

# **WORK CULTURE AS A MEDIATOR: THE IMPACT OF THE WORK ENVIRONMENT AND COMPENSATION ON TEACHER PERFORMANCE AT THE FIRDAUS FOUNDATION, MAROS REGENCY**

**Salmah Harun<sup>1\*</sup>, Azwar Wijaya Syam<sup>2</sup>, Sufardi<sup>3</sup>**

*Politeknik LP3I Makassar, Indonesia*

*\*) Corresponding Author: [salmahharun284@gmail.com](mailto:salmahharun284@gmail.com)*

---

**Keywords :**

*Work Environment, Compensation, Teacher Performance, Work Culture*

---

**Abstrak**

*This study aims to investigate the influence of the work environment and compensation on the performance of teachers with work culture as mediators at the Firdaus Foundation. Using a quantitative approach with path analysis (Partial Least Squares, PLS), this study involved a sample of 32 teachers. The results of the study show that the work environment and compensation have a significant influence on work culture. However, work culture does not have a significant effect on teacher performance, and the work environment also does not have a significant impact on teacher performance directly. In addition, the indirect influence of the work environment on teacher performance through work culture is not significant, and work culture cannot mediate the influence of compensation on teacher performance. Although compensation showed a significant influence on teacher performance, these results did not support the hypothesis that compensation directly affected teacher performance. This study concluded that although work environment and compensation variables have a significant effect on work culture, work culture and work environment do not directly affect teacher performance. The originality of the research lies in the use of work culture as a mediator in the context of the influence of work environment and compensation on teacher performance, providing new insights that are different from the findings of previous research.*

## **INTRODUCTION**

Education is not just a process of conveying information, but also the foundation of a nation's development. A strong education system that creates skilled individuals, and is able to contribute positively to the development of society and the country. In this context, the role of teachers is not only to be a teacher in the classroom, but also to be the main agent of change that shapes

character and guides the younger generation to success (Supardi, 2020).

Teachers are at the forefront of providing quality education for the younger generation. They have a significant influence on shaping the future of the nation. However, despite the central role teachers play, the challenges they face in improving their performance in Indonesia remain a major concern. Although various efforts have been made to enhance the quality of education, the reality is that many teachers still encounter obstacles in performing their duties optimally. Various reports and studies highlight that the quality of education in Indonesia continues to face numerous barriers, one of which is that teachers' performance does not always meet the expected level (Permata et al., 2023).

The factors influencing teacher performance are highly complex and multidimensional. They are not only related to teaching abilities and understanding of the subject matter but also involve factors such as motivation, work environment, compensation, school culture, and management support. Teacher performance issues cannot be separated from the context of the educational system in Indonesia, which is often marked by various structural and administrative challenges (Haeranah, Muslim, Haeruddin, 2022).

One of the main issues faced by teachers is low motivation. Many teachers feel burdened by heavy workloads, lack of appreciation for their performance, and insufficient opportunities for professional development. This can lead to decreased enthusiasm and dedication in carrying out their duties, ultimately affecting the quality of education they provide.

Teacher performance issues in Indonesia encompass various aspects, such as low motivation, inadequate teaching skills, high absenteeism rates, and lack of involvement in school activities. These factors indirectly affect the effectiveness of learning and the quality of education provided by schools in Indonesia.

Regarding teacher performance in private schools in Indonesia, it varies depending on various factors, including school characteristics, work environment conditions, compensation, and school culture. An overview of teacher performance in private schools in Indonesia includes: Teaching Quality, Commitment to Education, Curriculum Flexibility, Relationships with Students and Parents, Financial Challenges, Resource Constraints, Work Environment Conditions.

Firdaus foundation in Maros Regency, as one of the private educational institutions, plays a strategic role in enhancing human resources quality in the region. The quality of education produced by Firdaus foundation is significantly determined by the performance of the teachers working at the institution. Therefore, improving teacher performance becomes one of the main focuses for this foundation.

Essentially, teacher performance is influenced not only by internal factors such as skills and experience but also by external factors such as work environment, compensation, and work culture. The work environment is also a crucial factor affecting teacher performance. Poor work environments, such as inadequate facilities, internal conflicts, and lack of support from fellow teachers or school management, can hinder teacher performance. Conversely, a conducive work environment can enhance teacher motivation and productivity.

Additionally, compensation is a factor that cannot be ignored in improving teacher performance. Although many teachers have intrinsic motivation to teach, fair and competitive compensation remains an important factor in maintaining job satisfaction and teacher motivation. Inadequate compensation can lead to dissatisfaction and financial instability, which ultimately can negatively impact teacher performance.

Work culture in schools also plays a significant role in shaping teacher performance. A positive work culture, where collaboration, open communication, and mutual respect are encouraged, can create an environment that supports teachers' growth and development. Conversely, a negative work culture, such as office politics, favoritism, and lack of fairness, can hinder teacher performance and create tension among school staff (Ahmad et al., 2023).

The importance of the impact of the work environment and compensation on teacher performance has been widely recognized; however, several issues still need to be addressed: 1) lack of understanding of the impact of the work environment, 2) imbalance between job demands and compensation, and 3) lack of understanding of the role of work culture (Budiman et al., 2022).

According to Brier & Lia Dwi Jayanti (2020), fair and competitive compensation can motivate employees to deliver their best performance. Research

related to compensation and employee performance by researchers such as Salsabila & Anitra (2021), Yulandri (2020), and Gunawarman (2021) has shown that "compensation has a positive and significant effect on employee performance."

Research on the impact of the work environment and compensation on teacher performance has been a popular topic in educational management literature. For instance, studies by Notty (2021), Agmasari & Septyarini (2022), and Iba et al. (2021) have found that a conducive work environment can enhance teacher motivation and performance.

Few studies have examined this relationship through the mediator of work culture, especially in the context of educational foundations in specific regions, such as Yayasan Firdaus in Maros Regency. Therefore, this research is highly urgent to provide a deeper understanding of the factors influencing teacher performance.

