

# The mediation of work environment on employee performance through organizational culture and work discipline

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**ABSTRACT**

This study examined how organizational culture and work discipline affect employee performance, with the work environment serving as a mediating factor at PT Telkom Indonesia's Banten Region, Ciruas Office. A quantitative research method using an ex post facto design was used to investigate the connections between the variables. The study included 100 employees who were chosen through a saturated sampling method, which ensured that every individual in the population took part as a respondent. Data were gathered using structured questionnaires, which were evaluated on a 10-point Likert scale, and then analyzed through Partial Least Squares–Structural Equation Modeling (PLS-SEM) with the help of SmartPLS software. The results showed that both the organization's culture and the level of work discipline had a positive and statistically significant impact on how well employees performed. In addition, these variables had a significant impact on the quality of the work environment. Among all the variables that were studied, the work environment had the most significant direct effect on how well employees performed. In addition, the work environment was identified as playing a major role in influencing how organizational culture, work discipline, and employee performance are connected. These results suggest that how well an employee performs is not only influenced by factors within the organization itself but is also affected by the overall working environment in a more indirect way. Therefore, organizations need to pay attention to building a strong organizational culture, improving employee behavior, and establishing a workplace that supports employees, in order to boost their performance and better accomplish the goals of the organization.

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**1. Introduction**

Employee performance is essential for an organization to achieve its objectives and ensure continued growth over time. The level of performance that employees show is influenced by both personal and company-related factors, which shape how they fulfill their job duties. In the area of human resource management, organizational culture, work discipline, and the work environment are commonly considered important factors that influence performance. These elements contribute to setting workplace standards, promote employee dedication, and boost their motivation. In addition, a positive organizational culture, strong discipline, and a supportive work environment can lead to increased productivity, better work behavior, and play a major role in helping the organization achieve its goals efficiently (Sari, 2020).

Although organizational culture and work discipline are generally recognized as important determinants of employee performance, their direct effects are not always optimal in every organizational context. This condition may occur because employees do not automatically translate organizational values

and disciplinary rules into improved work outcomes. The effectiveness of organizational culture depends on the extent to which employees internalize organizational values and perceive them as relevant to their daily tasks. Similarly, work discipline may only ensure compliance with rules and procedures without necessarily enhancing productivity or work quality. Other contextual factors, such as leadership support, employee motivation, communication patterns, and workplace conditions, can influence how organizational culture and discipline affect performance. In particular, the work environment plays an important role by providing the physical and psychological conditions necessary for employees to apply organizational values and disciplined behavior effectively. Therefore, organizational culture and work discipline may have stronger impacts on employee performance when supported by a conducive work environment that facilitates employee engagement, collaboration, and job satisfaction. Organizational culture serves as a guideline for employees in understanding organizational values, norms, and work behavior. A strong organizational culture can create alignment between individual and organizational goals, thereby improving work effectiveness. In addition, work discipline is also considered an important factor because it is related to employees' compliance with company regulations, work standards, and responsibilities in completing tasks on time (Wahyuni et al., 2025). Furthermore, a comfortable, safe, and conducive work environment can support productive working conditions and improve employee performance. Organizational culture, work discipline, and work environment in improving employee performance across various organizational settings in Indonesia. Research conducted by Rahmawati & Setiawan (2024) found that a strong organizational culture significantly enhances employee commitment and productivity by fostering shared values and clear behavioral expectations. Employees who understand and internalize organizational values tend to demonstrate higher levels of responsibility and work effectiveness.

Similarly, work discipline has been identified as a critical determinant of employee performance. A study by Pratama et al. (2025) reported that employee compliance with organizational rules, punctuality, and adherence to operational procedures positively influence task completion and overall work outcomes. The study emphasized that disciplined employees are more likely to achieve organizational targets efficiently and maintain consistent performance standards. The work environment has also been recognized as an important factor affecting employee performance. According to Nugroho & Fitriani (2024), both physical and non-physical aspects of the work environment contribute significantly to employee motivation and job satisfaction. Comfortable workplace conditions, adequate facilities, and positive interpersonal relationships among employees create a conducive atmosphere that encourages higher productivity and better work quality.

