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THE EFFECT OF ORGANIZATIONAL CLIMATE AND COMPENSATION ON JOB SATISFACTION AND EMPLOYEE PERFORMANCE

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ABSTRACT

In banking activities and the financial services industry, the contribution of banks to the financial services industry in supporting economic activities is very large, in the midst of very tight and competitive competition banks need innovation and the right strategy to ensure their business continuity and their existence in increasing their business achievement figures, the challenge is getting bigger after it is declared that there are no more restrictions on activities and the return of normal activities back to normal. This research intends to obtain empirical evidence related to the consequences between organizational climate variables and compensation, in relation to job satisfaction and employee performance. This research was conducted at Bank Mega Regional Banjarmasin and only analyzed the direct and indirect influence between organizational climate variables (X_1), compensation (X_2), on job satisfaction (Y_1) and employee performance for the period September 2022 to January 2023. The population in this study is employees who are directly on duty with Bank Mega Regional Banjarmasin (direct staff). The sample of this study is the population, namely all employees who work directly at Bank Mega Regional Banjarmasin totaling 240 people who are all employees of Bank Mega Kalimantan who are not outsourced or direct employees of Bank Mega. The source of data used in this research is questionnaires. Information analysis in this research uses Structural Equation Modeling (SEM) with Smart PLS (Partial Least Square) application. The results of this study show that organizational climate and compensation have a positive effect on employee performance there.

INTRODUCTION

In banking activities and the financial services industry, the contribution of banks to the financial services industry in supporting economic activities is very large. In the midst of very tight and competitive competition banks need innovation and the right strategy to ensure their business continuity and their existence in increasing their business achievement figures. The challenge is getting bigger after it is declared that there are no more restrictions on activities and the return of normal activities back to normal.

Bank credit growth accelerated to 11.00% yoy in September 2022, primarily supported by working capital loans, which grew by 12.26% yoy. Meanwhile, in MTM, nominal bank loans increased by Rp 95.45 trillion to Rp 6,274.9 trillion. Meanwhile, deposits grew 6.77% yoy in September 2022 to Rp 7,647 trillion, with growth slowing compared to 7.77% yoy in the previous month, primarily driven by lower deposits. Banking industry liquidity in September 2022 was at an adequate level with maintained liquidity ratios. The ratio of Liquid Instruments/Non-Core Deposits (AL/NCD) and Liquid Instruments/Deposits (AL/DPK) was 121.62% (August 2022: 3

118.01%) and 27.35% (August 2022: 26.52%), well above the regulatory thresholds of 50% and 10%, respectively. Credit risk continued to decline with the bank's net NPL ratio at 0.77% (NPL gross: 2.78%). On the other hand, Covid-19 restructuring loans again recorded a decline of IDR 23.81 trillion to IDR 519.64 trillion, with the number of customers also decreasing to 2.63 million customers (August 2022: 2.75 million customers). Meanwhile, the Net Foreign Exchange Position (PDN) in September 2022 was recorded at 1.32%, below the threshold of 20%. The Capital Adequacy Ratio (CAR) of the Banking industry in September 2022 was recorded to increase to 25.12% from the position in August 2022 of 25.07%.

In the second quarter of 2022 PT. Bank Mega, Tbk recorded a net profit of Rp. 1.49 trillion. The achievement of this profit decreased by 4.43% when compared to the same period in the previous year amounting to Rp. 1.56 trillion. On the other hand, although net profit decreased, Bank Mega's interest income increased, albeit by a very small figure of 0.5% (*yoy*), from Rp. 4.07 trillion to Rp. 4.09 trillion. The increase in interest income was also followed by interest expenses that shrank 21.34% (*yoy*) from Rp. 1.62 trillion to Rp. 1.28 trillion. The shrinking net profit obtained by PT. Bank Mega, Tbk was burdened by the company's operating profit which decreased 4.73% to (*yoy*) to Rp. 1.84 trillion (Bank Mega Financial Report, 2022).

