

The Effect of Rewards, Work Environment, and Work Motivation on Employee Engagement Through Job Satisfaction at PT Garuda Utama Persada

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Abstract

Employee engagement has become an important factor in achieving organizational effectiveness because highly engaged employees tend to demonstrate greater commitment, dedication, and contributions toward organizational goals. However, employee engagement can be influenced by various factors, including reward systems, work environments, work motivation, and job satisfaction. This study aims to examine the effect of rewards, work environment, and work motivation on employee engagement through job satisfaction as an intervening variable at PT Garuda Utama Persada. This study employed a quantitative approach with an explanatory research design. The population consisted of 250 permanent employees, with a sample of 154 respondents selected using the Taro Yamane formula. Data were collected through questionnaires using a five-point Likert scale and analyzed using Structural Equation Modeling–Partial Least Squares (SEM–PLS) with SmartPLS software. The results indicate that rewards do not have a significant direct effect on employee engagement, while work environment and work motivation have positive and significant effects on employee engagement. Furthermore, rewards, work environment, and work motivation significantly influence job satisfaction, and job satisfaction positively affects employee engagement. The mediation analysis reveals that job satisfaction significantly mediates the relationship between rewards and employee engagement, as well as between work environment and employee engagement. However, job satisfaction does not significantly mediate the relationship between work motivation and employee engagement. These findings highlight the importance of developing a supportive work environment, strengthening employee motivation, and implementing effective reward systems to enhance job satisfaction and sustain employee engagement.

Keywords: reward system; work environment; work motivation; job satisfaction; employee engagement

INTRODUCTION

Based on the pre-research results, the condition of the work environment at PT Garuda Utama Persada requires further attention from the company's management. As many as 56.7% of respondents stated that the work environment was not fully comfortable and did not adequately support work productivity. In addition, 53.3% of respondents indicated that the available work facilities had not fully supported more effective work processes. These findings indicate that several aspects of the work environment remain suboptimal, including workspace comfort, operational facilities, and work support provided to employees in performing their duties. An unfavorable work environment may reduce employees' active engagement and involvement in their work (Febrianti & Yustini, 2024).

Work motivation is also an important factor influencing employee engagement. According to Robbins and Judge (2022), work motivation is a process that explains the intensity, direction, and persistence of individual efforts in achieving work goals. High levels of work

motivation encourage employees to perform optimally, maintain discipline, and demonstrate enthusiasm in completing tasks according to organizational targets (Ashraf et al., 2024; Riyanto et al., 2021). Based on Herzberg's Two-Factor Theory, work motivation is influenced by intrinsic and extrinsic factors that can enhance employee satisfaction and work engagement (Nusraningrum et al., 2024).

However, the pre-research results indicate that employee work motivation at PT Garuda Utama Persada remains suboptimal. As many as 53.3% of respondents stated that they did not demonstrate high enthusiasm in completing work according to company targets. Furthermore, 56.7% of respondents stated that they were unable to maintain optimal work motivation when facing work pressure and challenges. These findings indicate that some employees experience decreased motivation, particularly when dealing with high workloads and operational pressures. If these conditions are not addressed, they may negatively affect productivity, work quality, and overall employee engagement (Pratama et al., 2023).

Job satisfaction refers to employees' positive emotional responses toward their work, work environment, and organization. According to Robbins and Judge (2022), job satisfaction reflects individuals' positive feelings toward their jobs, which develop through evaluations of various job characteristics. Employees with high levels of job satisfaction tend to feel comfortable, valued, and positive toward their work, thereby increasing their enthusiasm and involvement within the organization (Padmavathi, 2023; Riyanto et al., 2021).

Consistent with the pre-research findings, job satisfaction represents one of the variables indicating challenges among employees of PT Garuda Utama Persada. A total of 56.7% of respondents stated that the working conditions provided by the company had not fully met their expectations. Additionally, 53.3% of respondents reported dissatisfaction with their current work. These findings indicate that employee job satisfaction has not been optimally established. Low job satisfaction may cause employees to feel uncomfortable at work, reduce work enthusiasm, and decrease their involvement in both the organization and their assigned tasks (Susanto et al., 2023).

In this study, job satisfaction is positioned as a mediating variable that explains the relationship between rewards, work environment, and work motivation with employee engagement. Theoretically, fair reward systems, supportive work environments, and high work motivation are expected to enhance employees' satisfaction with their work and organization (Pertiwi, 2025; Prameswari & Sudiro, 2022). Employees who experience higher job satisfaction tend to develop stronger emotional and psychological attachment to their organizations, which subsequently enhances employee engagement. This is supported by Mazzetti et al. (2021), who found that job satisfaction has a positive relationship with employee engagement. Furthermore, Bakker et al. (2023) demonstrated that job resources, such as rewards and work environment factors, can improve job satisfaction, which subsequently influences employee engagement. Similarly, research by Baskoro et al. (2024) and Malinda et al. (2025) found that work motivation and work environment positively influence job satisfaction, which can further enhance employee engagement.

