

The Effect of Job Placement, Compensation, and Work Environment on Work Spirit through Job Satisfaction

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Article History

Received on 21 May 2026

1st Revision on 02 June 2026

2nd Revision on 18 June 2026

3rd Revision on 07 July 2026

Accepted on 13 July 2026

Abstract

Purpose: This study analyzes the direct effects of job placement, material compensation, and the work environment on employee work spirit, and examines whether job satisfaction mediates these relationships uniformly or differentially across antecedents, using the Department of Public Works and Spatial Planning of Pagar Alam City as the empirical setting.

Research Methodology: A quantitative associative survey was conducted involving all 93 employees using saturated (census) sampling. Data were collected through Likert-scale questionnaires, transformed using the Method of Successive Interval, and analyzed with Structural Equation Modeling–Partial Least Squares (SEM-PLS) in SmartPLS 3.

Results: Job placement, material compensation, and the work environment each had positive and significant direct effects on both job satisfaction and work spirit. Job satisfaction also positively affected work spirit and emerged as the strongest predictor. It did not significantly mediate the effects of job placement or material compensation, indicating direct-only relationships, but significantly and complementarily mediate the effect of the work environment on work spirit.

Conclusions: Employee work spirit is influenced primarily by the direct effects of placement, compensation, and the work environment, while job satisfaction mediates only the environmental pathway, indicating differentiated mediation across antecedents.

Limitations: The study was limited to a single public institution and employed a cross-sectional, single-source design. Common method bias was not formally tested.

Contributions: This study provides empirical evidence of differentiated mediation, showing that job satisfaction mediates only the work environment–work spirit relationship, thereby offering practical guidance for public-sector human resource management.

Keywords: *Job Placement, Job Satisfaction, Material Compensation, Work Environment, Work Spirit*

How to Cite: Agustian, S., & Maryadi, Y. (2026). The Effect of Job Placement, Compensation, and Work Environment on Work Spirit through Job Satisfaction. *Jurnal Bisnis dan Pemasaran Digital*, 6(1), 67-77.

1. Introduction

Human resources constitute the primary factor determining the success of an organization, particularly in government institutions that play a strategic role in delivering public services (Noe et al., 2021). In

the perspective of modern human-resource management, employees are positioned not merely as executors of tasks but as organizational assets that determine the effectiveness and success of goal attainment. Effective management of human resources therefore becomes a crucial aspect of improving the performance of public-sector organizations, where the motivation and satisfaction of civil servants are closely tied to the quality of services rendered to citizens ([Breugh et al., 2018](#); [Liu & Zhao, 2022](#)).

Among the internal factors shaping employee behaviour, job placement occupies a central position. Job placement is the process of aligning an individual's skills, experience, and abilities with the demands of a position, following the principle of “the right person in the right place” ([Dessler, 2020](#)). When placement is congruent with employee competencies, adaptation is easier and comfort at work is higher; conversely, misalignment can depress motivation and satisfaction ([Kristof-Brown et al., 2005](#); [Pudjiarti & Hutomo, 2020](#)). Alongside placement, material compensation, which is defined as the totality of monetary and in-kind rewards received by workers in return for their service ([Hasibuan, 2016](#)), functions not only to meet economic needs but also to sustain a harmonious relationship between the organization and its employees ([Judge et al., 2010](#)). The work environment, in turn, plays a fundamental role because it constitutes the physical and psychological space within which employees carry out their activities, and it has repeatedly been shown to influence both satisfaction and morale ([Raziq & Maulabakhsh, 2015](#); [Idris et al., 2020](#)).

Work spirit, or employee morale, describes the psychological condition of employees marked by drive and enthusiasm in performing their work, so that the quality of work outcomes can be improved ([Saks, 2019](#); [Riyanto et al., 2021](#)). Job satisfaction, meanwhile, holds a fundamental place in human-resource discourse because it reflects the psychological and emotional condition of civil servants toward the routines of their duties, capturing the degree of congruence between employees' expectations and the compensation and professional climate they actually experience ([Ateeq et al., 2023](#); [Abdulkareem, 2025](#)). These constructs are interrelated: satisfaction is widely theorized to translate favourable work conditions into sustained enthusiasm and engagement, and is frequently modelled as an intervening variable linking antecedent conditions to behavioural outcomes ([Idris et al., 2020](#); [Nugroho et al., 2025](#)).

