

## **The Mediating Role of Job Satisfaction in the Effect of Transformational Leadership and Work Environment on Public Sector Employee Performance**



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**ABSTRACT:** This study aims to analyse the effect of transformational leadership and work environment on employee performance mediated by job satisfaction. This type of research is quantitative research with a survey approach. The research population is all civil servants in the Regional Government of Bengkulu Province. The research sample was 384 employees who were taken by proportional random sampling method. Data analysis method structural equation modelling (SEM). The results showed that: (1) transformational leadership has a positive and significant effect on employee performance; (2) work environment has a positive and significant effect on employee performance; (3) job satisfaction has a positive and significant effect on employee performance; (4) transformational leadership has a positive and significant effect on job satisfaction; (5) work environment has a positive and significant effect on job satisfaction; (6) job satisfaction mediates the effect of transformational leadership on employee performance; (7) job satisfaction mediates the effect of work environment on employee performance. To improve employee performance, it is recommended that the Bengkulu Provincial Government be able to improve transformational leadership, improve the work environment, and increase employee job satisfaction.

**KEYWORDS:** Performance, Transformational Leadership, Work Environment, Job Satisfaction.

### **I. INTRODUCTION**

Employee performance is a key determinant of organizational success, particularly in the public sector where service effectiveness directly influences societal well-being (Rainey, 2014). In a decentralized governance system like Indonesia, local governments including the Bengkulu Provincial Government face increasing pressure to improve public service quality, which demands optimal performance from civil servants. However, persistent challenges such as bureaucratic inefficiency, low accountability, and inadequate leadership remain obstacles to achieving optimal performance (Kim & Hong, 2021). This study aims to examine how transformational leadership and the work environment influence employee performance, with job satisfaction serving as a mediating variable, within the context of provincial government administration in Bengkulu a setting that has been rarely explored in international literature.

Transformational leadership, characterized by vision-sharing, intellectual stimulation, and individualized support, is widely recognized as a catalyst for innovation and commitment in the public sector (Bass & Avolio, 1994). Research in Southeast Asia has confirmed the positive impact of transformational leadership on employee performance through increased psychological empowerment (Wang et al., 2011). However, in hierarchical bureaucracies such as Indonesia's, leadership practices remain dominated by transactional approaches that emphasize rule compliance over empowerment (Ansell & Torfing, 2021). This gap highlights the need for deeper investigation into how transformational leadership is applied in decentralized government contexts in Indonesia.

The work environment, encompassing physical facilities and psychosocial conditions, also plays a crucial role in shaping employee performance. Oldham & Fried (2016) found that ergonomic workspaces and collaborative cultures enhance productivity, particularly in service-oriented roles. Conversely, limited resources and poor interpersonal dynamics common in Indonesian local governments are associated with burnout and high turnover rates (Asgari et al., 2018). However, few studies have integrated environmental factors with leadership and monitoring mechanisms in public sector analyses.

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Job satisfaction emerges as a key mediator in this framework. According to Blau's (1964) Social Exchange Theory, employees are likely to reciprocate fair treatment and a supportive environment with higher work engagement. Meta-analyses have shown that job satisfaction mediates the effects of leadership and the work environment on employee performance (Judge et al., 2001; Ng & Sorensen, 2023). Yet, the mediating role of job satisfaction in rigid bureaucratic systems like Indonesia's civil service remains underexplored.

In Bengkulu Province, the 2022 Government Performance Report revealed that public service quality remains suboptimal, attributed to outdated monitoring systems, passive leadership, and inadequate facilities. While local reports have acknowledged these issues (Bengkulu Provincial Government, 2022), no study has comprehensively integrated international theoretical frameworks to analyze the interconnected roles of monitoring, leadership, work environment, and job satisfaction. Therefore, this study seeks to fill that gap by applying globally validated constructs in a local context, offering insights for both Indonesian policymakers and the international academic community in the field of human resource management.