Although previous research has examined the relationships among rewards, work environment, work motivation, job satisfaction, and employee engagement, most studies have focused on manufacturing, education, banking, and healthcare sectors (Al-Manakhi & Alzubi, 2022; Marleyna et al., 2022; Thabit et al., 2022). In addition, previous studies have primarily been conducted in organizations with administrative and professional work characteristics, resulting in limited research within the context of security service companies (Badan Usaha Jasa Pengamanan [BUJP]). Security service companies have unique job characteristics, including shift-based work systems, high operational pressure, strict discipline requirements, and direct interaction with diverse and dynamic client environments. These characteristics indicate that the factors influencing employee engagement in security service companies may differ from those in other industrial sectors.

Furthermore, previous research has generally examined only the direct effects of rewards, work environment, or work motivation on employee engagement without positioning employee engagement within a mediation model. Thabit et al. (2022) found that rewards positively influence employee engagement, while Marleyna et al. (2022) and Squirting (2025) demonstrated that work environment and work motivation contribute to increased employee engagement. However, these studies were conducted separately and rarely integrated the three independent variables into a single research model with job satisfaction as a mediating variable. Theoretically, job satisfaction plays an important role as a psychological mechanism that explains how rewards, work environment, and work motivation contribute to improving employee engagement.

Research regarding job satisfaction as a mediating variable also remains limited, particularly within the context of security service companies in Indonesia. Most previous studies have positioned job satisfaction as an independent variable rather than as a mediator that explains the relationship between organizational factors and employee engagement (Hakro et al., 2022; Riyanto et al., 2021; Susanto et al., 2023). Therefore, further research is needed to examine the role of job satisfaction in strengthening the relationship between rewards, work environment, and work motivation on employee engagement, especially in organizations characterized by operational work demands and high work pressure, such as PT Garuda Utama Persada.

Therefore, this research is important to address the existing research gap and provide empirical contributions to understanding the factors influencing employee engagement in security service companies. This research also has practical significance for PT Garuda Utama Persada's management in developing more effective human resource management strategies, particularly in improving job satisfaction and employee engagement through appropriate reward systems, supportive work environments, and enhanced employee motivation. Based on this background, the researcher conducted a study entitled "The Influence of Rewards, Work Environment, and Work Motivation on Employee Engagement Through Job Satisfaction at PT Garuda Utama Persada."

The pre-research findings indicate that employee engagement at PT Garuda Utama Persada remains suboptimal. This condition is reflected in employees' limited involvement in

work processes, idea generation, and contributions to organizational improvement. Furthermore, several employees demonstrated insufficient job satisfaction, as indicated by dissatisfaction with working conditions and their assigned responsibilities. These findings suggest that the company continues to face challenges in strengthening employees' emotional and psychological attachment to their work and organization.

In security service companies such as PT Garuda Utama Persada, employee engagement is particularly important because employees are required to demonstrate discipline, responsiveness, and operational effectiveness across various client work environments. However, several challenges remain, including low work enthusiasm, limited teamwork involvement, and insufficient organizational attachment. These conditions may be influenced by various factors, including inadequate reward systems, unsupportive work environments, and suboptimal work motivation. Furthermore, employee job satisfaction represents an important factor that may influence overall employee engagement.

Based on the formulated research questions, this study aims to examine and analyze the influence of rewards, work environment, and work motivation on employee engagement, both directly and indirectly through job satisfaction as a mediating variable among employees of PT Garuda Utama Persada. This research is expected to provide theoretical and practical contributions. Theoretically, this study contributes to human resource management literature by examining the relationships among reward systems, work environment, work motivation, job satisfaction, and employee engagement within the context of security service companies, an underexplored sector characterized by operational demands such as shift work, high work pressure, and dynamic client environments. By integrating these variables into a single mediation model, this research extends the application of Social Exchange Theory and the Job Demands–Resources (JD-R) Model in explaining how organizational resources and motivational factors contribute to employee engagement through job satisfaction. Practically, this research provides valuable insights for PT Garuda Utama Persada's management in developing effective human resource strategies to enhance employee engagement through optimizing reward systems, creating supportive work environments, strengthening work motivation, and improving job satisfaction. In addition, this research may serve as a reference for human resource practitioners in security service companies and similar organizations when designing interventions to foster sustainable employee engagement, as well as for future researchers exploring related topics across broader contexts, industries, and variables.

