



The Impact of Work Environment, Work Ethics, and Reward on Increasing Employee Productivity with Work Discipline as Intervening Variable

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Abstract

This research aims to examine how the Work Environment, Work Ethic and Rewards affect the Increase in Employee Productivity of Tas Grosir Sederhana MSMEs with Work Discipline as an intervening variable. With quantitative methods and data analysis approaches using SmartPLS software and data collection techniques using Likert scale model questionnaires distributed to a sample of a number of populations (total sampling) of Tas Grosir Sederhana MSMEs, this study provides results that 1) Work Environment, Work Ethic and Reward variables do not have a significant effect on Employee Work Productivity 2) Work Environment, Work Ethic and Reward variables do not have a significant effect on Work Discipline 3) Work Environment Discipline variables affect Employee Productivity 4) Work Discipline variables are unable to mediate Work Environment, Work Ethic and Respect towards Employee Productivity. From the results of this study, the company should review its strategies and policies. This means that there are other factors of productivity that have more influence. This can be used as insight for companies in considering factors that can increase employee productivity.

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1. INTRODUCTION

Currently, the development of the industrial sector from large industries to small and medium enterprises is receiving great attention from the government. This aims to ensure that the economic structure can be built in a solid and balanced manner and emphasize the progress of the industrial sector which will later become the driving sector of the national economy (Kumbadewi et al., 2021). Efforts made to achieve this goal are by utilizing human resources, where labor productivity will later become a benchmark for success. This is related to the level of industrial labor productivity, where the success of a business depends on the rise and fall of labor productivity in the industry/company (Ariani et al., 2020).

To improve industrial efficiency, labor productivity also needs to be increased by having quality human resources (Andriani & Redita, 2023; Sulistyan et al., 2022). There are several factors that influence the rise and fall of employee work productivity, including: motivation, work ethic, means of production, discipline, work environment and climate, social security, income level, nutrition and health, technology, education, skills, and also opportunities to excel. One example of an industry that plays an important role in



developing the Indonesian economy is Micro, Small, and Medium Enterprises (MSMEs). MSMEs in Indonesia strive to absorb labor to reduce unemployment. The existence of MSMEs themselves no longer needs to be ignored. The reason is, they are able to survive and become the driving force of the Indonesian economy (Putri & Warianto, 2017).

This research will focus on one of the MSMEs in the Pasuruan area (Tas Grosir Sederhana). Tas Grosir Sederhana as a small and medium enterprise oriented towards fashion production has been established since 2020 and has become one of the MSMEs in the Pasuruan area which can be said to be an advanced MSMEs with quality products such as bags, wallets, clothes, hijabs, sandals and several other women's fashion products. This is what makes Tas Grosir Sederhana experience a continuous increase in demand, especially if there are discount events or when the fasting month approaches the holidays. This research was conducted to find out how factors such as the work environment, work ethic, and rewards can influence employee productivity by exploring the role of work discipline as a link.

Regarding employee productivity levels, Tas Grosir Sederhana pays attention to efforts so that employee productivity can continue to increase. The following is data on targets and realization of Tas Grosir Sederhana MSMEs production in 2023.

Table 1. Production Targets and Realization, Tas Grosir Sederhana MSMEs Year 2023

No.	Month	HR Number	Target	Realization	Realization Percentage
1	January	46	40.000	38.200	96%
2	February	46	40.000	42.750	107%
3	March	46	50.000	50.150	100%
4	April	46	50.000	51.100	102%
5	May	46	40.000	45.750	114%
6	June	46	40.000	45.250	113%
7	July	46	40.000	47.550	119%
8	August	46	40.000	40.150	100%
9	September	46	40.000	39.750	99%
10	Oktober	46	40.000	39.550	99%
11	November	46	50.000	50.250	101%
12	Desember	46	50.000	52.350	105%

Source: Tas Grosir Sederhana MSMEs (2023)

This research uses one of the theories used to find out what factors can increase employee productivity which is also explained in research conducted by Rampisela and Lumintang (2020) including motivation, work ethic, production facilities, discipline, work environment and climate, social security, income level, nutrition and health, technology, education, skills, and also opportunities for achievement.

