THE INFLUENCE OF LEADERSHIP, WORK ENVIRONMENT, AND JOB SATISFACTION ON EMPLOYEE PERFORMANCE WITH COMPETENCE AS AN INTERVENING VARIABLE AT SMP BANGUN INSAN MANDIRI MEDAN

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Abstract

This study investigates the influence of leadership, work environment, and job satisfaction on employee performance, with competence serving as an intervening variable at SMP Bangun Insan Mandiri Medan. Employing a quantitative research approach and Partial Least Square-Structural Equation Modeling (PLS-SEM) for data analysis, the research involved 190 employees as respondents. The findings reveal that leadership, work environment, and job satisfaction significantly affect employee performance, both directly and indirectly, with competence acting as a partial mediator. Leadership and work environment demonstrated the strongest positive impact on competence, which in turn significantly enhances employee performance. However, job satisfaction showed a weaker influence on competence, though it directly contributes to performance outcomes. The study confirms the critical role of competence in bridging organizational climate variables and performance. These results suggest that to improve employee performance sustainably, educational institutions must invest in developing leadership quality, fostering a supportive work environment, enhancing job satisfaction, and systematically building employee competence. The research contributes to strategic human resource management by integrating empirical evidence into a theoretical framework applicable to the education sector.

Keywords:

Leadership, Work Environment, Job Satisfaction, Competence, Employee Performance, PLS-SEM, Human Resource Management, Educational Institutions

1. Introduction

Human Resources (HR) is an important asset in an organization or company. The quality and effectiveness of human resources greatly affect the achievement of organizational goals. In the book "Human Resource Management: Strategies and Changes in the Context of Improving Employee and Organization Performance" by Dr. Emron Edison, Dr. Yohny Anwar,

and Dr. Imas Komariyah emphasized the importance of the role of human resources in achieving organizational strategic goals and managing effectively. Human resources refer to individuals who work in an organization, who contribute through their skills, knowledge, and ability to achieve the organization's goals. Factors that affect employee performance include competence, job satisfaction, work environment, leadership, and reward and sanction systems. Human resources in educational foundations or schools ranging from cleaners, security officers, teachers to qualified leaders are the key to success in creating and realizing a conducive learning environment, innovative learning, and student job satisfaction to achieve optimal achievements.

Schools are formal educational institutions that have an important role in shaping and developing individual potential and knowledge. Through school, individuals can gain a systematic and structured learning experience. Through formal education obtained in school, individuals can acquire the necessary qualifications and competencies in finding employment. School also provides opportunities for individuals to develop social skills, such as working in a team, communicating well, and adapting to diverse environments. The learning process in schools involves a variety of methods and strategies that aim to help individuals understand and internalize the subject matter. Teachers as learning facilitators have an important role in facilitating the learning process in schools. In addition, schools also provide various supporting facilities and infrastructure, such as libraries, laboratories, and sports facilities, which can be used to enrich the learning process.

A leader is an individual who plays an important role in directing and improving the job satisfaction of others. They are the ones who are at the forefront, taking responsibility, and making important decisions. Leaders can come from a variety of backgrounds and have a variety of traits, but they all share the ability to influence and direct their teams. Leadership is the process or art of the act of leading itself. It covers a wide range of skills, strategies, and approaches used to inspire and direct others. Leadership is not limited to just one person, but can be run by anyone who has the ability to influence and improve the job satisfaction of others. In the book by Dr. Kartini Kartono with the title Leader and Leadership, it contains about developing the ability to lead, a person must be able to become a figure who can be a good example for others and this requires practice and experience. "There are not soldiers, only bad officers". Napoleon's metaphorical phrase has the meaning of "winged" that a group, an organization, both private and government, is successful in its leader and leadership. Meanwhile, subordinates are an "extension" of the implementer of the leader's ideas, strategies, and policies. Some of the requirements for a reliable leader include being kind and wise and full of humanity, not selfish, not overambitious, unselfish, and not crazy about power.

According to Kasmir (2019) performance is the result of work and work behavior that has been achieved in completing tasks and responsibilities given within a certain period Leadership is very important in a company, because of leadership, the management process will run well and will be enthusiastic in carrying out its duties (Zainal, et al., 2015). Leadership is one of the things that can make a company succeed in achieving its goals (Marjaya & Pasaribu, 2019). It is estimated that this does not necessarily have an impact on the relationship between management and employee performance. However, there are researchers who argue that the relationship between the two is continuous, and there are also researchers who argue that the relationship between the two is unrelated. Institutions with good leadership, the better the company. Kiswanto's (2010) opinion that leadership has a good and significant effect on

employee performance. Meanwhile, according to research conducted by Rivaldo (2020), it is explained that leadership does not have a positive effect on employee performance

Leadership is needed by humans because of certain limitations in humans. This is where the need to lead and lead arises. Leadership is defined into individual characteristics, habits, ways of influencing others, interactions, position in the organization and perceptions of legitimate influence. Leadership is an important part of management, because leadership is the ability that a person has to influence others to work towards goals and objectives that have been set. According to Veithzal Rivai (2012: 164) explained that Leadership is the ability of a leader to influence others by provoking the growth of positive feelings in the people he leads to achieve the desired goals. The leadership indicators according to Veithzal Rivai (2012: 53) are as follows:

1. Ability to build good cooperation and relationships.
   a. Fostering cooperation and good relations with subordinates in the implementation of their respective duties.
   b. The ability of a leader to satisfy the work satisfaction of his subordinates. Effective ability.

2. Effective ability.   a.
   Able to complete tasks beyond ability.
   b. Complete tasks on time.
   c. Arrive on time and not late.

3. Participatory leadership.
   a. Deliberative decision-making.
   b. Can solve problems precisely.
   c. Able to and research problems that occur at work.

4. Ability to delegate tasks or time.   a. Willing
   to bring personal and organizational interests to broader interests, i.e. organizational interests using leftovers for personal purposes.
   b. Able to complete tasks according to targets.