METHOD

Types of Research

This research employed a quantitative approach with an explanatory research design to examine causal relationships among variables, namely reward (X1), work environment (X2), and work motivation (X3) as independent variables; employee engagement (Y) as the dependent variable; and job satisfaction (Z) as a mediating variable. Data were collected using a closed-ended questionnaire with a five-point Likert scale to measure respondents' perceptions of the

research variables. The research was conducted at PT Garuda Utama Persada, a security service company located in South Jakarta, which was selected due to its organizational characteristics emphasizing discipline and hierarchical structures relevant to the study context.

Research Time and Place

This research was conducted at PT Garuda Utama Persada which is located at Jl. Kecapi No.1, RT.9/RW.5, Jagakarsa, South Jakarta, DKI Jakarta 12620. The selection of the research location is based on the suitability of organizational phenomena with the research variables, namely *reward*, *work environment*, *work motivation*, *job satisfaction*, and *employee engagement*.

Population and Sample

Population

The population in this study comprises all 250 permanent employees of PT Garuda Utama Persada, as all personnel have direct relevance to the variables studied, namely Reward, Work Environment, Work Motivation, Job Satisfaction, and Employee Engagement. The sample size was determined using the Taro Yamane formula with a 5% margin of error, yielding a minimum of 154 respondents (61.6% of the population). Proportional stratified sampling was then applied to ensure representation across six divisions: Operational Division (46 respondents, 29.87%), Engineering Division (34 respondents, 22.08%), Security Division (25 respondents, 16.23%), Administration Division (18 respondents, 11.69%), Finance Division (16 respondents, 10.39%), and General Affairs Division (15 respondents, 9.74%). This proportional distribution ensures that each division is represented according to its population size, enabling comprehensive and representative findings across all organizational units of PT Garuda Utama Persada.

Data Collection Techniques

The data collection technique in this study was carried out through a survey method using a closed questionnaire instrument which was distributed online through *the Google Form platform*. The questionnaire was compiled based on indicators that have been adapted from previous studies and designed to measure 5 main variables, namely *reward*, *work environment*, *work motivation*, *job satisfaction*, and *employee engagement*.

Online data collection was chosen because it provides flexibility for respondents to fill out questionnaires anytime and anywhere without having to be physically present. In addition, the online method is considered more efficient in terms of time, cost, and ease of distribution, especially because the study respondents are in an operational work environment that has quite high work mobility. Respondents in this study are employees of PT Garuda Utama Persada who will be contacted directly to obtain a link to the research questionnaire.

The questionnaire instrument used a 5-point Likert scale, where respondents were asked to rate each statement with a score ranging from 1 (strongly disagree) to 5 (strongly agree). The use of the Likert scale aims to facilitate the measurement of respondents' perceptions, attitudes, and experiences of the variables being studied.

Data Analysis Techniques

Data analysis techniques are basically stated as an approach that is used for processing research results for drawing conclusions (Scott, 2022)). The data analysis technique in this study uses descriptive analysis, using the *Structural Equation Modeling* (SEM) based *Partial Least Square* (PLS) with the help of *Software SmartPLS*. The SEM-PLS approach was chosen because it is able to analyze the relationships between latent variables simultaneously, including testing direct and indirect relationships (mediation), and does not require strict normal data distribution.

Based on Hair et al. (2021), SEM-PLS is an appropriate analysis method used in predictive and exploratory research with complex models, as well as a relatively limited number of samples. Therefore, this method is in accordance with research that tests the influence of *Reward*, *Work environment*, *Work Motivation*, against *employee engagement* through *Job Satisfaction* as a variable *Intervening*.

Descriptive Analysis

In this study, the researcher conducted a descriptive analysis to provide an overview of the characteristics of respondents and the distribution of answers to the research variables, namely *reward*, *work environment*, *work motivation*, *job satisfaction*, and *employee engagement*. The analysis aims to determine the tendency of respondents' perception of each variable studied.

The data obtained through the questionnaire was processed by calculating the mean, minimum value, maximum value, and standard deviation on each indicator and variable. In addition, the researcher also used frequency and percentage distributions to describe the profile of respondents and the pattern of answers given. The measurement of variables in this study uses a five-point Likert scale, so that the results of descriptive analysis can be categorized into certain assessment levels, such as very low to very high. This categorization is used by researchers to facilitate data interpretation and provide a clearer picture of the condition of each variable. In other words, descriptive analysis in this study is used as an initial stage to understand the characteristics of the data before the researcher proceeds to inferential analysis using the SEM-PLS method.