The empirical setting for this study is the Department of Public Works and Spatial Planning (Dinas Pekerjaan Umum dan Penataan Ruang) of Pagar Alam City. Preliminary observation at the department revealed variation in employee work spirit, evidenced by differences in the timeliness of task completion, work responsibility, and involvement in the implementation of infrastructure-development programmes. The level of employee performance achievement was 83% in 2023 (against a target of 85%), rose to 95% in 2024 (target 92%), and declined to 93% in 2025 (target 95%). This fluctuation signals the need for an in-depth analysis of how job placement, material compensation, and the work environment drive the satisfaction and morale of employees within the institution.

Although the individual relationships among these variables have been examined in prior studies, evidence remains fragmented and context-dependent, and comparatively little work integrates placement, compensation, and environment within a single mediating model for public-sector employees in a small Indonesian municipality ([Norawati et al., 2026](#); [Firmansyah et al., 2025](#)). More importantly, the central novelty of this study lies not merely in testing an already well-established antecedent model, but in demonstrating that the mediating role of job satisfaction is not uniform across antecedents: whereas job placement and material compensation are found to influence work spirit predominantly through direct, instrumental channels, the work environment operates through a complementary pathway in which satisfaction partially transmits its effect. This differentiated-mediation pattern is theoretically consequential, since the mediating role of job satisfaction is contested in the literature, with some studies reporting robust mediation whereas others find that antecedents act mainly through direct channels ([Sismiati et al., 2025](#); [Sjarifudin et al., 2025](#)). Addressing this gap, the present study pursues three objectives: to examine the direct effects of job placement, material compensation, and the work environment on job satisfaction and work spirit; to test whether job satisfaction mediates the relationship between each antecedent and work spirit and to classify the type of mediation observed for each pathway; and to derive practical implications for

public-sector human-resource management. The study contributes methodologically by applying a variance-based Structural Equation Model (SEM-PLS) to a census of departmental employees, and practically by clarifying which levers most effectively strengthen employee morale.

As shown in Table 1, the recapitulation of employee performance by position and grade illustrates the fluctuation and the generally “adequate” performance category that motivates this study, with an overall average performance of 73.1% across the 93 employees.

Table 1. Recapitulation of Employee Performance by Position and Grade, Pagar Alam City, 2026

No	Position / Grade	Education	Personnel	Avg. Performance (%)
1	Senior Administrator I–IV/b	Bachelor’s–Master’s Degree	2	79
2	Administrator – IV/a	Bachelor’s–Master’s Degree	3	77
3	Junior Administrator I – III/d	Bachelor’s–Master’s Degree	8	76
4	Assistant Administrator I – III/b	Bachelor’s–Master’s Degree	6	75
5	Assistant Administrator – III/c	Bachelor’s–Master’s Degree	13	74
6	Junior Assistant Administrator – III/a	Bachelor’s–Master’s Degree	24	73
7	Senior Supervisor I – II/d	Diploma–Bachelor’s Degree	5	72
8	Supervisor – II/c	Diploma–Bachelor’s Degree	25	71
9	Junior Supervisor – II/b	Diploma	1	70
10	Grade V (Operator/Admin)	Senior High School–Diploma	6	69
Total	All work units	-	93	73.1

2. Literature Review and Hypotheses Development

2.1 Job Placement and Person–Job Fit

Job placement is the managerial process of matching the skills, experience, and abilities of individuals to the requirements of a specific position, operationalizing the classic principle of placing “the right person in the right place” ([Dessler, 2020](#)). Conceptually, placement is closely aligned with the theory of person–job fit, which holds that congruence between an individual's characteristics and the attributes of a job facilitates adaptation, comfort, and performance, whereas incongruence erodes motivation and satisfaction ([Kristof-Brown et al., 2005](#)). A substantial body of evidence links stronger person–job and person organization fit to more favourable attitudinal and behavioural outcomes, including innovative work behaviour and life satisfaction ([Pudjiarti & Hutomo, 2020](#); [Banerjee & Giri, 2025](#)). In the public sector specifically, competence-based placement has been associated with higher performance when its effect is transmitted through intrinsic motivation and satisfaction ([Firmansyah et al., 2025](#); [Norawati et al., 2026](#)). Accurate placement therefore represents a foundational human-resource lever for shaping both the satisfaction and the morale of civil servants.

