

# The Effect of Work Environment on Employee Job Satisfaction at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch

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## Abstract

This study aims to analyze the effect of the work environment on employee job satisfaction at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch. The work environment is considered an important factor in improving employee comfort, motivation, and organizational productivity. A conducive work environment can create positive employee perceptions and increase job satisfaction. This research used a quantitative approach with explanatory research design. Data were collected through questionnaires distributed to 50 employees of PT PNM Kabanjahe Branch using saturated sampling techniques. The data analysis method employed simple linear regression analysis using Jamovi statistical software. The results indicated that the work environment had a positive and significant effect on employee job satisfaction. The better the work environment perceived by employees, the higher the level of employee job satisfaction. This finding implies that organizations need to create a supportive physical, social, and psychological work environment to improve employee satisfaction and organizational sustainability.

**Keywords:** Work Environment, Job Satisfaction, Employees, Human Resource Management

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## Introduction

Human resource management plays an important role in determining organizational effectiveness and sustainability. In service-based organizations, employee performance and satisfaction become strategic aspects because employees directly contribute to service quality and organizational achievement. Human resources are considered valuable organizational assets because employees are directly involved in achieving organizational goals and maintaining organizational competitiveness. Therefore, organizations need to create a supportive working environment to ensure employees can work effectively and efficiently. One of the factors that strongly influences employee attitudes and behavior is the work environment. The work environment refers to all physical, social, and psychological conditions surrounding employees while performing their jobs. A supportive work environment can create comfort, increase motivation, improve communication, and encourage employees to work more effectively. Conversely, an unfavorable work environment may reduce enthusiasm, create stress, increase work pressure, and decrease employee job satisfaction. Employees who work in uncomfortable conditions tend to experience fatigue, emotional stress, and lower work productivity.

According to Indrawan (2021), leadership, motivation, and work environment simultaneously contribute to improving employee performance and organizational effectiveness. A conducive work environment allows employees to feel more comfortable in carrying out their duties and responsibilities. In addition, organizations that provide supportive work facilities and harmonious working relationships can improve employee morale and create positive work behavior. Therefore, organizations need to pay serious attention to the quality of the work environment to maintain employee satisfaction and organizational sustainability. Job satisfaction is an emotional response resulting from employees' evaluation of their work experiences. Employees with high job satisfaction tend to demonstrate positive work attitudes, stronger organizational commitment, lower absenteeism, and better performance. Employees who are satisfied with their work are generally more enthusiastic, loyal, and motivated to achieve organizational targets. On the other hand, low job satisfaction can reduce employee productivity and increase employee turnover rates within organizations.

Damanik and Indrawan (2023) explained that organizational conditions and job satisfaction significantly influence employee commitment and organizational stability. Employee satisfaction is closely related to employee perceptions regarding salary, leadership, work relationships, communication, career development, and organizational support. Organizations that can fulfill employee expectations tend to have employees with higher satisfaction levels and stronger commitment toward organizational goals.

Several previous studies revealed that work environment significantly affects employee job satisfaction. Karatepe and Avci (2022) explained that a positive work environment contributes to better employee attitudes and organizational outcomes. Likewise, Saks (2022) stated that supportive working conditions improve employee engagement and satisfaction levels. In addition, Pandito et al. (2025) found that work environment and employee motivation positively influence employee performance and organizational productivity. These findings indicate that organizations need to maintain a conducive work environment to improve employee satisfaction and organizational effectiveness.

PT Permodalan Nasional Madani (PNM) Kabanjahe Branch is a financial service institution with operational activities requiring high employee interaction and mobility. Employees face work targets, customer service responsibilities, and intensive operational activities that make the work environment an important factor in maintaining employee satisfaction. The organization also requires employees to maintain service quality and achieve operational targets consistently. Therefore, employees need a comfortable and supportive work environment to maintain their motivation and satisfaction levels.

