

Mediation of Job Satisfaction in the Analysis of the Influence of Work Culture, Work Motivation and Performance Allowances on Employee Performance

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Abstract

This research aims to analyze the influence of work culture, work motivation and remuneration on employee performance. In addition, this research aims to analyze the influence of job satisfaction as an intervening variable between the relationship of work culture, work motivation and remuneration on employee performance. This research was conducted using a survey method by distributing questionnaires to research respondents. The respondents of this research are Civil Servants (PNS) in the SATPOL PP Demak District. The total sample used in this research was 70 employees. The analytical tool used in this research is IBM Statistics SPSS v.23. The results of this research indicate that work culture and work motivation have no effect on job satisfaction, while remuneration has a positive effect on job satisfaction. Work culture, work motivation and remuneration do not influence employee performance, while job satisfaction influences employee performance. As an intervening variable, job satisfaction is able to mediate the relationship between remuneration and employee performance. Meanwhile, the relationship between work culture and work motivation on employee performance cannot be mediated by job satisfaction.

Keyword: Work Culture, Work Motivation, Remuneration, Job Satisfaction, Employee Performance.

1. Introduction

Employee performance is a key factor in determining the success of an organization, both in the public and private sectors. In the context of increasingly competitive business dynamics, organizations are required to be able to optimize the potential of human resources through various strategic approaches (Albi, 2024); (Amalia et al., 2024). This study focuses on the analysis of the influence of work culture, work motivation, and performance benefits on employee performance by considering the mediating role of job satisfaction. The three independent variables were chosen because they have a significant contribution in forming a productive work environment (Kaseger et al., 2021); (Nurchahyo & Indradewa, 2022), but the mechanism of their influence through job satisfaction still needs to be studied in more depth (Riyanto et al., 2021); (Zacharias et al., 2021). The findings of this study are expected to provide a holistic perspective on how organizational and individual factors interact to influence performance. Work culture has long been recognized as the foundation that shapes employee behavior and work ethic in an organization (Kaseger et al., 2021); (Riyanto et al., 2021). According to Kane-Urrabazo (2006), work culture reflects the values, beliefs, and norms that are shared by members of the organization, which ultimately influence the way they work and interact. A positive work culture, such as one that is oriented towards collaboration and innovation, can create an environment that supports the achievement of optimal performance (Radu, 2023). However, the impact of work culture on employee performance is not always direct, but can be mediated by psychological factors such as job satisfaction (Bagis et al., 2021). Thus, this study aims to examine the extent to which job satisfaction is a bridge connecting work culture with employee performance, especially in the context of organizations in Indonesia that have unique cultural characteristics.

In addition to work culture, work motivation is also an important determinant in spurring employee performance. Maslow's Hierarchy of Needs Theory (1943) and Herzberg's Two Factor Theory (1959) state that intrinsic and extrinsic motivation play a role in driving productivity and work engagement. Intrinsic motivation, such as a sense of achievement and self-development, and extrinsic motivation, such as rewards and incentives, can increase job satisfaction which ultimately affects performance (Kumari et al., 2021); (Prasetyo & Sumiati, 2024); (Wibowo & Sumiati, 2022). However, previous research shows that the relationship between work motivation and performance is not always linear, so a deeper understanding of the role of job satisfaction as a mediating variable is needed (Agarwal, 2018). This study will analyze how job satisfaction mediates the effect of work motivation on employee performance, with the hope of providing practical recommendations for organizations in designing effective motivation programs.