The decrease in net profit achievement can reflect the ability of employees where they work and work, employee performance is the achievement or performance results of employees that we can calculate between the results of activities obtained compared to the standard of activities that have been determined by the organization or company, this is commonly referred to as work targets. Good employee performance can be achieved if employees have job satisfaction both in terms of compensation received, benefits obtained, and a comfortable work atmosphere.

Lestari et al. (2018) states that often the ability of employees decreases due to discomfort in work and activities, little compensation, capacity or expertise that is less supportive and also dissatisfaction with the work currently being undertaken. The happiness of employee activities must be observed in a serious way by every institution. Dissatisfaction is a trigger or trigger for cases in employment, this can be seen initially in the number of absences, conflicts between employees, strikes and high employee turnover. From the workers' side, dissatisfaction can cause shrinking drives, shrinking enthusiasm for activities, and shrinking abilities. Comfort in working will have a positive impact on employees, this will be seen in a low level of control rate and increased discipline and will affect optimal work results. Thus, positive performance is the end result that must be achieved by every company.

A comfortable working situation can be obtained through a good organizational climate, and a good organizational environment will produce employees who feel calm in doing their work. Human resources are indispensable in every organization because human resources have an essential role in every organizational activity (Hinuq et al., 2022). Workers will feel the climate contained in the company organization is good if the company leaders can create a good situation in the company organization and create good relationships between employees. This will support every job done by employees. The organizational climate of any company fully returns to the internal company itself, all depends on the desire of the company's management to develop and

build the corporate environment. A good institutional climate can have a positive impact on employee abilities, vice versa, a bad organizational climate will also have a negative impact on employee performance. Employee work climate that is not conducive causes a decrease in service quality and employee punctuality and results in a lack of quality of work carried out by employees, Robbins and Coulter (2016) stated that organizational climate means a company atmosphere that supports work implementation. Aminyan (2019) stated that with the existence of a good body climate, it will be able to bring happiness to employee activities.

In order to meet the company's targets, employees must get appropriate compensation and in accordance with their workload in order to perform their duties better and more productively. Rewards or compensation can affect work results (performance) both increasing productivity and vice versa reducing it, the level of satisfaction with the work undertaken, and employee encouragement (Efendi & Yusuf, 2021). Compensation to employees is highly recommended to be given reasonably in accordance with the existing wage scale structure, this reasonable wage scheme can provide more encouragement to employees to further increase their productivity, because employees can feel happiness in completing every responsibility that must be completed. Providing wages and remuneration to employees can motivate and increase satisfaction at work. For the opinion of Permadi et al. (2018), wages and other benefits handed over to employees will affect the level of job satisfaction and become a push factor, and the results of activities. Distribute compensation that matches the type of profession and position of employees, so that employees want to feel happiness in duty. Good ability is to achieve industrial goals, as a result the increase in ability is needed by an industry. Providing good compensation can make employees' abilities better in an industry.

From previous studies, researchers found research gaps for organizational climate variables and compensation that affect employee performance. Several studies conducted previously stated that organizational climate significantly affects employee performance (Atta et al., 2019; Permatasari & Ratnawati, 2021). However, research conducted by Rimbayana et al. (2022) and Meitisari (2018) found that the organizational climate does not significantly affect the employee kinera, this is also found in compensation where there are inconsistencies in the results of previous studies. Research by Saman (2020), Riyadi (2019), and Lestari et al. (2018) show that the results of compensation have a significant effect on employee performance. On the other hand, different results were found by Rinny et al. (2020) where compensation does not have a significant effect on performance.

Based on the explanation above, the researcher intends to identify further about the consequences of organizational climate factors and compensation to employee performance at Bank Mega either directly or indirectly through job satisfaction mediation. This research intends to obtain empirical evidence related to the consequences between organizational climate variables and compensation, in relation to job satisfaction and employee performance. This research shares empirical facts due to body climate and compensation, to the happiness of activities and employee abilities and can be input for decision makers at Bank Mega to increase job satisfaction and employee performance which will later have a positive impact on the company. In addition, this

research can also be used as empirical observation material and reference in the development of management science in this case preferably for human resource management.