Based on these conditions, this study aims to analyze the effect of the work environment on employee job satisfaction at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch. This research is expected to provide both theoretical and practical contributions regarding the importance of creating a conducive work environment to improve employee satisfaction and organizational sustainability.

## Literature Review

### A. Work Environment

The work environment refers to all conditions surrounding employees while carrying out their work activities, including physical, social, and psychological aspects within the organization. The work environment is considered one of the important factors influencing employee attitudes, behavior, productivity, and satisfaction. A supportive work environment can create a comfortable atmosphere that encourages employees to perform their duties effectively and efficiently.

According to Bakker and Demerouti (2023), the work environment includes physical facilities, organizational support, communication systems, teamwork, and psychological safety that help employees perform their work optimally. A conducive work environment allows employees to feel more secure, motivated, and appreciated by the organization. Conversely, poor working conditions may create stress, fatigue, and reduced work enthusiasm among employees.

The physical work environment includes workspace arrangement, lighting, air circulation, cleanliness, work equipment, and employee safety. Comfortable physical conditions help employees concentrate and complete their work effectively. Meanwhile, the social work environment includes relationships among coworkers, leadership support, teamwork, and communication quality within the organization. Positive interpersonal relationships can improve employee morale and organizational harmony.

In addition, the psychological work environment is also important in determining employee behavior and satisfaction. Psychological safety, appreciation, organizational fairness, and support from management contribute significantly to employee comfort and emotional stability. Employees who feel psychologically safe tend to be more motivated and engaged in their work activities.

Research conducted by Indrawan (2021) explained that leadership, motivation, and work environment simultaneously contribute to improving employee performance and organizational effectiveness. Similarly, Pandito et al. (2025) found that supportive work environments positively influence employee motivation and organizational productivity. These findings indicate that organizations need to maintain a conducive work environment to improve employee performance and satisfaction.

### B. Job Satisfaction

Job satisfaction is defined as an employee's emotional response toward their work resulting from the evaluation of work experiences and organizational conditions. Job satisfaction reflects how employees perceive their jobs, responsibilities, compensation, leadership, and organizational support. Employees who are satisfied with their work generally demonstrate positive attitudes, higher commitment, and better performance.

According to Judge et al. (2021), job satisfaction is an important organizational outcome because it affects employee behavior, performance, attendance, and organizational commitment. Employees with high job satisfaction tend to be more loyal, motivated, and productive in completing their work responsibilities. Conversely, low job satisfaction may increase absenteeism, work stress, and turnover intention.

Job satisfaction is influenced by several factors, including salary, promotion opportunities, work environment, leadership style, communication, teamwork, and career development opportunities. Employees who perceive fairness and organizational support are more likely to experience higher job satisfaction levels.

Research conducted by Damanik and Indrawan (2023) stated that organizational conditions and employee satisfaction significantly influence organizational commitment and employee stability. In addition, positive work relationships and organizational support strengthen employee satisfaction and encourage employees to remain loyal to the organization.

Saks (2022) also explained that supportive organizational conditions improve employee engagement and satisfaction levels. Employees who feel valued and appreciated by the organization are more likely to develop positive attitudes toward their jobs and organizational goals.

### C. Relationship between Work Environment and Job Satisfaction

The work environment has a close relationship with employee job satisfaction. A conducive work environment creates comfort, security, and positive emotional conditions that encourage employees to feel satisfied with their jobs. Employees who work in supportive environments tend to demonstrate higher motivation, stronger commitment, and better work performance.

Previous studies revealed that work environment significantly affects employee job satisfaction. Karatepe and Avci (2022) explained that supportive work environments positively influence employee attitudes and organizational outcomes. Likewise, Indrawan (2021) stated that work environment contributes significantly to employee performance and work motivation.

A positive work environment also strengthens communication, teamwork, and organizational relationships, which ultimately improve employee satisfaction levels. Therefore, organizations need to create a healthy and supportive work environment to maintain employee satisfaction and organizational sustainability.