Even though there has been some increase in the realization of existing targets in several months, employee productivity also needs to be influenced by how an employee's work environment is. According to Manoppo et al. (2021), a good work environment will stabilize employee concentration and result in increased employee productivity. There is also an opinion from Muliati and Susiana (2023) who suggests another factor that influences employee productivity levels, namely work ethic. Where the level of productivity will increase if employees have a work ethic and enthusiasm for work. Employees who have a high ethos and enthusiasm for work are usually called high quality employees. This can be seen through a positive assessment of work results. Therefore, employees who have high productivity will also create good employee morale.

Apart from the two factors above, there are other factors that influence productivity according to Lestari et al. (2021), namely the existence of rewards. With rewards, employees will feel that their efforts are appreciated by the company. Apart from that, the role of awards can motivate employees to be more productive. These three things will later

encourage employees to have a disciplined attitude at work, and this disciplined attitude will later be a factor in increasing employee productivity.

This study has a gap from the differences in the results of several variables that conflict with the research findings. One of them is research on the work environment and employee productivity. According to research Trisnawaty and Parwoto (2021) the work environment has a positive effect on employee productivity in the production sector. This means that employee productivity can be influenced by how good the work environment is. However, in research Parashakti and Noviyanti (2021) there was a rejection of the hypothesis or there was an insignificant influence regarding the work environment on employee productivity.

Furthermore, there is a research Muliati and Susiana (2023) shows that work ethic has a significant effect on work productivity. However, research Saleh and Utomo (2018) rejects the hypothesis that work ethic has a significant effect on employee productivity because there is no effect based on existing indicators. Research Lestari et al. (2021) shows that rewards have a significant effect on employee productivity. However, research Ghanitri and Hakim (2024) shows that there is no effect of rewards on employee productivity. And in research Martono and Aspiyah (2016) work discipline has an effect on employee productivity.

This study is a replication of research on employee performance conducted by Halizah et al. (2023). Where the differences in this study can be seen from the location of the study and also several variables. This research was conducted in Probolinggo City, while this study was conducted in Pasuruan City. Based on the differences in location and variables in this research, it is possible that there will be differences in research results.

The purpose of this study is to examine the influence of work environment, work ethics, and appreciation on increasing employee productivity with work discipline as an intervening factor. This study is a development of the two-factor theory proposed by Herzberg, where 2 types of factors that influence productivity in it are motivational factors that include achievement, recognition, responsibility, and development opportunities and hygiene factors that include company policies, salaries, working conditions, and relationships between employees.

Literatur Riview

Work Environment

The work environment is something that is around an employee that can influence the way an employee carries out the tasks that are his/her responsibility (Trisnawaty & Parwoto, 2021). This variable uses Herzberg's theory regarding two factors (motivation and hygiene) where the work environment is included in the hygiene factor or influences satisfaction. Where a positive work environment creates an atmosphere that supports motivation, satisfaction, and a sense of responsibility. This encourages employees to be more disciplined in carrying out their duties and influences the level of employee productivity. As a result, the company will feel a positive impact on better performance and output.

According to Ahmad et al. (2019) work environment indicators include the overall work atmosphere or psychological climate in the workplace; relationships between coworkers or social relationships and interactions between employees in the workplace; availability of work facilities or the extent to which the company provides adequate facilities and infrastructure to support employee work.

Work Ethics

In general, work ethic includes all good habits in working, including discipline, perseverance, responsibility, honesty, and also patience as one form of work ethic. Without work ethic, it will have a negative impact, such as employees feeling burdened with all their tasks or even unable to increase company productivity. In this case, the theory used is the protestant work ethic theory developed by Max Weber where in this case work ethic can be linked to productivity. Employees who have a high work ethic tend to be more

disciplined, dedicated and contribute positively to productivity and encourage employee responsibility in completing their tasks.

Saleh and Utomo (2018) mention several indicators of Work Ethic including full responsibility or a person's attitude and commitment to completing their work tasks; high work enthusiasm or internal and external motivation that encourages someone to work with enthusiasm; discipline towards time and regulations at work or the ability of an employee to comply with existing rules; diligent and serious when working or trying to complete work tasks even though challenges and obstacles arise; maintaining the dignity of oneself and the workplace or the attitude of employees to always maintain integrity, professionalism and morality at work.

Reward

Rewards are a form of appreciation/reward given to employees for their efforts and satisfactory work results. With rewards, employees will be more enthusiastic and passionate about working. The reason is, if employees feel enthusiastic, they will be motivated to increase their productivity in order to achieve maximum results (Herawati et al., 2022). Vroom's Expectancy Theory is in line with this, where rewards have an influence in raising employee enthusiasm to increase productivity while still paying attention to work discipline as a supporting variable.

