

**THE INFLUENCE OF WORK ENVIRONMENT THROUGH
THE JOB SATISFACTION ON EMPLOYEE PERFORMANCE
AT UBL BANK CHAKWAL CITY MAIN BRANCH**

THESIS

**Submitted to the Faculty of Social and Political Sciences in Partial
fulfillment of the requirements for the Degree of Master of
Business Administration**



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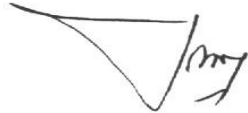
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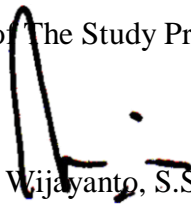
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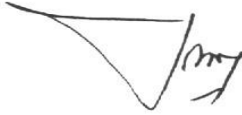
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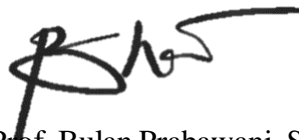
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ABSTRACT

The Influence of Work Environment Through the Job Satisfaction on Employee Performance at UBL Bank Chakwal City Main Branch. By Ali Zain. NIM: 14030121419015. Supervisor 1: Prof. Dr. Drs. Ngatno, MM, Supervisor 2: Dr. Andi Wijayanto, S.Sos, M.Si. Master of Business Administration, Universitas Diponegoro, 2023.

Working environment and Job satisfaction are important elements to determine employee performance. A preliminary survey identified significant challenges faced by employees, such as high noise levels, lack of furniture, long queues during peak times, and dissatisfaction with promotion opportunities and monthly allowances. This study aims to explore the impact of the work environment on employee performance by examining the mediating role of job satisfaction.

The study incorporates several theories from Organizational Behavior. Goal-setting Theory emphasizes mutual goal setting to create a motivating work environment. Expectancy Theory emphasizes aligning employee goals with organizational vision, while McGregor's Theory X and Theory Y highlight the importance of supportive environments. Herzberg's Theory stresses addressing hygiene needs and motivation.

The study was conducted at the UBL Bank Chakwal City Main Branch, and a sample of 70 employees was used. Data was collected through questionnaires, and the analytical method employed was path analysis, involving hypothesis testing (t-test and F-test), coefficient of determination, and Sobel testing.

The findings of the study demonstrate that the work environment has a significant influence on employee performance and job satisfaction. Additionally, job satisfaction significantly impacts employee performance. The Sobel test reveals that job satisfaction partially mediates the effect of the work environment on employee performance, and there is a significant indirect effect of the work environment on employee performance through job satisfaction. However, the magnitude of the indirect effect is smaller than the direct impact of the work environment on employee performance, indicating partial mediation. Consequently, this study concludes that the work environment has a positive and significant effect on employee performance, and job satisfaction partially mediates this impact at the UBL Bank Chakwal City Main Branch.

Keywords: work environment, job satisfaction and employee performance.

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