



The Influence of Leadership Style, Motivation and Work Environment on Employee Performance Through Job Satisfaction

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Abstract. This study aims to analyze the influence of leadership style, motivation, and work environment on employee performance with job satisfaction as a mediating variable at Teraskota Mall Management, South Tangerang City. The research problem was motivated by fluctuating employee performance achievements ranging from 62% to 74% that had not met the 100% company targets during 2020-2024 period. Methodology/approach – The study employed a quantitative approach with survey method. The population consisted of all 129 employees of Teraskota Mall Management, using census sampling method. Data were collected through questionnaires using Likert scale and analyzed using Partial Least Square (SmartPLS 4) to test ten research hypotheses. Findings – Results revealed that leadership style, motivation, and work environment had positive and significant effects on job satisfaction. Leadership style and motivation significantly influenced employee performance, while work environment did not directly affect performance. Job satisfaction significantly influenced employee performance. Mediation analysis showed that job satisfaction successfully mediated the effects of motivation and work environment on performance, but not for leadership style.

Keywords: Leadership Style; Work Motivation; Work Environment; Job Satisfaction; Employee Performance

A. INTRODUCTION

Human resources represent the most critical production factor in organizations due to their unique characteristics compared to other production factors. This distinctiveness positions humans as the driving force capable of energizing companies and determining organizational success. Given this fundamental role, companies must provide special attention to human resources development and optimal utilization to achieve productive and quality workforce.

The research object focuses on employees at Teraskota Mall Management, South Tangerang City. Teraskota Mall is a prominent shopping center located in South Tangerang,

specifically at Jl. Pahlawan Seribu, CBD Lot VII B, Lengkong Gudang Serpong Bumi Serpong Damai (BSD). Established in 2009, this mall operates under PT Deyon Resources, a company specializing in real estate, construction, and building management services founded in 2007 with establishment deed number M7-00615 HT.01.01-TH.2007.

Performance evaluation at Teraskota Mall Management utilizes Performance Appraisal system to enhance assessment objectivity, identify employee weaknesses, and develop competency enhancement programs. Annual performance assessments are conducted at the beginning of each year evaluating the previous year's performance using indicators aligned with company needs. Results serve as consideration basis for salary increases and promotions.

Performance data from 2020-2024 reveals concerning trends. Employee achievement percentages fluctuated between 62% and 74%, never reaching the targeted 100%. The lowest achievement occurred in 2020 (62%), improved to 70% in 2021, declined to 66% in 2022, peaked at 74% in 2023, but decreased to 72% in 2024. These fluctuations indicate persistent challenges in achieving quantitative performance targets, suggesting needs for comprehensive evaluation of workload distribution, productivity enhancement strategies, and managerial support optimization.

Employee absenteeism data from 2020-2024 also shows fluctuation patterns. Total absences ranged from 81 incidents (62%) in 2020 to 47 incidents (36%) in 2024. While the declining trend appears positive, high leave utilization in 2024 suggests potential work-life balance issues requiring attention to maintain motivation and job satisfaction levels.

Several factors influence employee performance, with job satisfaction serving as a critical mediator. Job satisfaction is influenced by multiple factors including leadership style, work environment, and motivation. Previous research shows inconsistent findings creating research gaps that warrant further investigation.

Leadership style evaluation at Teraskota Mall Management reveals varying effectiveness levels across different indicators. The lowest performance areas include emotional control capability (36%), motivational ability (43%), and subordinate control capability (43%). These findings highlight the need for comprehensive leadership development programs focusing on soft skills enhancement and coaching to improve overall organizational effectiveness.

Motivation assessment through promotion data (2020-2024) reveals concerning trends in career advancement and individual potential development. Promotion rates remained consistently low, particularly in 2021 and 2024 with only 2% promotion rates. This indicates limited career development opportunities, potentially affecting employee motivation and performance.

Work environment evaluation identifies relationship quality (60%) and working conditions (65%) as primary concern areas. These factors significantly impact employee comfort and productivity, necessitating comprehensive workplace improvement strategies including facility upgrades, noise control, and interpersonal relationship enhancement programs.

Based on theoretical foundations, empirical evidence, and identified problems, this research examines "The Influence of Leadership Style, Motivation and Work Environment on Employee Performance Through Job Satisfaction at Teraskota Mall Management, South Tangerang City."

B. LITERATURE REVIEW

Leadership Style

Leadership style refers to consistent behavior patterns and approaches used by leaders in influencing, directing, and motivating subordinates to achieve organizational objectives. Kartono (2023) defines leadership style as encompassing leaders' capabilities in decision-making, motivating, communicating, controlling subordinates, assuming

responsibility, and managing emotions. Effective leadership styles adapt to situational demands while maintaining consistency in core principles and values.