Irawan et al. (2020) explain several indicators of rewards, namely the work itself or employee satisfaction after completing tasks or achieving targets; wages or incentives so that employees can work hard and better; promotion opportunities or opportunities given to an employee to move up; supervision or monitoring and guidance carried out by superiors on employee performance; co-workers positive social relationships with colleagues to feel more comfortable at work and motivated to do better.

Work Discipline

Work Discipline is a behavior that shows a worker's awareness to obey the rules as a form of avoiding sanctions, both written and unwritten (Saleh & Utomo, 2018). The Organizational Behavior Theory by Robbins and Judge is used in work discipline. In this case, employees who have a high level of work discipline will always try to complete their work on time and without delay even though they are not under the supervision of their superiors (Martono & Aspiyah, 2016).

According to Saleh and Utomo (2018), several indicators of work discipline include the level of maturity or measurement of the extent to which employees remain focused, alert and active in carrying out their duties; work ethics or attitudes and behaviors that reflect professional values; compliance with work standards or the extent to which employees follow company procedures and SOPs; high frequency of attendance or number of attendance indicates that employees are committed to the company; compliance with work regulations or the extent to which an employee complies with applicable regulations.

Employee Productivity

Work productivity is the relationship between results or output and the input required by a company. This is related to the comparison between the amount produced (output) and the amount of resource use (input). Productivity can be said to be very important for business because it can affect many individuals, groups, and organizations (Wijonarko et al., 2020). Employee work productivity can also be interpreted as the ability to optimize output and input by utilizing existing facilities and infrastructure (Sumantika et al., 2021).

Indicators of employee work productivity according to Saleh and Utomo (2018) include the quantity of work or the amount of output produced by an employee; quality of work or the level of excellence of employee work results; cooperative attitude or the ability of employees to work together in a team.

Hypothesis Development

Work environment, work ethic, and rewards can be said to be very important for employee productivity. Where with a good work environment, strong work ethic and also a fair and appropriate reward system will make employees have enthusiasm and responsibility in working and increase employee productivity. Research Trisnawaty and Parwoto (2021) is in line with this, where the results show a significant influence of the work environment on employee productivity, research Muliati and Susiana (2023) work ethic is significant for employee productivity and Lestari et al. (2021) in his research showed that rewards are significant for employee productivity.

H1: Work Environment has a significant effect on Employee Productivity

H2: Work Ethic has a significant influence on Employee Productivity

H3: Rewards have a significant effect on Employee Productivity

A good work environment will have an impact on how disciplined an employee is in working. Likewise with the influence of a strong work ethic and a fair reward system. Research Putra and Aprianti (2020) provides consistent results, where there is a significant influence of the work environment on work discipline, Srihasnita et al. (2018) in their research also provides results that work ethic provides significant results related to work ethic on work discipline, and research Astuti et al. (2022) provides results that rewards significantly affect work discipline.

H4: The Work Environment has a significant effect on Work Discipline

H5: Work Ethic has a significant effect on Work Discipline

H6: Rewards have a significant effect on Work Discipline

The existence of good employee work discipline has an impact on increasing employee work productivity. Research Martono and Aspiyah (2016) provides consistent results that work discipline is significant to employee productivity.

H7: Work Discipline has a significant effect on Employee Productivity

Work discipline in this study is a connecting variable between the work environment, work ethic, and rewards on employee productivity. Where a good work environment, strong employee work ethic and a good reward system will have an impact on employee work discipline and affect employee productivity levels. Waskito and Wulandari (2022) in their research showed that the work environment affects employee productivity with work discipline as an intervening. Mulyapradana et al. (2024) in their research showed that work ethic affects employee productivity with work discipline as an intervening, and Siregar (2022) in his research showed that rewards affect employee productivity with work discipline as an intervening.

