



## Placement of Non-Physical Work Environment Performance of Employee Morale of BPN Regional Office of East Kalimantan Province

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### Abstract

Penelitian ini bertujuan untuk menganalisis pengaruh penempatan pegawai dan lingkungan kerja non fisik terhadap kinerja pegawai melalui semangat kerja sebagai variabel mediasi pada Kantor Wilayah Badan Pertanahan Nasional Provinsi Kalimantan Timur. Penelitian ini menggunakan pendekatan kuantitatif dengan metode survei melalui penyebaran kuesioner kepada 120 responden yang merupakan Pegawai Negeri Sipil yang telah mengalami mutasi dan memiliki masa kerja lebih dari dua tahun. Teknik analisis data menggunakan Structural Equation Modeling berbasis Partial Least Square (SEM-PLS) dengan bantuan SmartPLS. Hasil penelitian menunjukkan bahwa penempatan dan lingkungan kerja non fisik berpengaruh positif dan signifikan terhadap semangat kerja. Penempatan juga berpengaruh positif dan signifikan terhadap kinerja pegawai, sedangkan lingkungan kerja non fisik tidak berpengaruh signifikan secara langsung terhadap kinerja. Semangat kerja terbukti memiliki pengaruh positif dan signifikan terhadap kinerja serta menjadi variabel yang paling dominan dalam model penelitian. Selain itu, semangat kerja terbukti memediasi secara parsial pengaruh penempatan terhadap kinerja, serta memediasi secara penuh pengaruh lingkungan kerja non fisik terhadap kinerja. Nilai R-square menunjukkan bahwa model memiliki kemampuan penjelasan yang moderat hingga kuat. Temuan ini menegaskan bahwa peningkatan kinerja pegawai tidak hanya dipengaruhi oleh faktor struktural seperti penempatan, tetapi juga oleh faktor psikologis berupa semangat kerja. Oleh karena itu, organisasi perlu memperhatikan kesesuaian penempatan serta menciptakan lingkungan kerja yang kondusif untuk meningkatkan semangat kerja pegawai.

**Kata Kunci:** penempatan pegawai, lingkungan kerja non fisik, semangat kerja, kinerja pegawai, kinerja organisasi, dan sumber daya manusia

### Abstract

This study aims to analyse the influence of staff placement and the non-physical work environment on staff performance, with work motivation serving as a mediating variable, at the Regional Office of the National Land Agency in East Kalimantan Province. Furthermore, this study also aims to identify the extent to which the alignment of staff placement with their competencies and educational background can enhance work motivation and contribute to optimal performance. This study employs a quantitative approach using a survey method, involving the distribution of questionnaires to 120 respondents who are Civil Servants who have undergone a transfer and have more than two years' service. Data analysis utilises Structural Equation Modelling based on Partial Least Squares (SEM-PLS) with the assistance of SmartPLS. The results indicate that placement and the non-physical work environment have a positive and significant effect on work motivation. Placement also has a positive and significant effect on employee performance, whilst the non-physical work environment does not have a direct significant effect on performance. Work motivation was found to have a positive and significant influence on performance and was the most dominant variable in the research model. Furthermore, work motivation was found to partially mediate the influence of placement on performance and fully mediate the influence of the non-physical work environment on performance.

**Keywords:** Employee Placement, Non-Physical Work Environment, Work Morale, Employee Performance, Organizational Performance And Human Resource Management,

## 1. INTRODUCTION

The success of an organization, both in the public and private sectors, is largely determined by the quality of the performance of its human resources[1]. In public organizations, employee performance is not only oriented towards achieving organizational targets, but also becomes the main indicator in assessing the quality of service to the community. Therefore, effective human resource management (HR) is a crucial factor in supporting the achievement of organizational goals in the midst of increasingly complex environmental change dynamics. HR as an organization's strategic asset has an important role in ensuring the sustainability of organizational activities and increasing productivity[2]

The Regional Office of the National Land Agency (BPN) of East Kalimantan Province as a vertical agency of the Ministry of Agrarian and Spatial Planning/National Land Agency has a strategic role in the implementation of



land services, dispute resolution, implementation of agrarian reform, and land acquisition for infrastructure development. Based on the Presidential Regulation of the Republic of Indonesia Number 48 of 2020, the Ministry of ATR/BPN is tasked with organizing government affairs in the field of agrarian and spatial planning. Furthermore, through the Regulation of the Minister of ATR/BPN Number 17 of 2020, the BPN Regional Office has the responsibility to coordinate and ensure that the implementation of land functions runs effectively at the provincial to district/city levels. Thus, the performance of employees at the BPN Regional Office of East Kalimantan Province is a determining factor in the success of land management in a rapidly growing region.

