

ABSTRACT

This research is aimed to know the effect of work engagement and physical work environment towards the performance of the employees through their satisfaction at work as the intervening variable at CV Karunia Ibu Sayid, Yogyakarta. This research uses primary data sources which is taken by using questionnaire to all employees.

This study uses the census method in which all existing populations are taken as samples. The sample which is used in this study are all of the 45 employees who works at CV. Karunia Ibu Sayid. The data analysis technique which is applied in this study is path analysis using the 22nd version of SPSS. This application is used to determine the direct and indirect effects of each variable.

The obtained results after applying statistical test analysis using $\alpha = 0.05$ is that the work engagement has a positive and significant effect on employee performance as well as the physical work environment which has a positive and significant effect to the performance of the employees. In addition, the variable of job satisfaction shows that it gives mediating effect on an indirect relationship which is greater than the variable work engagement and physical work environment on the performance of the employees.

Keywords: Work Engagament, Physical Work Environment, Job Satisfaction, Job Performance