Performance allowances as a form of financial compensation are also one of the variables studied in this study. Performance allowances not only function as a tool to meet employee economic needs, but also as recognition of their contribution to the organization (Rajab et al., 2024). According to the Social Exchange theory (Cropanzano et al., 2017), employees who feel appreciated through performance benefits tend to have higher levels of job satisfaction, which in turn can improve their performance. However, the effectiveness of performance benefits in driving performance is still debated, especially if it is not accompanied by non-financial factors such as career development and a supportive work environment (Yousaf et al., 2014). Therefore, this study will examine whether job satisfaction is a mechanism that explains how performance benefits affect

employee performance, so that organizations can design more integrated compensation policies. This study has important theoretical and practical significance. Theoretically, the findings of the study will enrich the literature on human resource management by confirming the mediating role of job satisfaction in the relationship between work culture, work motivation, and performance benefits on employee performance. Practically, the results of the study can be a reference for organizations in formulating holistic policies to improve employee performance, such as strengthening work culture, appropriate motivation programs, and fair performance benefit systems. By understanding the mediating mechanism of job satisfaction, organizations can create a work environment that not only encourages productivity but also maintains employee psychological well-being. This study was conducted using a quantitative approach through a survey of employees at the Demak Regency Civil Service Police Unit with data analysis using multiple regression methods to test the proposed mediation model.

2. The Art of Research

a. The Relationship between Work Culture and Employee Performance

A strong and positive work culture has long been recognized as a key factor in improving employee performance. According to Schein's theory (2010), a work culture that reflects values such as collaboration, innovation, and accountability can create a work environment that encourages employee productivity and engagement (Ganon et al., 2017). Joo & Ready (2012) research also shows that organizations with adaptive and goal-oriented cultures tend to have higher levels of performance. Work culture acts as a frame of reference that shapes employee behavior, attitudes, and motivation in carrying out tasks, thus indirectly influencing individual and organizational performance achievements (Maamari & Saheb, 2018); (Steers & Sánchez-Runde, 2017). Furthermore, the reference states that a strong work culture characterized by values of collaboration, discipline, and results orientation can create a conducive work environment to encourage employee productivity (Juliati, 2021); (Bijalwan et al., 2024). A positive organizational culture will shape employee work behavior through the process of internalizing organizational values, increasing organizational commitment, and creating a supportive work climate (Pathan, 2023). Thus, it can be hypothesized that:

H1: Work culture has a positive influence on employee performance

b. Relationship between Work Motivation and Employee Performance

Work motivation is something that creates a drive or enthusiasm for work and becomes the basis for someone to do a job (Ahmad, 2021). Work motivation can provide energy that drives all existing potential, creates high and noble desires, and increases togetherness (Afriadi et al., 2017). In addition, according to references, work motivation is a psychological factor that plays an important role in encouraging increased employee performance (Abbas et al., 2023); (Zareen et al., 2013). Based on Maslow's hierarchy of needs theory (1943) and Herzberg's two-factor theory (1959), intrinsic motivation (such as a sense of achievement and self-development) and extrinsic motivation (such as awards and incentives) can significantly influence employee work productivity. Research by Salleh, et al. (2016) shows that motivated employees tend to show higher work commitment, initiative, and perseverance in completing their tasks. Thus, the following hypothesis can be proposed:

H2: Work motivation has a positive effect on employee performance

c. Relationship between Performance Allowances and Employee Performance

Performance allowance is income other than salary given to active employees based on competence and performance (Rajab et al., 2024). Additional income is a form of appreciation for employees who have a legal basis, guidelines, criteria and measurable and uniform assessment indicators, so that they can improve discipline, motivation, performance and welfare (Maryani et al., 2021). Performance allowance is one of the external factors that influences efforts to improve employee performance. Performance allowance is one of the implementations of providing compensation or appropriate rewards for work performance or achievements (Mudhofar, 2021). In other words, performance allowance is an award in the form of additional income given to employees for their performance with the aim of increasing employee work enthusiasm (Suwanda, 2019). It is assumed that when an employee has enthusiasm for work, it will produce good performance, and vice versa when an employee is not enthusiastic about work, it will have a negative impact on their performance (Basyrie et al., 2022). Thus, the following hypothesis can be proposed:

H3: Performance Allowance has a positive effect on employee performance

d. The Relationship between Job Satisfaction and Employee Performance

Job satisfaction is a critical psychological factor that significantly influences employee performance, as explained in the Dispositional Approach theory (Judge & Larsen, 2001) and the Job Characteristics Model argue Hackman & Oldham (Wall et al., 1978). Employees who experience job satisfaction tend to show higher levels of job engagement, strong organizational commitment, and intrinsic motivation to achieve performance targets. Meta-analysis research by Ali & Anwar (2022) revealed that increased job satisfaction is positively correlated with work productivity growth of 12-15%, because satisfied employees are more likely to provide extra effort (discretionary effort) in completing their tasks. The mechanism of this influence occurs through several pathways, including: (1) increased psychological energy (vigor) which encourages persistence in working, (2) decreased absenteeism and turnover intention, and (3) strengthening prosocial behavior such as helping coworkers (organizational citizenship behavior). In the context of this study, job satisfaction not only acts as an outcome of work culture,



motivation, and performance benefits, but also functions as a key mediator that transforms these three factors into actual performance improvements (Hendri, 2019); (Kontoghiorghes, 2016), so it can be hypothesized that there is a significant positive influence between job satisfaction and employee performance. This finding is in line with a recent study by Saks & Gruman (2024) which emphasized that organizational investment in improving job satisfaction will provide returns in the form of continuous improvement in individual and team performance. Thus, the following hypothesis can be proposed:

H4: Job satisfaction has a positive effect on employee performance

e. Job Satisfaction Mediation

The mechanism of influence of work culture on performance is not always direct, but can be mediated by psychological factors such as job satisfaction. Robbins & Judge (2013) stated that a positive work culture will increase employee satisfaction with their work, which in turn drives increased performance. Employees who feel comfortable with the organizational culture and values they embrace tend to be more motivated to contribute optimally (Sadegh-Sharifirad & Ataei, 2012). Previous research by Ogbonna & Harris (2000) also found that work culture affects performance through increased organizational commitment and job satisfaction (Bagis et al., 2021); (Paramita et al., 2020). Therefore, a mediation hypothesis is proposed:

H5: Job satisfaction mediates the positive influence of work culture on employee performance.

In addition, the influence of work motivation on performance is thought not to be direct, but rather through a psychological mechanism in the form of job satisfaction (Thierry, 2013). Locke & Latham (1990) in goal-setting theory explained that high motivation will create job satisfaction when employees feel capable of achieving the set targets. This job satisfaction then becomes a mediator that connects motivation with increased actual performance (Jalagat, 2016). Meta-analysis research by Judge & Larsen (2001) found that job satisfaction acts as a significant mediating variable in the motivation-performance relationship. Therefore, a mediation hypothesis is proposed:

H6: Job satisfaction mediates the positive influence of work motivation on employee performance.

The mechanism of the influence of performance allowances on performance is thought to be through a psychological process in the form of job satisfaction (Iswaningsih2023). According to Herzberg's two-factor theory (Goetz et al., 2012), performance allowances are included in the hygiene factors that can prevent job dissatisfaction while increasing extrinsic motivation. Research by Williams et al. (2006) found that performance allowances will be more effective in increasing performance when employees are satisfied with the compensation system they receive (Rajab et al., 2024). Therefore, a mediation hypothesis is proposed:

H7: Job satisfaction mediates the positive influence of performance allowances on employee performance.

3. Method

This study uses a quantitative explanatory approach with multiple regression analysis method to test the influence of work culture, work motivation, and performance allowances on employee performance with job satisfaction as a mediating variable. Data were collected through closed questionnaires distributed to 70 employees at SATPOL PP Demak Regency, with variable measurements using a Likert scale of 1-5. Independent variables (work culture, work motivation, performance allowances) and mediating variables (job satisfaction) were tested statistically before the main analysis was carried out, including validity tests (Pearson Correlation > 0.3), reliability (Cronbach's Alpha > 0.7), and classical assumption tests (normality, multicollinearity, and heteroscedasticity). Multiple regression analysis was carried out in two stages: (1) testing the direct influence of independent variables on employee performance, and (2) testing the mediating role of job satisfaction using the Baron & Kenny (1986) method and the Sobel test. To ensure the validity of the model, a goodness of fit test (Adjusted R^2) and a significance test of the regression coefficient (t-test and F-test) with a 95% confidence level were also conducted. The software used was SPSS 25 and the Sobel model was used for mediation analysis. The results of the analysis were interpreted to confirm the research hypothesis.