Furthermore, several recent studies have highlighted the mediating role of the work environment in strengthening the relationship between organizational factors and employee performance. Research by Hidayat et al. (2024) demonstrated that a supportive work environment enhances the positive impact of organizational culture on employee performance by facilitating communication, collaboration, and employee engagement. Likewise, Suryani & Kurniawan (2023) found that the work environment partially mediates the influence of work discipline on employee performance, indicating that disciplined behavior produces more optimal results when supported by favorable workplace conditions. These findings suggest that organizational culture, work discipline, and work environment should not be viewed as separate factors but rather as interconnected elements that collectively influence employee performance. Therefore, examining the mediating role of the work environment in the relationship between organizational culture, work discipline, and employee performance is essential to provide a more comprehensive understanding of employee behavior and organizational effectiveness, particularly within the telecommunications industry PT Telkom Indonesia Banten Region, Ciruas Office, as a company operating in the telecommunications sector, requires optimal employee performance to support organizational objectives. However, in practice, several issues still occur, such as employee tardiness, extended break times, and work completion that does not always meet expectations. These conditions indicate that problems related to organizational culture, work discipline, and work environment may affect employee performance.

The telecommunications sector possesses unique characteristics that distinguish it from many other industries. Telecommunications companies operate in a highly dynamic, technology-driven, and service-oriented environment where service reliability, network availability, and customer satisfaction are critical performance indicators. Employees are required to adapt quickly to technological advancements, respond to customer demands, and maintain operational continuity in a highly competitive market. These conditions require a strong organizational culture that promotes innovation, collaboration, and customer orientation, as well as high levels of work discipline to ensure compliance with operational standards and service quality.

requirements. Furthermore, the work environment in telecommunications organizations often involves cross-functional coordination, digital work systems, and performance pressures associated with rapid technological change. Consequently, understanding how organizational culture and work discipline influence employee performance, both directly and through the work environment, is particularly important in the telecommunications sector. This context provides a compelling rationale for examining these relationships at PT Telkom Indonesia, where employee performance is closely linked to organizational competitiveness and service excellence.

Many earlier studies have looked into how organizational culture, work discipline, and the work environment influence employee performance. Even though these results are known, there is still not much research that looks at how the work environment affects the connection between organizational culture, work discipline, and employee performance. This is especially true in the telecommunications sector. This lack of research underscores the importance of more studies to gain a clearer understanding of how organizational factors affect employee outcomes. This study adds to the current understanding by looking at how the work environment acts as a bridge between organizational culture, work discipline, and employee performance. It helps provide a fuller picture of the factors that influence performance within telecommunications companies.

Based on the previous discussion, this study aims to investigate how organizational culture and work discipline affect employee performance at the Ciruas Office of PT Telkom Indonesia's Banten Region. The study seeks to examine how organizational culture and work discipline directly influence employee performance, as well as how these factors indirectly affect performance through the work environment, which acts as a mediating variable. By examining these connections, the study aims to offer a better understanding of how factors within an organization and the work environment play a role in improving employee performance and supporting the overall effectiveness of the organization.

## 2. Research Method

This study used a quantitative approach with an ex post facto design to examine the connections between organizational culture, work discipline, work environment, and employee performance. The research was conducted at the Ciruas Office of PT Telkom Indonesia's Banten Region from January to August 2025. The group being studied included all 100 workers who were employed at the office. Because the population size was small, a saturated sampling method was used, which enabled each employee to take part as a respondent. The study sought to gather detailed information by including everyone in the population, with the goal of achieving a thorough understanding and generating more precise results about how organizational and workplace factors affect employee performance.

Data was collected from both primary and secondary sources in order to support the research objectives. Primary data were gathered using online questionnaires distributed through Google Forms, allowing respondents to share their views in an efficient manner. Meanwhile, additional data were collected from different sources such as company documents, scholarly articles, books, and other pertinent publications. The questionnaire was created with a 10-point Likert scale, where the response choices went from 1, which means strongly disagree, to 10, which means strongly agree. This measurement scale enabled respondents to convey their opinions with greater precision and offered comprehensive data for further statistical analysis.