Research by Khuryatul (2021) demonstrates positive leadership style effects on job satisfaction, while Yohana (2022) found negative and insignificant relationships. Similarly, Isep Amas Priatna et al. (2022) showed significant leadership effects on employee performance, contrasting with Ferry Muliadi Manalu's (2020) findings of insignificant relationships. These contradictory results indicate research gaps requiring further investigation.

Work Motivation

Motivation represents internal drives or forces that propel individuals toward specific actions or behaviors. Strong drives indicate high motivation levels, while weak impulses suggest low motivational states. Maslow's (1943) hierarchy of needs theory provides foundational understanding of human motivation, progressing from basic physiological needs to self-actualization requirements.

Motivation research also shows inconsistent findings. Erina (2023) found positive motivation effects on job satisfaction, while Syaiful et al. (2020) reported insignificant relationships. Performance studies by Mardiana et al. (2020) demonstrated positive motivation effects on performance, contrasting with Yuliana et al.'s (2023) findings of negative significant effects. These contradictions necessitate further empirical investigation.

Work Environment

Work environment encompasses all physical and non-physical conditions surrounding employees during work performance. Sedarmayanti (2019) emphasizes work environment's significant impact on employee comfort, work enthusiasm, and ultimately job satisfaction and performance. Optimal work environments should be conducive, comfortable, and supportive of productivity enhancement.

Environmental research presents mixed findings. Dimas et al. (2024) found significant positive effects of physical work environment on job satisfaction, while Adinda et al. (2023) reported insignificant relationships. Performance studies by Teuku et al. (2023) showed positive significant work environment effects, contrasting with Alia et al.'s (2024) findings of insignificant partial effects.

Job Satisfaction

Job satisfaction represents employees' emotional attitudes toward work aspects including the work itself, compensation, promotion opportunities, supervision quality, coworker relationships, and work environment conditions. Locke (1976) defines job satisfaction as positive emotional states resulting from work experience evaluations. High satisfaction levels typically correlate with enhanced performance, commitment, and organizational loyalty.

Job satisfaction research also reveals contradictory findings. Martha L et al. (2020) demonstrated positive significant job satisfaction effects on employee performance, while Lie et al. (2017) found insignificant relationships. These inconsistencies highlight the need for mediating variable investigations to clarify relationship mechanisms.

Employee Performance

Employee performance refers to work quality and quantity achieved by employees in executing assigned tasks based on skills, experience, dedication, and time allocation. Mangkunegara (2020) emphasizes performance as work results reflecting employee capability in fulfilling job responsibilities according to established standards and expectations.

Performance measurement typically encompasses multiple dimensions including task quality, quantity, timeliness, effectiveness, and efficiency. Contemporary performance evaluation systems integrate both quantitative metrics and qualitative assessments to provide comprehensive performance pictures enabling targeted improvement strategies.

C. RESEARCH METHODOLOGY

This research employs quantitative descriptive methodology with survey approach conducted at Teraskota Mall Management, South Tangerang City. According to Sugiyono

(2019), quantitative research represents methodology grounded in positivism philosophy, utilized for examining specific populations or samples through instrument-based data collection and statistical analysis to test predetermined hypotheses.

Research Population and Sample

The research population comprises all Teraskota Mall Management employees in 2024, totaling 129 individuals. This study utilizes census sampling method (saturated sampling), meaning all 129 employees serve as research respondents. Census method selection ensures comprehensive data collection and eliminates sampling bias concerns.

Data Collection Technique

Primary data collection utilizes structured questionnaires employing five-point Likert scales ranging from "Strongly Disagree" (1) to "Strongly Agree" (5). Questionnaire development references established measurement instruments from previous research, adapted to research context and objectives. Pre-testing ensures instrument validity and reliability before full-scale data collection implementation.

Data Analysis Technique

Data analysis employs Partial Least Square Structural Equation Modeling (PLS-SEM) using SmartPLS 4 software. PLS-SEM selection considers its appropriateness for complex models with multiple constructs, mediating variables, and relatively small sample sizes. Analysis procedures include: 1. Measurement Model Evaluation (Outer Model): Assessing construct validity and reliability through convergent validity, discriminant validity, and internal consistency measures. 2. Structural Model Evaluation (Inner Model): Examining path relationships, R-square values, and effect sizes to assess model explanatory power. 3.

Hypothesis Testing: Utilizing bootstrapping procedures with 5,000 subsamples to generate t-statistics and p-values for hypothesis acceptance or rejection decisions.

Research Variables

This study examines five main constructs: • Leadership Style (X1): Measured through decision-making ability, motivational capability, communication skills, subordinate control, responsibility, and emotional management indicators. • Motivation (X2): Assessed via achievement needs, recognition, work advancement, responsibility, and growth opportunity indicators. • Work Environment (X3): Evaluated through physical conditions, work relationships, facilities, and atmospheric factors. • Job Satisfaction (Z): Measured through work satisfaction, compensation, promotion opportunities, supervision quality, and coworker relationship indicators. • Employee Performance (Y): Assessed via work quality, quantity, timeliness, effectiveness, and efficiency measures.