However, the improvement of employee performance is not only influenced by the administrative evaluation system, but also by various internal organizational factors such as job placement, non-physical work environment, and morale[1]. Job placement is one of the important aspects in HR management that determines the suitability between individual competencies and job demands. The principle of "the right man on the right place" emphasizes that employee placement must be based on the suitability of competencies, experience, and educational background. Improper placement has the potential to lower employee confidence, hinder job completion, and have an impact on overall performance declines[2]

Empirical phenomena at the BPN Regional Office of East Kalimantan Province show indications of incompatibility in employee placement, both due to proximity factors, filling vacancies, and lack of workload analysis. This condition is strengthened by the existence of ASN structuring policies through tour of duty and tour of area mechanisms which have implications for employee mutation and rotation. Although this policy aims to improve the professionalism and integrity of civil servants, in practice it can have a psychological impact if it is not accompanied by adequate competency considerations. This can be seen from the presence of employees who do not carry out their duties optimally, the increase in applications for leave outside the state (CLTN), and requests for resignation[3].

In addition to job placement, the non-physical work environment is also an important factor that affects employee performance. Non-physical work environments include relationships between employees, organizational communication, leadership support, and the work culture formed in the organization[4]. A conducive work environment can increase employee comfort, involvement, and motivation at work, while an unconducive environment has the potential to cause conflicts, lower morale, and hinder performance. Conditions in the field show that the working relationship between employees and superiors is not fully harmonious, which has an impact on the psychological condition of employees and lowers their performance[5].

Furthermore, the spirit of work (*Moral work*) is a psychological aspect that plays an important role in encouraging employee performance. Work morale reflects the level of enthusiasm, discipline, and commitment of employees in carrying out their duties. Employees with high work morale tend to have better productivity, are able to work together, and complete work on time[6]. However, the facts at the BPN Regional Office of East Kalimantan Province show that the measurement of work morale has not been formally integrated in the performance evaluation system, so there is a gap between administrative performance and the psychological condition of employees. Theoretically, work placement and non-physical work environment have a close relationship with work morale, which ultimately has an impact on employee performance. Appropriate placement and a conducive work environment will increase morale, which in turn encourages increased performance. On the other hand, incompatibility of placement and an unsupportive work environment can reduce work morale and have implications for low employee performance[7].

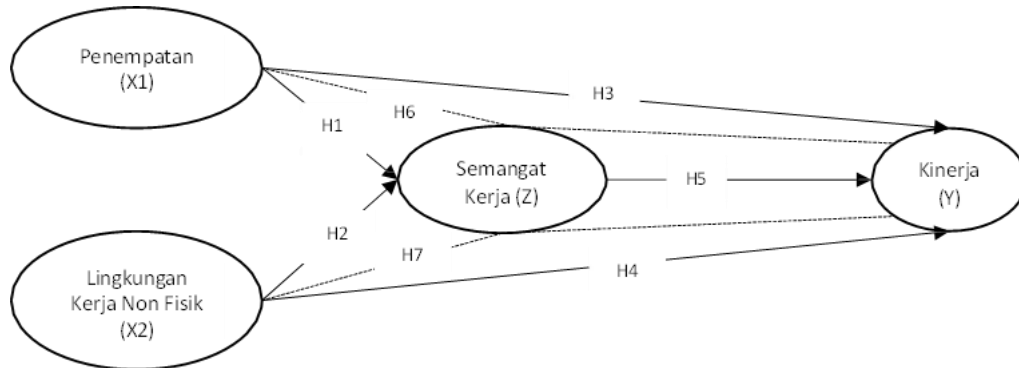
Based on this phenomenon, research on the influence of work placement and non-physical work environment on employee performance through work morale as a mediation variable is important to be carried out, especially within the BPN Regional Office of East Kalimantan Province. This research is expected to make a theoretical contribution to the development of human resource management science, as well as provide practical recommendations for organizations in improving employee performance to realize optimal land services to the community.