Validity and Reliability Tests

Validity and reliability tests are carried out to ensure that the research instrument is able to measure variables accurately and consistently. In this study, the validity test uses the construct validity approach (*construct validity*) with the PLS method through *Software SmartPLS*. Validity is measured through convergent and discriminant validity, with value criteria *Loading Factor* ≥ 0.70 and *Average Variance Extracted (AVE)* ≥ 0.50 , and the indicator must have a higher correlation to its construct than other constructs. Furthermore, the reliability test is used to measure the consistency of the instrument by looking at the value *Cronbach's Alpha* and *Composite Reliability*, each of which must be ≥ 0.70 (Hair et al., 2021)). Instruments are declared feasible if all indicators meet the criteria of validity and reliability. If there are items that do not meet the criteria, they will be eliminated so that the research results are more accurate and accountable.

RESULTS AND DISCUSSION

Outer Model

This study relies on the *Higher-Order Construct* (HOC) approach or *Second-Order Construct* with a *reflective-reflective hierarchical component model*. In this approach, each major construct is formed by several dimensions (*first-order construct*), then each dimension is reflected by a number of measurement indicators. Thus, the measurement model evaluation process is carried out in stages to ensure that both the indicator and the dimensions are able to represent the measured construct validly and reliably.

The *second-order construct* analysis in this study was carried out using a *disjoint two-stage approach*. In the first stage (*Stage 1*), a test was carried out on the *first-order construct* measurement model to obtain *latent variable scores* from each dimension. At this stage, the *convergent validity*, *discriminant validity*, and reliability of the relevant construct are evaluated. All indicators that meet the criteria at this stage are then used to generate a latent score for each dimension.

Furthermore, in the second stage (*Stage 2*), the latent score of each dimension is used as an indicator of forming a *second-order construct*. Therefore, the evaluation of the *outer model* at this stage aims to ensure that the dimensions that make up each major construct have met the requirements of validity and reliability. The test is carried out through the evaluation of the *outer loading value* to test the validity of the convergence, the *Average Variance Extracted* (AVE) to measure the constructability of explaining the variance of the indicator, *Cross Loadings*, the *Fornell Larcker Criterion*, and the *Heterotrait Monotrait Ratio* to test the discriminant validity, as well as *Cronbach's Alpha* and *Composite Reliability* to assess the internal consistency of the construct. The *outer research model* is presented as follows:

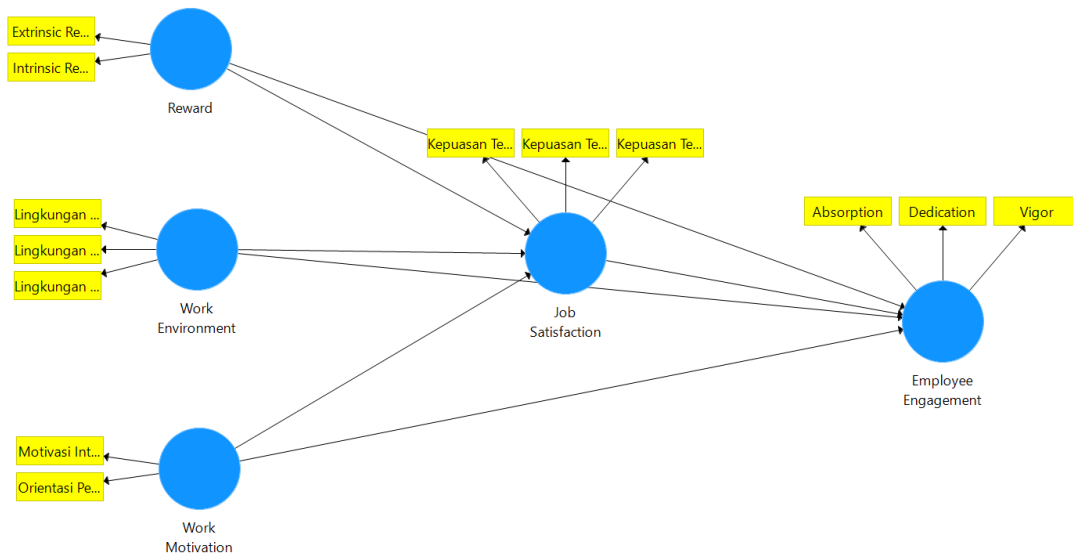


Figure 1. Outer Model

Source: Primary data processed by researchers, 2026

Convergent Validity

Convergent validity used to assess the extent to which a dimension or indicator has a strong relationship with the construct being measured. The indicator is declared to meet the convergent validity if it has *Outer Loading* above 0.70 (Hair et al., 2021).

It is known that all items have completely met the *outer loading* requirements, as the overall value is greater than 0.7.

Furthermore, a construct is also declared to meet the convergent validity if the AVE value is above 0.50 (Hair et al., 2021).

It is known that all variables are valid convergently because the AVE value is greater than 0.5.

Discriminatory Validity

Tests on the validity of the discriminant are carried out to ensure that each construct in the model is completely different from the other. Discriminatory validity testing is carried out using several main criteria, including *cross loadings*.