This study offers significant theoretical and practical contributions to public sector human resource management by highlighting several novel aspects. First, it focuses on civil servants within the Bengkulu Provincial Government, presenting a specific local context that remains underexplored in the decentralized governance of Indonesia, thus providing valuable insights into bureaucratic challenges and leadership dynamics. Second, the study proposes a conceptual model that positions job satisfaction as a psychological mediating mechanism between transformational leadership and the work environment on employee performance—a perspective that has received limited attention in previous research. Third, employee performance is measured comprehensively through four key dimensions: task performance, contextual performance, counterproductive work behavior, and adaptive performance. This multidimensional approach offers a more holistic understanding of performance within complex public sector environments. Overall, the integration of local context, psychological mediation, and enriched performance measurement underscores the novelty and relevance of this research in advancing theory and policy in employee performance management, particularly within public sector organizations.

## **II. LITERATURE REVIEW**

### **A. Transformational Leadership and Employee Performance**

Transformational leadership, characterized by an inspiring vision, intellectual stimulation, and individualized support, has been widely associated with improved employee performance, particularly in the public sector. Bass & Avolio (1994) argue that transformational leaders are capable of stimulating intrinsic motivation by aligning individual goals with the broader mission of the organization. Empirical studies, such as the meta-analysis by Wang et al. (2011), confirm that transformational leadership is positively linked to performance outcomes across various sectors, with mediating factors such as empowerment and trust. In public organizations, this leadership style is particularly crucial in addressing bureaucratic inertia. For instance, Kim & Hong (2021) found that transformational leaders in Asian public sectors promote innovation by encouraging adaptability among employees. However, Ansell & Torfing (2021) caution that hierarchical structures in developing countries often hinder the implementation of transformational principles, highlighting the need for context-sensitive investigations.

### **B. Work Environment and Employee Performance**

The work environment, encompassing both physical infrastructure and psychosocial conditions, plays a significant role in shaping productivity within the public sector. Oldham & Fried (2016) emphasized that ergonomic workplace design and a collaborative work culture can reduce stress and enhance task efficiency. Research by Asgari et al. (2018) in the healthcare sector shows that resource limitations and poor interpersonal relationships can exacerbate burnout, indirectly lowering performance levels. Similarly, Moynihan & Pandey (2010) found that budget constraints and rigid policies often undermine the quality of the work environment, especially within decentralized government systems. These findings align with Social Exchange Theory (Blau, 1964), which posits that employees are more likely to reciprocate a supportive work environment with greater work engagement. Nevertheless, few studies have integrated both physical and psychosocial dimensions of the work environment into public sector performance models.

### **C. Job Satisfaction as a Mediator**

Job satisfaction is widely recognized as a critical mediating factor between organizational practices and performance outcomes. Judge et al. (2001), through a comprehensive meta-analysis, concluded that satisfied employees exhibit 18% higher productivity, primarily driven by increased job commitment. Transformational leadership and a supportive work environment can enhance job satisfaction by fulfilling psychological needs for autonomy and belongingness (Deci & Ryan, 2000). For example, Ng & Sorensen (2023) demonstrated that job satisfaction fully mediates the relationship between leadership support and performance in service

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sectors. Similarly, a longitudinal study by Langevin & Mendoza (2013) found that employees working in supportive environments report 30% higher satisfaction, which in turn boosts the quality of public services. However, the mediating mechanism of job satisfaction within rigid bureaucratic systems, such as Indonesia's civil service, remains underexplored, leaving a gap in the cross-cultural human resource management literature.

### D. Synthesis in the Public Sector Context

In the public sector context, the interplay between leadership, work environment, and job satisfaction is marked by complex characteristics. Rainey (2014) argues that public sector employees tend to value intrinsic rewards more highly, making transformational leadership styles and humane work environments particularly important. However, institutional barriers such as political appointments and limited budgets often diminish the positive impact of these factors. For instance, the 2022 Performance Report of Bengkulu Province identified outdated work facilities and transactional leadership styles as major obstacles to achieving optimal employee performance. Although international studies (e.g., Wang et al., 2011; Judge et al., 2001) have provided robust theoretical frameworks, their application within Indonesia's decentralized governance remains empirically under-examined. This study seeks to address that gap by exploring how job satisfaction mediates the effects of transformational leadership and the work environment on the performance of civil servants, particularly within a non-Western public sector context.