4. Result

1. Respondent Description

Research respondent data consisting of age, gender, level of education and length of service can be seen in table 1. The age item explains that the majority of respondents are in the productive group through the description of ages between 20-30 years as many as 28 people (40%), respondents aged between 31 - 40 years as many as 12 people (17%), respondents aged 41 - 50 years as many as 13 people (19%), and respondents aged more than 50 years as many as 17 people. (24%). The majority of respondents were male, amounting to 52 people (73%) and the remaining 19 people (27%) were female. Furthermore, for information on the length of service of the respondents, it is known that 35 people have worked for 0-10 years (50%), 20 employees with 11-20 years of service (28%), 9 employees with 21-30 years of service (13%), and 6 employees with more than 31 years of service (9%).

Table 1. Description of Respondent Data

No	Description	Total	%	No	Description	Total	No
1.	Age			3.	Working Period		
	20-30 Years	28	40		0-10 Years	35	50
	31-40 Years	12	17		11-20 Years	20	28
	41-50 Years	13	19		21-30 Years	9	13
	> 50 Years	17	24	> 31 Years	6	9	
2.	Gender						
	Man	52	73				
	Woman	19	27				

2. Research Model Feasibility Test

a. Validity Test

Validity testing in this study uses product moment correlation, with a confidence level of r table value of 5% ($\alpha = 0.05$) with the criteria if the coefficient result between the calculated r indicators > r table, then the indicator is said to be valid and if the coefficient result between the calculated r indicators < r table, then the indicator is said to be invalid. The results of the validity test on all research variables as presented in table 2 (70 respondents and r table value = 0.232) show that all indicators have a calculated r value > r table, so that all indicators are declared valid and suitable for use as subsequent research instruments.

Table 2. Validity Test Results

No	Variable	Code	R Count	Info	No	Variable	Code	R Count	Info		
1.	Employee Performance	KIN1	0,681	Valid	4.	Performance Allowance	TPP1	0,738	Valid		
		KIN2	0,726	Valid			TPP2	0,727	Valid		
		KIN3	0,724	Valid			TPP3	0,802	Valid		
		KIN4	0,677	Valid			TPP4	0,716	Valid		
		KIN5	0,675	Valid			TPP5	0,671	Valid		
		KIN6	0,693	Valid			TPP6	0,778	Valid		
		KIN7	0,577	Valid			TPP7	0,643	Valid		
		KIN8	0,595	Valid			5.	Job Satisfaction	KEP1	0,548	Valid
		KIN9	0,641	Valid					KEP2	0,393	Valid
		KIN10	0,559	Valid					KEP3	0,487	Valid
2.	Work Culture	BK1	0,761	Valid	KEP4	0,566	Valid				
		BK2	0,750	Valid	KEP5	0,552	Valid				
		BK3	0,734	Valid	KEP6	0,633	Valid				
		BK4	0,754	Valid	KEP7	0,583	Valid				
		BK5	0,733	Valid	KEP8	0,578	Valid				
		BK6	0,750	Valid	KEP9	0,600	Valid				
3.	Work Motivation	MOT1	0,747	Valid	KEP10	0,636	Valid				
		MOT2	0,751	Valid	KEP11	0,728	Valid				
		MOT3	0,693	Valid	KEP12	0,639	Valid				
		MOT4	0,781	Valid	KEP13	0,661	Valid				
		MOT5	0,621	Valid	KEP14	0,520	Valid				
		MOT6	0,416	Valid	KEP15	0,586	Valid				

b. Reliability Test

Reliability test is the level of stability of a measuring instrument in measuring a symptom or event. The higher the reliability of a measuring instrument, the more stable the measuring instrument is to measure a symptom. This reliability test is carried out by calculating the Cronbach Alpha formula coefficient with criteria > 0.60. The results of the reliability test on the variables in the study as presented in table 3 show that all research variables have a Cronbach Alpha value > 0.60, so it can be said that all measuring concepts of each variable from the questionnaire are reliable and suitable for use for research.