5. Be aggressive at work.
   a. High productivity can be produced with the quality of expertise, discipline, diligence, health, and aggressiveness (willingness) in work.

6. Maintain and maintain work stability a. The above performance must be maintained to maintain work stability so that a strong organizational culture will be formed

Job satisfaction is an employee's attitude towards work related to the work situation, cooperation between employees, rewards received at work, and matters related to physical and psychological factors (Sutrisno, 2019, p. 74). This attitude can be in the form of a positive attitude which means that the employee or member of the organization is satisfied or negative which means that he is dissatisfied with all aspects of the job, be it from the work situation, workload, rewards, risks, and so on.

Furthermore, according to Handoko (2020, p. 193), job satisfaction is an employee's opinion that is pleasant or not about their work, this feeling can be seen from employees' good behavior towards work and all things experienced by the work environment. Thus, job satisfaction is also related to employee sense of belonging and loyalty because it is their view of affection or feelings about the organization or company. In the same vein, but from a slightly different point of view, according to Afandi (2018, p. 73), work attitude or job satisfaction is a general attitude towards a person's work that shows the difference between the number of awards that workers receive and the amount they believe they should receive. In other words, job satisfaction is a comparison between contributions and rewards that he gets based on the subjective opinions of the employees themselves. Measurement of job satisfaction must be carried out objectively through analysis and identification of concrete symptoms that are indicative of satisfaction itself. According to Afandi (2018, p. 82), the indicators of job satisfaction are as follows:

1. The content of the work that a person does does has a satisfactory element.
2. The amount of pay or salary that a person receives as a result of the implementation of work is in accordance with the perceived needs of the individual.
3. The possibility that a person can progress through promotion or promotion
4. Supervision from someone who always gives orders or instructions in the implementation of work.
5. Colleagues who help each other in getting the job done.

According to Afandi (2018, p. 65), the work environment is everything that exists around an employee and can affect the carrying out of the tasks assigned to him, for example with the presence of air conditioner (AC), adequate lighting, and so on. In other words, concrete examples of good working environment conditioning are by ensuring fresh air using air conditioning devices, installing well-lit lights, and so on. Meanwhile, according to Sedarmayanti (2017, p. 25), the work environment is the total number of tools and materials faced, the surrounding environment where a person works, the working method, and the work arrangement both as an individual and as a group. This means that all equipment used to do work and methods used such as right board are also included in the environment. According to Afandi (2018, p. 18) The indicators of the work environment are as follows.

1. Lighting
   A good enough lighting will increase the efficiency of employees' work, as they can work faster, make fewer mistakes, and their eyes do not get tired quickly.
2. Color
   It is one of the important factors to increase the work efficiency of employees, especially color will affect their state of mind by wearing the right color on the walls of the room and other tools the joy and tranquility of the employees will be preserved.
3. Air

Regarding this air factor, what is often the temperature of the air and the amount of moisture in the air.

4. Voice

To overcome the occurrence of noise, it is necessary to put tools that have loud sounds, such as typewriters, telephones, motorcycle parking, and others. In a special room, so as not to interfere with other workers in carrying out their duties.

According to Nurfitriani (2022), employee performance is the result of work achieved by an employee in completing tasks and responsibilities given by a company or organization. This performance includes the individual's level of success in achieving the set targets, as well as the quality and quantity of output produced over a given period. Edison, Emron, Anwar, Yohny, and Komariyah (2016) stated that performance is the result of the process of responsibility or the result of tasks that have been given in a certain period based on an agreement that has been set by the organization or company. According to Nurfitriani (2022), employee performance indicators include:

1. Work quality is measuring the quality of work results produced by employees, including accuracy, neatness, and conformity with set standards or all kinds of forms of units of measurement related to the quality or quality of work results. The dimension of work quality can be measured using several indicators, namely: neatness, thoroughness, work results.
2. Work quality is a form of unit of measurement that relates to the number of work outputs that can be expressed in numerical measures or other numerical equivalents and assesses the amount of output produced in a certain period, in accordance with the set target.
3. Responsibility, namely awareness of employees' obligations to carry out the work given by the company and the dimension of responsibility can be measured using two indicators, namely work results and decision-making.
4. Cooperation is the ability of employees to interact and the willingness of employees to participate with other employees or employees vertically and horizontally both inside and outside of work so that work results are better to achieve common goals
5. Initiative is the ability to decide and do something right without having to be told, being able to find what should be done with something that is around. The dimension of initiative is measured using one indicator, namely the ability to solve problems without waiting for orders from superiors.
6. Creativity is the ability of employees to come up with innovative new ideas to improve work processes or products

The main purpose of this study is to analyze and determine the influence of leadership, Work Environment, and Job Satisfaction on employee performance at the Bangun Insan Mandiri Education Foundation, as well as the role of employee competence as a variable that mediates the relationship between these three factors and employee performance. The concept of this research is as illustrated by the following conceptual framework drawing:

Job Satisfaction
(X3)
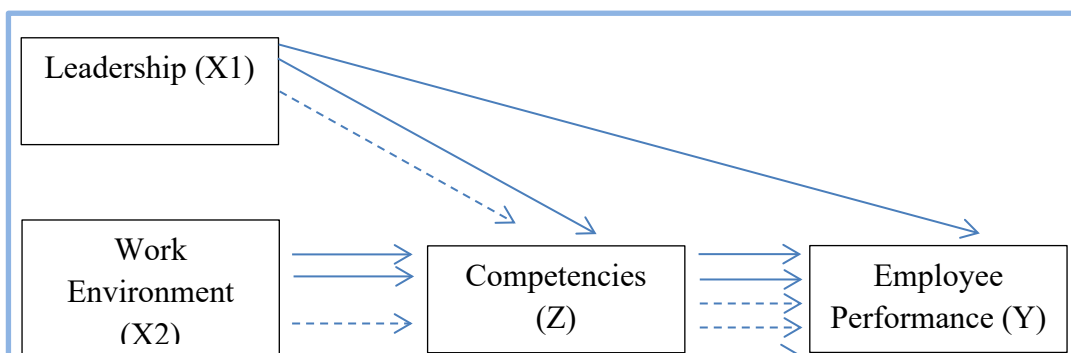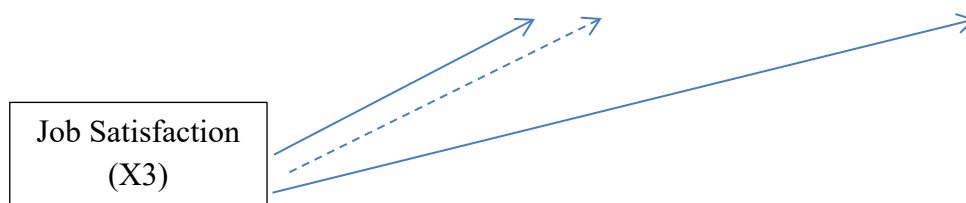
Conceptual Framework Drawings