This study looked at organizational culture and work discipline as factors that are not influenced by other variables, employee performance as the outcome that is affected by these factors, and the work environment as a variable that stands between the independent factors and the outcome. Specifically, work discipline was measured using indicators that are highly relevant to the operational characteristics of PT Telkom employees, including punctuality, compliance with organizational regulations, adherence to standard operating procedures (SOPs), responsibility in completing assigned tasks, and consistency in meeting work targets. These indicators reflect the behavioral standards required in the telecommunications sector, where service reliability and operational continuity depend on employees' discipline and compliance. Meanwhile, the work environment construct was assessed through both physical and non-physical dimensions. The physical dimension included workplace facilities, equipment availability, workspace comfort, and occupational safety conditions. The non-physical dimension encompassed interpersonal relationships, communication effectiveness, teamwork, supervisory support, and the overall organizational climate. These dimensions were selected because they represent workplace conditions that may facilitate or hinder

employees in translating organizational values and disciplinary behavior into higher levels of performance, thereby justifying the role of the work environment as a mediating variable in the research model.

Each construct was assessed using indicators that were modified from existing research found in the relevant literature to guarantee the measurement is both accurate and consistent. The selected indicators were then translated into observable and measurable items that could effectively capture respondents' perceptions. This operationalization process enabled the variables to be quantitatively assessed and analyzed, providing a solid basis for evaluating the relationships among organizational culture, work discipline, work environment, and employee performance.

Based on previous literature. Second, research instruments were designed according to the operational definitions of the variables. Third, questionnaires were distributed to respondents, and data collection was carried out systematically. Fourth, the collected data were screened and prepared for statistical analysis. Finally, hypotheses were tested, and conclusions were drawn based on the empirical findings. The research procedure adopted in this study consists of several sequential stages, namely problem identification, literature review, development of the conceptual framework, instrument development, data collection, data screening, PLS-SEM analysis, hypothesis testing, and conclusion drawing. This sequence is consistent with contemporary quantitative research procedures that emphasize a systematic process from problem formulation to empirical validation and theory development (Hair et al., 2022). Furthermore, the use of PLS-SEM enables researchers to examine complex relationships among latent variables while maintaining flexibility regarding data distribution assumptions and sample size requirements.

Data analysis was carried out using Partial Least Squares–Structural Equation Modeling (PLS-SEM), and the process was supported by SmartPLS version 3 software. The outer model, or measurement model, was assessed using various methods such as convergent validity, discriminant validity, Average Variance Extracted (AVE), Composite Reliability, and Cronbach's Alpha to guarantee the accuracy and consistency of the constructs. In addition, the structural model, also known as the inner model, was evaluated by analyzing the coefficient of determination ( $R^2$ ), predictive relevance ( $Q^2$ ), path coefficients, and the results from bootstrapping procedures. A hypothesis test was conducted using t-statistics, with a significance level set at 5%. A hypothesis was deemed supported if the calculated t-statistic was greater than the critical value of 1.96, which suggests there is a statistically significant association between the variables being studied.

### 3. Result and Discussion

#### Overview of Research Object

This study was conducted at PT Telkom Indonesia, Tbk, one of Indonesia's largest telecommunications companies operating in telecommunication, information, media, and digital services. PT Telkom has a long historical development that began during the Dutch colonial period through postal and telegraph services and gradually transformed into a national telecommunications company after Indonesia's independence.

Throughout its development, PT Telkom experienced several organizational transformations, starting from the state-owned telecommunications enterprise (PN Telekomunikasi), then becoming Perusahaan Umum Telekomunikasi (Perumtel), and eventually transforming into a publicly listed company (Persero) in 1991. To strengthen competitiveness and adapt to globalization, PT Telkom conducted major business transformations, including organizational restructuring, operational expansion, and public share offerings.

Currently, PT Telkom operates through several regional divisions distributed across Indonesia, including Sumatra, Jakarta, West Java, Central Java, East Java, Kalimantan, and Eastern Indonesia regions. This decentralized organizational structure enables the company to provide telecommunications services efficiently while supporting business expansion and digital transformation initiatives.

PT Telkom's vision is to become a leading company in providing Telecommunication, Information, Media, and Edutainment (TIME) services at the regional level. To achieve this vision, the company focuses on delivering high-quality services with competitive pricing while maintaining strong corporate governance practices.