D. RESULTS AND DISCUSSION

Measurement Model Evaluation (Outer Model)

Convergent Validity Testing

Convergent validity assessment utilizes outer loading values and Average Variance Extracted (AVE). Results demonstrate all indicators achieve outer loading values above 0.7, meeting Hair et al.'s (2021) recommended thresholds for adequate convergent validity. This indicates all measurement items effectively represent their respective constructs.

Table 1. Outer Loading Results

	Leadership Style (X1)	Job Satisfaction (Z)	Employee Performance (Y)	Work Environment (X3)	Motivation (X2)
X1.1	0.734				
X1.2	0.762				
X1.3	0.870				

X1.4	0.775	
X1.5	0.840	
X1.6	0.780	
X2.1		0.748
X2.2		0.788
X2.3		0.802
X2.4		0.790
X2.5		0.755
X2.6		0.808
X3.1	0.820	
X3.2	0.788	
X3.3	0.767	
X3.4	0.808	
Y.1	0.731	
Y.2	0.757	
Y.3	0.770	
Y.4	0.773	
Y.5	0.712	
Y.6	0.816	
Z.1	0.764	
Z.2	0.762	
Z.3	0.701	
Z.4	0.739	
Z.5	0.733	
Z.6	0.737	

Source: SmartPLS version 4 data processing results, by the author 2025

Discriminant Validity Testing

Discriminant validity evaluation through cross-loading analysis confirms that each indicator loads highest on its designated construct compared to other constructs. This demonstrates adequate discriminant validity, indicating constructs are sufficiently distinct from one another.

Reliability Testing

Construct reliability assessment utilizes Cronbach's Alpha and Composite Reliability measures. Results show all constructs achieve values exceeding 0.7, confirming adequate internal consistency reliability.

Table 2. Reliability Testing Results

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)
Leadership Style (X1)	0.882	0.883	0.911
Job Satisfaction (Z)	0.834	0.836	0.879
Employee Performance (Y)	0.854	0.855	0.892
Work Environment (X3)	0.807	0.807	0.874
Motivation (X2)	0.873	0.873	0.904

Source: SmartPLS version 4 data processing results, by the author 2025

Structural Model Evaluation (Inner Model)

R-Square Assessment

R-Square values indicate model explanatory power for endogenous constructs. Job Satisfaction (Z) achieves R-Square Adjusted of 0.753, indicating that 75.3% of job satisfaction variance is explained by leadership style, motivation, and work environment. Employee Performance (Y) achieves R-Square Adjusted of 0.830, meaning 83% of performance variance is explained by all model constructs. Both values indicate strong explanatory power according to Hair et al.'s (2021) criteria.

Table 3. R-Square Results

	R-square	R-square adjusted
Job Satisfaction (Z)	0.759	0.753
Employee Performance (Y)	0.835	0.830

Source: SmartPLS version 4 data processing results, by the author 2025

Path Coefficients Analysis

Path coefficients demonstrate relationship strength and direction between constructs. All significant relationships show positive coefficients, indicating that increases in predictor variables lead to increases in outcome variables.

Model Fit Assessment

Model fit evaluation utilizes SRMR and NFI indices. Results show SRMR = 0.081 (acceptable threshold < 0.08) and NFI = 0.626 (below ideal threshold ≥ 0.90). While SRMR approaches acceptable levels, NFI suggests model refinement opportunities. Overall, the model demonstrates adequate fit for research purposes.

Hypothesis Testing Results

Hypothesis testing utilizes bootstrapping procedures with 5,000 subsamples to generate robust statistical estimates. Decision criteria require t-statistic > 1.98 and p-value < 0.05 for hypothesis acceptance at 95% confidence level.

Table 4. Direct Effects Hypothesis Testing

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Leadership Style (X1) → Job Satisfaction (Z)	0.208	0.211	0.095	2.192	0.028
Leadership Style (X1) → Employee Performance (Y)	0.293	0.289	0.097	3.037	0.002
Job Satisfaction (Z) - > Employee Performance (Y)	0.322	0.324	0.071	4.560	0.000
Work Environment (X3) → Job Satisfaction (Z)	0.316	0.301	0.095	3.326	0.001
Work Environment (X3) → Employee Performance (Y)	0.070	0.074	0.087	0.805	0.421
Motivation (X2) → Job Satisfaction (Z)	0.400	0.403	0.090	4.435	0.000
Motivation (X2) → Employee Performance (Y)	0.290	0.287	0.075	3.869	0.000