Table 3. Results of Research Reliability Test

No	Variable	Cronbach Alpha	Information
1.	Employee Performance (Y)	0,847	Reliable
2.	Work Culture (X1)	0,841	Reliable
3.	Work Motivation (X2)	0,751	Reliable
4.	Performance Allowance (X3)	0,848	Reliable
5.	Job Satisfaction (Z)	0,858	Reliable

3. Classical Assumption Test

The classical assumption test is used to determine the condition of data in a study. This is done in order to obtain the right analysis model. The classical assumption test includes the normality test, multicollinearity test, and heteroscedasticity test.

a. Normality Test

The normality test is used to determine whether the dependent variable and independent variable in the regression model are normally distributed or not (Ghozali, 2018). This study uses a statistical test using the Kolmogorov-Smirnov method and based on the results of the normality test using Kolmogorov-Smirnov on the research model (see table 4) shows that the data processed is 70 data. Asymp. Sig. (2-tailed) value of $0.200 > 0.05$. This means that the data in model 1 has been normally distributed.

Table 4. One-Sample Kolmogorov-Smirnov Test (Model 1)

N		70
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	3.59322008
Most Extreme Differences	Absolute	.081
	Positive	.081
	Negative	-.080
Test Statistic		.081
Asymp. Sig. (2-tailed)		.200 ^{c,d}

b. Multicollinearity Test

The multicollinearity test is used to determine whether there is any correlation between independent variables in the regression model. A good regression model is one that does not have a correlation between independent variables (Ghozali, 2018). The multicollinearity test can be seen from the tolerance value and variance inflation factor (VIF). The regression model is said to be free from multicollinearity symptoms if it has a tolerance value > 0.10 and $VIF < 10$ (Ghozali, 2018).

Table 5. Multicollinearity Test Results

Model	Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1 (Constant)	15.957	7.637		2.089	.041		
BUDKER	-.103	.289	-.070	-.358	.722	.295	3.394
MOTIVASI	.186	.320	.114	.582	.563	.297	3.366
TPP	.103	.190	.078	.545	.588	.553	1.807
KEPUASAN	.349	.111	.457	3.153	.002	.541	1.847

The results of the multicollinearity test as presented in Table 5 show that the tolerance value of the work culture, work motivation and performance allowance variables is greater than 0.1 and the variance inflation factors (VIF) value is less than 10. These results indicate that the regression in model 1 does not show symptoms of multicollinearity between independent variables.

c. Heteroscedasticity Test

The heteroscedasticity test is used to test whether the regression model has inequality of variance from the residual of one observation to another and in this study using the glejser test. A model is said to be free from heteroscedasticity symptoms if it has a significance value above 0.05. Based on the results of the glejser test on model 1 with the dependent variable of job satisfaction, it is known that the variables of work culture, work motivation, performance allowances and job satisfaction have significance values above 0.05 (see table 6). This shows that the regression in the proposed research model is free from heteroscedasticity symptoms.

Table 6. Glejser Test Results

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	-2.544	4.292		-.593	.555
	BUDKER	.078	.163	.105	.480	.633
	MOTIVASI	.116	.180	.141	.646	.521
	TPP	-.153	.107	-.229	-1.429	.158
	KEPUASAN	.072	.062	.187	1.153	.253

4. Hypothesis Testing

a. F-Test (Annova Test)

The F test is used to show whether all independent variables in the model have a simultaneous effect on the dependent variable. This hypothesis test can be seen from the ANOVA table. The results of the F test (ANOVA) in this study can be seen in the following table:

Table 7. F Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	754.897	3	251.632	18.642	.000 ^b
	Residual	890.875	66	13.498		
	Total	1645.771	69			

In the Annova test (see table 7) the independent variables used are work culture, work motivation, and performance allowance, while the dependent variable is job satisfaction. Based on the results in the table above, it can be concluded that the level of significance in the research model is 0.000. This value is smaller than the probability level of 0.05, so it can be concluded that work culture, work motivation and performance allowance have a significant effect on job satisfaction.

b. Results of the Determination Coefficient Test

The determination coefficient test is conducted to determine the percentage of the influence of the independent variable on the dependent variable. This test is conducted using the adjusted R square test. The results of the Determination Coefficient test for the research model (see table 8) show an Adjusted R Square value of 0.434. This means that job satisfaction (Y) can be explained by work culture (X1), work motivation (X2) and performance allowances (X3) by 43.4%, while the rest is 56.6%.