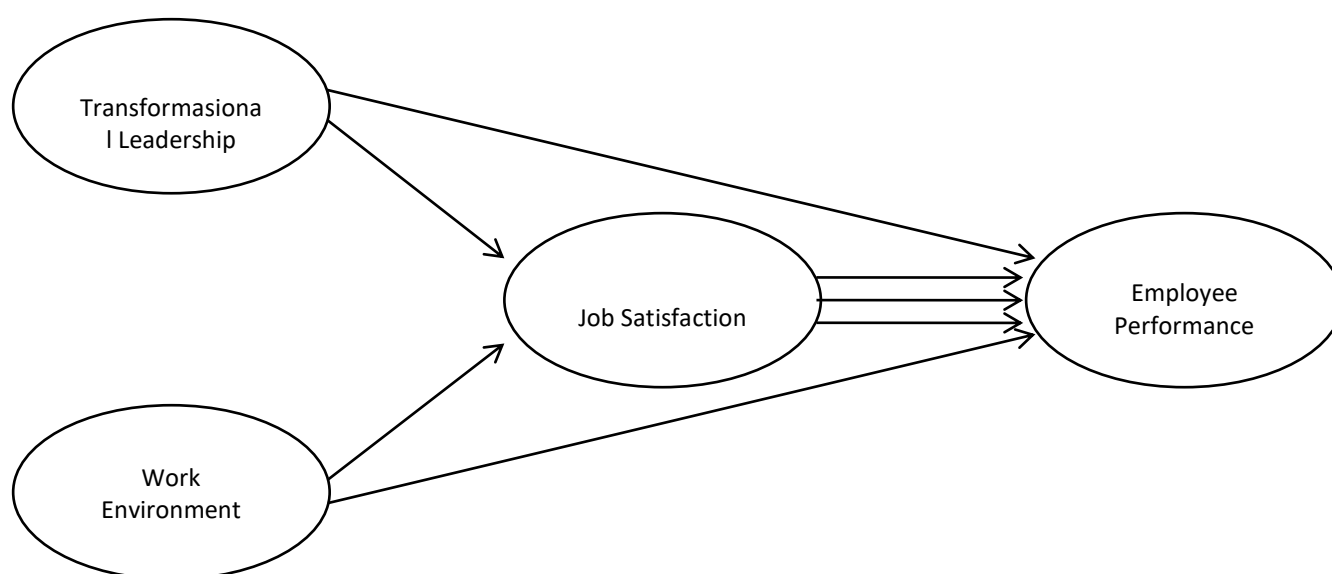


Figure 1: Conceptual Framework

Based on the research model described above, the researcher proposes the following hypotheses:

- H1: Transformational leadership has a positive and significant effect on employee performance
- H2: Work environment has a positive and significant effect on employee performance
- H3: Job satisfaction has a positive and significant effect on employee performance
- H4: Transformational leadership has a positive and significant effect on job satisfaction
- H5: Work environment has a positive and significant effect on job satisfaction
- H6: Job satisfaction mediates the effect of transformational leadership on employee performance
- H7: Job satisfaction mediates the effect of work environment on employee performance.

### III. METHOD, DATA, AND ANALYSIS

This research is a quantitative study with a survey approach. Quantitative research is based on positivism philosophy, used to examine specific populations or samples, with quantitative/statistical data analysis aimed at testing predetermined hypotheses (Sekaran, 2010). The survey research method involves data collection techniques through oral or written questions (Cresswell, 2018).

The population of this study includes all civil servants within the Regional Government of Bengkulu Province. The research sample consisted of 384 employees selected through a proportional random sampling method. The research data were collected through a survey method using questionnaires. The variables in this study were measured using a 5-point Likert scale, with

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response weights ranging from 1 to 5. A weight of 1 represents "Strongly Disagree (SD)," 2 represents "Disagree (D)," 3 represents "Somewhat Agree (SA)," 4 represents "Agree (A)," and 5 represents "Strongly Agree (SA)".

