Hasibuan (2020), indicators of work stress consist of:

1) Physical fatigue

Work pressure causes the body to experience excessive fatigue.

2) Emotional tension

Work stress affects the emotional stability of employees.

3) Job dissatisfaction

Stress causes employees to lose satisfaction with their work.

4) Decreased concentration and productivity

Stress impairs cognitive function and employee performance.

5) Uncooperative Behavior

Stress affects employees' social behavior in transformational leadership

### **Conceptual Framework**

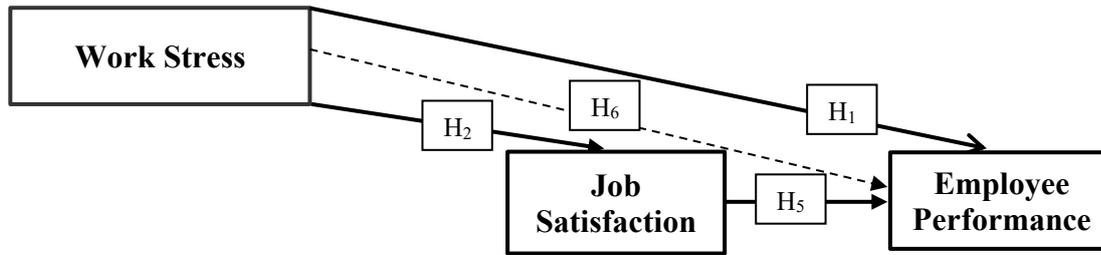


Figure 1. Conceptual Framework

**Research Hypothesis**

- H<sub>1</sub> Work stress has a negative and significant effect on employee performance at the Medan Belawan Primary Tax Office.
- H<sub>2</sub> : Work stress has a negative and significant effect on job satisfaction at the Medan Belawan Primary Tax Office.
- H<sub>3</sub>: Job satisfaction has a positive and significant effect on employee performance at the Medan Belawan Primary Tax Office.
- H<sub>4</sub> Work stress has a negative and significant effect on employee performance through job satisfaction at the Medan Belawan Primary Tax Office.

**Research Methodology**

**Type of Research**

The type of research used by the researcher is quantitative research. According to Sugiyono (2022), quantitative research can be defined as a method based on positivism philosophy, used to study a specific population or sample, with sampling techniques generally conducted randomly, data collection using research instruments, and quantitative/statistical data analysis with the aim of testing predetermined hypotheses. This type of quantitative research was conducted to create a study aimed at adjusting a study and analyzing transformational leadership and work stress on employee performance with job satisfaction as a mediating variable at the Medan Belawan Primary Tax Office.

**Research Location and Time**

The research location was at the Medan Belawan Primary Tax Office, located at Jalan Kolonel Laut Yos Sudarso No. 27 KM 8, RW.2, Tanjung Mulia, Medan Deli District, Medan City. The research was conducted over a period of 3 months, from October to December 2025.

**Population and Sample**

Sugiyono (2022) defines population as a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions are drawn. The population and sample in this study were all permanent employees at the Medan Belawan Primary Tax Office. There were 100 civil servant employees at the Medan Belawan Primary Tax Office. In this study, the entire population was used as the sample, which is known as a population study.

**Research Data Sources**

The data source used in this study is primary data.

**Results**

**Outer Model Analysis**

Outer Model Analysis using the PLS Algorithm produced the following results:

**Validity Test**

Table 1. Outer Loadings Values

	Employee Performance	Job Satisfaction	Work Stress
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X2.1			0.868
X2.2			0.831
X2.3			0.916
X2.4			0.900
X2.5			0.843
Y.1	0.762		
Y.2	0.917		
Y.3	0.767		
Y.4	0.841		
Y.5	0.863		
Z.1		0.867	
Z.2		0.727	
Z.3		0.819	
Z.4		0.831	
Z.5		0.893	

Source: Smart PLS Output, 2025

Based on the values in Table 1 above, which show the results of outer model testing through loading factor/outer loadings values, all indicators in each variable have a loading value  $\geq 0.70$ . This indicates that each indicator is measured validly and strongly. Therefore, it can be concluded that all items in the questionnaire have met the validity criteria, as shown in the following figure.

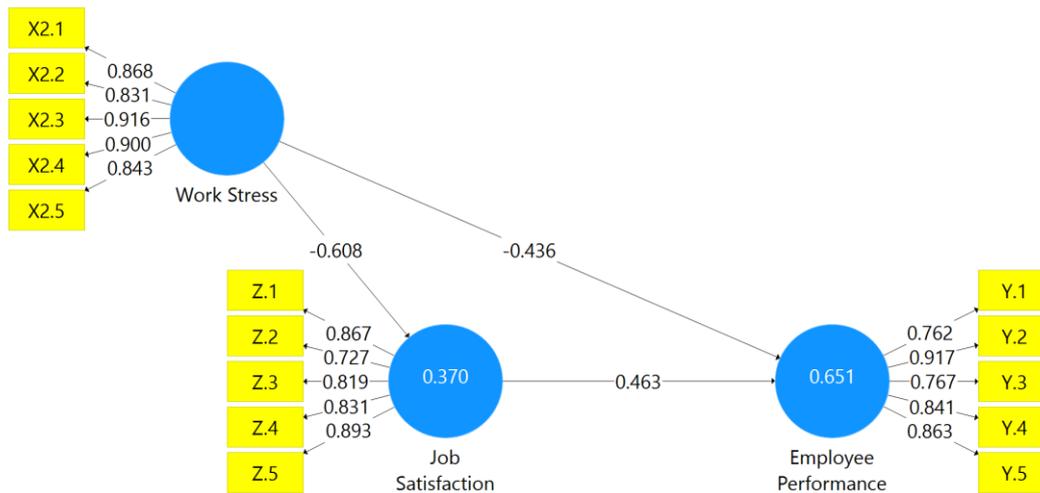


Figure 2. Outer Loading

Reliability Test

Table 2. Construct Reliability and Validity Test

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Employee Performance	0.887	0.892	0.918	0.692
Job Satisfaction	0.886	0.908	0.917	0.688
Work Stress	0.921	0.924	0.941	0.761

Source: Smart PLS Output, 2025

From Table 2 above, the reliability test results show that the Cronbach's Alpha and Composite Reliability values for all constructs are above 0.70. This indicates that all indicators

have high internal consistency and are reliable in measuring their respective constructs. Thus, the research instrument is declared reliable and suitable for use in structural model testing.