2. Research methods

The research approach used in this study is a quantitative approach, which is the process of collecting and analyzing data in the form of numbers or statistics to answer research questions, as well as measuring the relationship between variables statistically. This research was carried out at the Medan Bangun Insan Mandiri Education Foundation which is located at Jl. Bambu II No.62, Durian, East Medan District, Medan City, North Sumatra 20235. The time for this research was carried out from February 2025 to May 2025. Population is a generalized area, in which there are objects or subjects that have criteria and qualities set by the researcher so that they can be studied and draw appropriate conclusions (Sugiyono, 2022). The population in the study is very important because it is a source of information, and in this study the population is people who work at the Medan Bangun Insan Mandiri Education Foundation which totals 190 employees.

According to Sugiyono (2020:104), data collection techniques are the most important part of a research. Using appropriate data collection techniques will result in a standardized data analysis process. Retrieval of data that is not suitable will cause the data retrieved not to meet the set standards. The researcher noted that he observed the source of the data as a study material in data analysis. Furthermore, data collection techniques according to Sugiyono (2020:193-330) can be carried out by means of interviews, questionnaires, observations, documentation, and triangulation. Based on the data source, this study uses the main or primary data collection technique, namely a questionnaire that contains several questions to respondents to get the answers, responses and information needed

The Likert scale is a scale used in this study which functions as a measuring tool in research in measuring the attitudes, opinions, and perceptions of individuals or groups towards social phenomena. Respondents were asked to state their level of approval or disapproval of a given set of statements, the following is an assessment scale that measures a person's attitudes, opinions, and perceptions of a social phenomenon

The data analysis technique carried out in this study is Partial Least Square (PLS) using SmartPLS software version 3. PLS is one of the methods of solving Structural Equation Modeling (SEM) which in this case is more compared to other SEM techniques. SEM has a

higher level of flexibility in research that connects theory and data, and is able to perform path analysis with latent variables so it is often used by researchers who focus on the social sciences.

Partial Least Square (PLS) is a fairly robust method of analysis because it is not based on many assumptions. The data also does not have to be a normal multivariate distribution (indicators with category scales, ordinals, intervals to ratios can be used in the same model), the sample does not have to be large (Gozali, 2012). Partial Least Square (PLS) can not only confirm the theory, but also to explain whether or not there is a relationship between latent variables. In addition, PLS is also used to confirm theories, so that in prediction-based research, PLS is more suitable for analyzing data. Partial Least Square (PLS) can also be used to explain the existence or absence of relationships between latent variables. Partial Least Square (PLS) can simultaneously analyze constructed constructs with reflective and formative indicators. This cannot be done by a covariance-based SEM because it will be an unidentified model.

In variant-based SEM models or *PLS-Path Modeling*, this model consists of *an Outer model* (measurement model). Outer Model or Outer Measurement is also called a measurement model. The *outer model* test aims to specify the relationship between latent variables and their indicators. Test this *outer model* using the help of *the PLS Algorithm procedure*. The analysis stage on the *outer model* was measured using validity and reliability testing. There are 2 external model measurements of PLS SEM, namely reflective and formative model measurements. The first PLS SEM model measurement in the outer model is reflective measurement. The measurement model is assessed using reliability and validity

1. Reliability test

   Reliability test is a series of measurements or a series of measuring instruments that have consistency when measurements made with the measuring instrument are carried out repeatedly. For reliability, Cronbach's Alpha *can be used*. This value reflects the reliability of all indicators in the model. The minimum value is 0.7 while the ideal is 0.8 or 0.9. In addition to Cronbach's Alpha, the value ρc (*composite reliability) is also used,* which is interpreted as the same as Cronbach's Alpha value. Reflective indicators should be omitted from the measurement model if they have an outer standard loadings value of less than 0.4. In the outer model, we know 2 types/types of indicator relationships in the construct, so the test is carried out according to the form of the indicators, namely reflective indicators and formative indicators (Ghozali, 2016).

2. Validity test

   Validity test is a test or measurement that aims to assess whether a set of measuring instruments is appropriate to measure what should be measured or with the aim of assessing whether it is valid or not for a real study.

3. Results and Discussion
3.1 Research Results

The outer model test in this study uses algorithm analysis in SmartPLS software version 3.0, in order to obtain an outer loading value that meets the validity and reliability requirements.
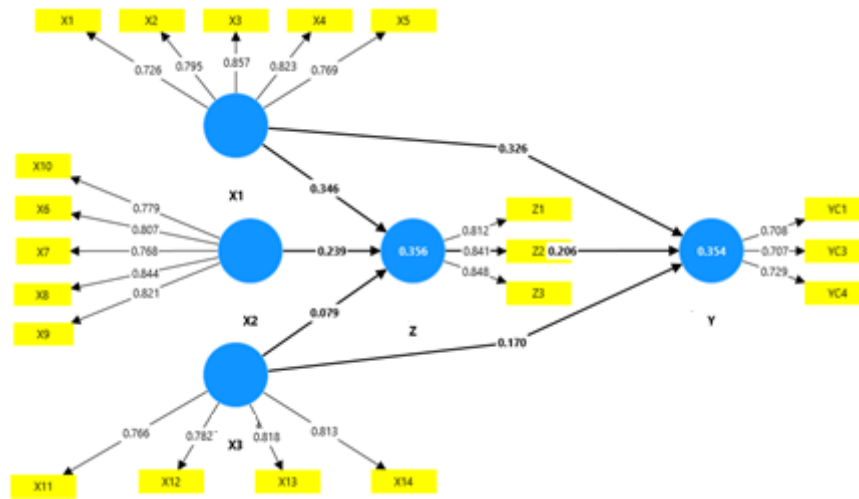
A. Model Estimation