It is known that each dimension has a greater *cross loading* value at the time of testing with the variable in question, compared to when tested with other variables. This means that the *criteria for cross loadings* have been met well.

As a next step, the researcher also analyzed the value of the *Fornell-Larcker Criterion*, where the goal is to ensure that each construct has an adequate level of difference from the other constructs, so that each construct actually measures a different concept. The *Fornell-Larcker* criterion is met if the square root value of AVE in each construct is greater than the correlation value between the construct and the other constructs.

Each variable has a higher Fornell-Larcker value when it is associated with its own variable. This means that these criteria have been completely met.

Then, the researcher also conducted an analysis of the acquisition of HTMT scores. HTMT Value which is below 0.90 indicates that the two constructs have an adequate empirical difference (Purwanto & Sudargini, 2021).

The HTMT value still indicates a number greater than 0.9. This does not meet the HTMT criteria. However, considering that the results of *cross loadings* and *fornell-larcker* have been met, it can be concluded that the model is discriminatically valid.

Construct Reliability

Reliability and validity testing of the construct is carried out through the *Cronbach Alpha* and *Composite Reliability*. The construct is declared reliable if the value of *Cronbach Alpha* and *Composite Reliability* is above 0.70 (Purwanto & Sudargini, 2021).

It is known that all the variables have indicated a reliability value above 0.7, so it means that it is really reliable.

Inner Model

After the measurement model meets the criteria of validity and reliability, an *internal evaluation* of the model is carried out to determine the model's ability to explain the relationship between variables. This evaluation includes *testing the path coefficient, indirect effect, r-square*,

f-square, as well as testing the *fit model* in which there are SRMR and NFI tests. The structural modeling intended in this study is presented in Figure 4.2 as follows:

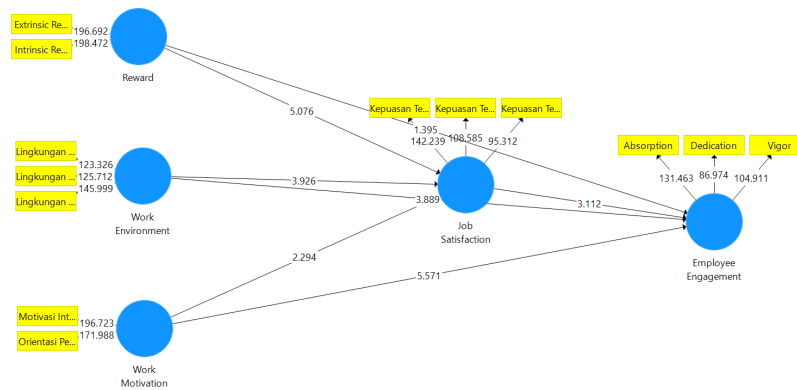


Figure 2. Inner Model

Source: Primary data processed by researchers, 2026

Path Coefficient

Analysis *Path Coefficient* carried out to find out the magnitude of the influence *Reward*, *Work environment*, and *Work Motivation* against *Job Satisfaction*, as well as the influence of each independent variable and *Job Satisfaction* against *employee engagement*. Hypothetical decisions are based on values *t-statistic*, *p-value*, and *Original Sample (Path Coefficient)*. The hypothesis is stated to be acceptable when the value *t-statistic* ≥ 1.96 , *p-value* ≤ 0.05 , as well as the direction of the path coefficient according to the proposed hypothesis (Purwanto & Sudargini, 2021).

The results showed that *rewards* had a positive but insignificant effect on *employee engagement*, with a path coefficient value (*original sample*) of 0.112, a *t-statistics* value of 1.358, and a *p-value* of 0.175. T-statistics values smaller than 1.96 and *p-values* greater than 0.05 indicate that increased *rewards* have not been able to significantly increase *employee engagement*. Thus, H1 in this study was rejected.

Furthermore, *the work environment* has a positive and significant effect on *employee engagement* with a path coefficient of 0.311, a *t-statistical* value of 3.781, and a *p-value* of 0.000. Therefore, H2 is declared accepted. *Work motivation* also has a positive and significant effect on *employee engagement*, which is shown by the path coefficient value of 0.328, *t-statistics* value of 5.110, and *p-values* of 0.000. In other words, H3 is declared accepted.

The results of the next test showed that *rewards* had a positive and significant effect on *job satisfaction*, with a path coefficient value of 0.447, a *t-statistics* value of 4.870, and a *p-value* of 0.000. Therefore, H4 was declared accepted. The *work environment variable* was also proven to have a positive and significant effect on *job satisfaction*, with a path coefficient of 0.343, a *t-statistical* value of 3.940, and a *p-value* of 0.000. Therefore, H5 was declared accepted.

