

Work Environment As A Mediator of Competence, Work Discipline, and Leadership Effects on Employee Performance in Indonesia's Public Sector

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Abstract

This study examines the effects of competence, work discipline, and leadership on employee performance, with the work environment serving as a mediating mechanism, among civil servants at the Regional Office of the Ministry of Law and Human Rights in Southeast Sulawesi, Indonesia. A quantitative cross-sectional survey was conducted using a five-point Likert-scale questionnaire. From a population of 145 non-structural civil servants, 107 respondents were selected using the Slovin formula at a 5% precision level. Data were analysed using descriptive statistics and partial least squares structural equation modelling in SmartPLS 4. The measurement model satisfied internal consistency and convergent and discriminant validity requirements. Competence ($\beta=0.795$, $p=0.001$), work discipline ($\beta=0.744$, $p=0.002$), leadership ($\beta=0.692$, $p=0.001$), and the work environment ($\beta=0.682$, $p<0.001$) positively affected employee performance. Competence, work discipline, and leadership also positively affected the work environment. The reported indirect effects through the work environment were significant for competence ($\beta=0.560$, $p<0.001$), work discipline ($\beta=0.620$, $p=0.001$), and leadership ($\beta=0.659$, $p<0.001$), indicating partial mediation. The findings show that employee capability, behavioural discipline, and leadership practices are more effectively translated into performance when the organisation provides a supportive relational and operational environment.

KEYWORDS competence; work discipline; leadership; work environment; employee performance; public sector.

1. Introduction

Public-sector organisations are increasingly expected to provide services that are effective, accountable, transparent, and responsive while adapting to digital transformation and regulatory change. Employee performance is central to this mandate because it reflects how effectively institutional resources are converted into service quality and organisational outcomes. This issue is particularly relevant to the Regional Office of the Ministry of Law and Human Rights in Southeast Sulawesi, whose responsibilities span legal administration, immigration, correctional services, and human-rights protection.

Employee performance is commonly associated with competence, work discipline, and leadership. Competence provides the knowledge, skills, and self-concept required to execute duties; discipline creates regularity, compliance, and accountability; and leadership gives direction, recognition, and operational support. Human capital and organisational behaviour perspectives consequently predict positive performance effects from these factors (Spencer and Spencer, 1993; Robbins and Judge, 2017). However, their effects may depend on whether the surrounding work context allows employees to apply their capabilities and sustain productive behaviour.

The work environment incorporates not only physical conditions but also workplace atmosphere, peer relationships, communication, and relationships between supervisors and subordinates. A supportive environment can reduce operational obstacles, encourage collaboration, and strengthen the translation of individual capability and managerial practices into actual performance. This reasoning is consistent with the ability-motivation-opportunity framework, which proposes that ability and motivation produce stronger outcomes when organisations provide opportunities and support for performance (Appelbaum et al., 2000). It is also consistent with social exchange theory: employees reciprocate supportive organisational treatment through constructive work behaviour (Blau, 1964).

Previous studies generally report positive associations among competence, discipline, leadership, the work environment, and performance, yet the strength and significance of direct relationships vary across organisational contexts. Research at the Ministry of Law and Human Rights has also recommended examining additional organisational factors, including the work environment, to better explain employee performance (Hilal, 2024; Muliadi et al., 2024). The mechanism through which individual and leadership factors become performance is therefore still insufficiently explained in Indonesian public-sector settings.

This study addresses that gap by positioning the work environment as a mediator between competence, work discipline, leadership, and employee performance. The study tests seven direct relationships and three mediated relationships among civil servants at the Regional Office of the Ministry of Law and Human Rights in Southeast

Sulawesi. Its contribution lies in integrating individual capability, behavioural regulation, leadership, and organisational context within a single explanatory model of public-sector performance.

2. Materials and Methods

2.1 Research design and setting

A quantitative, explanatory, cross-sectional survey design was used. The study was conducted at the Regional Office of the Ministry of Law and Human Rights in Southeast Sulawesi, Indonesia, over a three-month period following the proposal seminar. The unit of analysis was the individual civil servant.

2.2 Population and sample

The population comprised 145 non-structural civil servants working in administration, correctional services, immigration, and legal services. The minimum sample was calculated using the Slovin formula with a 5% precision level. After rounding, 107 respondents were included in the analysis.