Figure 1.
Research Model

B. Measurement Model (Outer Model)

Table 1. Outer loadings

	Leadership (X1)	Employee Performance (Y)	Competence (Z)	Job Satisfaction (X3)	Work Environment (X2)
X1	0,726				
X10					0,779
X11				0,766	
X12				0,782	
X13				0,818	
X14				0,813	
X2	0,795				
X3	0,857				
X4	0,823				
X5	0,769				
X6					0,807
X7					0,768
X8					0,844
X9					0,821
YC1		0,708			
YC3		0,707			
YC4		0,729			
Z1			0,812		
Z2			0,841		
Z3			0,848		

Based on the analysis of the Outer Loadings given in the table, it can be concluded that most of the indicators used to measure latent constructs in this SEM PLS model show good

results, with significant loading values. The indicators for each construct, such as Leadership, Employee Performance, Competence, Job Satisfaction, and Work Environment, had loading values that were mostly greater than 0.7, indicating a strong relationship between the indicators and the latent constructs they represented. This shows that the indicators used are quite representative in describing the construct in question.

For the Leadership construct (X1), although the indicator has a loading value of 0.726, which is slightly lower than the indicator in the other constructs, it is still within acceptable limits. This shows that the indicator remains relevant to measure Leadership, although there is room for improvement. On the other hand, the indicators in the Employee Performance (Y) construct, such as YC1, YC3, and YC4, all show loading values of more than 0.7, which indicates that this construct is well measured by these indicators. The same is true for the Competency (Z) construct, whose indicators (Z1, Z2, and Z3) have very high loading values, more than 0.8, which indicates a very strong relationship with the construct.

Likewise, the Job Satisfaction (X3) and Work Environment (X2) constructs showed excellent results, with the indicators also having loading values above 0.7, indicating that these two constructs are well and strongly measured through the existing indicators. Overall, the model analyzed has solid measurement quality, with highly representative indicators in measuring the intended latent construct.

While most indicators show adequate results, the next step to note is further testing of the model's reliability and validity, such as through Composite Reliability (CR) and Average Variance Extracted (AVE) testing to confirm that latent constructs are measured accurately and consistently. Overall, the model has shown good performance in terms of measurements, although advanced tests can help to ensure the accuracy and accuracy of measurements at a later stage.

Table 2. Outer weights

	Leadership (X1)	Employee Performance (Y)	Competence (Z)	Job Satisfaction (X3)	Work Environment (X2)
X1	0,212				
X10					0,234
X11				0,345	
X12				0,249	
X13				0,358	
X14				0,306	
X2	0,236				
X3	0,271				
X4	0,253				
X5	0,283				
X6					0,249
X7					0,241
X8					0,253
X9					0,266
YC1		0,474			
YC3		0,466			
YC4		0,459			
Z1			0,363		

Z2			0,402		
Z3			0,432		

Based on the analysis of the Outer Weights presented in the table, it can be concluded that each indicator in this SEM PLS model makes a different contribution in forming the latent construct in question. In the Leadership construct (X1), the X1 indicator has a weight of 0.212, which is somewhat lower than other indicators. This suggests that although X1 remains instrumental in shaping the Leadership construct, its contribution is not as large as the other indicators in this model, so there may be room to increase the power of this indicator in the measurement of the Leadership construct.

On the other hand, the Employee Performance (Y) construct shows quite encouraging results, with indicators such as YC1 (0.474), YC3 (0.466), and YC4 (0.459) having relatively high weights. This greater weight suggests that these indicators have a significant influence on shaping the Employee Performance construct, which means that the measurement of employee performance through these indicators is very strong and quite dominant in the model.

In the Competency construct (Z), the indicators (Z1 0.363, Z2 0.402, and Z3 0.432) also show significant weight. Especially the Z3, with a weight of 0.432, which has the greatest contribution in shaping the construct of Competence. Although there are small differences between the weights of the indicators, these three indicators together make a considerable contribution to defining Competence, indicating that they are important in describing the construct.

The Job Satisfaction construct (X3), although slightly less weighted compared to other constructs, still shows a moderate weight, with the X9 having the highest weight (0.266). Indicators on Job Satisfaction are not very dominant, but they still make a significant contribution to the formation of this construct.

Finally, in the Work Environment construct (X2), indicators such as X11 (0.345) and X13 (0.358) have a greater weight, indicating that these two indicators are very influential in shaping the perception of the Work Environment. Although the other indicators (X10, X12, X14) have a slightly smaller weight, their contribution remains negligible in defining the Work Environment construct.

C. Inner Model

Reliability and Validity

Table 3.Reliability Test

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Leadership(X1)	0,854	0,860	0,896	0,633
Employee Performance(Y)	0,721	0,721	0,758	0,511
Competencies(Z)	0,782	0,787	0,873	0,696
Job Satisfaction(X3)	0,807	0,814	0,873	0,632
Environment Kerja (X2)	0,863	0,865	0,902	0,647

Based on the results of the analysis of the Reliability and Validity models, it can be concluded that this model shows excellent results in terms of both aspects. Starting with Reliability, which measures the consistency of indicators in measuring latent constructs, all constructs in this model show excellent value. Cronbach's Alpha for all constructs is greater than 0.7, which indicates good internal consistency and supports the reliability of any latent construct. Similarly, Composite Reliability (rho_a and rho_c), which also shows values above 0.7 for each construct, confirms that the indicators in each construct function consistently and reliably. Thus, both Cronbach's Alpha and Composite Reliability show that these models can be relied upon to measure existing constructs.