H8: The Work Environment influences Employee Productivity with Work Discipline as intervening

H9: Work Ethic influences Employee Productivity with Work Discipline as intervening

H10: Rewards influence Employee Productivity with Work Discipline as intervening

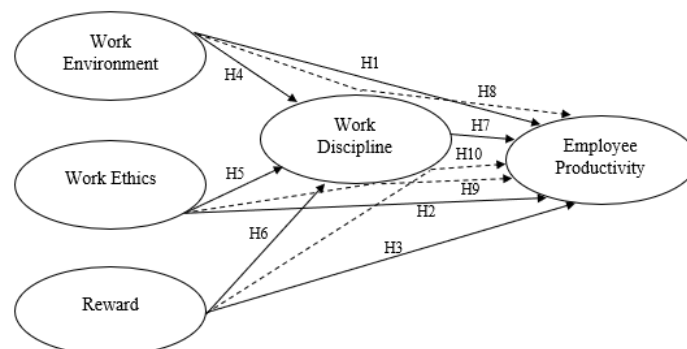


Figure 1. Conceptual Framework
Source: Development by Researchers (2024)

2. METHODS

This study uses a quantitative method with a data analysis approach. Quantitative research is a study conducted by making conclusions from the results of hypothesis testing from the collection, processing and interpretation of data that has been processed (Puspita & Sumartik, 2023). Types of data are primary data (from respondents as a result of filling out questionnaires/observations) and secondary data (from articles, books, or directly from the research object). This study uses a population of MSMEs employees producing Tas Grosir Sederhana totaling 46 people with Total Sampling as the sampling technique.

Data collection techniques by distributing questionnaires online and also literature studies focused on 3 independent variables, 1 dependent variable, and also 1 intervening variable. Where the questionnaire contains 42 statement items regarding the characteristics of respondents and also indicator variables given to employees of the Tas Grosir Sederhana MSMEs production. The questionnaire measurement uses interval measurement (Likert scale). The data measurement technique on the Likert scale is divided into five points, namely: Strongly Agree (SS = 5), Agree (S = 4), Neutral (N = 3), Disagree (TS = 2), Strongly Disagree (STS = 1). This study uses the Structural Equation Modeling analysis method with the data analysis technique used, namely PLS (Partial Least Square) version 4.0. This is to determine the latent variables in path analysis or structural equality modeling (SEM). The data analysis test in this study also includes the outer model (AVE test, discriminant validity test, composite reliability and Cronbach alpha) and the inner model which contains the path coefficient and Structural Equation Model.

3. RESULTS AND DISCUSSION

3.1. Results

Respondent Characteristics

Table 2. Respondent Characteristics

Category	Amount	Presentation (%)
Gender		
Male	11	23,91
Female	35	76,09
Age		
20 – 30	15	32,61
31 – 40	24	52,17
> 40	7	15,22
Education		
Senior High School	34	73,91
S1	12	26,09
Amount	46	100

Source: Data Processed (2024)

Testing Data Quality Through Outer Model (Measurement Model)

Average Variance Extracted (AVE) Test Results

Table 3. AVE Test Results

Variable	AVE	Information
Work Environment	0.680	Valid
Work Ethics	0.680	Valid
Rewards	0.640	Valid
Employee Productivity	0.750	Valid
Work Discipline	0.750	Valid

Source: Data Processed (2024)

Based on the table, it can be seen that the Average Variance Extracted (AVE) value is above 0.5, thus indicating good validity. Based on the table above, the method used is cross loading which shows the results that the indicators for each construct have higher values compared to the indicators for other constructs.

Discriminant Validity Test Results

Reflective indicators based on crossloading between an indicator and its components are called discriminant validity tests. Where the latent construct predicts indicators in a block more accurately than other blocks. Therefore, an indicator can be declared valid if its target construct has the highest factor loading. In this table, the cross-loading value is greater than 0.05 so we assume that all indicators meet the correlation and are valid.

Table 4. Discriminant Validity Test Result (Fornell Larcker Criterion)

	Work Environment	Work Ethics	Rewards	Employee Productivity	Work Discipline
Work Environment	0.819				
Work Ethics	0.859	0.818			
Rewards	0.793	0.846	0.796		
Employee Productivity	0.802	0.845	0.868	0.868	
Work Discipline	0.770	0.779	0.821	0.865	0.867

Source: Data Processed (2024)

Based on the table above, the discriminant validity table can be seen from the model reflection. Where the results of the cross-loading evaluation show that Cronbach's alpha measures the limit of the construct reliability value, and a value > 0.70 is declared good and sufficient.

Composite Reliability and Cronbach Alpha Test Results

The purpose of both tests is to determine how well the instrument assesses reliability in a research model. If the composite reliability of all latent variables and Cronbach's alpha is more than 0.7, the construct is considered reliable and the questionnaire used in this study is also considered reliable.