2.3 Measures and data collection

Primary data were collected through a structured questionnaire using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Documentary sources were used as secondary data. Competence was measured through knowledge, skills, and self-concept; work discipline through timeliness, compliance with office rules, and responsibility; leadership through role clarity, recognition, and work facilitation; the work environment through workplace atmosphere, peer relationships, and supervisor-subordinate relationships; and employee performance through commitment, facilities, and ability to perform under pressure. Each indicator was represented by three questionnaire statements.

2.4 Data analysis

Descriptive statistics were used to characterise respondents and construct responses. The hypothesised model was assessed with partial least squares structural equation modelling using SmartPLS 4. The measurement model was evaluated through indicator loadings, Cronbach's alpha, composite reliability, average variance extracted (AVE), and the heterotrait-monotrait ratio (HTMT). The structural model was evaluated using path coefficients, p -values, R^2 , Q^2 , and indirect effects. Statistical significance was assessed at $\alpha=0.05$.

2.5 Ethical considerations

The study was non-interventional and was undertaken with institutional permission from the Regional Office of the Ministry of Law and Human Rights in Southeast Sulawesi. Respondents received information about the study objectives, voluntary participation, confidentiality, and their right to decline or withdraw. Informed consent was obtained before questionnaire completion. Responses were anonymised and analysed only in aggregate form.

3. Results and Discussion

3.1 Respondent profile

The final sample consisted of 107 civil servants. Most respondents were men (60.75%), while women accounted for 39.25%. The sample was professionally mature: 43.92% were aged 41–50 years and 57.01% held rank III/a–III/d. Bachelor's degree holders constituted the largest educational group (38.32%), followed by master's degree holders (28.04%). Tenure was concentrated in the 11–20-year and 21–30-year categories (31.77% each).

3.2 Measurement model

Table 1. Measurement model assessment

Construct	Indicators	Loading	α	CR	AVE
Competence	Knowledge; skills; self-concept	0.750–0.783	0.749	0.830	0.550
Work discipline	Timeliness; rule compliance; responsibility	0.794–0.894	0.859	0.898	0.638
Leadership	Role clarity; recognition; work facilitation	0.793–0.849	0.818	0.868	0.525
Work environment	Atmosphere; peer relations; supervisor relations	0.770–0.826	0.809	0.868	0.568
Employee performance	Commitment; facilities; pressure	0.856–0.881	0.911	0.931	0.692

All indicator loadings exceeded 0.70. Cronbach's alpha ranged from 0.749 to 0.911, composite reliability from 0.830 to 0.931, and AVE from 0.525 to 0.692. These values support internal consistency and convergent validity. All reported HTMT values were below 0.90, supporting discriminant validity.

3.3 Structural model and direct effects

Table 2. Direct-effect hypothesis tests

Predictor	Outcome	β	p-value	Decision
Competence	Employee performance	0.795	0.001	Supported
Work discipline	Employee performance	0.744	0.002	Supported
Leadership	Employee performance	0.692	0.001	Supported
Work environment	Employee performance	0.682	<0.001	Supported
Competence	Work environment	0.759	0.001	Supported
Work discipline	Work environment	0.643	<0.001	Supported
Leadership	Work environment	0.720	<0.001	Supported

All seven direct hypotheses were supported. Competence showed the strongest reported association with employee performance ($\beta=0.795$), followed by work discipline ($\beta=0.744$), leadership ($\beta=0.692$), and the work environment ($\beta=0.682$). Competence, discipline, and leadership also significantly predicted the work environment. The model explained 59.7% of the variance in the work environment and 69.0% of the variance in employee performance. The reported Q^2 value of 0.876 indicates high predictive relevance.

3.4 Indirect effects

Table 3. Reported indirect effects through the work environment

Predictor	Mediator	Outcome	β	p-value	Mediation
Competence	Work environment	Employee performance	0.560	<0.001	Partial
Work discipline	Work environment	Employee performance	0.620	0.001	Partial
Leadership	Work environment	Employee performance	0.659	<0.001	Partial

The three reported indirect effects were positive and significant. Because the corresponding direct effects on performance also remained significant, the work environment was interpreted as a partial mediator. This pattern suggests that competence, discipline, and leadership affect performance through both direct mechanisms and the organisational conditions in which employees carry out their duties.