Furthermore, in terms of Validity, which measures the extent to which these indicators actually measure the construct in question, this model also shows satisfactory results. The Average Variance Extracted (AVE) for each construct is greater than 0.5, which indicates that more than 50% of the variance in the indicator can be explained by latent constructs. This shows that each construct has a good convergent validity, meaning that the indicators are indeed relevant and effective in measuring the construct in question. In addition, the model also appears to meet the criteria of discriminant validity, which is important to ensure that the different constructs in this model can be clearly distinguished from each other. This is reflected in the larger root value of the AVE of the correlation between the constructs, indicating that the constructs do not overlap and each measure different aspects of the variables being tested.

R² (R-squared)

Table 4. R

	R-square	R-square adjusted
Employee Performance(Y)	0,354	0,350
Competencies(Z)	0,356	0,352

Based on the results of R² and R² Adjusted presented in the table, it can be concluded that this model provides a moderate explanation of variability in the dependent constructs of Employee Performance (Y) and Competency (Z). The R² values for both constructs are 0.354 for Employee Performance and 0.356 for Competence, indicating that this model is able to explain about 35% of the variability in both constructs. This indicates that although this model cannot fully explain variability, it still provides significant insights into the relationships between constructs. In general, R² values in the range of 0.3 to 0.5 are considered moderate, which means that the model is quite good at describing the influence between constructs, although there are still other factors that have not yet been taken into account that could explain the remaining variability.

In addition, the slightly lower R² Adjusted value than R², which is 0.350 for Employee Performance and 0.352 for Competency, suggests that this model is not very complex and has good effectiveness in explaining variability without overfitting. This small decrease indicates that the model is already quite efficient in explaining the relationships that exist without being affected by the number of irrelevant indicators or variables.

Effect Size (f²)

Table 5. F2

	Leadership (X1)	Employee Performance (Y)	Competence (Z)
Leadership (X1)		0,084	0,086
Employee Performance (Y)			
Competencies (Z)		0,044	
Job Satisfaction (X3)		0,027	0,035
Work Environment (X2)			0,040

Based on the results of the F² analysis presented in the table, it can be concluded that the influence exerted by the constructs in the model on the dependent constructs tends to be small. The value of F² indicates how much contribution each independent construct has made in explaining the variability of the dependent construct in question. For the relationship between Leadership (X1) and Employee Performance (Y) and Competency (Z), the F² values were 0.084 and 0.086, respectively, which showed a small influence. This means that although Leadership has a contribution to Employee Performance and Competence, its impact is not large enough, but it remains significant in the context of this model.

In addition, the relationship between Job Satisfaction (X3) and Employee Performance (Y) showed a very small influence with an F² value of 0.027, while the relationship between Job Satisfaction (X3) and Competency (Z) had an F² value of 0.035, which also reflected a small influence. Likewise, the influence of the Work Environment (X2) on Employee Performance (Y) which has an F² value of 0.040, which indicates a small contribution from the Work Environment in improving Employee Performance.

Relisbilitas conbrach alpa

Based on the results of Cronbach's Alpha test presented in table 3, it can be concluded that the internal reliability of the constructs in this model is very good. All constructs show Cronbach's Alpha values greater than 0.7, which is the standard threshold for assessing good internal consistency. For example, the Leadership construct (X1) has a Cronbach's Alpha value of 0.854, which indicates that the indicators used to measure this construct are well correlated with each other and have strong consistency. Likewise, the Work Environment construct (X2) has a value of 0.863, which indicates very high internal consistency, and means that the indicators in this construct support each other very well.

In addition, the Employee Performance (Y) construct, with Cronbach's Alpha value of 0.721, although slightly lower than the other constructs, still shows adequate reliability, as this value remains greater than 0.7, which suggests that the indicators used to measure Employee Performance are also quite consistent. Similarly, the constructs of Competency (Z) and Job Satisfaction (X3), which have Cronbach's Alpha values of 0.782 and 0.807, respectively, show good internal consistency and reliability for the measurement of these constructs.

All constructs in this model show excellent reliability and are reliable for further analysis. With a solid Cronbach's Alpha value above 0.7, the model shows that the indicators used in the measurement of these constructs are correlated with each other yond provide consistent measurements. This signifies that the constructs in this model can be used with high confidence in further research or applications.

VIF (Variance Inflation Factor)

Table 6. VIVID

X1	1,617
X10	1,767
X11	1,465
X12	1,736
X13	1,709
X14	1,814
X2	1,909
X3	2,364
X4	2,146
X5	1,621
X6	1,908
X7	1,700
X8	2,252
X9	2,024
YC1	1,113
YC3	1,121
YC4	1,155
Z1	1,595
Z2	1,659
Z3	1,618

Based on the results of the Variance Inflation Factor (VIF) presented in the table, it can be said that this model shows a low level of multicollinearity, which means that the independent variables in the model do not have too high a correlation with each other. VIF is used to detect multicollinearity, which occurs when two or more independent variables in a model have a very strong correlation, which can cause problems in estimating regression coefficients and affect the accuracy of the analysis results.

In general, a VIF value higher than 10 indicates the presence of problematic multicollinearity, while a VIF value lower than 5 is considered to indicate a reasonable relationship between variables. In this model, almost all VIF values are below 2.5, which indicates that there is no excessive correlation between independent variables. For example, X3 (Job Satisfaction) has the highest VIF value at 2.364, which is still within safe limits, suggesting that while there is a slight correlation between variables, the influence is not large enough to cause problems in the model.

In addition, other variables such as X2 (Work Environment) and X8 (Job Satisfaction) had VIF values of around 2.0 and 2.2, which also showed a moderate but not alarming correlation. The VIF value for the Employee Performance indicators (YC1, YC3, YC4) is very low, ranging from 1.1 to 1.15, which indicates that there is no meaningful correlation between the indicators.