In addition, *work motivation* has a positive and significant effect on *job satisfaction*, with a path coefficient of 0.184, a *t-statistical* value of 2.303, and a *p-value* of 0.022. Therefore, H6 was accepted. Finally, *job satisfaction* was proven to have a positive and significant effect on

employee engagement, with a path coefficient value of 0.236, a *t-statistics* value of 2.955, and a *p-value* of 0.003. Therefore, H7 in this study was declared accepted.

Indirect Effects

The next stage is to test the indirect influence (*Indirect effect*) to find out if *Job Satisfaction* acting as an intervening variable in the relationship between *Reward*, *Work environment*, and *Work Motivation* against *employee engagement*. Testing is pursued through results *Bootstrapping* to the mediation route. Hypothetical decisions are based on values *t-statistic*, *p-value*, and *Original Sample (Path Coefficient)*. The hypothesis is stated to be acceptable when the value *t-statistic* ≥ 1.96 , *p-value* ≤ 0.05 , as well as the direction of the path coefficient according to the proposed hypothesis (Purwanto & Sudargini, 2021).

The results indicated that the indirect effect of *rewards* on *employee engagement* through *job satisfaction* had a path coefficient value (*original sample*) of 0.105, a *t-statistics* value of 2.471, and a *p-value* of 0.014. These results show that *job satisfaction* can be a significant mediating variable in the relationship between *reward* and *employee engagement*. In other words, H8 in this study was declared accepted. Furthermore, the indirect influence of the *work environment* on *employee engagement* through *job satisfaction* has a path coefficient value of 0.081, a *t-statistics* value of 2.419, and a *p-value* of 0.016. These results show that *job satisfaction* is also able to significantly mediate the relationship between *the work environment* and *employee engagement*. Therefore, H9 is accepted.

Meanwhile, the indirect effect of *work motivation* on *employee engagement* through *job satisfaction* has a path coefficient value of 0.043, a *t-statistics* value of 1.671, and a *p-value* of 0.095. These values do not meet the significance criteria because *t-statistics* are smaller than 1.96 and *p-values* are greater than 0.05. Thus, *job satisfaction* has not been proven to mediate the influence of *work motivation* on *employee engagement*. H10 was therefore rejected.

R-Square

Value *R-Square* used to see the ability of exogenous variables to explain endogenous variables (Purwanto & Sudargini, 2021). In this study, the endogenous variables consisted of *Job Satisfaction* and *employee engagement*.

The *adjusted R-Square* value on *job satisfaction* is 0.913. This shows that 91.3% of *job satisfaction* variations can be explained by *rewards*, *work environment*, and *work motivation*, while the remaining 8.7% can be explained by other variables outside the model. Meanwhile, the *R-Square* score in *employee engagement* was 0.928. This shows that 92.8% of *employee engagement* variations can be explained by *rewards*, *work environment*, *work motivation*, and *job satisfaction*, while the remaining 7.2% are influenced by other factors that were not included in the research context.

F-Square

Value *f-Square* used to see the magnitude of the individual contribution of each exogenous variable to the endogenous variable (Purwanto & Sudargini, 2021). Value *f-Square* 0.02 is categorized as small, 0.15 medium, and 0.35 large.

It is known that most of the relationships between variables in the research model have an influence on small categories. This is shown by six pathways that have an F^2 value below 0.15, namely *reward* for *employee engagement* of 0.011, *work environment* for *employee engagement* of 0.102, *work environment* for *job satisfaction* 0.115, *work motivation* to *employee engagement* of 0.137, *work motivation* to *job satisfaction* of 0.037, and *job satisfaction* to *employee engagement* of 0.067. Meanwhile, only *the relationship between reward* and *job satisfaction* has an f^2 value of 0.177 so it is included in the medium category. These results show that *the reward* variable makes a greater contribution to explaining the variation in *job satisfaction* than the relationship between other variables.

Model Fit

The model fit test is carried out to determine the level of suitability of the research model. The measurements used include Standardized Root, Mean Square, Residual and Normed Fit Index. SRMR values below 0.08 indicate a good level of conformity, while NFI values close to 1 indicate a higher model fit (Hair et al., 2021).

The SRMR value of 0.023 is below 0.08, while the NFI value of 0.905 is close to 1.00. In other words, the research model has an excellent degree of suitability.

The Effect of Rewards on Employee Engagement

The test results showed that *rewards* had a positive but insignificant effect on *employee engagement*, with a *path coefficient* of 0.112, a *t-statistics* value of 1.358, and a *p-value* of 0.175. A *t-statistic* value smaller than 1.96 and a *p-value* greater than 0.05 indicate that the reward *has* not been able to significantly increase *employee engagement* in PT Garuda Utama Persada employees. Thus, H1 was rejected.