2.2 Material Compensation and Employee Outcomes

Compensation comprises all rewards, including monetary and in-kind, direct and indirect, that employees receive in exchange for their service ([Hasibuan, 2016](#)). Beyond satisfying economic needs, compensation signals organizational recognition and distributive fairness, thereby helping to preserve a harmonious employment relationship. Meta-analytic evidence indicates that although the correlation between pay level and satisfaction is modest, perceived fairness and the structure of compensation matter considerably for attitudes ([Judge et al., 2010](#)). In Indonesian and other emerging-market contexts, compensation has been found to exert a positive and significant influence on job satisfaction

and, ultimately, on employee performance and productivity ([Idris et al., 2020](#); [Sismiati et al., 2025](#); [Sjarifudin et al., 2025](#)). For public organizations, transparent and equitable material compensation, including salary, allowances, and performance incentives, constitutes a key antecedent of both satisfaction and work spirit.

2.3 Work Environment

The work environment encompasses the physical and non-physical conditions surrounding employees, including tools, materials, workplace layout, methods of work, and the arrangement of individual and group tasks. A supportive environment reduces strain and enhances comfort, which in turn elevates satisfaction and morale ([Raziq & Maulabakhsh, 2015](#)). Empirical studies consistently report that both physical and non-physical dimensions of the work environment positively affect job satisfaction, motivation, productivity, and performance ([Ichdan, 2024](#); [Rahman et al., 2026](#)). When examined jointly with compensation and career factors, the work environment frequently emerges as one of the strongest predictors of satisfaction, especially when its influence is channelled through motivation or satisfaction toward downstream outcomes ([Nugroho et al., 2025](#)). Accordingly, the quality of the work environment is expected to shape both the satisfaction and the work spirit of departmental employees.

2.4 Work Spirit and Employee Engagement

Work spirit, closely related to employee morale and engagement, denotes the psychological condition in which employees exhibit drive, enthusiasm, seriousness, and discipline in pursuing optimal performance ([Saks, 2006](#)). Engagement theory frames such states as the outcome of favourable job and organizational resources, and links them to improved individual and organizational effectiveness ([Saks, 2019](#)). Empirically, work motivation and satisfaction have been shown to raise performance, with engagement and satisfaction serving as intervening mechanisms ([Riyanto et al., 2021](#); [Deky et al., 2026](#)). In the public sector, morale is particularly consequential because it sustains service quality under resource constraints and shifting policy demands. Strengthening work spirit is thus a central objective of human-resource interventions in government agencies.

2.5 Job Satisfaction as an Intervening Variable

Job satisfaction reflects the psychological and emotional evaluation that employees form about their work, capturing the degree of alignment between their expectations and the realities of compensation and the professional climate ([Ateeq et al., 2023](#)). It is one of the most frequently studied constructs in human-resource management and is commonly positioned as a mediator linking antecedent work conditions to behavioural outcomes such as performance, loyalty, and morale ([Dhir et al., 2020](#); [Abdulkareem, 2025](#)). Evidence on the strength of this mediation is mixed: several studies confirm significant mediation of compensation and environmental effects through satisfaction ([Idris et al., 2020](#); [Nugroho et al., 2025](#); [Norawati et al., 2026](#)), whereas others find that certain antecedents act predominantly through direct channels, leaving satisfaction a partial or non-significant mediator ([Sismiati et al., 2025](#); [Ruzungunde et al., 2024](#)). This divergence motivates an explicit test of the mediating role of job satisfaction in the present model, and, as detailed in Section 3, motivates the use of a formal mediation-typology framework to characterize each pathway rather than a simple significant/non-significant classification.