## 2. RESEARCH METHODS

This study uses a descriptive quantitative approach to examine the relationship between job placement, non-physical work environment, work morale, and employee performance. Data collection was carried out through a questionnaire with a Likert scale of 1–5 which was effective in systematically measuring respondents' perceptions[8]. The research location includes 10 work units within the BPN Regional Office of East Kalimantan Province, so it is quite representative in describing the condition of the organization. Sampling technique using *purposive sampling* with certain criteria so that the respondents are relevant to the focus of the research. The sample size of 120 respondents is considered adequate, especially for analysis-based analysis *Partial Least Squares Structural Equation Modeling* (PLS-SEM). Data analysis was carried out using SmartPLS which allowed simultaneous testing of relationships between latent variables, including the role of morale mediation. The



evaluation of the model is carried out through two stages, namely *Outer model* to test the validity and reliability of constructs (loading factor, AVE, composite reliability, Cronbach's alpha), and *Inner model* to test the relationships between variables through the *R-square*, *Path Coefficient*, and significance test *Bootstrapping*[9]. The data used consisted of primary data (questionnaire) and secondary data (documents and policies), so that it could strengthen the research analysis (Umar, 2013). Overall, the method used was in accordance with the research objectives and was able to test the model comprehensively. The hypothesis of this study can be formulated as follows:



**Figure 1.** Frame of Mind

The image illustrates a research model that explains the relationship between placement variables (X1) and non-physical work environment (X2) on performance (Y) and work morale (Z) as a mediating variable. In this model, placement and non-physical work environment play a role as independent variables that directly affect employee morale. This is shown by the H1 and H2 lines that lead from X1 and X2 to Z. Furthermore, work spirit has a direct influence on employee performance as shown by the H3 line. In addition to the indirect influence through work morale, this model also shows the direct influence of placement and non-physical work environment on employee performance. The direct relationship is shown through the H4 and H5 lines that connect X1 and X2 directly to Y. Thus, employee performance is influenced both directly and indirectly by the two independent variables[10]. Furthermore, there are pathways H6 and H7 that describe the role of work spirit as an intervening or mediation variable. In this case, work morale mediates the relationship between placement for performance and between non-physical work environments for performance. This means that the right placement and conducive work environment can increase employee morale, which will ultimately have an impact on improving performance. This model as a whole emphasizes the importance of structural and psychological factors in driving optimal employee performance[1].

### 3. ANALYSIS AND DISCUSSION

This section contains analysis, results and discussion of the research topic, which can be made in advance of the research methodology. This section also represents explanations in the form of explanations, pictures, tables and others.

#### 3.1. Test Research Instruments

Table 1. Convergent Validity Test Results

Variable	Measurement Items	Outer Loading	Cronbachs Alpha	Composite Reliability	Average Variance Extracted (AVE)
Placement Employees	X2.01	0.560	0.889	0.912	0.565
	X2.02	0.721			
	X2.03	0.759			
	X2.04	0.724			
	X2.05	0.756			
	X2.06	0.840			
	X2.07	0.798			
	X2.08	0.821			
Non-	X2.01	0.853	0.954	0.961	0.757



Variable	Measurement Items	Outer Loading	Cronbachs Alpha	Composite Reliability	Average Variance Extracted (AVE)
Physical Work Environment	X2.02	0.900	0.918	0.932	0.604
	X2.03	0.884			
	X2.04	0.845			
	X2.05	0.836			
	X2.06	0.878			
	X2.07	0.865			
	X2.08	0.898			
Performance	Y1.01	0.768	0.918	0.932	0.604
	Y1.02	0.787			
	Y1.03	0.778			
	Y1.04	0.762			
	Y1.05	0.760			
	Y1.06	0.689			
	Y1.07	0.870			
	Y1.08	0.807			
Work Spirit	Z1.01	0.733	0.904	0.926	0.677
	Z1.02	0.775			
	Z1.03	0.789			
	Z1.04	0.703			
	Z1.05	0.839			
	Z1.06	0.842			
	Z1.07	0.834			
	Z1.08	0.790			