#### Respondent Characteristics

The participants in this study were 100 employees employed within the Serang District office environment. To better understand the demographic composition of the sample, respondent characteristics were examined based on several factors, including gender, age, and educational attainment. This analysis was conducted to provide a comprehensive profile of the respondents and to describe the demographic distribution of individuals involved in the study. Understanding these characteristics helps offer contextual information about the workforce and supports the interpretation of the research findings related to organizational culture, work discipline, work environment, and employee performance.

**Table 1.** Summary of respondent characteristics

Variable	Category	Frequency	Percentage
Gender	Male	65	65%
	Female	35	35%
Age	19–30 years	40	40%
	31–45 years	25	25%
	46–65 years	35	35%
Education	Senior High School	30	30%
	Diploma	25	25%
	Bachelor's Degree	39	39%
	Postgraduate Degree	6	6%

Based on gender, the majority of respondents were male, totaling 65 respondents (65%), while female respondents accounted for 35 respondents (35%). In terms of age, most respondents were in the 19–30 years age group with 40 respondents (40%), followed by the 46–65 years group with 35 respondents (35%), and the 31–45 years group with 25 respondents (25%). Regarding educational background, most respondents held a Bachelor's degree (S1) with 39 respondents (39%), followed by Senior High School graduates with 30 respondents (30%), Diploma holders with 25 respondents (25%), and Postgraduate degree holders with 6 respondents (6%). Overall, the data indicate that the respondents were predominantly male employees in the productive age group with relatively good educational qualifications.

### Inferential Statistic

**Table 2.** Summary of measurement and structural model results

Model Stage	Test	Criteria	Result	Conclusion
Outer Model	Convergent Validity	Loading > 0.70; AVE > 0.50	All indicators met criteria after item removal	Valid
Outer Model	Discriminant Validity	Fornell-Larcker & Cross Loading	All constructs distinct	Valid
Outer Model	Reliability	Cronbach's Alpha & CR > 0.60	All constructs > 0.90	Reliable
Inner Model	R-Square (Employee Performance)	0.75 strong; 0.50 moderate; 0.25 weak	0.713	Moderate–Strong
Inner Model	R-Square (Work Environment)	same criteria	0.402	Moderate

### Outer Model

The analysis of the measurement model was carried out to confirm that the research tools satisfy the necessary criteria for validity and reliability prior to moving on to hypothesis testing. The assessment involves testing convergent validity, discriminant validity, and reliability through the use of Partial Least Squares-Structural Equation Modeling (PLS-SEM).

The initial outer model results indicated that several indicators did not meet the minimum loading factor threshold of 0.70, namely BO6, DK6, and KK6. These indicators were therefore removed from the model. Following the re-estimation process, all retained indicators satisfied the established loading factor threshold, indicating that the measurement items were adequately associated with their respective constructs. These results confirmed the achievement of convergent validity, demonstrating that the indicators effectively measured the intended latent variables and contributed to the overall reliability and validity of the measurement model.

Additionally, the assessment of the measurement model showed that it has good construct validity and reliability. Convergent validity was assessed by looking at the Average Variance Extracted (AVE) values, which show how much of the variation in the data is explained by the construct compared to the error

in measurement. The results showed that every construct had average variance extracted values that were significantly higher than the minimum acceptable level of 0.50. Specifically, the average values were 0.791 for Organizational Culture, 0.716 for Work Discipline, 0.799 for Employee Performance, and 0.732 for Work Environment. These results suggest that the indicators linked to each construct effectively accounted for a significant amount of variance, which supports the presence of sufficient convergent validity. To evaluate discriminant validity, the Fornell–Larcker criterion was used. The analysis indicated that the square root of the average variance extracted for each latent variable was higher than its correlations with other variables in the model. This result indicates that each concept has its own specific area of meaning and can be clearly identified through research from the other concepts. As a result, the indicators effectively measured the concepts they were meant to represent without major overlap between the variables. The reliability of the measurement tool was additionally assessed through Cronbach's Alpha and Composite Reliability (CR). The findings showed that every construct met the suggested minimum threshold of 0.60, showing a strong degree of consistency within the indicators. Therefore, the measurement model is both reliable and valid, which means it is suitable for further testing of the structural model and for evaluating hypotheses.