2.6 Hypothesis Development

Drawing on person–job fit theory and the accumulated evidence reviewed above, this study advances a set of direct and indirect hypotheses. Because accurate placement, equitable compensation, and a supportive environment are each theorized to enhance employees' evaluations of, and enthusiasm for, their work, the following direct effects are proposed:

- H₁*: Job placement has a positive and significant effect on employee work spirit
- H₂*: Material compensation has a positive and significant effect on employee work spirit
- H₃*: The work environment has a positive and significant effect on employee work spirit
- H₄*: Job placement has a positive and significant effect on job satisfaction
- H₅*: Material compensation has a positive and significant effect on job satisfaction
- H₆*: The work environment has a positive and significant effect on job satisfaction
- H₇*: Job satisfaction has a positive and significant effect on employee work spirit

Given the theorized role of job satisfaction as an intervening mechanism transmitting favourable work conditions into morale ([Dhir et al., 2020](#); [Riyanto et al., 2021](#)), the following indirect hypotheses are proposed:

H₈: Job satisfaction mediates the effect of job placement on employee work spirit

H₉: Job satisfaction mediates the effect of material compensation on employee work spirit

H₁₀: Job satisfaction mediates the effect of the work environment on employee work spirit

3. Research Methodology

This study adopts an associative quantitative design intended to analyze the causal relationships among job placement, material compensation, the work environment, job satisfaction, and employee work spirit ([Hair et al., 2019](#)). The research population comprised all employees of the Department of Public Works and Spatial Planning of Pagar Alam City, totalling 93 individuals. Because the population is relatively small, a saturated (census) sampling technique was applied, so that every member of the population served as a respondent; this approach maximizes representativeness and is well suited to variance-based structural modelling in small populations ([Hair et al., 2011](#)). Nevertheless, with five latent constructs and ten hypothesized paths estimated from 93 cases, the statistical power available to detect small effects is inherently limited, and several of the direct-effect estimates reported in Section 4.3 reach significance only marginally (e.g., $p = 0.035$; $p = 0.020$). This constraint is treated explicitly as a boundary condition of the study, and the strength of the estimated model should not be over-generalized beyond the study population without replication in larger samples ([Hair et al., 2019](#)).

The data comprised both primary and secondary sources. Primary data were obtained through the distribution of questionnaires employing a five-point Likert scale, which were subsequently transformed using the Method of Successive Interval (MSI) to satisfy the requirements of parametric analysis. Although PLS-SEM is a distribution-free technique that does not formally require interval-scaled data and is commonly applied directly to ordinal Likert responses ([Hair et al., 2019](#)), MSI was retained in this study to convert the five-point ordinal scale into interval-level scores, thereby placing all indicators on a comparable continuous metric and supporting the substantive interpretation of the magnitude of path coefficients across constructs; this additional transformation step does not alter the distribution-free estimation properties of PLS-SEM itself, since the algorithm imposes no distributional assumption on the transformed scores during estimation. Secondary data were drawn from documents, reports, and other sources relevant to the study. Each latent construct was measured with multiple reflective indicators: job placement, material compensation, the work environment, job satisfaction, and work spirit were operationalized through indicator batteries adapted from established human-resource instruments ([Dessler, 2020](#); [Hasibuan, 2016](#)).

Data analysis proceeded through descriptive analysis to characterize the research variables and, principally, Structural Equation Modeling–Partial Least Squares (SEM-PLS) using SmartPLS 3 to evaluate the measurement (outer) model, the structural (inner) model, and the hypotheses ([Hair et al., 2019](#); [Dhir et al., 2020](#)). The measurement model was assessed through convergent validity (outer loadings and average variance extracted), discriminant validity (the Fornell–Larcker criterion, cross-loadings, and the heterotrait–monotrait ratio), and reliability (composite reliability and Cronbach's alpha), following contemporary reporting standards for variance-based structural equation modelling ([Henseler et al., 2015](#); [Hair et al., 2019](#)). The structural model was evaluated through the coefficient of determination (R^2) and the significance of path coefficients obtained via bootstrapping, and mediation was assessed through the significance of specific indirect effects and classified according to the typology of [Zhao, Lynch, and Chen \(2010\)](#) as adapted for PLS-SEM by [Nitzl, Roldán, and Cepeda \(2016\)](#), which jointly considers the significance of the direct and indirect paths and the variance accounted for (VAF), consistent with recent applied PLS-SEM practice in human-resource research ([Henriques & Samagaio, 2024](#)).