Source : SmartPLS Output, 2026

Based on the results of the outer loading test, all variables in this study have met the criteria of convergent validity and reliability. The Employee Placement variable (X2) has an outer loading value of 0.560–0.840 with Cronbach's Alpha 0.889, Composite Reliability 0.912, and AVE 0.565, so it is declared valid and reliable. The Non-Physical Work Environment (X2) variable showed the strongest results with outer loading 0.836–0.900, Cronbach's Alpha 0.954, Composite Reliability 0.961, and AVE 0.757. The Employee Performance Variable (Y) had an outer loading of 0.689–0.870, Cronbach's Alpha 0.918, Composite Reliability 0.932, and AVE 0.604, while Work Spirit (Z) had an outer loading of 0.703–0.842, Cronbach's Alpha 0.904, Composite Reliability 0.926, and AVE 0.677. Overall, all indicators have an outer loading above 0.50, Cronbach's Alpha value above 0.60, Composite Reliability above 0.70, and AVE above 0.50, so it can be concluded that the research instrument is valid and reliable for use in structural model testing.

Furthermore, the Fornell–Larcker test is used to assess the validity of the discriminant in SEM-PLS by ensuring that each latent variable is completely different and does not overlap with the other variables. This criterion is carried out by comparing the Average Variance Extracted ( $\sqrt{AVE}$ ) square root value of each construct with the correlation value between constructs in the model. A construct is declared to meet discriminant validity if the value of  $\sqrt{AVE}$  is greater than its correlation value to other constructs. The test results showed that the entire construct had a higher  $\sqrt{AVE}$  value than the correlation between variables, so it can be concluded that the model has met the criteria for discriminant validity based on the Fornell–Larcker approach[11].

**Table 2.** Fornell-lacker test

	Performance	Non-Physical Work Environment	Placement	Work Spirit
Performance	<b>0.777</b>			



Non-Physical Work Environment	0.550	<b>0.870</b>		
Placement	0.612	0.695	<b>0.752</b>	
Work Spirit	0.774	0.669	0.600	<b>0.823</b>

Source : SmartPLS Output, 2026

Based on the Fornell–Larcker test table, all constructs have a greater root value of AVE ( $\sqrt{\text{AVE}}$ ) compared to the correlation values between other constructs. The  $\sqrt{\text{AVE}}$  Performance value of 0.777 was higher than its correlation with Non-Physical Work Environment (0.550), Placement (0.612), and Work Morale (0.774). The  $\sqrt{\text{AVE}}$  value of Non-Physical Work Environment is 0.870, Placement is 0.752, and Work Morale is 0.823 is also greater than the correlation with other constructs. Thus, all constructs in the model have met the criteria of discriminant validity, so that each variable is able to explain its construct specifically without overlapping with other variables[12].

Furthermore, reliability tests are carried out to ensure internal consistency between indicators in each construct. Reliability testing using the *Composite Reliability* and *Cronbach's Alpha*. A construct is declared to have good reliability if the value *Composite Reliability* and *Cronbach's Alpha* is above 0.70 according to the recommended value. Values that meet these criteria indicate that the indicators in the construct are able to measure variables consistently and support the fulfillment of the overall quality of the measurement model[13].

**Table 3.** Composite reliability and cronbach alpha

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Remarks
Performance	0.918	0.920	0.932	Reliable
Non-Physical Work Environment	0.954	0.957	0.961	Reliable
Placement	0.889	0.900	0.912	Reliable
Work Spirit	0.904	0.908	0.926	Reliable

Source : SmartPLS Output, 2026

Based on the SmartPLS output above, the results of the Composite Reliability and Cronbach Alpha outputs all have values above 0.6 indicating that the measured construct is reliable. Thus it can be stated that all latent variables have a good level of reliability.