METHOD

In this research, the research position was conducted at Bank Mega Regional Banjarmasin and only analyzed the direct and indirect influence between organizational climate variables (X 1), compensation (X_2), on job satisfaction (Y_1) and employee performance for the period September 2022 to January 2023. The population in this study is employees who are directly on duty with Bank Mega Regional Banjarmasin (direct staff). The sample of this study is the population, namely all employees who work directly at Bank Mega Regional Banjarmasin totaling 240 people who are all employees of Bank Mega Kalimantan who are not outsourced or direct employees of Bank Mega.

The source of data used in this research is questionnaires. Datacollected for current research needs related to organizational climate indicators, compensation, job satisfaction and employee performance will be obtained from respondents who fill out questionnaires directly. Questionnaires, both in hardcopy and digital formats, were distributed to Bank Mega Regional Banjarmasin employees, filled out and returned questionnaires for further analysis. The instrument used in this research is an organized questionnaire and uses the Likert scale to measure the elastic used as the object of research. The Likert scale is used to express the level of agreement or disagreement of respondents regarding various behavioral questions, objects, people or events.

Information analysis in this research uses Structural Equation Modeling (SEM) with Smart PLS (Partial Least Square) application. Some considerations for using PLS-SEM are that it does not require normal distributed data and can be run on small samples, can be used in reflective and formative models, high consistency, the larger the sample the higher the consistency, high statistical data strength, can be used to test the predictive effect between latent variables including mediation or moderation effects (Hair et al., 2013).

RESULT AND DISCUSSION

Analysis of Respondents' Responses to Organizational Climate Variables

Table 2. Respondents' responses to organizational climate

Item	STS	TS	N	S	SS	Mean	Category
IO1	1	7	44	161	27	3,85	High
IO2	1	7	35	162	35	3,92	High
IO3	2	7	49	135	47	3,90	High
IO4	0	5	31	155	49	4,03	High
Mean						3,93	High

Analysis of Respondents' Responses to Job Satisfaction Variables

Table 3. Respondents' Responses to Job Satisfaction

Item	STS	TS	N	S	SS	Mean	Category
KK1	3	7	31	167	32	3,90	High
KK2	1	9	36	161	33	3,90	High
KK3	4	2	23	118	93	4,22	Very High
KK4	1	6	35	147	51	4,00	High
KK5	2	6	42	134	56	3,98	High
Mean						4,00	High

Analysis of Respondents' Responses to Employee Performance Variables

Table 4. Respondents' Responses to Employee Performance

Item	STS	TS	N	S	SS	Mean	Category
K1	1	6	20	145	68	4,13	High
K2	0	7	27	146	60	4,07	High
K3	0	6	18	148	68	4,15	High
K4	1	8	14	143	74	4,17	High
K5	2	7	14	146	71	4,15	High
K6	4	4	8	132	92	4,26	Very High
Mean						4,16	High

Outer Model or Measurement Model Testing

Convergent Validity

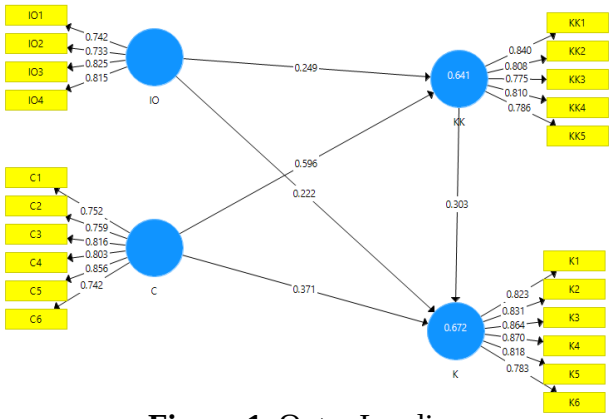


Figure 1. Outer Loading

Source: SmartPls 3, 2022

From the output all indicators have an Outer Loading of more than 0.70 so that all indicators are declared valid. Furthermore, the criteria for construct validity and reliability also show valid and reliable results, such as in the table below the AVE value is above 0.5 and Cronbach's alpha and composite reliability is above 0.7.