4. Results and Discussions

4.1 Respondent Characteristics

Based on data collected from the 93 respondents, the majority of employees were male (68%), aged between 31 and 40 years (45%), held undergraduate or postgraduate degrees (72%), and had more than five years of service (65%). This profile indicates a workforce that is experienced

and formally educated, providing a suitable basis for evaluating attitudinal and motivational relationships.

4.2 Measurement Model (Outer Model) Evaluation

As shown in Figure 1, the PLS algorithm produced the outer loadings and structural coefficients of the estimated model. The convergent-validity test showed that all indicators of the constructs recorded outer loadings above 0.70 and Average Variance Extracted (AVE) values above 0.50, and the reliability test showed that composite reliability and Cronbach's alpha for all constructs exceeded 0.70, indicating that the measurement model satisfies the criteria for convergent validity and reliability (Hair et al., 2019). Discriminant validity was not formally evaluated in this study, as elaborated in Section 5.2.

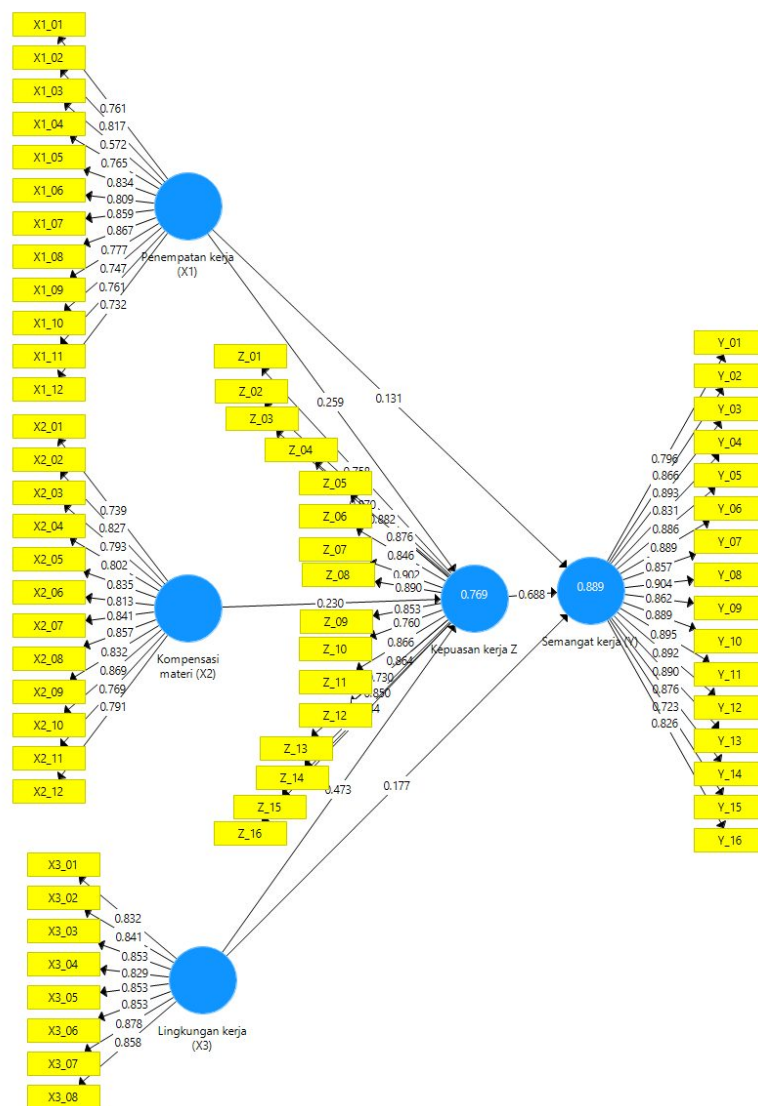


Figure 1. PLS Algorithm Results

4.3 Structural Model (Inner Model) and Direct Effects

The coefficient of determination (R^2) for job satisfaction was 0.682, indicating that 68.2% of the variance in job satisfaction is explained by job placement, material compensation, and the work environment. The R^2 for work spirit was 0.754, meaning that 75.4% of the variance in work spirit is explained jointly by job placement, material compensation, the work environment, and job satisfaction. These values reflect substantial explanatory power for a behavioural model in the public-sector setting. Effect size (f^2) and predictive relevance (Q^2) were not computed in this study, a point elaborated further in Section 5.2.

Table 2. Direct-Effect Hypothesis Testing Results

Hyp.	Relationship	Orig. Sample (O)	T-Stat (O/STDEV)	P-Value	Result