The insignificance of the effect of *rewards* on *employee engagement* at PT Garuda Utama Persada is marked as because employees view rewards as part of the rights obtained for the work that has been done rather than as a factor that can increase attachment to the organization. The results of the interviews also show that the provision of bonuses and incentives has not always been received consistently because it still depends on the achievement of company targets and individual performance evaluations. On the other hand, most of the respondents are employees who have had a relatively long work experience so that their attachment to the organization is more influenced by other factors, such as a conducive work environment, work motivation, and job satisfaction. This condition indicates that the increase in *rewards* has not been able to directly increase *employee engagement* of PT Garuda Utama Persada employees.

Influence Work Environment against Employee Engagement

The test results showed that *the Work Environment* had a positive and significant effect on *Employee Engagement*, with a *path coefficient* value of 0.311, a *t-statistics* value of 3.781, and a *p-value* of 0.000. A *t-statistic* value greater than 1.96 and a *p-value* smaller than 0.05 indicate that the better the work environment felt by employees, the higher the level of *employee engagement*. Thus, H2 is accepted.

In relation to the context of PT Garuda Utama Persada, the existence of a harmonious working relationship, cooperation between employees, and support from superiors help

employees complete work more effectively. In addition, the company has provided a comfortable work environment, clear division of tasks, and good communication between employees so that it can increase their enthusiasm and involvement at work. Therefore, the better the work environment that employees feel, the higher the level of *employee engagement* that is formed.

The Effect of Work Motivation on Employee Engagement

The test results indicated that *work motivation* had a positive and significant effect on *employee engagement*, with a *path coefficient* value of 0.328, a *t-statistics* value of 5.110, and a *p-value* of 0.000. A *t-statistic* value greater than 1.96 and a *p-value* smaller than 0.05 indicate that the higher the employee's work motivation, the higher the *employee engagement* rate. Therefore, H3 was accepted.

In relation to the context of PT Garuda Utama Persada, most employees have a sense of pride in the work carried out so that they are encouraged to make the best contribution to the company. The results of the interviews also revealed that employees have the desire to achieve work targets, develop skills, and maintain good performance as a form of responsibility to the company. In addition, the opportunity to develop, good working relationships, and organizational support also increase employee work motivation. This condition causes employees to be more enthusiastic, dedicated, and have a higher attachment to work and the organization.

The Effect of Rewards on Job Satisfaction

The test results showed that *rewards* had a positive and significant effect on *job satisfaction*, with a *path coefficient* value of 0.447, a *t-statistics* value of 4.870, and a *p-value* of 0.000. A *t-statistic* value greater than 1.96 and a *p-value* smaller than 0.05 show that the better the *reward* given by the company, the higher the level of *job satisfaction* felt by employees. Thus, H4 was accepted.

In relation to PT. Garuda Utama Persada, his company has provided various forms of awards, such as competitive salaries, incentives based on work achievements, benefits, and career development opportunities. Although there are still some employees who expect an increase in the aspect of bonuses and incentives, in general the reward system implemented has been able to foster a feeling of being appreciated and recognized by the company. This condition encourages the emergence of higher job satisfaction, both for the job and for the organization as a whole.

The Effect of Work Environment on Job Satisfaction

The test results showed that the *work environment* had a positive and significant effect on *job satisfaction*, with a *path coefficient* value of 0.343, a *t-statistics* value of 3.940, and a *p-value* of 0.000. A *t-statistic* value greater than 1.96 and a *p-value* smaller than 0.05 show that the better the work environment felt by employees, the higher the level of *job satisfaction*. In other words, H5 is accepted.

In relation to the context of PT. Garuda Utama Persada, harmonious working relationships, good communication with superiors, and cooperation between colleagues make employees feel more comfortable in completing their work. In addition, his company has also provided adequate work facilities and implemented a clear division of tasks to help employees

work more effectively. Although there are still some inputs related to improving facilities in some parts of work, overall the work environment that is felt has been able to create a sense of comfort, reduce work pressure, and increase employee job satisfaction.

The Effect of Work Motivation on Job Satisfaction

The test results showed that *work motivation* had a positive and significant effect on *job satisfaction*, with a *path coefficient* value of 0.184, a *t-statistics* value of 2.303, and a *p-value* of 0.022. *T-statistics* values greater than 1.96 and *p-value* Smaller than 0.05 indicates that the higher the work motivation that employees have, the higher the level of *job satisfaction* felt. Therefore, H6 was accepted.

In the context of PT. Garuda Utama Persada, most employees have the desire to provide the best performance, achieve the targets set by the company, and develop their skills. In addition, the existence of organizational support, good working relationships, and opportunities to develop also increase employee work motivation. Although the effect on *job satisfaction* is not as great as the influence of *rewards* or *work environment*, work motivation is still a factor that can encourage the emergence of job satisfaction because employees feel that they have a purpose, responsibility, and meaning in the work they do.