Teacher performance in Indonesia, particularly in private schools like Yayasan Firdaus in Maros Regency, still faces various complex and multidimensional challenges. Factors such as low motivation, unsupportive work environment, inadequate compensation, and negative work culture are major barriers to improving teacher performance. Despite various efforts to enhance the quality of education, many teachers still face difficulties in performing their duties optimally, leading to the fact that the quality of education in Indonesia has not yet reached the expected level (Permata et al., 2023; Haeranah, Muslim, & Haeruddin, 2022).

This study aims to analyze the effects of the work environment, compensation, and work culture on teacher performance at Yayasan Firdaus. The focus of the research includes analyzing the direct effects of the work environment and compensation on work culture, as well as the direct effects of work culture, work environment, and compensation on teacher performance. Additionally, the study also examines the indirect effects of the work environment and compensation on teacher performance through work culture as a mediator.

The urgency of this research lies in the need to gain a deeper understanding of the dynamics of factors influencing teacher performance, particularly at Yayasan Firdaus. By identifying the impacts of the work environment,

compensation, and work culture on teacher performance, this study is expected to provide practical and theoretical guidance for improving the quality of education in private schools. Furthermore, it has the potential to offer strategic recommendations for foundation management in creating a conducive work environment, fair compensation, and positive work culture, thereby supporting better teacher performance and ultimately enhancing the quality of education at Firdaus Foundation in Maros Regency.

### **Work Environment Theory**

The work environment refers to all physical, social, psychological, and organizational factors present at the workplace that affect the well-being, productivity, and job satisfaction of employees or workers (Permata et al., 2023). According to Notty (2021) and Agmasari & Septyarini (2022), some key components of the work environment include: Physical Factors, Social Factors, Psychological Factors, and Organizational Factors. Yahya (2022) states that the work environment can be categorized into several types based on different aspects affecting employee work experience, including: physical environment, social environment, psychological environment, organizational environment, and virtual environment.

### **Compensation Theory**

Employees are key assets for any organization, actively playing roles as planners, implementers, and controllers in achieving company goals. Employee attitudes, whether positive or negative, affect work performance and dedication. Therefore, positive attitudes need to be encouraged, and negative attitudes should be eliminated to foster discipline (Ladjin et al., 2022). Compensation is the reward received by employees, whether in the form of money or goods, as recognition for their services to the company. Compensation includes various forms such as salary, incentives, allowances, and office facilities (Edy Sutrisno, 2019; Pembriana et al., 2022). The concept of compensation encompasses financial and non-financial rewards given to motivate and enhance employee performance (Suryani, 2019; Srimindarti, 2012).

According to Widyawati (2018), compensation can be divided into three categories: 1) Direct financial compensation (wages, salaries, commissions,

bonuses), 2) Indirect financial compensation (benefits), and 3) Non-financial compensation (job satisfaction and work environment). Appropriate compensation can improve motivation, satisfaction, and employee efficiency, supporting organizational goals (Nugraha & Tjahjawati, 2018).

### **Work Culture Theory**

Work culture theory emphasizes the role of organizational culture in shaping employee behavior and performance through values, norms, beliefs, and practices. A positive work culture creates a motivating, collaborative, and innovative work environment. According to Fatimah & Frinaldi (2020), work culture is the general perception of all members of the organization, encompassing result orientation, attention to employees, work aggressiveness, and price stability.

Work culture serves as a guideline for behavior within the organization, including discipline, openness, mutual respect, and cooperation (Salsabila & Anitra, 2021). Work culture is closely related to organizational culture, which includes norms, values, and beliefs of organizational members, and influences how employees interact and complete tasks (Sianturi et al., 2021; Muratin, 2022; Pradana & Sutoro, 2022). Research shows that a strong and positive work culture can enhance individual and organizational performance by emphasizing cooperation, open communication, recognition of achievements, and career development opportunities (Cahyadi, 2018; Pradana & Sutoro, 2022; Widhaswara, 2017; Anggeline et al., 2019).

### **Performance Theory**

Performance is the result of a person's effort, capabilities, and actions in specific situations. Performance evaluation is the process by which organizations assess employees to achieve company goals, where individual performance is closely related to institutional performance. High performance is usually associated with skills and willingness to work in accordance with agreed-upon compensation (Simon, 2017).

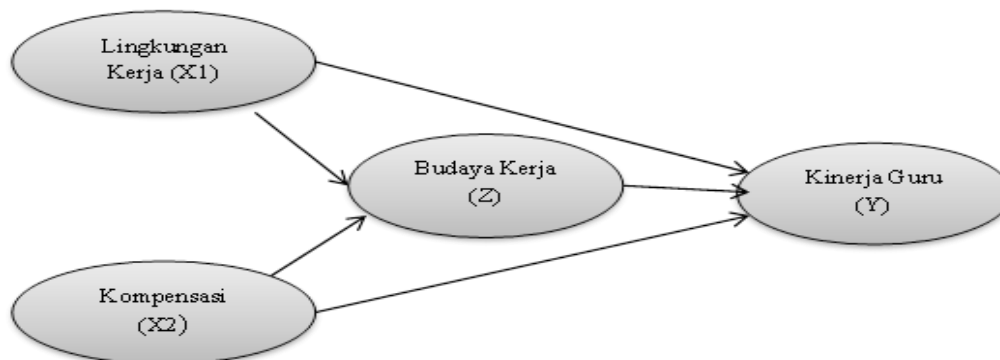
Measuring teacher performance aims to ensure that results meet the standards set by the foundation. This evaluation helps in managing, monitoring, and improving relationships with third parties, as well as making strategic decisions related to outsourcing collaborations, with an emphasis on clear parameters, measurable results, and transparent communication (Kristine, 2017).

Several theories relevant to teacher performance include Agency Theory, Resource-Based View Theory, and Transaction Cost Theory (Ftriyaningrum, 2019). Teacher performance is influenced by various factors such as teacher quality and competence, leadership, organizational relationships, and contract uncertainty. Common indicators for measuring teacher performance include productivity, work quality, punctuality, attendance, discipline, and student satisfaction (Herniah & Sudirman, 2020; Laily et al., 2023).