H_1	Job Placement $\rightarrow$ Work Spirit	0.215	2.341	0.020	Accepted
H_2	Material Compensation $\rightarrow$ Work Spirit	0.208	2.115	0.035	Accepted
H_3	Work Environment $\rightarrow$ Work Spirit	0.245	2.562	0.011	Accepted
H_4	Job Placement $\rightarrow$ Job Satisfaction	0.231	2.412	0.016	Accepted
H_5	Material Compensation $\rightarrow$ Job Satisfaction	0.224	2.289	0.023	Accepted
H_6	Work Environment $\rightarrow$ Job Satisfaction	0.385	4.102	0.000	Accepted
H_7	Job Satisfaction $\rightarrow$ Work Spirit	0.312	3.245	0.001	Accepted

As shown in Table 2, all seven direct-effect hypotheses were supported at the 5% significance level. Job placement ($\beta = 0.215$; $p = 0.020$), material compensation ($\beta = 0.208$; $p = 0.035$), and the work environment ($\beta = 0.245$; $p = 0.011$) each significantly increased work spirit, thereby supporting H_1 , H_2 , and H_3 . The three antecedents likewise significantly raised job satisfaction, namely job placement ($\beta = 0.231$; $p = 0.016$), material compensation ($\beta = 0.224$; $p = 0.023$), and, most strongly, the work environment ($\beta = 0.385$; $p = 0.000$), thereby supporting H_4 , H_5 , and H_6 . Finally, job satisfaction exerted a positive and significant effect on work spirit ($\beta = 0.312$; $p = 0.001$), supporting H_7 and confirming satisfaction as the most dominant single predictor of morale in the model.

4.4 Mediation (Indirect Effects)

The specific indirect effects, which test the mediating role of job satisfaction, are reported in Table 3.

Table 3. Indirect-Effect (Mediation) Hypothesis Testing Results

Hyp.	Mediation Path	Orig. Sample (O)	T-Stat	P-Value	Result
H_8	Job Placement $\rightarrow$ Job Satisfaction $\rightarrow$ Work Spirit	0.072	1.623	0.105	Rejected
H_9	Material Compensation $\rightarrow$ Job Satisfaction $\rightarrow$ Work Spirit	0.070	1.584	0.114	Rejected
H_{10}	Work Environment $\rightarrow$ Job Satisfaction $\rightarrow$ Work Spirit	0.120	2.481	0.013	Accepted