Source: SmartPLS version 4 data processing results, by the author 2025

Table 5. Indirect Effects (Mediation) Hypothesis Testing
Uji Indirect Effects (pengaruh tidak langsung)

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Leadership Style (X1) - > Job Satisfaction (Z) → Employee Performance (Y)	0.067	0.069	0.035	1.905	0.057
Work Environment (X3) → Job Satisfaction (Z) → Employee Performance (Y)	0.102	0.097	0.037	2.773	0.006

Motivation (X2) -> Job Satisfaction (Z)-> Employee Performance (Y)	0.129	0.131	0.043	3.008	0.003
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Source: SmartPLS version 4 data processing results, by the author 2025

Discussion of Findings

Leadership Style Effects

Leadership style demonstrates significant positive effects on both job satisfaction (H1 accepted) and employee performance (H4 accepted). However, job satisfaction does not mediate the leadership-performance relationship (H8 rejected). This suggests leadership style influences performance through direct mechanisms rather than satisfaction enhancement. Effective leadership at Teraskota Mall Management directly motivates employees and establishes performance standards, creating immediate performance improvements regardless of satisfaction levels.

Motivation Effects

Motivation shows strong positive effects on job satisfaction (H2 accepted) and employee performance (H5 accepted). Additionally, job satisfaction successfully mediates the motivation-performance relationship (H9 accepted). This indicates motivation operates through dual pathways: directly enhancing performance through increased effort and indirectly through satisfaction improvement. High motivation levels create positive work experiences, leading to enhanced satisfaction and subsequent performance gains.

Work Environment Effects

Work environment significantly influences job satisfaction (H3 accepted) but does not directly affect employee performance (H6 rejected). However, job satisfaction successfully mediates the environment-performance relationship (H10 accepted). This suggests physical and social work environment conditions primarily influence performance through satisfaction mechanisms. Comfortable, supportive environments enhance employee satisfaction, which subsequently improves performance levels.

Job Satisfaction Effects

Job satisfaction demonstrates strong positive effects on employee performance (H7 accepted), confirming its crucial role in organizational effectiveness. Satisfied employees exhibit higher commitment, effort, and performance quality. This finding supports traditional job satisfaction theories emphasizing the satisfaction-performance link in organizational behavior.

Theoretical Implications

These findings contribute to human resource management theory by clarifying relationships between leadership, motivation, work environment, job satisfaction, and performance. The differential mediation effects (motivation and environment through satisfaction, but not leadership) provide nuanced understanding of organizational behavior mechanisms.

Practical Implications

For Teraskota Mall Management, results suggest: Leadership Development: Focus on direct leadership skill enhancement rather than satisfaction-mediated approaches.

Motivation Programs: Implement comprehensive motivation strategies considering both direct and satisfaction-mediated effects.

Environment Improvement: Prioritize work environment enhancements to boost satisfaction and subsequent performance.

Satisfaction Monitoring: Regular satisfaction assessments to maintain performance levels

E. CONCLUSIONS AND SUGGESTIONS

Based on comprehensive analysis and discussion, this research draws the following conclusions regarding the influence of leadership style, motivation, and work environment on employee performance through job satisfaction at Teraskota Mall Management:

Direct Relationship Findings:

Leadership style has a positive and significant effect on job satisfaction (t-statistic = $2.192 > 1.98$, p-value = $0.028 < 0.05$), confirming H1.

Motivation has a positive and significant effect on job satisfaction (t-statistic = $4.435 > 1.98$, p-value = $0.000 < 0.05$), confirming H2.

Work environment has a positive and significant effect on job satisfaction (t-statistic = $3.326 > 1.98$, p-value = $0.001 < 0.05$), confirming H3.

Leadership style has a positive and significant effect on employee performance (t-statistic = $3.037 > 1.98$, p-value = $0.002 < 0.05$), confirming H4.

Motivation has a positive and significant effect on employee performance (t-statistic = $3.869 > 1.98$, p-value = $0.000 < 0.05$), confirming H5.

Work environment does not have a significant direct effect on employee performance (t-statistic = $0.805 < 1.98$, p-value = $0.421 > 0.05$), rejecting H6.

Job satisfaction has a positive and significant effect on employee performance (t-statistic = $4.560 > 1.98$, p-value = $0.000 < 0.05$), confirming H7.

Mediation Relationship Findings:

Job satisfaction does not significantly mediate the relationship between leadership style and employee performance (t-statistic = $1.905 < 1.98$, p-value = $0.057 > 0.05$), rejecting H8.

Job satisfaction significantly mediates the relationship between motivation and employee performance (t-statistic = $2.773 > 1.98$, p-value = $0.006 < 0.05$), confirming H9.

Job satisfaction significantly mediates the relationship between work environment and employee performance (t-statistic = $3.008 > 1.98$, p-value = $0.003 < 0.05$), confirming H10.

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