The research instruments were adopted from previous studies. Employee performance was measured using four dimensions. Three dimensions (task performance, contextual performance, and counterproductive work behaviour) were adopted from the study by Tria & Rahmat (2018), while one dimension (adaptive performance) was adopted from the study by Charbonnier-Voirin (2012), with a total of 37 indicators. Transformational leadership was measured using seven dimensions (vision, staff development, supportive leadership, empowerment, innovative thinking, leading by example, and charisma) adopted from Carless et al. (2000), comprising a total of 7 indicators. The work environment was measured using two dimensions (physical work environment and non-physical work environment) adopted from Fitri et al. (2019), with a total of 16 indicators. Job satisfaction was measured using six dimensions (work itself, supervision, coworkers, salary, promotion opportunities, and overall job satisfaction) adopted from Tsui et al. (1992), with a total of 6 indicators.

In addition to collecting respondents' responses to the research variables, this study also gathered individual data such as age, gender, highest education level, and length of service.

The data analysis was conducted using Structural Equation Modeling (SEM) with the assistance of SmartPLS version 3.2.9. SEM analysis was used to examine the direct effects of transformational leadership and work environment on employee performance, as well as to test the indirect effects of transformational leadership and work environment on employee performance through job satisfaction.

## IV. RESULT AND DISCUSSION

### A. RESULT

#### 1. Respondent Characteristics

The characteristics of the respondents in this study include age, gender, highest level of education, and length of service.

**Table 1: Respondent Characteristics**

Characteristic	Description	Total	Percentage (%)
Age	20 – 30 Years	38	9,9
	31 – 40 Years	110	28,6
	41 – 50 Years	166	43,2
	> 50 Years	70	18,2
Gender	Male	179	46,6
	Female	205	53,4
Education	Senior High School	10	2,6
	Associate Degree (D3/D4)	42	10,9
	Bachelor's Degree (S1)	235	61,2
	Master's/ Professional Degree (S2/Profession)	96	25
	Doctor (S3)	1	0,3
Work Tenure	1 Year – 5 Year	42	10,9
	6 Years – 10 Years	52	13,5
	More Than 10 Years	290	75,5

**Source:** Processed Primary Data (2025)

The results of the descriptive analysis in Table 1 indicate that the majority of Civil Servants (ASN) in the Regional Government of Bengkulu Province fall within the age range of 31 to 50 years. This age range is generally considered a productive phase in an individual's working life. At this stage, employees tend to have sufficient work experience, refined skills, and optimal physical capacity. Additionally, their greater emotional stability compared to younger employees allows them to complete tasks more efficiently and handle work pressure more effectively.

In terms of gender, the findings reveal that the majority of Civil Servants in the Bengkulu Provincial Government are female, accounting for 53.4 percent or 205 individuals, while male employees make up 46.6 percent or 179 individuals. In the context of performance, research suggests that gender differences do not directly determine performance levels. However, women are often associated with attention to detail, multitasking abilities, and a tendency to adhere to procedures, which can

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positively impact work outcomes—especially in public service sectors. On the other hand, men are commonly linked with risk-taking behavior and quick decision-making in certain situations. The combination of these characteristics can serve as a strategic advantage when managed synergistically within an organization.

From an educational standpoint, the study shows that the majority of Civil Servants in the Bengkulu Provincial Government hold a Bachelor's degree (61.2 percent), while 25 percent hold a Master's degree. The educational level of employees is closely linked to their competence and professionalism in carrying out duties and responsibilities, which ultimately has a significant impact on their performance. Employees with higher education levels tend to possess better analytical and problem-solving abilities, as well as greater adaptability to the dynamics of work, thereby enabling them to make more optimal contributions toward achieving organizational goals.

In terms of years of service, the study reveals that the majority of Civil Servants in the Bengkulu Provincial Government have more than 10 years of work experience, accounting for 75.5 percent, while 13.5 percent have between 6 and 10 years of service, and 10.9 percent have between 1 and 5 years. This indicates that most employees have substantial work experience, which theoretically has a positive influence on performance. Longer years of service typically reflect a deeper understanding of work systems, bureaucratic procedures, and a greater capacity to adapt to organizational dynamics, all of which contribute to enhanced employee productivity and effectiveness.