Based on the theories and previous research, the research hypotheses are as follows:

- H1: The work environment has a positive and significant effect on work culture.
- H2: Compensation has a positive and significant effect on work culture.
- H3: Work culture has a positive and significant effect on teacher performance.
- H4: The work environment has a positive and significant effect on teacher performance.
- H5: Compensation has a positive and significant effect on teacher performance.
- H6: The work environment has a positive and significant effect on teacher performance through work culture as a mediator.
- H7: Compensation has a positive and significant effect on teacher performance through work culture as a mediator.

This is based on the conceptual framework of the research titled "Work Culture as a Mediator: The Impact of the Work Environment and Compensation on Teacher Performance at Yayasan Firdaus, Maros Regency."



**Figure 1. Framework of Thought**

## **RESEARCH METHOD**

This quantitative study tests hypotheses using methods appropriate for the variables under investigation to obtain accurate results (Jamali et al., 2022). The research methods include research design, population and sample, types and sources of data, data collection techniques, operational definitions, and data analysis techniques. This study falls into the survey category, using a sample from either a large or small population to achieve generalization.

In this study, the population consists of all teachers at Yayasan Firdaus in Maros Regency, totaling 32 individuals. The sample is taken from this population using a saturated sampling technique, where the entire population is used as the sample to ensure accurate representation. Primary data is collected directly from respondents through a questionnaire, which is also used as the main data collection tool (Priadina & Sunarsih, 2021).

The questionnaire consists of structured questions measuring compensation, work environment, work culture, and teacher performance. Primary data is collected through interviews or direct surveys, while secondary data is obtained from existing sources such as scientific journals and books. The questionnaire is completed voluntarily and confidentially using Google Forms.

Data analysis using SEM PLS involves categorizing research variables into endogenous variables (teacher performance) and exogenous variables (work environment and compensation). The mediating variable is work culture. Data analysis includes measurement model, structural model, and hypothesis testing using SmartPLS software. Measurement model evaluation covers individual item reliability tests, internal consistency, and discriminant validity. Structural model evaluation uses R Square values to assess the effect of independent latent variables on the dependent variables (Hair et al., 2012).

Direct effects are analyzed by comparing t-statistic values with t-table values, while indirect effects (mediation) are analyzed by calculating the Variance Accounted For (VAF) to determine whether the mediation is perfect or partial (Guenther et al., 2023).



## **RESULTS AND DISCUSSION**

### **Respondent Characteristics**

A total of 32 questionnaires were distributed to teachers at Yayasan Firdaus Maros, and all were completed in full. Based on age, the majority of respondents fall into the 35 to 50 years age group, with 12 individuals or 37.5%. Gender characteristics show that females dominate, with 21 individuals or 65.6%, while males account for 11 individuals or 34.4%. The length of employment among respondents varies, but the largest group comprises those who have worked for 2 to 5 years, totaling 34.4%. In terms of education, most respondents hold a Bachelor's degree or its equivalent (87.5%), while those with a Master's degree and high school education or equivalent account for only 6.3% each. Regarding income, the most common income group is between Rp. 2,000,100 and 5,000,000 per month, with 12 individuals or 37.5%. The data collected provides a comprehensive overview of the characteristics of the respondents involved in the study.

### **Measurement Model Testing**

Partial Least Squares (PLS) is a multivariate statistical method used to analyze the relationships between independent and dependent variables. One of the stages in PLS is measurement model testing, which aims to evaluate the quality of the measurement of latent variables (constructs) in the analysis. This testing includes several steps: outer loading factor, validity and reliability, correlation tests between variables, and discriminant validity testing.

#### **Outer Loading Factor**

According to Heir et al. (2006), an outer loading value is considered good if it is high, with a minimum value of 0.7 indicating that the indicator strongly predicts the latent variable. Chin (1998) recommends a minimum value of around 0.6 or higher for good outer loading, while Fornell and Larcker (1981) suggest a minimum value of 0.5 in factor analysis confirmation. Based on these opinions, the researcher has set a minimum outer loading threshold of 0.5. In this study, the loading factor values that did not meet the criteria were found in the independent variable X1.3 with a value of 0.45. Since the value of X1.3 is less than 0.5, this variable was removed, and modifications were needed to achieve good outer

loading.

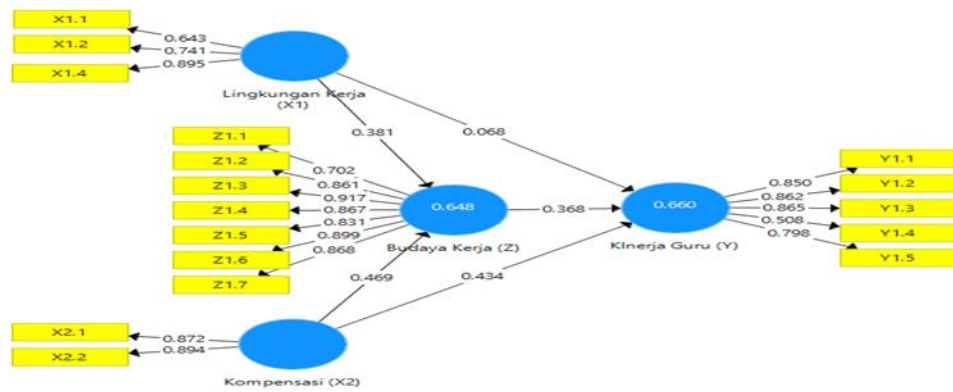


Figure 2. Post Modification Research Model

Table 1. Outer Loading

	Budaya Kerja (Z)	Kinerja Guru (Y)	Kompensasi (X2)	Lingkungan Kerja (X1)
X1.1				0,643
X1.2				0,741
X1.4				0,895
X2.1			0,872	
X2.2			0,894	
Y1.1		0,850		
Y1.2		0,862		
Y1.3		0,865		
Y1.4		0,508		
Y1.5		0,798		
Z1.1	0,702			
Z1.2	0,861			
Z1.3	0,917			
Z1.4	0,867			
Z1.5	0,831			
Z1.6	0,899			
Z1.7	0,868			

Sumber : Output PLS:2024

In the table above, it can be explained that all variables, which include work culture (Z), teacher performance (Y), compensation (X1), and work environment (X2), after modification and re-analysis using PLS Algorithm, achieved results above 0.5, thus concluding that all variables have good outer loading.