Table 5. Composite Reliability Test Result

Variable	Composite Reliability	Information
Work Environment	0.910	Reliable
Work Ethics	0.930	Reliable
Rewards	0.920	Reliable
Employee Productivity	0.940	Reliable
Work Discipline	0.960	Reliable

Source: Data Processed (2024)

Table 6. Cronbach's Alpha Test Results

Variable	Composite Reliability	Information
Work Environment	0.900	Reliable
Work Ethics	0.920	Reliable
Rewards	0.920	Reliable
Employee Productivity	0.940	Reliable
Work Discipline	0.960	Reliable

Source: Data Processed (2024)

In the table, the test results show that all constructs have a composite reliability value and Cronbach's alpha is >0.60 so they are declared reliable.

Structural Model Testing or Hypothesis Testing (Inner Model)

This model testing develops a theory-based model to analyze the relationship between exogenous and endogenous variables explained by the theory structure. The path coefficient estimates and path relationships in the structural model must be significant for the hypothesis test results. The significance of the hypothesis can be shown in the Bootstrap method, where the parameter coefficient and T statistic testing will be carried out from the Bootstrap algorithm report. Evaluate the t table with alpha 0.05 (5%) = 1.68107 to determine the significance which is then compared with the t table and t count.

Table 7. Path Coefficient Test Results

	Original Sample	Sample Mean	Standart Deviation	T-Statistics	p-Values
Work Environment – Employee Productivity	0.066	0.030	0.208	0.317	0.751
Work Environment – Work Discipline	0.256	0.346	0.267	0.962	0.336
Work Environment – Work Discipline – Employee Productivity	0.215	0.287	0.220	0.978	0.328
Work Ethics – Employee Productivity	0.232	0.224	0.208	1.116	0.264
Work Ethics – Work Discipline	0.126	0.218	0.272	0.464	0.642
Work Ethics – Work Discipline – Employee Productivity	0.108	0.178	0.231	0.468	0.640
Reward – Employee Productivity	0.304	0.336	0.204	1.490	0.136
Reward – Employee Productivity – Work Discipline – Employee Productivity	0.511	0.337	0.431	1.186	0.236
Reward – Work Discipline – Employee Productivity	0.456	0.326	0.354	1.288	0.198
Work Discipline – Employee Productivity	0.384	0.392	0.177	2.172	0.030

Source: Data Processed (2024)

The table above gives the result that work environment has an influence and is not significant to employee productivity, it can be proven from the number 0.066 in the original sample or <1.68107 and the p value of 0.751 or > 0.05 . Work environment has an influence and is not significant to work discipline, it can be proven from the number 0.256 in the original sample or <1.68107 and the p value of 0.336 or > 0.05 . Work environment on employee productivity mediated by work discipline has an insignificant influence, it can be proven from the number 0.215 in the original sample or <1.68107 and the p value of 0.328 or > 0.05 .

Work ethics has an influence and is not significant to employee productivity, it can be proven from the number 0.232 in the original sample or <1.68107 and the p value of 0.264 or > 0.05 . Work ethics has an influence and is not significant to work discipline, it can be proven from the number 0.126 in the original sample or <1.68107 and the p value of 0.642 or > 0.05 . Work ethics on employee productivity mediated by work discipline has an insignificant influence, it can be proven from the number 0.108 in the original sample or <1.68107 and the p value of 0.640 or > 0.05 .

Reward has an influence and is not significant to employee productivity, it can be proven from the number 0.304 in the original sample or <1.68107 and the p value of 0.136 or > 0.05 . Reward has an influence and is not significant to work discipline, it can be proven from the number 0.511 in the original sample or <1.68107 and the p value of 0.236 or > 0.05 . Reward on employee productivity mediated by work discipline has an insignificant influence, this can be proven from the number 0.456 in the original sample or <1.68107 and the p value of 0.198 or > 0.05 . Work discipline has a significant effect on employee productivity, it can be seen from the t-statistic of 2.172 which means < 1.68107 and p-values 0.030 or > 0.05 .

