

ABSTRACT

This study aims to determine and analyze how the influence of the physical work environment on job satisfaction, in addition to whether the physical work environment has an influence on employee loyalty, to determine whether job satisfaction has an influence on employee loyalty, and to determine whether job satisfaction mediates positively and significantly. the influence of the physical work environment on the level of employee loyalty.

In this study, a probability sampling approach was used where this technique is a sampling technique that provides equal opportunities for each member or element of the population to be selected as a sample member. Total population is 182 employees. The data analysis technique used in this study is path analysis using SPSS version 22 as an application used to determine the direct and indirect effects of each variable.

The results of this study are the physical work environment has a positive and significant effect on job satisfaction. Physical work environment can be said to be good, namely if employees can work optimally, healthy, and comfortable. Job satisfaction has a significant positive effect on employee loyalty. Based on the Sobel test, job satisfaction mediating the physical work environment on employee loyalty has a positive and significant effect. The physical work environment has a very strong influence on employee loyalty which can be formed through job satisfaction that employees get from their place of work.

Keyword: *Physical Work Environment, Employee Loyalty, Employee Satisfaction*