### 3.2. Structural Model Test

Model evaluation in SEM-PLS is carried out through two stages, namely the outer model and the inner model. The outer model aims to test the validity and reliability of the construct through the values of outer loading, AVE, cross loading, Fornell–Larcker, Cronbach's Alpha, and Composite Reliability, so that it can be ensured that the indicator is able to measure the construct accurately and consistently. After the measurement model is declared to meet the criteria, the analysis is continued on the inner model to test the causal relationship between latent constructs according to the research hypothesis[8]. This evaluation includes the assessment of path coefficient, determination coefficient (R-square and R-square adjusted), effect size (f-square), predictive relevance (Q-square), and significance test through bootstrapping. The determination coefficient (R-square) is used to determine the ability of exogenous variables to explain endogenous variables. Referring to Hair et al. (2019), the value of 0.75 is categorized as strong, 0.50 moderate, and 0.25 weak. The R-square value obtained indicates that the model has sufficient explanatory power.

**Table 4.** R2 coefficient



	R-square	R-square adjusted
Performance	0.636	0.626
Work Spirit	0.483	0.474

Source ; SmartPLS Output, 2026

Based on the results of the SmartPLS analysis, the R-square value of the Performance variable is 0.636, which means that 63.6% of the variation in performance can be explained by Placement, Non-Physical Work Environment, and Work Morale, while 36.4% is influenced by other factors outside the model. This value shows that the model's explanatory ability is classified as moderate to strong.

Meanwhile, the R-square value of Morale was 0.483, which indicated that 48.3% of the variation in morale was explained by Placement and Non-Physical Work Environment, while 51.7% was influenced by other factors outside the model, so it was included in the moderate category. The adjusted R-square values of 0.626 for Performance and 0.474 for Morale indicate that after considering the complexity of the model, the explanatory ability remains stable. Thus, the structural model built is considered quite good and suitable for use in this study.

### 3.3. Hypothesis Testing

Hypothesis testing in this study was carried out by analyzing the path coefficient value obtained through the bootstrapping procedure on SmartPLS. The path coefficient shows the direction and magnitude of the influence between latent constructs, while the level of significance of the influence is determined based on the t-statistic and p-value values. At a significance level of 5%, the hypothesis is stated to be accepted if the t-statistical value  $> 1.96$  and the p-value  $< 0.05$ , while the hypothesis is rejected if the t-statistical value is  $\leq 1.96$  and the p-value is  $\geq 0.05$ .

**Table 5. Output Coefficient Path**

Variable	Original sample (O)	Sample mean (M)	T statistics ( O/STDEV )	P values	F Square
Placement -> Morale	0.262	0.273	2.746	0.003	0.069
Non-Physical Work Environment -> Work Ethic	0.487	0.484	4.795	0.000	0.237
Performance -> Placement	0.270	0.265	2.658	0.004	0.097
Non-Physical Work Environment - Performance >	-0.084	-0.079	0.885	0.188	0.008
Work Ethic - Performance >	0.668	0.672	5.665	0.000	0.633

Source : SmartPLS Output, 2026

Based on the test results using the *Original Sample*, *T-Statistics*, *P-Values*, and *F-Square*, showing that placement and non-physical work environment have a positive and significant effect on work morale, with the influence of non-physical work environment being stronger (moderate effect) than placement (small effect). Placement was also shown to have a positive and significant effect on performance with small to close to medium effect sizes. However, the non-physical work environment has no significant effect on performance and has very little effect. Meanwhile, work morale has a positive and very significant influence on performance with a large effect size, so it becomes the most dominant variable in improving employee performance.

**Table 6. Mediation Testing Output**

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values
Placement -> Work Ethic -> Performance	0.175	0.186	0.079	2.203	0.014
Performance -> Placement	0.445	0.451	0.109	4.089	0



<b>Non-Physical Work Environment -&gt; Work Morale -&gt; Performance</b>	0.325	0.321	0.076	4.303	0
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Source : SmartPLS Output, 2026

The test results showed that morale significantly mediated the effect of placement on employee performance, with a path coefficient of 0.175, t-statistics 2.203, and p-value of 0.014 (<0.05). The Variance Accounted For (VAF) value of 39.33% indicates that work morale acts as a partial mediation, so that placement affects performance both directly and indirectly through work morale. In addition, work morale was also shown to significantly mediate the relationship between the non-physical work environment and performance, with a path coefficient of 0.325, t-statistics 4.303, and a p-value of 0.000 (<0.05), indicating a positive and significant indirect influence.