The overall assessment of the outer model indicates that all constructs satisfy the established criteria for validity and reliability. The indicators used in this study exhibited strong measurement properties, reflecting their ability to accurately and consistently represent the intended constructs. The validity results confirm that the indicators effectively measure their respective variables, while the reliability results demonstrate a high level of internal consistency. These findings suggest that the measurement model is robust and statistically acceptable. Therefore, the model is considered appropriate for further analysis, including structural model evaluation (inner model) and the testing of the proposed research hypotheses.

### Inner Model

After confirming that the measurement model was both valid and reliable, the analysis moved on to assessing the structural model. This stage was carried out to assess how well the suggested connections between the underlying variables could account for the results that were actually observed. One of the main measures used to evaluate the structural model was the coefficient of determination, known as R squared. This statistic shows how well the exogenous variables in the study can predict the endogenous variables that are part of the research framework.

The results showed that the  $R^2$  value for Employee Performance was 0.713, which means the model has a strong ability to explain the data. In contrast, the Work Environment construct achieved an  $R^2$  value of 0.402, indicating a moderate degree of predictive accuracy. According to the guidelines suggested by Hair et al., an  $R^2$  value of approximately 0.75 suggests strong explanatory power, a value of about 0.50 indicates moderate explanatory power, and a value of roughly 0.25 shows weak explanatory power. Based on these benchmarks, the level of explanation for Employee Performance is moderate to high, while the level of explanation for Work Environment is moderate.

More specifically, 71.3% of the variation in employee performance is explained by factors such as organizational culture, work discipline, and work environment. The remaining 28.7% could be affected by other factors that were not considered in this study. Similarly, Organizational Culture and Work Discipline contribute to 40.2% of the variation in the Work Environment, and the remaining 59.8% is probably due to other factors that were not included in the current research model.

### Hypothesis Testing

Once the measurement model had successfully satisfied the necessary criteria for validity and reliability, the analysis moved on to testing the hypotheses. This stage was designed to assess the suggested cause-and-effect connections between the research variables and to confirm the conceptual model that was created as part of the study. Both direct and indirect effects were analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method, with the help of SmartPLS software. The main goal of this process was to check if the independent variables had a significant statistical effect on the dependent variable.

To determine the importance of the structural pathways, a bootstrapping method was used. This method uses the process of repeatedly selecting smaller groups of data from the original set to assess how accurate and consistent the model's parameters are. Bootstrapping is especially well-suited for PLS-SEM since it does not depend on strict assumptions about how data is distributed and can still generate accurate statistical results even if the data does not meet normality conditions.

The significance of each hypothesized relationship was evaluated based on T-statistic and P-value criteria. A path coefficient was considered statistically significant when the T-statistic exceeded the critical value of 1.960 at the 5% significance level and the P-value was below 0.05. Relationships that met these criteria were accepted, while those failing to do so were rejected in accordance with the recommendations of Hair et al. (2020).

The results showed that every direct relationship within the model was statistically significant. Organizational Culture had a positive and statistically significant impact on Employee Performance, with a regression coefficient of 0.265, a t-value of 3.755, and a p-value less than 0.001. This outcome indicates that a robust organizational culture enhances employee performance by promoting common values, increasing commitment to the organization, and establishing clear guidelines for behavior that help employees achieve the organization's goals efficiently. Organizational Culture also significantly influences the Work Environment ( $\beta = 0.354$ ,  $T = 3.042$ ,  $p = 0.002$ ), suggesting that a positive culture contributes to a more supportive and harmonious workplace atmosphere.

Work Discipline significantly affects Employee Performance ( $\beta = 0.161$ ,  $T = 2.606$ ,  $p = 0.009$ ) and the Work Environment ( $\beta = 0.413$ ,  $T = 4.221$ ,  $p < 0.001$ ), indicating that disciplined employees help improve both productivity and workplace order. The Work Environment shows the strongest direct effect on Employee Performance ( $\beta = 0.576$ ,  $T = 7.285$ ,  $p < 0.001$ ), making it the most dominant predictor in the model.