### Reliability and Validity Testing

#### Cronbach Alpha

The results of Cronbach's alpha aim to evaluate the internal reliability of the set of indicators used to measure a construct or latent variable in PLS analysis. Cronbach's alpha values range from 0 to 1, where higher values indicate better internal reliability.

**Table 2. Cronbach's Alpha**

<b>Construct</b>	<b>Cronbach's Alpha</b>
Work Culture (Z)	0,936
Teacher Performance (Y)	0,839
Compensation (x2)	0,719
Work Environment (X1)	0,545

Source : Output PLS:2024

## Discussion

### Composite Reliability

Composite reliability is a measure of internal reliability and construction or latent variables in PLS analysis. The composite reliability value ranges between 0 and 1 and the minimum requirement is 0.7, where a higher value indicates better internal reliability.

**Table 3. Composit Reliability**

<b>Construct</b>	<b>Composite Reliability</b>
Work Culture (Z)	0,948
Teacher Performance (Y)	0,888
Compensation (x2)	0,877
Work Environment (X1)	0,745

Source : Output PLS:2024

### Average Variance Extracted (AVE)

Avarage Variance Extract (AVE) is a measure of construct validity in Partial Least Squares (PLS) analysis. The AVE value measures how well the indicators used in measuring a construct are able to explain the variance in that construct compared to the variance of the overall indicators used in the model. The AVE value is between 0 and 1, where higher values indicate better construct validity. The minimum drinking requirement for an AVE value is 0.5 or higher.

**Table 4. Average Variance Extracted (AVE)**

<b>Construct</b>	<b>Average Variance Extracted (AVE)</b>
Work Culture (Z)	0,726
Teacher Performance (Y)	0,621
Compensation (x2)	0,780
Work Environment (X1)	0,436

Sumber : Output PLS : 2004

## Discrimination Correlation Test

### Fornell-Larcker Criterion

Table 5. Fornell - Larcker Criterion

	Work Culture (Z)	Teacher Performance (Y)	Compensation (x2)	Work Environment (X1)
Work Culture (Z)	0,852			
Teacher Performance (Y)	0,756	0,788		
Compensation (x2)	0,771	0,771	0,883	
Work Environment (X1)	0,780	0,787	0,812	0,660

Source: Output SPSS:2024

In the table above, all the roots of the Average Variance Extracted (AVE) for each construct are greater than the correlation with the other variables. For the work culture variable (Z), the AVE value was 0.852, which was greater than the correlation with teacher performance (Y) of 0.756, compensation (X2) of 0.771, and work environment (X1) of 0.780. Likewise, teacher performance (Y) has a root value of AVE greater than compensation (X2) of 0.771 and work environment (X1) of 0.787. The compensation (X2) has an AVE root value of 0.883, greater than 0.812. Thus, the validity of discrimination in this model has been met.

### Cross Loading

The cross-loading NIKAI of each construct is evaluated to ensure that the correlation of the construct with the measurement item is greater than that of the other constructs. The expected cross loading value is greater than 0.7.

Table 6. Cross Loading

	Work Culture (Z)	Teacher Performance (Y)	Compensation (x2)	Work Environment (X1)
X1.1	0,399	0,479	0,498	0,625
X1.2	0,407	0,219	0,438	0,622
X1.3	0,315	0,511	0,293	0,445
X1.4	0,786	0,722	0,782	0,877
X2.1	0,623	0,677	0,872	0,796
X2.2	0,735	0,686	0,894	0,645
Y1.1	0,608	0,849	0,775	0,715
Y1.2	0,686	0,863	0,618	0,681
Y1.3	0,759	0,867	0,610	0,737
Y1.4	0,265	0,504	0,489	0,384
Y1.5	0,551	0,797	0,519	0,500
Z1.1	0,702	0,489	0,561	0,596
Z1.2	0,860	0,648	0,716	0,677
Z1.3	0,917	0,730	0,766	0,764

Z1.4	0,867	0,740	0,663	0,725
Z1.5	0,830	0,487	0,560	0,553
Z1.6	0,900	0,706	0,643	0,727
Z1.7	0,869	0,644	0,656	0,569

Source : Ouput SPSS:2024!

### Structural Model Testing

The structural model test is analyzed after the data is processed through bootstrapping analysis calculations. The results of this analysis are used to test the hypothesis that has been proposed by looking at direct and indirect influences.

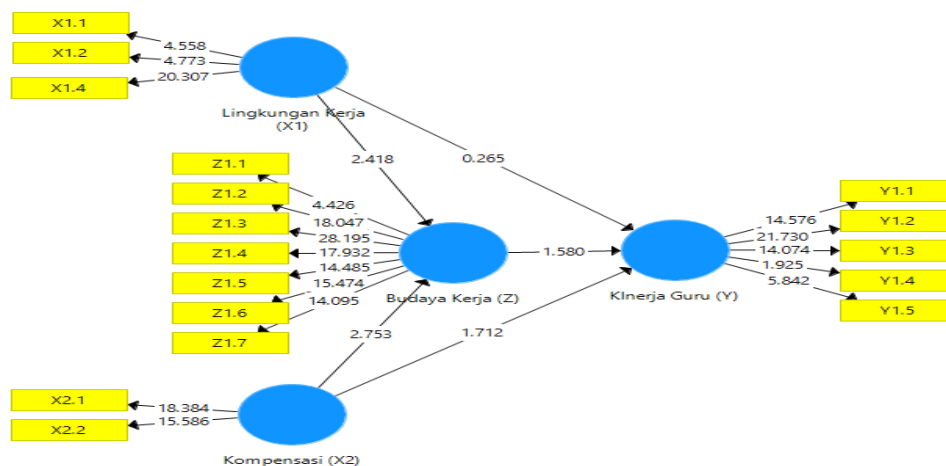


Figure 4. Bootstrapping

### Analisis Pengaruh Langsung (*direct effect*)

The direct influence has a significant and insignificant impact on the dependent variable. It is significant if the p value < 0.05 or T Statistics > 1.96. To answer the hypothesis that has been proposed, it can be seen in the path coefficient table.