Tabel 5. Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
C	0,878	0,883	0,908	0,623
IO	0,785	0,792	0,861	0,608
K	0,911	0,914	0,931	0,692
KK	0,863	0,866	0,901	0,647

Source: SmartPls 3, 2022

Discriminant Validity

The results for table cross loading create an AVE number greater than the number of relationships between constructs, from this it can be concluded that the evaluation in this analysis satisfies discriminant validity.

Testing the Inner Model or Structural Model

R-Square

The table below shows that employee performance has an R^2 value of 0.672, meaning that organizational climate, compensation, and job satisfaction all have an influence of 67.2% on employee performance. Job satisfaction has an R^2 value of 0.641, meaning that organizational climate and compensation have an influence of 64.1% on performance. R^2 ranges from 0 to 1, with higher values indicating better prediction accuracy, according to Hair et al. (2017). R^2 values of 0.75, 0.50, and 0.25 can generally be considered significant, moderate, and weak; in other studies, an R^2 value of 0.10 has been considered satisfactory.

Table 6. R-Square

	R Square	R Square Adjusted
K	0,672	0,668
KK	0,641	0,638

Source: SmartPLS 3, 2022

Path Coefficient dan T-Statistic

Table 7. Direct Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (I O/STDEV I)	P-Values
C -> K	0,371	0,365	0,101	3,658	0,000
C -> KK	0,596	0,595	0,086	6,894	0,000
IO -> K	0,222	0,223	0,076	2,905	0,004
IO -> KK	0,249	0,248	0,082	3,035	0,003
KK-> K	0,303	0,305	0,080	3,798	0,000

Source: SmartPls 3, 2022

The table above shows that the relationship between organizational climate positively and significantly affects job satisfaction and employee performance, compensation variables affect positively and significantly on job satisfaction and employee performance.

Table 8. Indirect Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (I O/STDEV I)	P-Values
IO→KK→K	0,075	0,075	0,031	2,473	0,014
C→KK→K	0,181	0,183	0,061	2,950	0,003

Source: SmartPls 3, 2022

The table above shows that the relationship between organizational climate to employee performance through job satisfaction has a significant effect, and the relationship between compensation to employee performance through job satisfaction also has a significant effect with t-statistics values showing above 1.96 so that job satisfaction variables are able to mediate in the relationship between variables in this study.

Q-Square Test

Table 9. *Q-Square Test*

	SSO	SSE	Q2 (=1-SSE/SSO)
C	1440,000	1440,000	
I	960,000	960,000	
K	1440,000	785,341	0,455
KK	1200,000	714,074	0,405

Source: SmartPls 3, 2022

From the table, the Q2 value is 0.455 for the employee performance variable and 0.405 for the job satisfaction variable which are both values above Zero so that they have good observation results, and this research model shows 79.7% Fit, which is shown by the NFI value in the table below.

Table 10. Model Fit

	Saturated Model	Estimated Model
SRMR	0,069	0,069
d_ULS	1,090	1,090
d_G	0,539	0,539
Chi-Square	724,272	724,272
NFI	0,797	0,797

Source: SmartPls 3, 2022

Organizational Climate Directly Affects Employee Performance

The direct impact of organizational climate on employee performance can be observed in table 7 where the t-statistic obtained is 2.905 because the t-statistic number obtained is greater than 1.96 and the coefficient number is positive so that the organizational climate affects positively and significantly on employee performance. This is in line with previous research conducted by Obeng et al. (2021). The results of the research prove that organizational climate positively and significantly affects employee performance, they say that when role clarity, participatory decision making, rewards, communication, are practiced in the organization, it is expected that employees will show behaviors that lead to improved performance, not only by achieving the work they do but also by adapting to changes in the work environment.