The results further demonstrate the significant mediating role of the Work Environment in the proposed model. Organizational Culture was found to indirectly enhance Employee Performance through the Work Environment ( $\beta = 0.204$ ,  $T = 2.928$ ,  $p = 0.003$ ), indicating that a positive workplace atmosphere strengthens the impact of organizational values on employee outcomes. Likewise, Work Discipline showed a significant indirect effect on Employee Performance through the Work Environment ( $\beta = 0.238$ ,  $T = 3.555$ ,  $p < 0.001$ ). These findings suggest that a supportive work environment serves as an important mechanism through which organizational culture and work discipline improve employee performance.

Overall, the empirical results provide strong support for all proposed hypotheses in this study. The analysis indicates that both the direct and indirect relationships among the examined variables are statistically significant. Furthermore, the Work Environment emerges as a key factor influencing Employee Performance, serving not only as an important mediating variable but also as one of the most influential determinants within the research model. These findings highlight the critical role of a supportive work environment in strengthening the effects of Organizational Culture and Work Discipline, ultimately contributing to improved employee performance and overall organizational effectiveness.

**Table 3.** Summary of hypothesis testing results

Hypothesis	Relationship	Path Coefficient	T-Statistic	P-Value	Result
H1	Organizational Culture → Employee Performance	0.265	3.755	0.000	Supported
H2	Organizational Culture → Work Environment	0.354	3.042	0.002	Supported
H3	Work Discipline → Employee Performance	0.161	2.606	0.009	Supported
H4	Work Discipline → Work Environment	0.413	4.221	0.000	Supported
H5	Work Environment → Employee Performance	0.576	7.285	0.000	Supported
H6	Organizational Culture → Work Environment → Employee Performance	0.204	2.928	0.003	Supported
H7	Work Discipline → Work Environment → Employee Performance	0.238	3.555	0.000	Supported

## Discussion

The findings of this research provide empirical evidence that all proposed hypotheses are accepted, demonstrating significant associations among Organizational Culture, Work Discipline, Work Environment, and Employee Performance at PT Telkom Indonesia. The results indicate that these variables are closely interconnected and play important roles in influencing employee outcomes. Furthermore, the study highlights that improvements in organizational culture, employee discipline, and workplace conditions contribute positively to enhancing employee performance. These findings reinforce the importance of effective organizational practices and a supportive work environment in achieving higher levels of employee productivity and organizational success.

### Effect of Organizational Culture on Employee Performance

The results reveal that Organizational Culture exerts a positive and statistically significant influence on Employee Performance ( $\beta = 0.265$ ,  $t = 3.755$ ,  $p < 0.001$ ). This finding suggests that a well-established organizational culture contributes substantially to improving employee effectiveness and productivity. Shared values, organizational norms, and expected behaviors provide employees with clear direction in performing their duties and responsibilities. Furthermore, cultural elements such as professionalism, integrity, collaboration, and mutual trust help foster greater commitment, motivation, and engagement among employees. As a result, employees are more likely to perform their tasks efficiently, support organizational goals, and contribute to overall organizational success. This result is consistent with Hartiyansyah (2022), Wahyuni et al. (2025), and Aqilla et al. (2024) who emphasize that a strong organizational culture strengthens identity, loyalty, and productivity. This study reinforces that organizational culture is a key determinant of employee performance, particularly in the telecommunications sector.

#### **Effect of Organizational Culture on Work Environment**

The findings further indicate that Organizational Culture has a positive and statistically significant impact on the Work Environment ( $\beta = 0.354$ ,  $t = 3.042$ ,  $p = 0.002$ ). This result suggests that a strong organizational culture plays an important role in shaping workplace conditions and employee interactions. When organizational values are consistently communicated and practiced, they help create a work atmosphere characterized by trust, cooperation, and mutual respect. A well-developed culture also encourages open communication, teamwork, and positive relationships among employees and management. Consequently, these conditions contribute to the development of a supportive, harmonious, and collaborative work environment that enhances employee comfort, engagement, and overall organizational effectiveness. This finding aligns with Marsela (2024), Salain (2022), and Hanny & Adiputra (2020), who highlight that organizational culture contributes to a productive and psychologically healthy work environment. Thus, culture not only influences performance but also shapes workplace conditions.