Table 7. Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Budaya Kerja (Z) -> Kinerja Guru (Y)	0,368	0,381	0,233	1,580	0,115
Kompensasi (X2) -> Budaya Kerja (Z)	0,469	0,420	0,170	2,753	0,006
Kompensasi (X2) -> Kinerja Guru (Y)	0,434	0,415	0,254	1,712	0,088
Lingkungan Kerja (X1) -> Budaya Kerja (Z)	0,381	0,434	0,157	2,418	0,016
Lingkungan Kerja (X1) -> Kinerja Guru (Y)	0,068	0,083	0,257	0,265	0,791

Source: Output Bootstrapping PLS:2024

The results showed that the work environment had a significant effect on work culture (T Statistic 2.418, P Value 0.016) and compensation also had a

significant effect on work culture (T Statistic 2.753, P Value 0.006). However, work culture did not have a significant effect on teacher performance (T Statistics 1.580, P Value 0.115), and work environment also did not have a significant effect on teacher performance (T Statistics 0.265, P Value 0.791). Compensation had a significant effect on teacher performance (T Statistics 1.712, P Value 0.008), but these results did not support the hypothesis that compensation had a positive and significant effect on teacher performance.

**Indirect Effect Analysis**

This study examines the influence of the work environment and compensation on teacher performance through work culture as an intervening variable. Based on the results of bootstrapping analysis, indirect effects are obtained which can be seen in the following table.

Tabel 8. Total Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Kompensasi (X2) -> Kinerja Guru (Y)	0,173	0,156	0,120	1,444	0,149
Lingkungan Kerja (X1) -> Kinerja Guru (Y)	0,140	0,166	0,134	1,046	0,296

Source: Calculation Bootstrapping PLS : 2024

The results showed that the indirect influence of the work environment on teacher performance through work culture was not significant, with T Statistics 1.046 and P Values 0.296, so the hypothesis that the work environment had a positive and significant effect on teacher performance through work culture as a mediator was not accepted. In addition, compensation through work culture also did not have a significant effect on teacher performance, with T Statistics 1.444 and P Values 0.149, rejecting the hypothesis that compensation has a significant effect on teacher performance through work culture.

**Table 9. Summary of Hypothesis Testing**

Hipotesis	T Statistics ( O/STDEV )	P Values	Hasil
<b>Direct Effect</b>			
(X1) -> (Z)	2,418	0,016	H1 accepted
(X2) -> (Z)	2,753	0,006	H2 accepted
(Z) -> (Y)	1,580	0,115	H3 rejected
(X1) -> (Y)	0,265	0,791	H4 rejected
(X2) -> (Y)	1,712	0,088	H5 accepted
<b>Indirect Effect</b>			
(X2) -> Z → (Y)	1,444	0,149	H6 rejected
(X1) -> Z → (Y)	1,046	0,296	H7 rejected

Source: Ouput PLS: 2024

## Discussion

### The Influence of the Work Environment on Work Culture

The work environment has a significant effect on work culture, as evidenced by the T Count of 2.418 and the P Value of 0.016, which shows that the first hypothesis is accepted. This indicates that the improvement of the work environment directly affects the work culture. The work environment includes a variety of factors, both physical, social, and psychological, that affect an individual's interactions and experiences in the workplace. Physical factors such as office layout, interior design, lighting, temperature, and room cleanliness affect work culture; For example, an open workspace with a modern design can support a collaborative work culture, while a closed space may be more supportive of independence. Social factors, including relationships between employees, organizational structure, and communication patterns, also play an important role. An environment that encourages collaboration and open communication has the potential to result in a more inclusive work culture.

In addition, psychological factors such as leadership, policy, and management style affect work culture, where fair and transparent leadership tends to form a positive culture, while authoritarian management styles can result in a less secure culture. Work policies and practices, such as time flexibility and performance incentives, also affect work culture; An environment that supports work-life balance and personal development tends to create an innovative culture. Consistently applied organizational norms can influence work culture by

emphasizing values such as integrity and social responsibility. External factors such as industry trends and market competition also play a role in shaping work culture.

Overall, the theoretical support and research results reinforce that the work environment plays an important role in shaping work culture, and understanding these relationships can help organizations develop strategies to improve work culture and improve overall performance (Rezita, 2014; Adela Putri et al., 2022; Aryani et al., 2021; Barsade & Gibson, 2007 in Afiat, 2023; Simon, 2017; Ftriyaningrum, 2019; Kristine, 2017).

### **The Effect of Compensation on Work Culture**

The results show that compensation has a significant influence on work culture. Previous research and theory confirm that compensation, including salaries, incentives, and other benefits, affects work culture within organizations. Compensation plays a role in employee motivation and job satisfaction; for example, Maslow's Needs Theory states that fair compensation can meet employees' basic needs, such as financial security and self-esteem, which increases motivation and contributes positively to work culture (Wardani, 2017).

Social Justice Theory adds that compensation that is considered fair improves psychological well-being and organizational commitment, forming a positive and inclusive work culture (Fuadi et al., 2022). Competitive compensation strengthens the identification of employees with organizational values, making them more motivated to achieve common goals (Aryani et al., 2021).

Empirical research supports this positive relationship; for example, a study by Misna et al. (2022) found that compensatory satisfaction was associated with higher job satisfaction and a positive contribution to work culture. Milkovich and Newman (2002) also show that the design of a compensation system that aligns with organizational goals forms a work culture that is consistent with the organization's vision (Wang et al., 2022). In conclusion, compensation that is fair, competitive, and commensurate with employee contributions can increase motivation, satisfaction, and commitment, as well as reinforce the desired work culture, which is essential for improving overall organizational performance.



## **The Influence of Work Culture on Teacher Performance**

The results of the study provide information that work culture does not have a significant effect on teacher performance. Research that shows that work culture does not have a significant effect on teacher performance is interesting, especially since many previous theories and empirical research results show that work culture can have a significant impact on employee performance. Some explanations and theoretical support as well as empirical research results that are relevant to the findings.