Table 8. Results of the Determination Coefficient Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.677 ^a	.459	.434	3.674

c. T-test (Partial Test)

The t-test shows how far the influence of each independent variable in explaining the dependent variable. Model 1 tests the influence of each independent variable including work culture, work motivation, performance allowance and job satisfaction on the dependent variable, namely employee performance. The results of the t-test of the research model (see table 9) show that the regression coefficient value of the work culture variable on performance is -0.103 and the significance value is 0.722 so it can be concluded that work culture does not affect job satisfaction. Furthermore, the regression coefficient value of the work motivation variable on performance is 0.186 and the significance value is 0.583 so it can be concluded that work motivation does not affect employee performance. Furthermore, for the direct relationship of the regression of the performance allowance variable on performance is 0.103 and the significance value is 0.588 so it can be concluded that performance allowances do not affect employee performance. Finally, for the direct relationship of the regression of the job satisfaction variable on performance is 0.349 and the significance value is 0.002 so it can be concluded that job satisfaction has a positive effect on employee performance.



Table 9. Partial Test Results

	Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		B	Std. Error	Beta			
1	(Constant)	15.957	7.637			2.089	.041
	BUDKER	-.103	.289	-.070		-.358	.722
	MOTIVASI	.186	.320	.114		.582	.563
	TPP	.103	.190	.078		.545	.588
	KEPUASAN	.349	.111	.457		3.153	.002

d. Results of Mediation Influence

A variable is called intervening if the variable influences the relationship between the independent variable and the dependent variable. Testing the mediation hypothesis can be done with a procedure developed by Sobel (1982) and known as the Sobel Test. This Sobel test is done by testing the strength of the indirect influence of the independent variable on the dependent variable through the intervening variable. The results of the Sobel test from the Beta and Standard Error values in table 9 are entered into the online Sobel test calculator and several mediation results are obtained as follows:

Table 10. Mediation Test Results

Variable Relationship	t-count	Information
Work Culture → Job Satisfaction → Employee Performance	-0.677 < 1.96	Not mediating
Work Motivation → Job Satisfaction → Employee Performance	-0.061 < 1.96	Not mediating
Performance Allowed → Job Satisfaction → Employee Performance	2.887 > 1.96	Mediating