Heterotrait-Monotrait Ratio (HTMT)

Table 7. HTMT

	Original sample (O)	Sample mean (M)	2.5%	97.5%
Employee Performance (Y) <-> Leadership (X1)	0,815	0,817	0,702	0,929
Leadership Competency (Z) <-> (X1)	0,676	0,676	0,586	0,759
Competencies (Z) <-> Employee Performance (Y)	0,726	0,729	0,590	0,865
Job Satisfaction (X3) <-> Leadership (X1)	0,738	0,738	0,658	0,809
Job Satisfaction (X3) <-> Employee Performance (Y)	0,699	0,702	0,594	0,816
Job Satisfaction (X3) <-> Competency (Z)	0,557	0,557	0,449	0,660
Work Environment(X2) <-> Leadership (X1)	0,797	0,798	0,728	0,865
Work Environment (X2) <-> Employee Performance (Y)	0,647	0,649	0,530	0,768
Work Environment (X2) <-> Competency (Z)	0,643	0,644	0,534	0,747
Work Environment (X2) <-> Job Satisfaction (X3)	0,765	0,766	0,682	0,841

Based on the results of the Heterotrait-Monotrait Ratio (HTMT) presented in the table, it can be seen that all HTMT values are below the threshold of 0.85, which indicates that this model has good discriminant validity. HTMT is used to measure the extent to which the constructs in this model can be distinguished from each other. An HTMT value greater than 0.85 usually indicates that the constructs may overlap or cannot be clearly distinguished. However, in this case, the HTMT value for all construct pairs is below that critical value, which indicates that the constructs in the model are well distinguishable.

For example, the relationship between Employee Performance (Y) and Leadership (X1) has an HTMT value of 0.815, which is still below 0.85, suggesting that these two constructs can be clearly distinguished. Likewise, the relationship between Competency (Z) and Leadership (X1) has an HTMT value of 0.676, which shows a good discriminant validity between the two constructs. The HTMT value for the relationship between Job Satisfaction (X3) and Leadership (X1) was 0.738, which also indicates no significant overlap between the constructs.

Likewise, the relationship between Work Environment (X2) and Employee Performance (Y), as well as between Work Environment (X2) and Job Satisfaction (X3) which have HTMT values of 0.647 and 0.765 respectively, all of which show that these constructs can be well distinguished from each other. All low HTMT values indicate that there are no significant discriminant validity issues in this model.

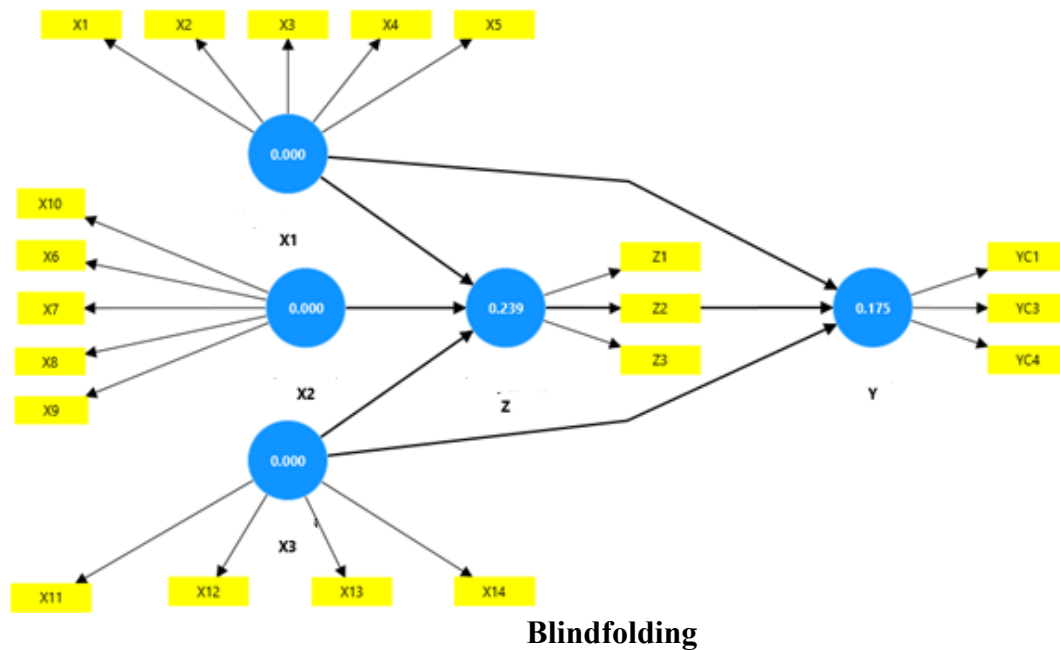**Predictive Relevance (Q2 Square)**

Figure 2.

Blindfolding

Based on the SEM PLS model diagram shown, there is a relationship between several constructs that describe dynamics in the organization, namely Leadership (X1), Work Environment (X2), Job Satisfaction (X3), Competency (Z), and Employee Performance (Y). In this model, Leadership, Work Environment, and Job Satisfaction are independent constructs that are linked to relevant indicators. Competency (Z) is influenced by these three constructs, with the Work Environment (X2) contributing the greatest influence to Competency (Z), with a path coefficient of 0.239. Although the influence is not very great, it shows that the Work Environment can play a role in improving employee Competencies.