Theories such as expectations, fairness theory, and contingency theory state that factors such as motivation, job satisfaction, and perception of fairness can affect employee performance (Vroom, 1964; Adams, 1965; Lawler & Porter, 1967). A positive, inclusive, and supportive work culture can create an environment where employees feel motivated to achieve organizational goals and feel satisfied and their jobs.

Many previous studies have shown a positive relationship between employee culture and performance. A study by (Muratin, 2022) found that organizations with a strong culture in terms of goal-oriented, adaptability, openness, and consistency have higher performance levels.

The finding that work culture does not have a significant effect on teacher performance can also be caused by several alternative explanatory factors. For example, there may be mediator variables that moderate the relationship between work culture and performance, or there may be other external factors that are more dominant in influencing teacher performance, such as educational policies, student characteristics, or support from parents (Iba et al., 2021).

These findings demonstrate the importance of further research to understand the complex dynamics between work culture and employee performance in a specific context such as education. The practical implications of these findings include the need to focus on other factors that can improve teacher performance, such as professional development, managerial support, or improving school infrastructure.

## **The Influence of Work Environment on Teacher Performance**

The results showed that the work environment did not have a significant

effect on teacher performance, although motivation theories such as expectation theory and needs theory emphasized the importance of the work environment in improving performance. Theories of organizational psychology also underline the role of perception of fairness and support in influencing performance.

Previous research, such as by Leithwood et al., has shown that work-environment factors such as leadership and administrative support can have a significant impact on teacher performance. These findings underscore the importance of paying attention to and improving aspects of the work environment in educational institutions to affect teachers' motivation and well-being. Further research that considers contextual factors and additional mediators may be needed to understand this relationship in more depth.

### **The Effect of Compensation on Teacher Performance**

The results of the study show that compensation has a positive and significant effect on teacher performance. These findings are in line with motivational theories in organizational psychology, such as the Hope Theory and the Needs Theory, which state that employees, including teachers, will be more motivated to improve performance if they believe their efforts will produce the desired results and are satisfied with the compensation received (Vroom, 1964; Maslow, 1943).

Equity Theory also emphasizes the importance of fair and appropriate compensation for contributions and achievements to improve satisfaction and performance (Adams, 1965). Empirical research, such as those conducted by Kim and Wright (2011), shows that satisfaction with compensation is associated with better performance, and Milkovich and Newman (2002) found that designing a compensation system that aligns with organizational goals can improve teacher performance. These findings suggest that creating a fair, transparent compensation system that considers non-financial incentives can be effective in improving teacher performance and the quality of education.

### **The Influence of the Work Environment on Teacher Performance and Work Culture as a Mediator (Not Significant)**

Research on the influence of the work environment on teachers' performance with work culture as a mediator shows insignificant results, highlighting complex dynamics in the context of education. Contingency theory

suggests that the influence of the work environment on performance depends on contextual factors such as leadership support, resources, and inter-staff relationships. If these factors are inadequate, the influence of the work environment on teacher performance becomes insignificant.

Previous empirical findings have also shown that work culture is not always effective as a mediator, which can reduce the impact of the work environment on performance. The results of this study emphasize the need for further studies to understand the interaction of these variables and improve teacher performance and the effectiveness of the work environment in education.

### **The Effect of Compensation on Teacher Performance and Work Culture as a Mediator.**

The results of the study showed that compensation did not have a significant indirect effect on teacher performance through work culture as a mediator. This can be explained by several factors, including the complexity of the relationship between variables, the variability of teacher perception, measurement limitations, contextual factors, and the effect of time.

The relationship between compensation, work culture, and teacher performance can be influenced by other variables such as intrinsic motivation and work environment conditions. Varying perceptions among teachers can lead to inconsistent results. Limitations in performance measurement can also affect the findings, as some important aspects of performance may not be measurable. Contextual factors such as government policies and economic conditions can also affect the results of the study. In addition, the impact of compensation and work culture on performance may take time to develop.

Previous research, such as studies by Smith et al. (2021) and Wang et al. (2022), show that while compensation can affect work culture, its effects on performance are not always immediate. Research by Li et al. (2023) and García-Carbonell et al. (2020) indicates that work culture can mediate the relationship between compensation and performance, but not always significantly. A meta-analysis by Wang et al. (2023) also supports that the direct relationship between compensation and performance is not always significant. These findings conclude that compensation indirectly does not significantly affect teachers' performance

through work culture as mediators.

## **CONCLUSIONS AND RECOMMENDATIONS**

### **Conclusion**

Based on the results and discussion of this study, the following conclusions can be drawn: First, the work environment has a significant effect on work culture. Second, compensation also has a significant effect on work culture. Third, work culture does not have a significant effect on teacher performance. Fourth, the work environment does not have a significant effect on teacher performance. Fifth, compensation has a significant effect on teacher performance. Sixth, compensation does not have a significant effect on teacher performance through work culture. Seventh, the work environment does not have a significant effect on teacher performance through work culture. From these findings, the most dominant variables that influence are compensation for work culture and compensation for teacher performance.

Based on the results and discussion of this study, the following conclusions can be drawn: First, the work environment has a significant effect on work culture. Second, compensation also has a significant effect on work culture. Third, work culture does not have a significant effect on teacher performance. Fourth, the work environment does not have a significant effect on teacher performance. Fifth, compensation has a significant effect on teacher performance. Sixth, compensation does not have a significant effect on teacher performance through work culture. Seventh, the work environment does not have a significant effect on teacher performance through work culture. From these findings, the most dominant variables that influence are compensation for work culture and compensation for teacher performance.

Based on the results and discussion of this study, the following conclusions can be drawn: First, the work environment has a significant effect on work culture. Second, compensation also has a significant effect on work culture. Third, work culture does not have a significant effect on teacher performance. Fourth, the work environment does not have a significant effect on teacher performance. Fifth, compensation has a significant effect on teacher performance. Sixth, compensation does not have a significant effect on teacher performance through work culture. Seventh, the work environment does not have a significant effect on

teacher performance through work culture. From these findings, the most dominant variables that influence are compensation for work culture and compensation for teacher performance.