#### **Effect of Work Discipline on Employee Performance**

The analysis demonstrates that Work Discipline has a positive and statistically significant influence on Employee Performance ( $\beta = 0.161$ ,  $t = 2.606$ ,  $p = 0.009$ ). This finding indicates that employees who consistently adhere to organizational regulations and maintain high levels of discipline are more likely to achieve superior performance outcomes. Disciplined employees typically exhibit greater responsibility, reliability, and commitment in carrying out their duties. Behaviors such as punctuality, compliance with company policies, efficient use of working time, and consistency in completing assigned tasks contribute to improved productivity and work quality. As a result, strong work discipline serves as an important factor in enhancing employee effectiveness and supporting the achievement of organizational objectives. This supports findings from Mulyani & Pratama (2023), Pereira & Said (2020), and Mudiansyah et al. (2025) confirming that discipline is a strong predictor of productivity.

#### **Effect of Work Discipline on Work Environment**

Work discipline also significantly influences the work environment ( $\beta = 0.413$ ,  $t = 4.221$ ,  $p < 0.001$ ). Disciplined employees contribute to a more orderly, structured, and conflict-free workplace. This aligns with Zameer et al. (2021), Safitri & Nugroho (2022), and Malik et al. (2021), who emphasize that discipline strengthens workplace harmony and trust among employees.

#### **Effect of Work Environment on Employee Performance**

The work environment has the strongest direct effect on employee performance ( $\beta = 0.576$ ,  $t = 7.285$ ,  $p < 0.001$ ). A supportive physical and social work environment enhances employees' motivation, comfort, and productivity, enabling them to perform their duties more effectively. Employees who work in a safe, comfortable, and well-equipped environment tend to experience higher job satisfaction and greater engagement, which ultimately contribute to improved performance. This finding is consistent with Lawren and Ekawati (2023), who found that a positive work environment significantly improves employee satisfaction and organizational commitment. Likewise, Nuswantoro (2021) emphasized that favorable workplace conditions encourage employees to achieve higher levels of productivity and work effectiveness. More recent studies also support these findings. Purwadi et al. (2025) demonstrated that the work environment has a positive and significant effect on employee performance both directly and indirectly through job satisfaction as a mediating variable. Similarly, Syaputra et al. (2025) reported that employees working in supportive environments experience higher satisfaction, stronger emotional attachment to the organization, and better performance outcomes. Therefore, organizations should prioritize the creation of a conducive work environment by improving workplace facilities, fostering positive interpersonal

relationships, and ensuring employee safety and well-being, as these factors serve as critical drivers of employee performance.

#### **Mediating Role of Work Environment**

The work environment also plays a significant mediating role. Organizational culture indirectly affects employee performance through the work environment ( $\beta = 0.204$ ,  $t = 2.928$ ,  $p = 0.003$ ), while work discipline also influences performance through the same mediator ( $\beta = 0.238$ ,  $t = 3.555$ ,  $p < 0.001$ ). These findings are consistent with Hair et al. (2024), Marpaung, Putri Annisa Darmawan (2022), and Madona et al. (2022). The findings further demonstrate that the Work Environment serves as a significant mediating variable in the relationship between Organizational Culture, Work Discipline, and Employee Performance (Hair et al., 2024; Pereira et al., 2024; Khan et al., 2025). This result indicates that a supportive and conducive workplace enhances the positive influence of both organizational culture and employee discipline on performance outcomes. In other words, the effectiveness of organizational values and disciplined behavior becomes stronger when employees work in an environment that promotes comfort, collaboration, and productivity. The findings also imply important organizational consequences when organizational culture and work discipline are not supported by a positive work environment. Although employees may understand organizational values and comply with company regulations, unfavorable workplace conditions can reduce the effectiveness of these factors in improving performance. Poor communication, inadequate facilities, limited managerial support, and unsupportive interpersonal relationships may weaken employee motivation, increase work stress, reduce collaboration, and ultimately hinder productivity. In the telecommunications industry, where employees are required to respond quickly to operational challenges and maintain service quality, such conditions may lead to lower service effectiveness, reduced customer satisfaction, and difficulties in achieving organizational targets. Therefore, organizational culture and work discipline alone may not be sufficient to generate optimal performance outcomes without a supportive work environment.