H1: Work environment has a positive and significant effect on employee job satisfaction.

## Research Methodology

This study employed a quantitative research approach with an explanatory research design. Quantitative research was used because this study aimed to analyze the relationship between variables objectively through statistical analysis. The explanatory approach was applied to explain the causal relationship between the work environment and employee job satisfaction.

The research was conducted at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch, a financial service institution engaged in microfinance services and community empowerment. The organization was selected as the research location because it has operational activities requiring intensive employee interaction, high mobility, and service-oriented performance.

The population in this study consisted of all employees working at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch. Based on company data, the total number of employees was 50 people. Because the population size was relatively small, this study used a saturated sampling technique, meaning that all members of the population were used as research respondents (Sugiyono, 2022).

Data collection was conducted using questionnaires distributed directly to employees. The questionnaire used a Likert scale with five alternative responses ranging from strongly disagree to strongly agree. The questionnaire statements were developed based on indicators of the work environment and job satisfaction variables.

The independent variable in this study was the work environment (X), while the dependent variable was job satisfaction (Y). The work environment variable consisted of physical, social, and psychological work environment dimensions. Meanwhile, the job satisfaction variable included satisfaction with work, compensation, work relationships, and career development.

This study used primary and secondary data sources. Primary data were obtained directly from respondents through questionnaires. Secondary data were collected from books, journals,

organizational documents, and previous studies related to work environment and job satisfaction variables.

The data analysis technique used in this study was simple linear regression analysis assisted by Jamovi statistical software. Several stages of analysis were conducted, including validity testing, reliability testing, normality testing, coefficient of determination analysis, and hypothesis testing using the t-test.

Validity testing was conducted to determine whether questionnaire items were able to measure research variables appropriately. Reliability testing was performed using Cronbach's Alpha to measure the consistency of research instruments. The normality test was conducted to determine whether the research data were normally distributed.

The regression analysis was used to determine the effect of the work environment on employee job satisfaction. Meanwhile, the coefficient of determination analysis was used to determine how much the work environment contributed to employee job satisfaction. Hypothesis testing was conducted using the t-test with a significance level of 5% (0.05). If the significance value was less than 0.05, the hypothesis was accepted, indicating that the work environment had a significant effect on employee job satisfaction.

## Results

### A. Respondent Characteristics

The respondents in this study were employees of PT Permodalan Nasional Madani (PNM) Kabanjahe Branch. The total number of respondents was 50 employees. Based on the questionnaire results, most respondents were within productive working age and had diverse educational backgrounds and work experiences. These characteristics indicate that the respondents had sufficient understanding of the organizational work environment and job satisfaction conditions.

### B. Descriptive Statistics

Descriptive statistical analysis was conducted to describe the characteristics of the research variables, namely work environment and job satisfaction. The analysis included mean, standard deviation, minimum value, and maximum value. The data were analyzed using Jamovi statistical software.

**Table 1.** Descriptive Statistics

Variable	Mean	Std. Deviation	Minimum	Maximum
Work Environment	4.18	0.52	3.10	5.00
Job Satisfaction	4.11	0.57	3.00	5.00

The descriptive statistics results showed that the work environment variable had a mean value of 4.18, indicating that employees generally perceived the work environment at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch positively. The standard deviation value of 0.52 indicated that respondent answers were relatively consistent. Meanwhile, the job satisfaction variable had a mean value of 4.11, indicating that employees generally experienced good levels of job satisfaction. The standard deviation value of 0.57 showed that respondent perceptions regarding job satisfaction were relatively homogeneous. Overall, the descriptive statistical analysis indicated that employees perceived both the work environment and job satisfaction conditions positively within the organization.

### C. Validity Test

Validity testing was conducted to determine whether the questionnaire items were able to measure the research variables appropriately. The validity test results showed that all statement items had correlation coefficient values greater than 0.30. Therefore, all questionnaire items for the work environment and job satisfaction variables were declared valid and suitable for use in this research.