### 2. Validity and Reliability Test

The test results presented in Table 2 show that all construct indicators have an Average Variance Extracted (AVE) value above 0.5, indicating that all indicators meet adequate validity requirements. Meanwhile, the reliability test shows that all variables have Composite Reliability (CR) and average Cronbach's Alpha values above 0.5, suggesting that all indicators also meet good reliability standards to be used as instruments for hypothesis testing.

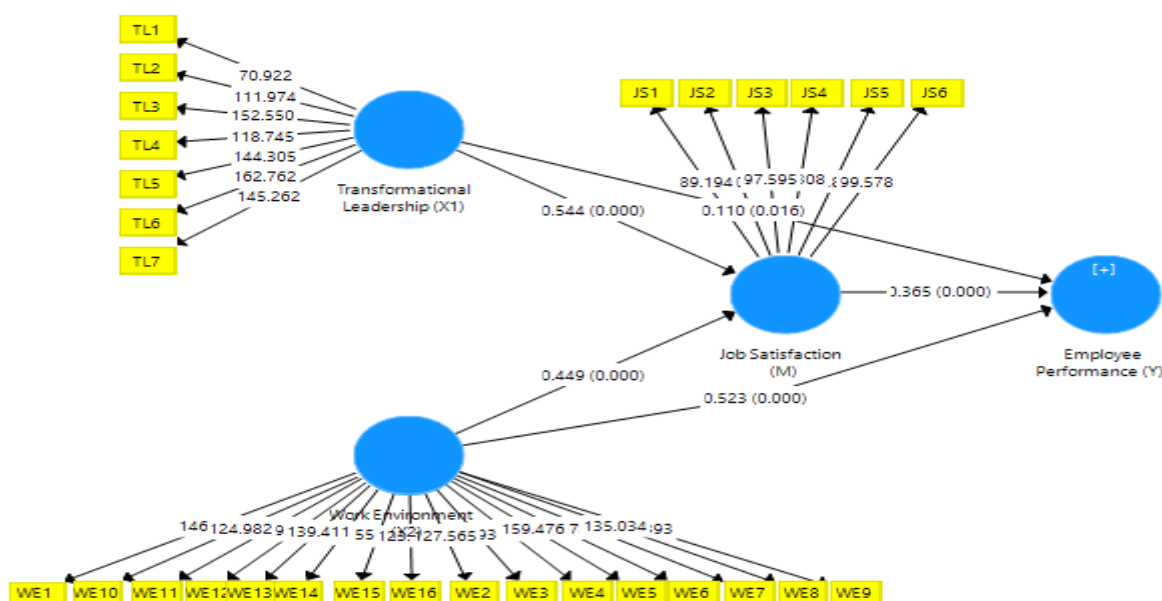
**Table 2: Validity and Reliability Test**

Constructs	Cronbach's Alpha	Composite reliability (rho_c)	AVE
Employee Performance	0.992	0.993	0.783
Transformational Leadership	0.968	0.973	0.838
Work Environment	0.987	0.988	0.839
Job Satisfaction	0.934	0.948	0.753

Source: Processed Primary Data (2025)

### 3. Hypotheses Testing

The following is a picture of the inner model path diagram (Bootstrapping):



**Figure 1: Bootstrapping Results**

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Based on Figure 1 from the bootstrapping analysis above, it can be seen that the T-statistic values for each construct variable are greater than the T-table value, while the P-value for each construct variable is less than the alpha value (0.05).