**Coefficient of Determination (R<sup>2</sup>)**

In assessing the model with PLS, we begin by looking at the R-square for each dependent latent variable. The table below shows the Rsquare estimation results using SmartPLS.

**Table 3.** R Square Results

	R Square	Adjusted R-Square
Job Satisfaction	0.370	0.366
Employee Performance	0.651	0.646

Source: Smart PLS, 2025

Table 3 shows the R-square values for both dependent variables. For the job satisfaction variable, the R-square value is 0.370, meaning that the influence of work stress is 0.370 or 37%, with the remainder attributable to other variables outside the model. The R-square value for employee performance is 0.651, meaning that work stress and job satisfaction account for 0.651 or 65.1%, with the remainder attributable to other variables outside the model.

**Structural Model Testing (Inner Model)**

**Hypothesis Testing**

**Direct Influence Between Variables**

The direct effect between variables can be seen in the path coefficients. The data analysis results show the direct effect values in the following table.

**Table 4.** Path Coefficients (Direct Effects)

	Original Sample	T Statistics	P Values	Conclusion
Work Stress -> Employee Performance	-0.436	8.680	0.000	Accepted
Work Stress -> Job Satisfaction	-0.608	16,467	0	Accepted
Job Satisfaction -> Employee Performance	0.463	9,978	0.000	Accepted

Source: Smart PLS Output, 2025

Table 4 shows the following direct effect values:

1. Work stress has a negative and significant effect on employee performance with a t-statistic value of 8.680 above 1.96 and a significance of 0.000 below 0.05, meaning that work stress has a real effect on employee performance because the significance value is below 0.05. The results of this study are in line with previous studies, which found that work stress has a positive and significant effect on employee performance (Rahayu, 2024).
2. Work stress has a negative and significant effect on job satisfaction with a t-statistic value of 16.467 above 1.96 and a significance of 0.000 below 0.05, meaning that work stress has a significant effect on job satisfaction because the significance value is above 0.05. The results of this study are in line with previous studies, namely that work stress has a negative and significant effect on job satisfaction (Kurniawan, 2024).
3. Job satisfaction has a positive and significant effect on employee performance with a t-statistic value of 9.978 above 1.96 and a significance of 0.000 below 0.05, meaning that job satisfaction has a significant effect on employee performance because the significance value is below 0.05. The results of this study are in line with previous studies, namely that job satisfaction has a positive and significant effect on employee performance (Zhafira, 2024; Ferine & Rahayu, 2025; Tahib et al., 2025; Mesra & Surya, 2025).

**Indirect Influence Between Variables**

The indirect effect between variables can be seen in the specific indirect effects value. The data analysis results show the indirect effect value in Table 5 below.

**Table 5.** Specific Indirect Effects

	Original Sample	T Statistics	P Values	Conclusion
Work Stress -> Job Satisfaction -> Employee Performance	-0.282	9.016	0.000	Accepted

Source: Smart PLS, 2025

Table 5 shows the indirect effect between variables, namely: work stress has a negative and significant effect on employee performance through job satisfaction with a t-statistic value of 9.016 above 1.96 and a significance value of 0.000 below 0.05, meaning that job satisfaction acts as a mediating variable between work stress and employee performance.

### Conclusion

1. Work stress has a negative and significant effect on employee performance at the Medan Belawan Primary Tax Office.
2. Work stress has a negative and significant effect on job satisfaction at the Medan Belawan Tax Office.
3. Job satisfaction has a positive and significant effect on employee performance at the Medan Belawan Tax Office.
4. Work stress has a negative and significant effect on employee performance through job satisfaction at the Medan Belawan Tax Office.

### Recommendations

1. Employee performance with the lowest score was "I carry out my main job duties in accordance with the responsibilities assigned to me." Therefore, the recommendation is that the Medan Belawan Primary Tax Office strengthen its system for affirming work roles and responsibilities by updating job descriptions to be more detailed, accompanied by measurable individual performance indicators. In addition, regular monitoring and feedback by immediate supervisors are necessary to ensure that task implementation is not only in line with formal responsibilities but also aligned with organizational targets, service quality, and professional values.
2. Job satisfaction with the lowest score was "I am satisfied with my salary or compensation." KPP Pratama Medan Belawan needs to maintain and improve a fair and transparent compensation system by linking performance allowances and non-financial rewards to employee performance, discipline, and contributions. In addition, it is recommended that compensation satisfaction be evaluated periodically to ensure a balance between workload, performance, and employee welfare so that motivation and loyalty are maintained.
3. Work stress with the lowest value statement: "My job often causes tension or emotional pressure." KPP Pratama Medan Belawan is advised to strengthen work stress management through more proportional workload arrangements, the creation of a supportive work environment, and the provision of psychosocial assistance programs such as counseling or sharing sessions. In addition, it is necessary to increase the role of leaders in building open communication so that employees can channel work pressure constructively and prevent emotional exhaustion (burnout).

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