On the other hand, Competency (Z) has an influence on Employee Performance (Y), although this influence is also relatively small, with a path coefficient of 0.175. This means that while Competency contributes to improved Employee Performance, the impact is not very strong in this model. Meanwhile, the path between Leadership (X1), Work Environment (X2), and Job Satisfaction (X3) directly to Employee Performance (Y) shows a value of 0.000, indicating that there is no significant influence of Leadership, Work Environment, and Job Satisfaction on Employee Performance in the context of measurable direct influence.
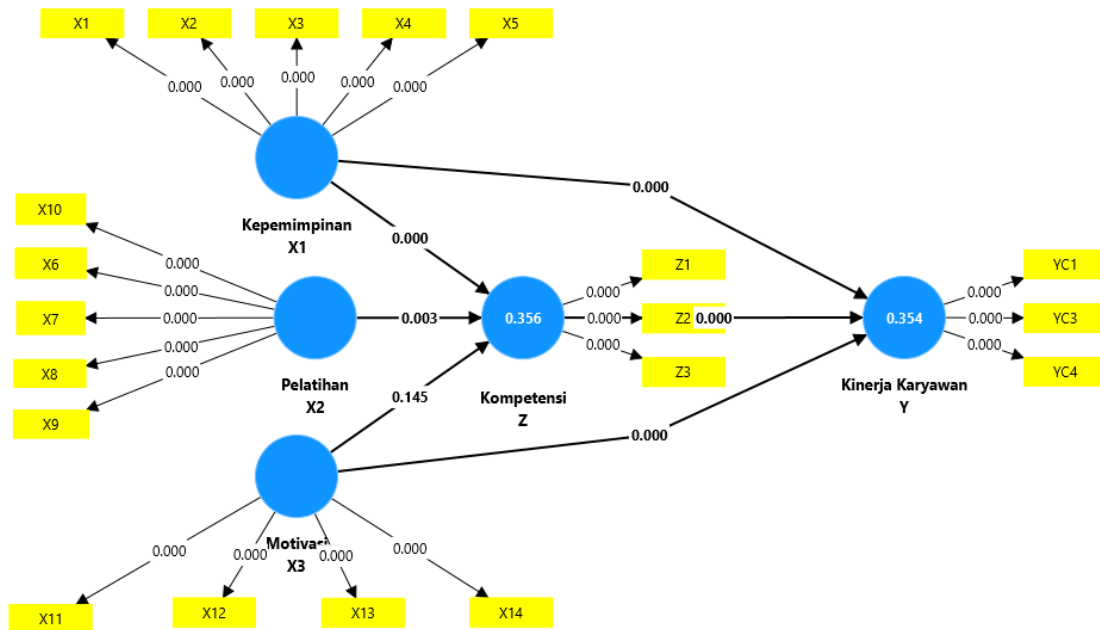
D. Model Testing

Figure 3. Bootstrapping

Based on the results of the analysis of bootstrapping shown in the PLS-SEM model, it can be concluded that several important points regarding the influence between constructs in this model can be deduced. First, the Work Environment (X2) has a significant influence on Competence (Z) with a path coefficient of 0.356, showing that the Work Environment plays an important role in improving employee competence. This influence is then continued, with Competency (Z) having a moderate effect on Employee Performance (Y), with a path coefficient of 0.354, which shows that employee competence also affects their performance.

However, Leadership (X1) and Job Satisfaction (X3) showed very little or no significant influence on Competency (Z), with a path coefficient close to 0.000. This indicates that in this model, leadership and Job Satisfaction do not have a strong direct impact on employee competence, so neither may not be the main factors that need to be focused on to improve competence in the organization.

Bootstrapping

Table 8. Analysis Path

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
Leadership (X1) -> Employee Performance (Y)	0,326	0,328	0,061	5,317	0,000
Leadership (X1) -> Kompetensi_(Z)	0,346	0,345	0,066	5,233	0,000
Competency (Z) -> Employee Performance (Y)	0,206	0,205	0,055	3,712	0,000

Job Satisfaction (X3) -> Employee Performance (Y)	0,170	0,172	0,047	3,589	0,000
Job Satisfaction (X3) -> Competency (Z)	0,079	0,080	0,055	1,456	0,005
Environment Kerja_(X2) -> Kompetensi_(Z)	0,239	0,241	0,081	2,965	0,003

Based on the results of the Path Analysis presented in table 8, the following is an analysis for each hypothesis proposed regarding the influence between constructs at the Medan Bangun Insan Mandiri Education Foundation.

1. Leadership has a positive and significant effect on employee performance

The results of the analysis showed that Leadership (X1) had a significant positive influence on Employee Performance (Y) at the Medan Bangun Insan Mandiri Education Foundation. Based on the T-Statistics value of 5.317 and the p-value of 0.000, the hypothesis proposed was proven to be correct. Since the p-value is less than 0.05, we can conclude that Leadership plays an important role in improving Employee Performance. The positive influences detected indicate that the better the quality of leadership, the higher the performance shown by employees. Thus, the development and improvement in leadership in this organization can be one of the key factors to improve employee productivity and overall work outcomes.

2. Work Environment has a positive and significant effect on employee performance

The results of the analysis show that the Work Environment (X2) has a significant positive influence on Employee Performance (Y). Based on the T-Statistics value of 3.589 and the p-value of 0.000, this hypothesis is accepted. Due to the very small p-value (less than 0.05), we can conclude that the Work Environment makes a significant contribution in improving Employee Performance at the Bangun Insan Mandiri Medan Education Foundation. Thus, a good and relevant Work Environment program can be an important factor in improving employees' skills, knowledge, and job satisfaction, which ultimately has a direct impact on their work quality and productivity.

3. Job Satisfaction has a positive and significant effect on employee performance

The results of the analysis show that Job Satisfaction (X3) has a positive and significant effect on Employee Performance (Y). Based on the T-Statistics value of 3.589 and the p-value of 0.000, this hypothesis is accepted. Due to the p-value smaller than 0.05, we can conclude that Job Satisfaction has a strong influence in improving Employee Performance. This shows that Job Satisfaction factors, such as rewards, recognition, and goal achievement, play an important role in encouraging employees to work better and achieve more optimal results. Thus, maintaining employee job satisfaction levels can be one of the main strategies to increase productivity and performance in this organization.

4. Leadership has a positive and significant effect on employee competence

The results of the analysis showed that Leadership (X1) had a significant positive influence on Competence (Z) with a T-Statistics value of 5.233 and a p-value of 0.000. Due to the very small p-value (less than 0.05), this hypothesis is accepted, which confirms that Leadership plays an important role in improving employee competencies at the Bangun Insan Mandiri Medan Education Foundation. This indicates that good leadership qualities can have a positive influence on the development of employees' skills and abilities, which in turn can improve their competence at work. Therefore, improving the quality of leadership

is a key factor in increasing the competitiveness and ability of employees in this organization.