5. Discussion

The results of the first hypothesis test show that the coefficient value of work culture on employee performance is -0.103 and the significance value is 0.722 > 0.05, which means that work culture does not affect employee performance and in the context of this study, in general, the work culture at Satpol PP Demak Regency has been running well, but this good work culture is not able to affect employee performance and what may be the driving force for this is employee perceptions about the lack of employee cohesiveness in handling various problems that arise in the work unit. If problems arise in the work unit, they are usually only resolved by a handful of people. In addition, employees also have the perception that there is a lack of leadership ability in communicating to other employees. The results of the second test obtained that the coefficient value of work motivation on employee performance was 0.186 and the significance value was 0.563 > 0.05 and work motivation did not affect employee performance. The lack of influence of work motivation on employee performance can be caused by the fact that most civil servants at Satpol PP Demak Regency have a final education of high school or equivalent (table 4.3) as many as 43 people or 61%. The low level of education makes employees reluctant to try to improve their achievements and creativity. In addition, employees with lower levels of education usually have fewer opportunities to occupy certain positions. Furthermore, the third research finding shows that performance allowances on employee performance have a coefficient value of 0.103 and a significance value of 0.588 > 0.05, which means rejecting the hypothesis and in this study it was found that the amount of performance allowance obtained did not match the amount of workload that had to be done, so this would certainly hinder the improvement of employee performance. Finally, for the direct effect of the coefficient value of job satisfaction on employee performance, it was 0.349 and its significance value was 0.002 < 0.05 and supported the hypothesis. This means that job satisfaction has a positive effect on employee performance. The more job satisfaction felt by employees towards their work, the more it will increase the employee performance produced. Widyandarko and Sukesi (2020) stated that high job satisfaction will increase the performance produced. Job satisfaction is reflected not only in job satisfaction but also includes satisfaction with salary, job promotion, and good relationships with leaders and coworkers. The results of the analysis show that job satisfaction successfully mediates the relationship between performance allowances and employee performance, but is unable to mediate the relationship between work culture and work motivation on performance. This finding indicates that performance allowances—as extrinsic factors—have a more indirect influence through increasing job satisfaction, in accordance with social exchange theory (Cook et al., 2013) where adequate financial compensation triggers satisfaction which then drives performance. Meanwhile, work culture and work motivation—as intrinsic and social factors—turn out to have a direct influence on performance without having to go through job satisfaction, as explained in self-determination theory (Ryan & Deci, 2024) which states that intrinsic motivation and organizational values can directly shape productive behavior. The implication is that organizations need to design different strategies: (1) using performance allowances as a tool to increase satisfaction that has an impact on performance, and (2) strengthening work culture and motivation through non-material approaches such as developing a collaborative culture or work autonomy, which has a direct impact on performance without having to rely on job satisfaction as a mediator.

6. Conclusion

This study confirms that job satisfaction acts as a partial mediator in the relationship between work culture, work motivation, and performance allowances on employee performance. The results of the analysis indicate that performance allowances affect performance indirectly through increased job satisfaction, in line with the social exchange theory that emphasizes the importance of financial compensation in shaping satisfaction and performance. Meanwhile, work culture and work motivation are proven to have a stronger direct influence on performance, indicating that intrinsic factors and organizational values can drive productivity without having to go through the job satisfaction mechanism. These findings provide practical implications for organizations to develop integrated strategies, namely: (1) maintaining a competitive performance allowance system to increase job satisfaction, and (2) strengthening organizational culture and employee intrinsic motivation through continuous development programs. With this holistic approach, organizations can achieve more comprehensive and sustainable employee performance improvements.

The findings of this study provide significant practical implications for organizations, especially the Demak Regency Civil Service Police Unit (SATPOL PP) in designing more effective human resource management strategies. First, organizations need to maintain a competitive and transparent performance allowance policy, because it has been proven to be able to increase job satisfaction which ultimately has a positive impact on employee performance. Second, strengthening collaborative work culture and intrinsic motivation programs (such as career development and job autonomy) should be a priority, considering that both factors have a direct impact on performance without having to go through the mediation of job satisfaction. Third, management needs to adopt a differentiated approach in employee development, considering that extrinsic (benefits) and intrinsic (culture and motivation) factors require different intervention strategies.

The implications of this policy are expected to create a work environment that not only encourages productivity but also maintains employee psychological well-being holistically. This study has several limitations, especially in the context of its implementation at the Demak Regency Satpol PP. First, the relatively small research sample and limited to one organization (Demak Satpol PP) can affect the generalizability of the findings, given the unique characteristics of Satpol PP employees in terms of work structure, workload, and organizational culture that may differ from other agencies. Second, the use of self-report questionnaires has the potential to cause bias, such as social desirability bias where respondents may tend to provide answers that are considered good or in accordance with superiors' expectations, especially in a hierarchical work environment such as Satpol PP. Third, the dynamic and stressful operational context of Satpol PP (such as handling conflicts in the field) is not fully represented in the measurement of variables, so there may be external factors (eg: community support or political pressure) that influence performance but are not explored in this study. This weakness opens up opportunities for further research using mixed methods (qualitative-quantitative) or longitudinal studies to enrich the analysis.

Acknowledgments

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