#### 4. TESTING

##### **The effect of employee placement on employee morale at the Regional Office of the National Land Agency of East Kalimantan Province.**

Placement had a positive and significant effect on Work Morale with a path coefficient of 0.262, T-Static 2.746 (>1.96), p-values of 0.003 (< 0.05), F-square value of 0.069 indicating a small effect size. This means that although significant, placement's contribution in explaining the variation in work ethic is relatively limited. Placement is important, but not the main factor in shaping morale. Theoretically, this result is in line with the opinion of Malayu S.P. Hasibuan (2017) who states that placement is the process of assigning employees according to their abilities and skills in order to work effectively and efficiently. The compatibility between competencies and positions will create a greater sense of comfort, confidence, and responsibility, thereby encouraging increased work morale. In addition, Michael Armstrong (2014) in the concept of human resource management emphasized that the fit between individuals and their work (person-job fit) can increase motivation, involvement, and enthusiasm for work.

##### **The Influence of Non-Physical Work Environment on Employee Morale at the Regional Office of the National Land Agency of East Kalimantan Province.**

The Non-Physical Work Environment had a positive and significant effect on Work Morale with a path coefficient of 0.487, T-Static 4.795 (>1.96) and a p-value of 0.000 (< 0.05). The F-square value of 0.237 indicates that the Non-Physical Work Environment has a moderate influence on Morale. The results of this study are in line with the theory that has been explained in the theoretical foundation, where according to Mangkunegara (2017) the work environment includes all conditions around employees that can affect the implementation of work, both physically and non-physically. A conducive non-physical work environment, such as harmonious relationships between superiors and subordinates and cooperation between colleagues, will create comfort and encourage employees to work more enthusiastically.

##### **The Effect of Employee Placement on Employee Performance at the Regional Office of the National Land Agency of East Kalimantan Province.**

Placement has a positive and significant influence on Performance with a path coefficient of 0.270, T-Static 2.658 (>1.96) p-values of 0.004 (< 0.05). An F-square value of 0.097 indicates a small to near-moderate effect size on performance. Empirically, the results of this study are consistent with the research of Azliani et al. (2022) which states that placement has a positive and significant effect on performance. These results are also supported by research by Riesata & Pancasasti (2021), and Mansyur et al. (2025) which found that job placement has a significant effect on employee performance. Logically, employees who work in positions that suit their competencies will better understand their duties and responsibilities, be able to work more effectively, and have a lower error rate. This condition will have a direct impact on improving quality, quantity, timeliness, and work effectiveness. Thus, the more appropriate the placement of employees, the more optimal the performance produced.



### **The Influence of Non-Physical Work Environment on Employee Performance at the Regional Office of the National Land Agency of East Kalimantan Province.**

The Non-Physical Work Environment has a path coefficient of  $-0.084$ , T-Static  $0.885$  ( $>1.96$ ) with a p-value of  $0.188$  ( $<0.05$ ). These findings indicate that the Non-Physical Work Environment does not have a significant effect on Performance. An F-square value of  $0.008$  indicates a very small effect size, so the contribution of this variable to the change in Performance is relatively weak. Empirically, these findings are in line with Zanra's (2023) research which found that the work environment does not have a significant direct effect on employee performance. However, these results differ from several other studies such as Azliani et al. (2022), Wijaya (2024), and Nur Samsiah Risahondua et al. (2024) which stated that the non-physical work environment has a significant effect on performance. These differences in results can be caused by respondent characteristics, organizational conditions, or differences in intervening variables in the research model. Thus, it can be concluded that in the context of this study, the non-physical work environment has not been able to directly improve employee performance, although conceptually it remains a supporting factor in creating conducive working conditions.

