

ABSTARCT

This study aims to examine the effect of work environment and work stress on employee performance with work motivation as a mediating variable at PT Pabrik Gula Rajawali II Cirebon.

The research method used is a quantitative approach with data collection techniques through questionnaires and data analysis techniques using Structural Equation Modeling (SEM-PLS) to test the direct and indirect effects between variables and the mediating role of work motivation. The population in this study were all permanent employees of the board of directors' office with a sample size of 120 employees taken using the census technique.

The results showed that work environment, work stress and work motivation have a positive and significant effect on employee performance. In addition, work motivation is proven to mediate the relationship between work environment and work stress on performance. These findings are expected to enrich the literature in the field of human resource management and become a reference in improving employee productivity through the creation of a conducive work environment and effective stress management.

Keywords: Work Environment, Work Stress, Work Motivation, Employee Performance