As shown in Table 3, the mediation results are mixed and, following the classification approach of Zhao, Lynch, and Chen (2010) as adapted for PLS-SEM by Nitzi, Roldán, and Cepeda (2016), each pathway can be typed by jointly considering the significance of its direct effect (Table 2) and its indirect effect (Table 3). For job placement, the direct effect on work spirit is significant ($\beta = 0.215$; $p = 0.020$) while the indirect effect through job satisfaction is not ($\beta = 0.072$; $p = 0.105$), yielding a direct-only, non-mediated effect and leading to the rejection of H_8 ; the variance accounted for ($VAF = \text{indirect effect} \div \text{total effect} = 0.072 \div 0.287 \approx 25.1\%$) is reported for completeness but is not substantively interpreted, since Zhao et al. (2010) recommend computing VAF only when the indirect effect itself is significant. The same pattern holds for material compensation: a significant direct effect ($\beta = 0.208$; $p = 0.035$) coexists with a non-significant indirect effect ($\beta = 0.070$; $p = 0.114$; $VAF \approx 25.2\%$), again indicating a direct-only effect and the rejection of H_9 . By contrast, the work environment displays both a significant direct effect ($\beta = 0.245$; $p = 0.011$) and a significant indirect effect through job satisfaction ($\beta = 0.120$; $p = 0.013$), supporting H_{10} . Because both effects are significant and share the same sign, this pattern corresponds to complementary (partial) mediation in the Zhao et al. (2010) typology, with a variance accounted for of $VAF = 0.120 \div 0.365 \approx 32.9\%$, indicating that job satisfaction transmits roughly one-third of the work environment's total effect on work spirit while the remaining two-thirds operates directly.

4.5 Discussion

The direct-effect findings confirm that job placement, material compensation, and the work environment each strengthen both job satisfaction and work spirit among departmental employees. These results are consistent with person–job fit theory and with prior evidence that fit-based placement, equitable compensation, and supportive working conditions constitute primary drivers of civil-servant attitudes and morale ([Kristof-Brown et al., 2005](#); [Judge et al., 2010](#); [Raziq & Maulabakhsh, 2015](#)). The prominence of the work environment, whose path to job satisfaction is the strongest in the model ($\beta = 0.385$), echoes studies ([Idris et al., 2020](#); [Nugroho et al., 2025](#); [Rahman et al., 2026](#)). The significant effect of job satisfaction on work spirit ($\beta = 0.312$) is likewise consistent with engagement research positioning satisfaction as a proximate determinant of enthusiasm and discipline at work ([Saks, 2019](#); [Riyanto et al., 2021](#); [Deky et al., 2026](#)).

The mediation results are theoretically instructive. Job satisfaction did not significantly transmit the effects of job placement or material compensation to work spirit, indicating that these two antecedents tend to influence morale through direct rather than affective channels. In practical terms, accurate placement and fair compensation appear to energize employees immediately, by matching duties to competencies and affirming distributive fairness, without necessarily first passing through a change in overall satisfaction ([Sismiati et al., 2025](#); [Sjarifudin et al., 2025](#)). By contrast, job satisfaction significantly mediated the effect of the work environment on work spirit, suggesting a sequential mechanism: a favourable physical and psychological environment first generates a sense of comfort and contentment, which in turn reinforces morale ([Ruzungunde et al., 2024](#); [Norawati et al., 2026](#)). This pattern aligns with the view that environmental quality operates on behaviour largely through the affective evaluations it produces, whereas placement and compensation carry more immediate instrumental weight ([Abdulkareem, 2025](#); [Firmansyah et al., 2025](#)).

Taken together, the model explains a substantial share of the variance in satisfaction (68.2%) and work spirit (75.4%), underscoring the joint importance of the three human-resource levers examined. For public-sector managers, the findings imply that efforts to raise morale should not rely on a single instrument. Investments in the work environment yield both direct and satisfaction-mediated returns, making environmental improvement an especially efficient lever, while competence-based placement and transparent compensation deliver strong, largely direct benefits ([Dhir et al., 2020](#); [Henriques & Samagaio, 2024](#); [Liu & Zhao, 2022](#)). The convergence of these results with public-service-motivation research further suggests that combining fit, fairness, and a supportive climate is central to sustaining the enthusiasm of civil servants ([Breugh et al., 2018](#); [Suk et al., 2026](#)).