Furthermore, the dominant influence of the work environment on employee performance highlights its strategic importance for human resource management effectiveness. As the strongest predictor in the model ( $\beta = 0.576$ ), the work environment serves as a critical mechanism through which organizational values and disciplined behavior are translated into superior performance outcomes. This finding suggests that human resource management should prioritize initiatives aimed at improving workplace conditions, strengthening communication channels, promoting teamwork, enhancing supervisory support, and ensuring employee well-being. By creating a conducive physical and psychological work environment, organizations can maximize employee engagement, increase job satisfaction, reinforce organizational commitment, and improve overall workforce productivity. Consequently, investments in work environment improvement should be viewed as a strategic human resource management practice rather than merely an operational requirement.

Overall, the study suggests that employee performance is shaped not only by direct organizational factors but also through indirect pathways involving the work environment. Among all variables examined, the Work Environment emerged as the most influential factor and a critical mechanism through which Organizational Culture and Work Discipline contribute to improved employee performance. These findings emphasize the importance of creating a positive workplace atmosphere to maximize employee effectiveness and organizational success.

#### **4. Conclusion**

This study was carried out to examine how organizational culture and work discipline affect employee performance, with the work environment acting as a mediating factor. The findings confirm the theories mentioned in the introduction, showing that factors within an organization are important in improving how well employees perform. The results from the study show that both the organization's culture and employees' work discipline have a positive and significant impact on how well employees perform. In addition, these influences are not only present through direct means but also through the work environment indirectly. This indicates that a positive work environment enhances how effectively organizational values and employee discipline contribute to performance results. Therefore, the study emphasizes the need to build a strong organizational culture, enforce strict work discipline, and establish a supportive work environment in order to maximize employee performance and enhance organizational effectiveness.

In addition, the study reveals that the Work Environment plays a significant mediating role in the relationship between Organizational Culture, Work Discipline, and Employee Performance. The findings demonstrate that a positive and supportive workplace can enhance the effectiveness of organizational values

and disciplined employee behavior, ultimately leading to improved performance outcomes. A well-managed work environment encourages employee engagement, collaboration, and productivity, thereby contributing to greater organizational success. These results emphasize the importance of integrating strong organizational culture and effective disciplinary practices with a conducive workplace atmosphere. Overall, the evidence obtained from the analysis aligns with the research objectives and supports the theoretical framework underlying this study, confirming the interconnected influence of these variables on employee performance.

From a theoretical perspective, this study contributes to the development of Organizational Behavior and Human Resource Management theories by providing empirical evidence that the work environment functions not only as an independent predictor of employee performance but also as a significant mediating mechanism through which organizational culture and work discipline influence performance outcomes. The findings extend existing organizational behavior literature by demonstrating that employees' responses to organizational values and disciplinary practices are shaped by the workplace conditions in which they operate. Furthermore, this study enriches human resource management theory by highlighting the importance of integrating structural organizational factors with environmental conditions to achieve optimal employee performance. The results suggest that organizational culture and work discipline alone may not be sufficient to maximize performance unless they are supported by a conducive work environment that facilitates employee engagement, collaboration, and productivity.

The practical implications of this research highlight the need for organizations to adopt a comprehensive human resource management approach by simultaneously strengthening organizational culture, promoting employee discipline, and improving workplace conditions. The mediating role of the work environment indicates that the effectiveness of organizational culture on employee performance can be enhanced when management creates a workplace characterized by open communication, mutual trust, teamwork, and supportive leadership. In this context, organizational values become more easily internalized and translated into productive work behaviors. Likewise, the mediating effect of the work environment on the relationship between work discipline and employee performance suggests that disciplinary practices should be accompanied by supportive workplace conditions. Employees are more likely to transform disciplined behavior into higher performance when they work in an environment that provides adequate facilities, clear communication, supervisory support, and positive interpersonal relationships. Therefore, managers should view investments in work environment improvement not merely as operational expenditures but as strategic initiatives that strengthen the effectiveness of organizational culture and work discipline, ultimately leading to sustainable improvements in employee performance and organizational effectiveness.

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