The results Mutonyi et al. (2020) also stated that the organizational climate plays an important role in creating good performance and increasing employee creativity. Organizational climate shows a positive and significant relationship with two creative performance variables, namely innovative individual and creative individual.

When viewed from the results of the descriptive analysis of the questionnaire filled out by respondents, the highest value obtained in the support questionnaire item, namely the support of superiors and good colleagues, the attitude and behavior of supervisors at Bank Mega are currently very helpful to subordinates both in doing work and solutions to work problems faced, Supervisors also often pay attention to their subordinates if their subordinates need training Supervisors play an important role in influencing employee attitudes and behavior. Support provided by supervisors has been shown to correlate with employee performance (Mills et al., 2014). Previous studies have found that general supervisor support is linked to many positive work-related outcomes, including employee performance (Afzal et al., 2019). Supervisors can serve as a means of liaising between the organization and employees, and their actions can greatly influence how employees perceive organizational policies. This, in turn, affects the work attitude of employees, which can affect their job performance.

Supervisor empathy in the form of emotional support for employees' work-life balance is essential for workplace policy making and for managing work and personal lives. Higher levels of supervisor support have been linked to improved levels of work-family life balance. It is said that when employees believe supervisors care about the needs of their families, they can respond by having a more positive perception of their work environment in the form of greater job satisfaction and a willingness to continue their work with that organization.

Cooperation between teams is also well established at Bank Mega, mutual support between colleagues is very helpful in achieving Bank Mega's targets. Coworkers and supervisors are people who have a strong influence on employee performance, and coworkers are people who have close interaction with each other in organizations (Charoensukmongkol, 2018).

Organizational Climate Directly Affects Job Satisfaction

The direct impact of organizational climate on job satisfaction can be observed in table 5. 8 where the t-statistic obtained is 3.035 because the t-statistic number obtained is greater than 1.96 and the path coefficient is positive so that the climate of the organization has a positive and significant effect on job satisfaction. This is in accordance with previous research conducted by Aminyan (2019) conveying the results of research that with a good and conducive organizational climate will also cause job satisfaction.

When viewed from the results of the descriptive analysis of the questionnaire filled out by respondents, the highest score obtained in the support questionnaire item, namely the support of superiors and good colleagues, this can increase job satisfaction because of the attitude of superiors at Bank Mega who show respect for employees through gratitude and appreciation as well as provide conditions and opportunities for employees to grow and make them sensitive to their personal interests, can support this condition.

Coworkers and supervisors are people who have a strong influence on employee performance, and coworkers are people who have close interaction with each other in the organization (Charoensukmongkol, 2018). Co-worker support has the ability to create a pleasant work environment to spend employee time. Co-worker support in terms of the organizational environment, defined as their readiness to assist each other in their tasks (e.g., cooperation, support, respect, etc.) (Bateman, 2009).

According to Karatepe and Aga (2013), peer support is that which shares knowledge and expertise and helps them with challenging tasks in job service. Co-worker support is likely to improve employees' innovative behavior (Attiq et al., 2017).

Organizational Climate Has an Indirect Effect on Employee Performance through Job Satisfaction

The indirect influence of organizational climate on employee performance through job satisfaction can be observed where the t-statistic obtained is 2,473 because the t-statistic number obtained is greater than 1.96 and the coefficient number is positive so that the organizational climate has a positive and significant effect on employee performance through job satisfaction.

This finding is in line with previous research conducted by Dwitanti and Sopiah (2022), that organizational climate positively affects performance through job satisfaction as an intervening variable Job satisfaction is a motivation that arises from within employees to be able to complete work to meet desires and expectations so that they get rewards that will be obtained, obtained to meet their needs. Job satisfaction comes from within, or intrinsic dignity is a factor derived from employees associated with cheerfulness, including satisfaction in career, recognition obtained from institutions, job characteristics, opportunities and development in careers (promotions), and personal growth in terms of intellect and professional networks.