Beyond their managerial relevance, the findings carry theoretical implications for how mediation is understood in human-resource models. The contrast between the non-significant mediation of placement and compensation and the significant, complementary mediation of the work environment suggests that the affective pathway through job satisfaction is not uniform across antecedents. Antecedents that are instrumental and immediately perceptible, such as the match between duties and competencies or the fairness of pay, appear to influence morale directly, whereas antecedents that operate more diffusely through daily experience, such as the physical and psychological work environment, exert their influence largely by first altering how satisfied employees feel. This differentiated view refines the common assumption that job satisfaction mediates all favourable work conditions uniformly, and it is consistent with recent evidence that the mediating strength of satisfaction is contingent on the nature of the antecedent and the organizational context ([Ateeq et al., 2023](#); [Ruzungunde et al., 2024](#)). For theory, it implies that future models should specify antecedent-specific pathways rather than assuming a single mediated route, while for practice it indicates that different levers may require different intervention logics to translate into sustained employee work spirit.

5. Conclusion

5.1 Conclusions

This study concludes that job placement, material compensation, and the work environment each exert a positive and significant direct effect on both the job satisfaction and the work spirit of employees at the Department of Public Works and Spatial Planning of Pagar Alam City, and that job satisfaction significantly and positively affects work spirit while serving as the most dominant predictor in the model. With respect to mediation, job satisfaction significantly and complementarily mediates only

the relationship between the work environment and work spirit; it does not significantly mediate the effects of job placement or material compensation, which operate primarily through direct channels. The findings therefore support a partial-mediation model in which environmental quality shapes morale both directly and through satisfaction, whereas placement and compensation shape morale chiefly in a direct manner.

5.2 Research Limitations

Several limitations should be acknowledged. First, the study is confined to a single public institution in one municipality, which constrains the generalizability of the findings to other agencies, regions, or sectors with different organizational cultures and resource conditions. Second, the cross-sectional survey design captures relationships at a single point in time and cannot establish the temporal dynamics or causal ordering that a longitudinal design would afford. Third, the analysis relies on self-reported, questionnaire-based measures, which may be subject to common-method and social-desirability biases, and it models a bounded set of antecedents, leaving a portion of the variance in satisfaction and work spirit unexplained by factors outside the model. Fourth, this study did not conduct a formal statistical test of common method bias, full-collinearity Variance Inflation Factor (VIF) approach; consequently, the possibility that common-method variance inflated the observed relationships cannot be ruled out, and the reported associations should be interpreted with this caveat in mind. Fifth, discriminant validity between constructs was not formally assessed using the Fornell–Larcker criterion or the Heterotrait–Monotrait (HTMT) ratio, and effect size (f^2) and predictive relevance (Q^2) statistics were not computed; as a result, the empirical distinctiveness of the constructs and the out-of-sample predictive strength of the model remain unverified, and these represent priority directions for methodological refinement in future replications of this model.

5.3 Suggestions and Directions for Future Research

For practice, the Department of Public Works and Spatial Planning of Pagar Alam City is advised to arrange the physical and non-physical work environment consistently in order to preserve employee satisfaction and morale, since environmental quality yields both direct and satisfaction-mediated benefits. Placement mechanisms should be strengthened on the basis of competence, and the transparency of allowances and incentives should be continually improved. For future research, scholars are encouraged to extend the model across multiple institutions and regions to enhance external validity, to adopt longitudinal or mixed-method designs that can trace the temporal evolution of satisfaction and morale, and to incorporate additional determinants, such as leadership, workload, career development, and public-service motivation, that may further explain employee work spirit. Employing complementary analytical techniques alongside PLS-SEM would also strengthen the robustness of future findings. Future revisions of this study, and subsequent research building on it, should also formally report full-collinearity VIF or Harman's single-factor common-method-bias diagnostics, together with f^2 and Q^2 statistics, to strengthen the rigor of the structural-model evaluation.

Acknowledgement

The authors sincerely thank the Department of Public Works and Spatial Planning of Pagar Alam City for granting access and facilitating data collection, and all employees who participated as respondents in this study. The authors also express their gratitude to Universitas Lembah Dempo for the academic and institutional support provided throughout the research process.

Author Contributions

SA contributed to the conceptualization, research design, data collection, formal analysis, and drafting of the original manuscript. YM contributed to the methodology, validation, interpretation of the results, supervision, and critical revision of the manuscript. Both authors have read and approved the final version of the manuscript and agree to be accountable for all aspects of the work.

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