3.5 Discussion

The strong positive effect of competence on employee performance confirms that knowledge, skills, and a constructive professional self-concept are critical resources in a complex public organisation. Employees who understand legal and administrative duties, use relevant technology, and adapt to policy changes are better positioned to complete assignments accurately and efficiently. This finding is consistent with the competence-based view of superior performance (Spencer and Spencer, 1993) and with evidence that competence is associated with employee outcomes in organisational settings (Elizar and Tanjung, 2018; Hilal, 2024).

Work discipline also had a substantial positive effect on performance. Timeliness, compliance with office procedures, and responsibility create behavioural consistency and reduce coordination failure. In a regulatory institution, such consistency is especially important because delays and procedural deviations can directly affect

public services. The finding supports prior evidence linking discipline to public-sector performance (Istiqalali and Lukiarti, 2024; Prasetyo and Isnawati, 2022).

Leadership positively affected both performance and the work environment. Role clarity reduces ambiguity; recognition signals that good work is valued; and work facilitation ensures that employees have access to information and resources. These practices can simultaneously motivate employees and create a collaborative climate. The results align with organisational behaviour theory, which treats leadership as a central influence on employee perceptions and behaviour (Robbins and Judge, 2017), and with evidence that leadership and work environment jointly support employee outcomes (Hendrik et al., 2023; Setyadi et al., 2015).

The positive work-environment effect demonstrates that a supportive atmosphere and constructive workplace relationships are performance resources rather than peripheral amenities. Employees can apply their competence and maintain disciplined behaviour more consistently when they experience open communication, collegial support, and accessible supervisors. This interpretation is compatible with the job demands-resources perspective, in which contextual resources foster motivation and buffer work demands (Bakker and Demerouti, 2007).

The mediation findings integrate these relationships. From an ability-motivation-opportunity perspective, competence represents ability, discipline reflects sustained behavioural motivation, and leadership helps create opportunities and support. The work environment becomes the transmission setting in which these resources are converted into performance. From a social exchange perspective, employees who experience supportive leadership and workplace relationships are likely to reciprocate through stronger commitment and effort (Blau, 1964). The persistence of significant direct effects indicates that improving the environment complements rather than replaces investments in competence, discipline, and leadership.

Practically, managers should combine competency development and disciplinary systems with improvements to the work context. Training should be aligned with actual service demands; discipline should be administered consistently and fairly; leaders should provide clear roles, constructive feedback, and resources; and the organisation should strengthen cross-unit communication and collaborative problem solving. An isolated intervention is less likely to produce durable gains than a coordinated human-resource and work-environment strategy.

4. Conclusion

Competence, work discipline, leadership, and the work environment positively and significantly predict employee performance at the Regional Office of the Ministry of Law and Human Rights in Southeast Sulawesi. Competence, discipline, and leadership also positively shape the work environment. The significant reported indirect effects indicate that the work environment partially mediates each predictor-performance relationship. Public organisations should therefore treat performance improvement as a combined capability, behavioural, leadership, and contextual agenda. The cross-sectional, self-report design and single-institution setting limit causal inference and generalisability. Future research should use longitudinal or multi-source data, test specific leadership models, include physical and psychosocial dimensions of the work environment, and replicate the model across government agencies and regions.

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Author Contributions

Evi Risnawati: Conceptualization, methodology, investigation, data collection, data curation, formal analysis, visualization, and writing—original draft. Sudirman Zaid: Conceptualization, supervision, validation, and writing—review and editing. Laode Asfahyadin Aliddin: Methodology, supervision, validation, and writing—review and editing. Wahyuniati Hamid: Methodology, formal analysis, supervision, and writing—review and editing. All authors have read and approved the final manuscript and agree to be accountable for the integrity of the work.

Conflict of Interest

The authors declare that they have no financial, professional, or personal conflicts of interest that could have influenced the research reported in this manuscript.

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Ethics Statement

This non-interventional social-science study was conducted with institutional permission from the Regional Office of the Ministry of Law and Human Rights in Southeast Sulawesi. Before completing the questionnaire, respondents were informed of the research objectives, the voluntary nature of participation, their right to decline or withdraw, and the confidential treatment of their responses. Informed consent was obtained from all participants. No identifying or sensitive personal information is reported, and the data were analysed and presented in aggregate form.

Data Availability Statement

The anonymised data supporting the findings of this study are available from the corresponding author upon reasonable request. Access is subject to permission from the relevant institution and safeguards protecting participant confidentiality. The data are not publicly deposited because they contain information collected from employees within a government institution.

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