The indirect influence of organizational climate through job satisfaction proves that the application of a harmonious and comfortable work environment will increase employee job satisfaction. A harmonious organizational climate and work relationships that always lead to creating a positive attitude of employees will make employees satisfied with their work, this will increase work results and ultimately will improve employee and company performance

A good organizational climate can also make employees committed to the organization, can motivate employees and encourage further behaviors that benefit the organization such as job satisfaction and employee desire to stay at the company, the higher the level of positive employee perception of the organizational climate, the higher the employee's commitment to stay (Lan et al., 2020).

A systematic assessment of the organizational climate should be made to monitor and evaluate the physical condition of work, the communication climate, and how appropriate the rules and procedures are in accordance with the organization's strategy to increase employee commitment to the organization so as to generate job satisfaction (Shbail, 2020).

Compensation Has a Direct Effect on Employee Performance

The direct effect of compensation on employee performance can be observed in chart 5.8 where the t-statistic obtained is 3.658 because the t-statistic number obtained is greater than 1.96 and the coefficient number is positive, compensation has a positive and significant effect on employee performance. This finding is in line with previous research conducted by Dakwaan (2020), in which the results of the research prove that compensation has a significant effect on employee performance, to be able to improve employee performance and anticipate a decrease in employee performance, companies are advised to be able to pay more attention to employee job satisfaction, especially providing compensation that is aligned with employee satisfaction factors and expectations.

Jerome (2013) discovered that organizational benefits can also play a big role in employee satisfaction and performance. Some organizations offer bonuses or additional benefits to certain employees who seek to improve employee performance. Additional benefits can stimulate employees to take on new opportunities to improve themselves and as a result, improve their performance in their current positions.

When viewed from the results of the questionnaire filled out by respondents, the highest value was obtained on the insurance questionnaire items provided by the company and holidays

given to employees, the provision of health flow at Bank Mega was given to employees for inpatient, outpatient, childbirth, dental and kaacamata care for up to 3 children of employees and for leave at Bank Mega was given to employees who were entitled to leave both annual leave, sabbaticals or leave granted in accordance with labor laws.

In the study of measuring Quality of Work Life, explain the concept of Quality of Work Life, Sirgy et al. (2001) stated that in terms of satisfaction of seven needs related to health and security desires, economic and family desires, social desires, appreciation desires, insight desires, actualization desires, and aesthetic desires.

Factors that cause work stress and burnout include organizational factors such as workload, grades, and aspects of the learning environment, as well as personal factors such as work-life integration. One overarching implication is the need to address a range of interdependent considerations in designing resources to reduce work stress, improve work-life balance, and prevent burnout (Kelly, 2020).

Some employees use time off work as an opportunity to balance the demands of work and family life. Many types of work leave are available, including block leave, worship leave, sickness, maternity leave and emergency leave. Employee leave provisions have an impact on job performance, in today's competitive business world, sustainable organizational success needs to have a dedicated and satisfied workforce.

Thus, implementing family-friendly practices in organizations can help employees feel valued, and in turn, they can reciprocate by displaying positive behaviors such as being committed to their organization and eager to make more efforts to improve performance. The results of research by Msuya and Kumar (2022) showed that leave provisions and flexible work arrangements had a positive and significant impact on the performance of bank employees. Therefore, it implies that organizations should implement these work-life programs such as flexible work and leave options and combine them with high-involvement human resource policies to encourage employee work motivation and improve performance.

Driving employee recovery can provide an avenue for organizations to simultaneously reduce total labor costs while improving employee health, well-being, and performance. Just as organizations must be aware of, and take steps to facilitate, employee recovery, so must employees. If aware of the adverse consequences associated with a lack of recovery, employees may be more motivated to prioritize recovery after work by choosing to take advantage of, and actually take advantage of, time to detach and relax whenever possible including for time off from work (Steed et al., 2021).