The Effect of Job Satisfaction on Employee Engagement

The test results showed that *job satisfaction* had a positive and significant effect on *employee engagement*, with a *path coefficient* value of 0.236, a *t-statistics* value of 2.955, and a *p-value* of 0.003. A *t-statistic* value greater than 1.96 and a *p-value* smaller than 0.05 show that the higher the level of *job satisfaction* felt by employees, the higher the level of *employee engagement*. Thus, H7 was accepted.

In relation to PT. Garuda Utama Persada, most employees are satisfied because the work carried out is in accordance with their abilities, supported by harmonious working relationships, and the opportunity to develop in the company. In addition, a fairly good reward system and a conducive work environment make employees feel comfortable at work, thereby increasing their sense of belonging to the company. This condition encourages employees to work more enthusiastically, dedicated, and have a higher attachment to the organization.

Job Satisfaction Mediates the Effect of Rewards on Employee Engagement

The results of the *indirect effect* test showed that *job satisfaction* was able to mediate the effect of *rewards* on *employee engagement*, with a *path coefficient* value (*original sample*) of 0.105, a *t-statistics* value of 2.471, and a *p-value* of 0.014. A *t-statistical* value greater than 1.96 and a *p-value* smaller than 0.05 indicate that the indirect effect is significant. Thus, H8 was accepted.

In the context of PT Garuda Utama Persada, when *the rewards* received are able to cause job satisfaction, such as through appropriate salaries, promotion opportunities, recognition of performance, and career development opportunities, then the job satisfaction will encourage the emergence of a higher attachment to the organization. The interview results also show that most employees value rewards that provide a sense of appreciation and certainty to their careers rather

than just financial rewards. Therefore, *job satisfaction* is an important mechanism that explains how *rewards* can increase *employee engagement* in employees of PT Garuda Utama Persada.

Job Satisfaction Mediates the Influence of Work Environment on Employee Engagement

The results of *the indirect effect* test showed that *job satisfaction* was able to mediate the influence of the *work environment* on *employee engagement*, with a path coefficient value (*original sample*) of 0.081, a *t-statistics* value of 2.419, and a *p-value* of 0.016. A *t-statistical* value greater than 1.96 and a *p-value* smaller than 0.05 indicate that the indirect effect is significant. Thus, H9 was accepted.

In relation to PT Garuda Utama Persada, employees revealed that harmonious working relationships, support from superiors and colleagues, and the availability of adequate work facilities make them feel more comfortable at work. This condition creates a sense of job satisfaction so that employees are more enthusiastic, have a sense of belonging to the company, and are encouraged to make their best contribution. Thus, *job satisfaction* is a mechanism that explains how a positive work environment can strengthen *employee engagement* in employees of PT Garuda Utama Persada.

Job Satisfaction Mediates the Influence of Work Motivation on Employee Engagement

The results of *the indirect effect* test showed that *job satisfaction* was not able to mediate the effect of *work motivation* on *employee engagement*, with a path coefficient value (*original sample*) of 0.043, a *t-statistics* value of 1.671, and a *p-value* of 0.095. A *t-value* of a *t-value* smaller than 1.96 and a *p-value* greater than 0.05 indicate that the indirect effect is not significant. Therefore, H10 was rejected.

In the context of PT. Garuda Utama Persada, the insignificance of the influence of mediation indicates that most employees still show enthusiasm, responsibility, and commitment in completing work because of work targets, professional demands, and responsibility for the position held. In other words, the work motivation they have is more oriented towards performance achievement than on the emergence of job satisfaction. This condition causes *work motivation* to be more effective in increasing *employee engagement* through direct channels than through *the job satisfaction* mechanism, so that the role of *job satisfaction* mediation in the relationship becomes insignificant.

CONCLUSION

Based on the results of the study involving 154 employees of PT Garuda Utama Persada, it can be concluded that employee engagement is significantly influenced by work environment, work motivation, and job satisfaction, while rewards do not have a direct significant effect on employee engagement. However, rewards have been shown to enhance job satisfaction, which subsequently strengthens employee engagement. Therefore, job satisfaction serves as a mediating variable in the relationship between rewards and employee engagement. In addition, work environment and work motivation have positive effects on job satisfaction, with work environment contributing to increased employee engagement through the mediating role of job satisfaction. Meanwhile, the relationship between work motivation and employee engagement

occurs more strongly through a direct effect rather than through job satisfaction as a mediating mechanism. These findings indicate that companies need to prioritize the development of a supportive work environment, strengthening employee motivation, and implementing an effective reward system to sustainably improve employee satisfaction and engagement.

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