### **The Effect of Work Morale on Employee Performance at the Regional Office of the National Land Agency of East Kalimantan Province**

Work Spirit has a positive and very significant influence on Performance with a path coefficient of  $0.668$ , T-Static  $5.665$  ( $>1.96$ ) and p-values of  $0.000$  ( $<0.05$ ). The F-square value of  $0.633$  indicates a large effect size, so Morale is the most dominant variable in influencing Performance. This result is in line with the theory put forward by Malayu S.P. Hasibuan (2009) which states that work spirit is a person's desire and seriousness in doing his work in a disciplined manner to achieve maximum work performance. High morale will encourage employees to work harder, be responsible, and complete work on time. In addition, according to Michael Armstrong (2020), performance is the result of work behavior that is influenced by motivation and competence. Work spirit as a form of internal motivation and work enthusiasm are important factors that determine the quality, quantity, creativity, punctuality, and effectiveness of employee work.

### **Work Spirit mediates the relationship between Placement and Employee Performance at the Regional Office of the National Land Agency of East Kalimantan Province**

The results of the study show that work spirit significantly mediates the influence of placement on performance. Based on the results of the bootstrapping test, an indirect effect value of  $0.175$  was obtained with a T-Statistic of  $2.203$  ( $>1.96$ ) and a p-value of  $0.014$  ( $<0.05$ ). Thus, the indirect influence of Placement on Performance through Work Spirit is proven to be significant. To strengthen the mediation analysis, the Variance Accounted For (VAF) calculation was carried out. Based on the total effect value of  $0.445$  and indirect effect of  $0.175$ , a VAF value of  $39.33\%$  was obtained. This value is in the range of  $20\%$ – $80\%$ , thus showing that Work Spirit plays a role as a partial mediation variable. This means that Placement affects Performance both directly and indirectly through Work Morale. Empirically, the results of this study are consistent with the research of Azliani et al. (2022) which states that placement and work environment affect performance through work morale as an intervening variable. In addition, research by Riesata & Pancasasti (2021) also found that work morale plays a role as an intervening variable in the relationship between placement and employee performance.

### **Work Spirit mediates the relationship between the Work Environment and Employee Performance at the National Land Area Office of East Kalimantan Province**

The results of the study show that the indirect influence of the Non-Physical Work Environment on Performance through Work Morale is positive and significant. Meanwhile, based on table 5.15, a total effect value of  $0.241$  was obtained with a T-Statistic of  $1.771$  and a p-value of  $0.038$  ( $<0.05$ ). These results show that in total, the Non-Physical Work Environment still has an effect on Performance, although in previous direct tests the effect was not significant. Thus, Semangat Kerja acts as a mediator that strengthens the relationship. Empirically, the results of this study are consistent with the research of Azliani *et al.* (2022) which found that the work environment affects performance through work morale as an intervening variable. In addition, Zanra's research (2023) also shows that work ethic has a significant effect on performance, thus strengthening its role as a mediator.

## **Discussion**



The discussion in this study highlights the relationship between employee placement and non-physical work environment on employee performance and work morale as a mediating variable at the Regional Office of the National Land Agency of East Kalimantan Province. In general, the results of the study show that the work morale variable has a central role in bridging the influence of structural and psychological factors on employee performance.

First, the effect of employee placement on work morale was proven to be positive and significant, even with a relatively small effect size. This shows that the compatibility between employee competencies and the positions they occupy can increase confidence, work comfort, and responsibility in carrying out duties. Nevertheless, the contribution of placement to morale is not very dominant, which indicates that morale is not only determined by structural factors such as placement, but also by other factors such as intrinsic motivation, leadership, and organizational culture. These findings are in line with theories that the right placement can increase work effectiveness, but it is not automatically a major factor in shaping morale.

Second, the non-physical work environment has a positive and significant influence on work morale with a moderate effect size. This shows that psychosocial conditions in the organization, such as interpersonal relationships, communication, and support from superiors and colleagues, have an important role in increasing employee morale. A harmonious and conducive work environment is able to create a sense of security and comfort so that employees are more motivated at work. Compared to placement, the non-physical work environment has a greater contribution to shaping the morale of the work, which confirms the importance of the social aspect in the organization.