Compensation Has a Direct Effect on Job Satisfaction

The direct effect of compensation on job satisfaction can be observed in table 5.8 where the t-statistic obtained is 6.894 because the t-statistic number obtained is greater than 1.96 and the value of the coefficient is positive compensation has a positive and significant effect on job satisfaction. This is in line with previous research. For Vizano et al. (2020), compensation has a positive and significant effect on performance. Compensation management policies related to

salaries or wages, incentives, benefits, and work facilities must be integrated with efforts to improve or manage the organizational commitment of its employees.

When viewed from the results of questionnaires filled out by respondents, the highest value was obtained on the insurance questionnaire items provided by the company and holidays given to employees, the health insurance obtained by employees was felt to be very useful and could support employee performance, according to the results of Lee et al. (2015)'s study identified four factors of Quality of Work Life the following specifics: health and safety needs; economic needs; self-actualization needs and self-esteem, and social, knowledge and aesthetic needs.

The application of leave at Bank Mega for employees who have worked at the company for a year will be eligible for the amount of leave with a fixed salary paid at the time of leave. Annual leave, maternity leave, and sick leave are all types of leave policies that a company has for its employees. Bank Mega gives employees time off when they need time off to deal with significant and often unexpected personal issues. Employees can also be paid or unpaid when they take time off. Paid leave is an annual period during which employees can take time off from work while still receiving a salary and still being eligible for social benefits. Employees can take a certain number of days or weeks off from work to rest and relax for longer periods. Unpaid leave is where the employee has no legal right to leave while leaving work. For example, women who receive maternity leave get enough time to care for the baby, which improves maternal and infant health, including physical health and well-being; employees who are unable to work properly due to health concerns may benefit from sick leave.

This gives employees the opportunity to take time off for self-care and recuperation. Employees who use all their annual leave are also less likely to apply for sick leave. Additional family leave encourages individuals to put in more effort at work and take on extra responsibilities (Begall & van der Lippe, 2020). Studies conducted by Akom et al. (2021) found that the Leave system and Staff performance have a linear relationship. We assume that the provision of leave leads to an improvement in the performance of bank employees.

Compensation Has an Indirect Effect on Employee Performance through Job Satisfaction

The indirect effect of compensation on employee performance through job satisfaction can be observed in table 5.9 where the t-statistic obtained is 2.950 because the t-statistic number obtained is greater than 1.96 and the value of the coefficient is positive so that it can be said that compensation has a positive and significant effect on employee performance through job satisfaction. This finding is in line with previous research conducted by Baledi et al. (2017), which proved job satisfaction has a mediating influence between compensation and work environment on employee performance.

When viewed from the results of questionnaires filled out by respondents, the highest scores were obtained on insurance questionnaire items provided by companies and holidays given to employees. Employees who take their annual leave are 40% more productive, less irritable, melancholy, forgetful, and easily tired, according to a survey by America's International

Foundation of Employee Benefit Plans (Hosick, 1982). According to research, employees tend to perform better after time off, they are less prone to accidents, more productive, and less anxious.

Yıldırım and Aydemir-Karadag (2022) advocate time off because it reduces employee stress, improves work-life balance, and provides good mental health that can improve job satisfaction and employee performance. According to Kurnia et al. (2021), work-life balance having a role to provide overall welfare for employees, kinship felt by employees and better employee welfare will encourage employees to show better performance.

Job Satisfaction Has a Direct Effect on Employee Performance

Job satisfaction with employee performance can be observed in table 5.8 where the t-statistic c obtained is 3.798 because the t-statistic number obtained is greater than 1.96 and the value of the coefficient is positive so that it can be concluded that work loss has a positive and significant effect on employee performance. This finding is in line with the results of previous research conducted by Alromaihi and Alshomaly (2017), that job satisfaction has a positive and significant effect on employee performance.