### 1) Direct Effect Hypothesis Testing

**Table 3: Results of Direct Effects Testing**

Hypothesis	Original Sample (O)	T Statistic	P Values	Description
Transformational Leadership (X1) -> Employee Performance (Y)	0.110	2.143	0.016	Accepted
Work Environment (X2) -> Employee Performance (Y)	0.523	13.915	0.000	Accepted
Job Satisfaction (M) -> Employee Performance (Y)	0.365	7.792	0.000	Accepted
Transformational Leadership (X1) -> Job Satisfaction (M)	0.544	10.974	0.000	Accepted
Work Environment (X2) -> Job Satisfaction (M)	0.449	9.037	0.000	Accepted

Source: Processed Primary Data (2025)

Based on the results of the structural model testing in Figure 1 and the direct effects testing results in Table 3 above, the following can be explained regarding the research hypothesis testing:

- There is a positive and significant influence of transformational leadership on the employee performance of civil servants (PNS) in the Regional Government of Bengkulu Province. This is evidenced by a probability value (P-value) of  $0.016 < \alpha$  value of 0.05 and a t-statistic value of  $2.143 > 1.96$ . Therefore, the first hypothesis (H1) in this study is accepted.
- There is a positive and significant influence of the work environment on the employee performance of civil servants (PNS) in the Regional Government of Bengkulu Province. This is evidenced by a probability value (P-value) of  $0.000 < \alpha$  value of 0.05 and a t-statistic value of  $13.915 > 1.96$ . Therefore, the second hypothesis (H2) in this study is accepted.
- There is a positive and significant influence of job satisfaction on the employee performance of civil servants (PNS) in the Regional Government of Bengkulu Province. This is evidenced by a probability value (P-value) of  $0.000 < \alpha$  value of 0.05 and a t-statistic value of  $7.792 > 1.96$ . Therefore, the third hypothesis (H3) in this study is accepted.
- There is a positive and significant influence of transformational leadership on the job satisfaction of civil servants (PNS) in the Regional Government of Bengkulu Province. This is evidenced by a probability value (P-value) of  $0.000 < \alpha$  value of 0.05 and a t-statistic value of  $10.974 > 1.96$ . Therefore, the fourth hypothesis (H4) in this study is accepted.
- There is a positive and significant influence of the work environment on the job satisfaction of civil servants (PNS) in the Regional Government of Bengkulu Province. This is evidenced by a probability value (P-value) of  $0.000 < \alpha$  value of 0.05 and a t-statistic value of  $9.037 > 1.96$ . Therefore, the fifth hypothesis (H5) in this study is accepted..

### 2) Indirect Effect Hypothesis Testing

**Table 4: Results of Indirect Effects Testing**

Hypothesis	Original Sample (O)	T Statistic	P Values	Description
Transformational Leadership (X1) -> Job Satisfaction (M) -> Employee Performance (Y)	0.199	7.744	0.000	Accepted
Work Environment (X2) -> Job Satisfaction (M) -> Employee Performance (Y)	0.164	5.143	0.000	Accepted

Source: Processed Primary Data (2025)

Based on the results of the testing in Table 7 above, the following can be explained regarding the mediation effect hypothesis testing:

- Job satisfaction mediates the effect of transformational leadership on the employee performance of civil servants (PNS) in the Regional Government of Bengkulu Province. This is evidenced by a probability value (P value) of  $0.000 < \alpha$  value of 0.05 and a t-statistic value of  $7.744 > 1.96$ . The test results indicate that the type of mediation of job satisfaction on the influence of transformational leadership on employee performance is categorized as partial mediation. Therefore, the sixth hypothesis (H6) in this study is accepted/proven.
- Job satisfaction mediates the effect of the work environment on the employee performance of civil servants (PNS) in the Regional Government of Bengkulu Province. This is evidenced by a probability value (P value) of  $0.002 < \alpha$  value of 0.05



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and a t-statistic value of  $5.143 > 1.96$ . The test results indicate that the type of mediation of job satisfaction on the influence of the work environment on employee performance is categorized as partial mediation. Therefore, the seventh hypothesis (H7) in this study is accepted/proven.

### **B. Discussion**

Research findings indicate that transformational leadership has a positive and significant effect on employee performance in the Regional Government of Bengkulu Province. This finding is in line with the opinion of Bass & Avolio (1994), who stated that transformational leadership goes beyond merely giving instructions or directions to achieve short-term goals. Transformational leaders have the ability to inspire and motivate employees in a compelling manner, such that employees not only follow orders but also become emotionally and intellectually engaged with the organization's vision and goals. This result is also supported by a study conducted by Wang et al. (2011), which found that transformational leadership consistently has a positive impact on employee performance, including both task performance and organizational citizenship behavior. They identified several factors that strengthen this positive influence, such as creating a clear vision and providing strong motivation to employees.