### D. Reliability Test

Reliability testing was conducted using Cronbach's Alpha analysis to measure the consistency of the research instruments.

**Table 2.** Reliability Test Results

Variable	Cronbach's Alpha	Description
Work Environment	0.887	Reliable
Job Satisfaction	0.901	Reliable

The results showed that all variables had Cronbach's Alpha values greater than 0.70. Therefore, all research variables were considered reliable and consistent for measurement purposes.

**E. Normality Test**

The normality test was conducted using the Shapiro-Wilk test to determine whether the research data were normally distributed.

**Table 3.** Normality Test Results

Variable	Sig. Value	Description
Work Environment	0.200	Normal
Job Satisfaction	0.173	Normal

**F. Simple Linear Regression Analysis**

Simple linear regression analysis was conducted to determine the effect of the work environment on employee job satisfaction.

**Table 4.** Simple Linear Regression Results

Variable	Beta	t-value	Sig.
Work Environment	0.721	8.632	0.000

The regression analysis results showed that the work environment had a positive regression coefficient value of 0.721 with a significance value of 0.000. Since the significance value was less than 0.05, it can be concluded that the work environment had a positive and significant effect on employee job satisfaction. Thus, the research hypothesis was accepted. These findings indicate that improvements in the work environment can increase employee satisfaction levels. Employees who perceive supportive physical facilities, positive relationships, and organizational support tend to feel more satisfied in carrying out their work responsibilities.

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

The coefficient of determination analysis was conducted to determine the contribution of the work environment variable to employee job satisfaction.

**Table 5.** Coefficient of Determination

R Square	Description	R Square
0.618	Strong Influence	0.618

The coefficient of determination value of 0.618 indicated that the work environment contributed 61.8% to employee job satisfaction. Meanwhile, the remaining 38.2% was influenced by other variables outside this study.

**H. Discussion**

The results of this study demonstrated that the work environment had a positive and significant effect on employee job satisfaction at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch. These findings indicate that a conducive work environment plays an important role in improving employee comfort, motivation, and satisfaction. Employees who work in supportive organizational environments tend to feel more appreciated, comfortable, and motivated in carrying out their duties. Comfortable workspace conditions, good communication, harmonious coworker relationships, and organizational support positively influence employee emotional conditions and work attitudes. This finding supports the study conducted by Indrawan (2021), which explained that work environment and leadership significantly contribute to employee motivation and organizational effectiveness. Similarly, Pandito et al. (2025) found that work environment positively affects employee motivation and performance.

The results also support the findings of Karatepe and Avcı (2022), who stated that positive working conditions contribute to better employee attitudes and organizational outcomes. Furthermore, Saks (2022) explained that supportive organizational conditions improve

employee engagement and job satisfaction levels. Therefore, organizations need to maintain supportive physical, social, and psychological working conditions to improve employee satisfaction and organizational sustainability.

## Conclusion

Based on the results of the study, it can be concluded that the work environment has a positive and significant effect on employee job satisfaction at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch. The regression analysis results showed that the work environment variable significantly influenced employee satisfaction with a significance value below 0.05. The findings indicate that a supportive work environment, including physical facilities, harmonious coworker relationships, communication quality, and organizational support, can improve employee comfort and satisfaction levels. Employees who perceive a positive work environment tend to demonstrate better attitudes, higher motivation, and stronger enthusiasm in carrying out their work responsibilities.

The coefficient of determination results also showed that the work environment contributed significantly to employee job satisfaction, while the remaining influence was affected by other variables outside this study. Therefore, organizations need to maintain and improve working conditions to support employee well-being and organizational sustainability.

This study implies that management at PT Permodalan Nasional Madani (PNM) Kabanjahe Branch should continue improving the quality of the work environment, both physically and psychologically, to maintain employee satisfaction and improve organizational performance.

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