5. Work Environment has a positive and significant effect on employee competence

The results of the analysis showed that the Work Environment (X2) had a positive and significant effect on Competency (Z), with a T-Statistics value of 2.965 and a p-value of 0.003. Due to a p-value smaller than 0.05, this hypothesis is accepted, which means the Work Environment exerts a significant influence in improving employee Competencies. This shows that an effective and relevant Work Environment program can enrich employees' knowledge, skills, and abilities, thereby enhancing their competence in the workplace. Therefore, the development of a quality Work Environment program is an important step in increasing the capacity and performance of employees in this organization.

6. Job Satisfaction has a positive and significant effect on employee competence

The results of the analysis showed that Job Satisfaction (X3) had a positive and significant effect on Competence (Z) with a T-Statistics value of 1.456 and a p-value of 0.005. Although the p-value shows a significance smaller than 0.05, the relatively low T-Statistics value indicates that the effect of Job Satisfaction on Competency is smaller when compared to the relationship between other constructs in this model. However, although the effect is not as big as some other relationships, these results still show that Job Satisfaction has a significant role in improving employee competencies at the Bangun Insan Mandiri Education Foundation Medan. Thus, the Job Satisfaction factor remains an important element that can improve employee skills and abilities, although its influence is smaller compared to other factors such as Work Environment or Leadership.

7. Competence has a positive and significant effect on employee performance

The results of the analysis showed that Competency (Z) had a positive and significant effect on Employee Performance (Y), with a T-Statistics value of 3.712 and a p-value of 0.000. Since the p-value is less than 0.05, this hypothesis is accepted, which confirms that Competency has a significant influence on Employee Performance. This shows that the higher the level of competence possessed by employees, the better the performance they show. Therefore, employee competency development is an important key in improving Employee Performance at the Medan Bangun Insan Mandiri Education Foundation, which in turn can have a positive impact on their productivity and quality of work results.

Conclusion

The results of the analysis showed that Leadership (X1), Work Environment (X2), and Job Satisfaction (X3) together had a positive effect on Employee Performance (Y) through Competence (Z). Each of these factors contributes significantly to improving employee Competencies, which in turn improves Employee Performance. Thus, Competence plays a very important role as a mediator in the relationship between Leadership, Work Environment, and Job Satisfaction with Employee Performance. This means that while Leadership, Work Environment, and Job Satisfaction each have a direct influence on Employee Performance, they function more effectively in improving employee performance when it comes to improving Competencies. Therefore, organizations should focus on developing employee competencies as a key pathway to improving Employee Performance, while also continuing to strengthen Leadership, Work Environment, and Job Satisfaction as factors that support the process.

Direct Influence of Tiodak

The following table presents the results of the indirect influence test involving leadership, work environment, and job satisfaction on employee performance, with competence as an intervening variable. The results of this analysis will provide a clearer picture of how significant the influence of each factor is in improving employee performance at the Bangun Insan Mandiri Medan Education Foundation.

Table 9. Indirect Effects

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
Kepemimpinan_X1 -> Karyawan_Y Performance	0,071085	0,070465	0,022963	3,095601	0,001975
Satisfaction Kerja_X3 -> Performance Karyawan_Y	0,016338	0,016602	0,012753	1,281052	0,200235
Environment Kerja_X2 -> Performance Karyawan_Y	0,049173	0,049088	0,021098	2,330656	0,019811

1. **Leadership - > Employee Performance**

The indirect influence of leadership on employee performance shows statistically significant results. With a p-value of 0.001975, which is much smaller than the threshold of 0.05, it can be concluded that leadership has a positive influence on employee performance through the role of competence as a mediating variable. The T-statistics value of 3.095601 also strengthens this conclusion, showing that the influence of leadership on employee performance through competence is strong and significant. This means that the better the quality of leadership applied in the organization, the higher the performance that can be achieved by employees, with competence as an important connecting line.

2. **Job Satisfaction - > Employee Performance**

The indirect effect of job satisfaction on employee performance did not show statistically significant results. With a p-value of 0.200235, which is greater than the threshold of 0.05, it can be concluded that job satisfaction does not have a strong indirect influence on employee performance through competence. The T-statistical value of

1.281052 also reinforces these findings, suggesting that although job satisfaction has a role in improving performance, its influence through competence is not significant enough in the context of this model. Therefore, the job satisfaction factor may not be the main pathway that affects employee performance indirectly.

3. Work Environment - > Employee Performance

The indirect influence of the work environment on employee performance shows statistically significant results. With a p-value of 0.019811, which is smaller than the threshold of 0.05, it can be concluded that the work environment has a significant positive influence on employee performance through competence. The T-statistics value of 2.330656 also supports this conclusion, showing that the work environment plays an important role in improving employee performance by strengthening their competence. Thus, an effective and relevant work environment program can be one of the key factors in improving employee productivity and quality performance in this organization.

Suggestion

Based on the results of the research, discussion and conclusions obtained, the suggestions that can be given by the author are as follows:

1. Management needs to develop a more participatory and communicative leadership style to create a work climate that supports the growth of competencies and employee performance, the work environment provided should be adjusted to the actual needs of the job and the development of educational technology, so that it is more relevant and has a direct impact on improving competence, a more structured job satisfaction strategy is needed, both in terms of finances (incentives, bonuses) and non-financial (awards, career development), in order to maintain employee enthusiasm and loyalty as well as competency development as a long-term strategic program through a routine work environment, coaching, mentoring, and competency-based performance evaluations and of course periodic evaluations must be carried out to assess the effectiveness of leadership programs, work environment, and job satisfaction, as well as to adjust HR policies to the dynamics of organizational needs.
2. For further researchers, they can develop this research by developing a research model involving condensal variables as moderation variables in order to find out the variables that strengthen or weaken employee performance.

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