Path analysis results show that the work environment has a positive and significant effect on employee performance in the Regional Government of Bengkulu Province. This finding aligns with the view of Robbins & Judge (2017), who provided an in-depth analysis of the influence of the work environment on employee performance by highlighting two main dimensions: physical and psychological factors. The physical work environment, such as lighting, ventilation, layout, and comfort, directly affects employee productivity and efficiency. Robbins emphasized that physically supportive work conditions can reduce fatigue, enhance focus, and create a pleasant atmosphere, all of which positively impact performance. Additionally, Robbins & Judge (2017) stressed the importance of psychological factors in creating a conducive work environment. Harmonious relationships among employees, an inclusive organizational culture, and a sense of security at work contribute to intrinsic motivation, employee engagement, and high job satisfaction. These factors create conditions where employees feel valued and supported, motivating them to deliver their best performance. Moreover, Robbins & Judge (2017) also mentioned that the interaction between physical and psychological factors determines the overall quality of the work environment. For instance, even with excellent physical facilities, poor interpersonal relationships or a toxic work culture can lead to decreased performance. Conversely, even with modest facilities, strong psychological support can serve as significant compensation. These findings are consistent with those of Sudarwati & Utomo (2020), who provided important insights into the influence of the work environment on employee performance by simultaneously highlighting physical and non-physical aspects. Their analysis showed that effective workplace communication enables smooth information flow and reduces the potential for misunderstandings, allowing employees to work more efficiently and collaboratively, ultimately leading to increased productivity.

The findings also indicate that job satisfaction has a positive and significant effect on employee performance in the Regional Government of Bengkulu Province. This result supports Robbins (2017), who explained that job satisfaction plays an essential role in influencing employee performance within organizations. Job satisfaction refers to employees' positive feelings or evaluations of their work, which are influenced by various physical and psychological factors. High job satisfaction encourages employees to work harder and more productively because they feel appreciated and motivated to achieve the organization's shared goals. These findings are consistent with those of Sari (2020), who found that job satisfaction significantly affects employee performance. The study showed that job satisfaction influences several aspects of performance, including productivity, employee engagement, and job quality. Sari also identified several contributing factors to job satisfaction, such as salary, interpersonal relationships, and opportunities for career growth within the organization.

Further analysis revealed a positive and significant effect of transformational leadership on job satisfaction among civil servants in the Regional Government of Bengkulu Province. This is consistent with the findings of Judge & Piccolo (2004), whose meta-analysis examined the relationship between transformational and transactional leadership styles and various work outcomes, including job satisfaction. The main result of their study was that transformational leadership has a stronger and more significant relationship with job satisfaction than transactional leadership. Similarly, Kim & Kim (2020) found that transformational leaders significantly impact employee job satisfaction by focusing on inspiration, individualized consideration, and employee development. This is particularly relevant in the public sector, where organizational goals are often centered on public service rather than financial gain, making employee well-being a key factor in creating a positive work environment.

The study also found a positive and significant effect of the work environment on job satisfaction among employees in the Regional Government of Bengkulu Province, encompassing both physical and non-physical dimensions. These findings are in line with Greenberg & Baron (2023), who stated that the work environment has a highly significant influence on employee job satisfaction. They emphasized that elements such as organizational culture, managerial policies, and communication styles in the

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workplace are crucial factors that directly affect how employees feel valued and involved in their organization, which ultimately contributes to higher job satisfaction. The findings are also consistent with Dolan et al. (2021), who found that both the physical and social environments at work play critical roles in shaping employee job satisfaction. They explained that factors such as lighting quality, workspace comfort, and strong social relationships between coworkers and managers directly influence employees' perceptions of their workplace and their levels of job satisfaction.