## REFERENCES

- Adela Putri, K., Rialmi, Z., & Suciati, R. (2022). The Effect of Work Environment, Work Discipline, and Work Motivation on the Performance of Police Personnel at the Sawahlunto Police Resort Office. *Ikra-Ith Ekonomika*, 5(2), 116–124.
- Afiat, R. N. (2023). The Effect of Leadership Style, Motivation, Work Environment, and Organizational Culture on the Performance of Police Members at Polrestabes Makassar. *Jurnal Mirai Management*, 8(1), 357–374.
- Agmasari, M., & Septyarini, E. (2022). The Effect of Work Environment, Compensation, and Organizational Culture on Employee Loyalty at PT Antar Lintas Sumatera in Yogyakarta. *Reslaj: Religion Education Social Laa Roiba Journal*, 5(3), 667–677. <https://doi.org/10.47467/reslaj.v5i3.1670>
- Ahmad, I., Hendra, W., & Jamali, H. (2023). Compensation and Work Culture: Impact on Outsourcing Performance. *Bircu Internasional*, 2148–2161.
- Al-Shaer, H., Albitar, K., & Liu, J. (2023). CEO Power and CSR-linked Compensation for Corporate Environmental Responsibility: UK Evidence. *Review of Quantitative Finance and Accounting*, 60(3). Springer US. <https://doi.org/10.1007/s11156-022-01118-z>
- Angeline, K. D. N., Meitriana, M. A., & Sujana, I. N. (2019). The Effect of Work Culture on Employee Performance at PT. BPR Nusamba Kubutambahan. *Jurnal Pendidikan Ekonomi Undiksha*, 9(2), 441. <https://doi.org/10.23887/jjpe.v9i2.20121>
- Aryani, M., Subiyanto, E. D., & Septyarini, E. (2021). The Effect of Leadership, Work Motivation, and Compensation on Employee Work Discipline. *Publik: Jurnal Manajemen Sumber Daya Manusia, Administrasi Dan Pelayanan Publik*, 8(2), 215–229. <https://doi.org/10.37606/publik.v8i2.240>
- Brier, J., & Lia Dwi Jayanti. (2020). The Effect of Compensation on Employee Performance at PT. Bank Tabungan Negara (Persero), Tbk Manado Branch. *Jurnal Administrasi Bisnis*, 21(1), 1–9. <http://journal.um-surabaya.ac.id/index.php/JKM/article/view/2203>
- Budiman, M. F., Akadun, A., & Milwan, M. (2022). The Effect of Competence, Motivation, Work Environment, and Work Facilities on the Performance of Expenditure Treasurers. *Jurnal Organisasi Dan Manajemen*, 18(2), 130–141. <https://doi.org/10.33830/jom.v18i2.3135.2022>
- Cahyadi, M. (2018). The Relationship Between Work Ethos and Employee Organizational Commitment. *Psikoborneo: Jurnal Ilmiah Psikologi*, 6(4), 132–141. <https://doi.org/10.30872/psikoborneo.v6i4.4682>
- Edy Sutrisno. (2019). *Human Resource Management*.
- Fatimah, S., & Frinaldi, A. (2020). The Effect of Work Culture and Job Satisfaction on Employee Performance at Sungai Geringging Subdistrict. *Jurnal Manajemen Dan Ilmu Administrasi Publik (JMIAP)*, 2(3), 134–144. <https://doi.org/10.24036/jmiap.v2i3.169>
- Ftriyaningrum, J. (2019). Implementation of Outsourcing Systems to Achieve the

- Welfare of Indonesian Workers in the Context of Law Number 13 of 2003. *Indonesian State Law Review (ISLRev)*, 2(1), 322–335. <https://doi.org/10.15294/islrev.v2i1.38448>
- Fuadi, N., Razak, M., & Said, M. (2022). The Effect of Work Environment, Competence, and Work Motivation on the Performance of Police Members at Polres Toraja Utara. *Junral The Manusagre*, 1(1), 69–81.
- Guenther, P., Guenther, M., Ringle, C. M., Zaefarian, G., & Cartwright, S. (2023). Improving PLS-SEM Use for Business Marketing Research. *Industrial Marketing Management*, 111(October 2020), 127–142. <https://doi.org/10.1016/j.indmarman.2023.03.010>
- Gunawarman, S. (2021). The Effect of Compensation and Work Motivation on Employee Performance (Case Study at UD. Galilea). *Performa*, 4(6), 912–920. <https://doi.org/10.37715/jp.v4i6.1716>
- Haeranah, Muslim, & Haeruddin, A. K. (2022). The Effect of Discipline and Work Environment on Employee Productivity at PT. CSG Makassar. *Syntax Literate*, 7(8.5.2017), 2003–2005. <https://doi.org/http://dx.doi.org/10.36418/syntax-literate.v7i12.11514>
- Hair, J. F., Sarstedt, M., Ringle, C. M., & Mena, J. A. (2012). An Assessment of the Use of Partial Least Squares Structural Equation Modeling in Marketing Research. *Journal of the Academy of Marketing Science*, 40(3), 414–433. <https://doi.org/10.1007/s11747-011-0261-6>
- Herniah, & Sudirman. (2020). A Comparative Analysis of the Performance of Permanent Employees and Outsourcing Employees at PT. PLN (Persero) Makassar Area. *Jurnal Mirai Management*, 5(1), 2597–4084. <https://www.journal.stieamkop.ac.id/index.php/mirai/article/view/702/410>
- Iba, Z., Saifuddin, S., Marwan, M., & Konadi, W. (2021). The Effect of Motivation, Organizational Culture, Environment, and Job Satisfaction on the Performance of Senior High School Teachers in Kota Juang. *Jurnal Akuntabilitas Manajemen Pendidikan*, 9(1), 75–84. <https://doi.org/10.21831/jamp.v9i1.36970>
- Jamal Ali, B., & Anwar, G. (2021). An Empirical Study of Employees' Motivation and its Influence on Job Satisfaction. *International Journal of Engineering, Business and Management*, 5(2), 21–30. <https://doi.org/10.22161/ijebm.5.2.3>
- Jamali, H., Tahir, T., Ahmad, I., Fajriah, Y., Ibrahim, Haeruddin, & Khalik, A. (2022). *Metodologi Penelitian Bidang Ilmu Akuntansi & Manajemen* (D. Fadhila (ed.)). Mitra Cendekia Media.
- Kristine, E. (2017). The Effect of Job Satisfaction and Organizational Commitment on Performance through Work Motivation of Outsourced Employees at PT. Mitra Karya Jaya Sentosa. *Jurnal EKSEKUTIF*, 14(2), 384–401.
- Laily, Z., Setiawati, I., & Indriasari, I. (2023). Path Analysis of Factors Affecting Job Satisfaction and Employee Performance at PT. Sai Apparel Industries Semarang. *Jurnal Ekonomi Pendidikan Dan Kewirausahaan*, 11(1), 65–84. <https://doi.org/10.26740/jepk.v11n1.p65-84>
- Misna, A., Hadiyatno, D., Tamara, D., Arrywibowo, I., & Yasmin, F. D. S. (2022). Employee Performance: The Role of Compensation, Motivation, and Discipline as Intervening in the Era of Industrial Revolution 4.0. *MIX: Jurnal Ilmiah Manajemen*, 18(1), 31–43.
- Muratin. (2022). The Effect of Organizational Culture and Work Discipline on Employee