Third, employee placement has also been proven to have a positive and significant effect on performance. This shows that employees who are placed according to their competencies will be better able to complete work effectively and efficiently. The right placement allows employees to maximize their potential, reduce work errors, and increase productivity. However, the size of the effect produced is still relatively small to close to medium, which means that there are other factors that also affect employee performance more dominantly.

Fourth, the non-physical work environment does not have a significant direct influence on employee performance. These findings are interesting because theoretically the work environment is often considered one of the main factors influencing performance. However, in the context of this study, the non-physical work environment does not directly improve performance, but rather affects performance through work morale. This shows that the influence of the work environment is indirect and requires intermediate variables to be able to have an impact on performance. In other words, a good work environment does not necessarily improve performance if it is not accompanied by an increase in employee morale[14].

Fifth, work spirit has been proven to have a positive and very significant influence on performance with a large effect size. This emphasizes that work spirit is the most dominant factor in determining employee performance. Employees who have a high work ethic tend to be more productive, disciplined, and responsible in completing their tasks. Morale also reflects the level of motivation and involvement of employees in the work, which directly impacts the quality and quantity of work results. Therefore, improving employee performance is highly dependent on the organization's efforts to build and maintain work morale[15].

Sixth, the role of work morale as a mediating variable in the relationship between placement and performance shows partial mediation results. This means that placement not only affects performance directly, but also through morale. In other words, proper placement will increase morale, which will ultimately lead to improved performance. However, because it is partial, placement still has a direct influence on performance without going through the work spirit. These findings show that placement is an important factor both directly and indirectly in improving employee performance[16].

Seventh, work ethic has also been proven to mediate the relationship between the non-physical work environment and performance. This shows that the non-physical work environment does not have a direct influence on performance, but has an effect through increased work morale. Thus, work spirit is the main key in transforming the working environment conditions into optimal performance. Without high morale, a good work environment will not have a significant impact on employee performance.

Overall, the results of this study confirm that employee performance is not only influenced by structural factors such as placement, but also by psychological factors reflected in work morale. The non-physical work environment plays a supporting factor that strengthens morale, while placement serves as a basic factor that ensures compatibility between employees and their work. Therefore, organizations need to manage these two aspects in a balanced manner by emphasizing increasing morale as a key factor in encouraging optimal employee performance[7].



## 5. CONCLUSION

Based on the results of the study, it can be concluded that the placement and non-physical work environment have an influence on the morale and performance of employees at the Regional Office of the National Land Agency of East Kalimantan Province. Placement and non-physical work environment have been proven to have a positive and significant effect on employee morale, which shows that the suitability of placement and a harmonious work environment can increase employee morale. Placement also has a positive and significant effect on employee performance, while the non-physical work environment directly has a negative and significant effect on employee performance. However, work morale has a positive and significant effect on employee performance and is able to partially mediate the effect of placement on performance and mediate the influence of the non-physical work environment on employee performance. This shows that the improvement of employee performance is not only directly influenced by placement and non-physical work environment, but also through an increase in work morale as a mediating variable.

However, this study has several limitations that need to be considered. First, this research was only conducted on one agency, namely the Regional Office of the National Land Agency of East Kalimantan Province, so the results of this study have limitations in terms of generalization to other agencies or sectors that have different organizational characteristics. Second, the use of a quantitative approach with a survey method through questionnaires has the potential to cause a subjectivity bias of respondents, especially in assessing perceptual variables such as work morale and non-physical work environment. Third, this study only uses placement variables, non-physical work environment, and work morale, so there is still a possibility that there are other variables that have not been researched but have an effect on employee performance, such as leadership, organizational culture, compensation, and job satisfaction. Fourth, the cross-sectional design of the study causes this study to only describe conditions at a certain time, so it has not been able to capture the dynamics of changes in employee behavior in the long term. Therefore, the next research is expected to expand the research object, add other relevant variables, and use a longitudinal approach or mixed methods to obtain more comprehensive and in-depth results.

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