Path analysis results further indicate that job satisfaction plays a role as a partial mediator in the relationship between transformational leadership and employee performance in the Regional Government of Bengkulu Province. This means that although transformational leadership directly influences employee performance, this effect becomes stronger and more effective when reinforced through job satisfaction. This is in line with the view of Bass & Avolio (2021), who argued that transformational leadership plays a crucial role in influencing employee performance, primarily through increased job satisfaction. They emphasized that transformational leaders not only focus on achieving organizational goals but also on developing individual employees. They provide inspiration and pay close attention to employees' personal needs and aspirations, creating a sense of recognition and appreciation that enhances job satisfaction. These findings are also supported by Li et al. (2022), who found that transformational leadership by focusing on individualized support, emotional encouragement, and employee empowerment creates a supportive environment for employees to thrive and feel satisfied with their jobs. In turn, job satisfaction becomes the key link between transformational leadership and improved employee performance.

Lastly, the findings show an indirect effect of both physical and non-physical aspects of the work environment on employee performance through job satisfaction among civil servants in the Regional Government of Bengkulu Province. This result aligns with Greenberg & Baron (2023), who emphasized how a good work environment influences job satisfaction, and how job satisfaction functions as a mediator in this relationship, ultimately affecting employee performance. These results are also consistent with Kim & Lee (2021), who highlighted the critical role of the work environment in shaping job satisfaction, which in turn impacts employee performance. They pointed out that a supportive work environment both physically and socially significantly contributes to job satisfaction, which then leads to improved employee performance.

## V. CONCLUSION

The results of the study indicate that transformational leadership and work environment have a positive and significant effect on employee performance within the Regional Government of Bengkulu Province. This means that the more effective leaders are in inspiring and motivating employees, and the better the work environment conditions, the higher the employee performance will be. The results of the indirect effect testing also show that job satisfaction mediates the influence of transformational leadership and work environment on employee performance. In other words, inspirational leadership and a conducive work environment not only have a direct impact on employee performance but also indirectly enhance performance through increased job satisfaction. This highlights that, to achieve optimal performance, organizations need to create a work environment that fosters employee satisfaction.

## VI. IMPLICATION, LIMITATION, AND SUGGESTIONS

### A. Implications

**Theoretical implications:** Theoretically, this study enriches the existing literature on the relationship between leadership, work environment, job satisfaction, and employee performance, particularly within the context of the public sector in Indonesia. The finding that job satisfaction mediates the influence of transformational leadership and work environment on employee performance provides empirical support for theories of work motivation and organizational behavior. It also enhances understanding of the internal mechanisms that bridge contextual factors with performance outcomes. Furthermore, this study encourages the development of human resource management models based on psychological and leadership approaches.

**Practical implications:** This study offers practical guidance for local governments to improve civil servant performance by strengthening transformational leadership styles and creating a positive work environment. Public sector leaders should be trained to be inspirational, communicative, and supportive in order to enhance employee motivation and engagement. Additionally, organizations should pay attention to both the physical and psychological aspects of the work environment, such as workspace comfort, interpersonal relationships, and a healthy organizational culture, as these factors contribute to job satisfaction and have both direct and indirect impacts on employee performance.



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## B. Limitations

This study has several limitations. First, the research scope is limited to a single region, which may restrict the generalizability of the findings to other areas or sectors. Second, the data collection relied solely on a survey method using questionnaires, which may be prone to response bias. Third, the study examines a limited number of variables, suggesting that other significant factors influencing employee performance may not have been captured. Lastly, the study faced time and resource constraints, as it was conducted within a limited timeframe, potentially limiting the depth of analysis. The availability of resources also influenced the breadth of the sample that could be included in the analysis.

## C. Suggestions

Future research is recommended to expand the scope by including samples from civil servants in other sectors or regions. Subsequent studies may consider employing alternative data collection techniques, such as in-depth interviews or focus group discussions, to obtain richer insights and reduce potential biases in questionnaire responses. A longitudinal research design is also suggested to observe changes in job satisfaction, transformational leadership, work environment, and employee performance over time. Additionally, future research could explore other variables that may influence employee performance, such as individual factors (e.g., motivation, work experience) or organizational factors (e.g., organizational culture, career development).

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