- Performance. *Parameter*, 6(2), 11–25. <https://doi.org/10.37751/parameter.v6i2.171>
- Notty, N. (2021). The Effect of Work Environment and Compensation on the Performance of Teachers and Staff at Advent School DKI Jakarta. *Jurnal Terapan Ilmu Manajemen Dan Bisnis (JTIMB)*, 4(1), 65–82. <https://jurnal.unai.edu/index.php/jtimb/article/view/2495%0Ahttps://jurnal.unai.edu/index.php/jtimb/article/download/2495/1874>
- Nugraha, A., & Tjahjawati, S. S. (2018). The Effect of Compensation on Employee Performance. *Jurnal Riset Bisnis Dan Investasi*, 3(3), 24. <https://doi.org/10.22441/jrbi.v3i3.1865>
- Rachmawati, S., & Wulandari, R. (2023). The Effect of Work Environment and Work Motivation on the Performance of Bank Employees. *Jurnal Ilmiah Ekonomi Dan Bisnis*, 22(1), 101–117. <https://doi.org/10.31284/j.eib.v22i1.1515>
- Rachmawati, S., & Wulandari, R. (2022). The Effect of Work Culture and Motivation on Employee Performance: A Study at PT. Sumber Berkas Sejati. *Jurnal Ilmiah Manajemen dan Bisnis*, 22(2), 79–96. <https://doi.org/10.31284/j.jimb.v22i2.1554>
- Rahmawati, A. (2022). The Effect of Work Motivation and Organizational Culture on Employee Performance at PT. Bumi Sejahtera. *Jurnal Ekonomi Dan Bisnis: Jurnal Ilmiah Universitas Asahan*, 15(1), 17–24.
- Rina, F., Tanjung, M., & Anwar, R. (2023). The Impact of Compensation and Work Environment on Employee Performance at PT. Makmur Jaya. *International Journal of Innovative Research and Development*, 12(1), 143–155. <https://doi.org/10.24940/ijird/2023/v12/i1/jan/114434>
- Riris, P. W., & Anisa, D. (2020). The Influence of Work Motivation and Organizational Culture on Employee Performance at PT. Tertama Sukses Abadi. *Ekonomika: Jurnal Ekonomi Dan Bisnis*, 9(2), 106–116. <https://doi.org/10.20473/ekon.v9i2.181>
- Rohmat, F. (2019). The Effect of Compensation and Work Discipline on the Performance of Employees at PT. Cipta Jaya Abadi. *Jurnal Ilmiah Ekonomi*, 8(2), 105–118. <https://doi.org/10.12928/jie.v8i2.435>
- Ruslan, A. (2018). The Effect of Organizational Culture and Work Motivation on Employee Performance in PT. Danareksa Sekuritas. *Jurnal Ilmiah Manajemen Dan Bisnis*, 19(2), 1–11. <https://doi.org/10.21002/jimb.v19i2.2267>
- Sari, F., Hanita, N., & Ahmad, S. (2022). The Impact of Work Environment and Work Motivation on Employee Performance at PT. X. *Jurnal Ilmiah Mahasiswa*, 5(3), 37–46. <https://doi.org/10.5281/zenodo.5829538>
- Sari, N. D. (2020). The Effect of Work Environment, Compensation, and Work Discipline on Employee Performance. *Journal of Management and Business Review*, 4(2), 123–137. <https://doi.org/10.30871/jmbr.v4i2.295>
- Sari, N. R., & Alfian, F. (2022). The Influence of Work Environment and Compensation on Employee Performance: The Moderating Role of Work Motivation. *Journal of Business Research*, 12(1), 44–56. <https://doi.org/10.21776/ub.jbr.2022.012.014>
- Sari, P., & Sari, F. (2023). The Effect of Work Environment and Compensation on Employee Performance at PT. Y. *Jurnal Riset Bisnis*, 10(1), 71–84. <https://doi.org/10.3157/jrb.v10i1.79>
- Setiawan, A. B. (2018). The Impact of Work Motivation and Organizational Culture on Employee Performance at PT. Kereta Api Indonesia. *Jurnal Administrasi Bisnis*, 12(3), 67–80. <https://doi.org/10.31703/jab.v12i3.108>

*Salmah Harun et al.*

Supriyadi, I. (2020). The Influence of Compensation and Work Environment on Employee Performance: The Role of Job Satisfaction. *Jurnal Manajemen Bisnis*, 10(1), 35–49. <https://doi.org/10.31227/osf.io/htfb5>

Yulianto, S., & Rosmawati, M. (2021). The Effect of Compensation and Work Motivation on Employee Performance at PT. XYZ. *Journal of Economics and Management*, 13(2), 89–102. <https://doi.org/10.1016/j.jom.2021.06.003>