When we talk about an employee's work attitude, it is generally meant as job satisfaction, which describes a positive feeling about his job, obtained from his characteristic evaluation. People with high levels of job satisfaction have positive feelings about their jobs, while people with low levels of job satisfaction have negative feelings about their jobs. Organizational Behavior researchers attach great importance to job satisfaction (Robbins & Judge, 2013).

In organizational behavior theory developed by Robbin and Judge (2013)(2012), there are two ways to measure worker satisfaction, namely by asking respondents how satisfied you are with the work you are currently doing with respondents circling or choosing values 1-5 on a scale of very satisfied to very dissatisfied. While the second method is a calculation by summing up aspects of work, namely by identifying key job elements of a job such as job characteristics, supervision, salary, opportunities for promotion and relationships with colleagues at work.

Robin and Judge (2013)(2012) in a review of 300 studies proved that quite strongly between job satisfaction and job satisfaction, from the individual level to the organizational level, researchers also found support for the relationship of satisfaction and performance, satisfaction and productivity data for the organization as a whole, we found that organizations with a high number of satisfied employees tend to be more effective than organizations with lower levels of satisfaction.

When viewed from the results of the questionnaire filled out by respondents, the highest value was obtained on the salary questionnaire items received on time and a good promotion process, salary payments for employees at Bank Mega are always on time, namely on the 25th of every month, even during difficult times such as during the pandemic , for employee promotion at Bank Mega provides an opportunity for all employees to openly participate in internal selection if there is a higher position vacant or is being needed, this can certainly increase employee job satisfaction at Bank Mega.

CONCLUSION

Organizational climate has a significant effect on employee performance so that the first hypothesis is proven, the company's organizational climate that creates the support of superiors and colleagues in the company has a good impact on employee performance. Organizational climate has a positive and significant effect on employee performance through job satisfaction, so a mediating role of job satisfaction is not needed in the relationship of this variable, or job satisfaction has a partial mediating role in the relationship of this variable and the third hypothesis is not proven. Organizational climate has a positive and significant effect on job satisfaction so that the second hypothesis is proven, this shows that organizational climate variables are needed by companies to increase job satisfaction which will be able to improve employee performance.

Compensation has a positive and significant effect on employee performance so that the fourth hypothesis is proven, the health insurance program provided and the leave provided by the company to employees has a good impact on employee employment. Compensation has a positive and significant effect on employee performance through job satisfaction, so job satisfaction has a partial mediating role in the relationship of this variable and the sixth hypothesis is not proven. Compensation has a positive and significant effect on job satisfaction so that the fifth hypothesis is proven, this shows that compensation variables are needed by companies to increase job satisfaction, by maintaining good compensation will be able to improve employee performance.

Job satisfaction has a positive and significant effect on employee performance so that the seventh hypothesis is proven, this shows that the job satisfaction variable is very important in the company because it can improve employee performance, especially in the indicators received atat time.

It is recommended for companies to be able to improve a good organizational climate, namely by improving the organizational structure system in the company, especially for bureaucracy, improving the organizational structure system and providing rewards for good employee performance not only based on sales incentives. In addition, companies must also pay attention to indicators of the overall organizational climate such as bureaucracy, authority given to employees, rewards, and support from superiors and co-workers so as to contribute a significant influence on job satisfaction and ultimately improve employee performance.

It is recommended for companies to improve their compensation programs, especially on the salary indicators received, because from the descriptive analysis data the salary indicators received have a low value, so that the effect of compensation is better on employee performance, it is recommended to pay attention to the salaries given to employees both based on internal equity and external equity. In addition, it can provide compensation programs that include indicators of salary received, bonuses, incentives, health insurance, job security and income, and leave programs because it will be able to increase employee satisfaction and employee performance.

It is recommended for companies to pay attention to job satisfaction indicators in order to make employees proud of their work, fair superiors always pay attention to their subordinates, salaries given on time, good promotion programs, and maximum peer support.

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