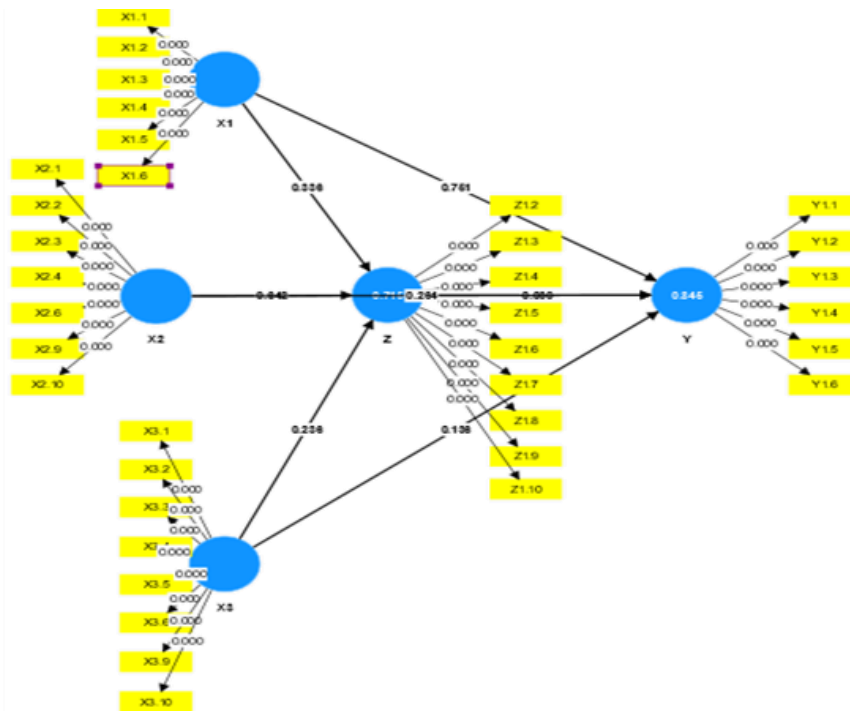


Figure 2. Structural Equation Model
Source: Data Processed (2024)

3.2. Discussion

This research discusses the influence of work environment, work ethic, and rewards on employee productivity with work discipline as an intervening variable and takes a sample of the population or 46 people who are employees of the Tas Grosir Sederhana MSMEs. The following is a discussion of the analysis results:

The Impact of the Work Environment on Employee Productivity

The results of the research show that hypothesis 1 is rejected or there is an insignificant influence of the Work Environment on Employee Productivity. This contradicts the theory put forward by Herzberg regarding a positive work environment that will create an atmosphere that supports motivation, satisfaction, and a sense of responsibility. The implications of this finding indicate that there are other factors that are more dominant in influencing productivity such as intrinsic motivation, skills, and leadership. The results of this study are in line with research Parashakti and Noviyanti (2021) which provides results that the work environment has no significant effect on employee productivity.

The Impact of Work Ethic on Employee Productivity

The results of the research indicate that hypothesis 2 is rejected or there is an insignificant influence of Work Ethics on Employee Productivity. This is contrary to the Protestant work ethic theory by Max Weber where in this case work ethics can be associated with productivity. High work ethics in employees reflect that employees are more disciplined, dedicated and make a positive contribution to productivity and encourage employee responsibility in completing their tasks. The results of the study indicate that there are other factors that are more relevant in influencing productivity such as managerial support, employee psychological conditions, and balance between work and personal life. Research Saleh and Utomo (2018) provides results in line where work ethics does not have a significant effect on employee productivity.

The Impact of Rewards on Employee Productivity

The results of the research indicate that hypothesis 3 is rejected or there is an insignificant influence of Rewards on Employee Productivity. This contradicts Vroom's Expectancy Theory, where rewards have an effect on raising employee work enthusiasm so that it can increase productivity. However, the results of this study indicate that there are other reward elements such as work culture, intrinsic motivation, and social recognition that may have a more important role. The results of this study are in line with (Ghanitri & Hakim, 2024) which provide results that there is no significant influence of rewards on employee productivity.

The Impact of the Work Environment on Work Discipline

The results of the research indicate that hypothesis 4 is rejected or there is no significant effect of the Work Environment on Work Discipline. This is contrary to the general view that a conducive work environment will encourage employees to be more disciplined and orderly. This finding shows that work discipline is more influenced by other factors such as firm leadership, internal rules, and employee intrinsic motivation. Research (Galbina & Suyuthie, 2023) is in line with this where it gives results that there is no significant effect of the work environment on work discipline.

The Impact of Work Ethic on Work Discipline

The results of the research indicate that hypothesis 5 is rejected or there is no significant influence of Work Ethics on Work Discipline. This is contrary to the general assumption that high work ethics should encourage more disciplined work behavior. The results of the study show that work discipline is more influenced by other factors such as leadership, supervision systems, and internal policies and procedures. Research (Srihasnita et al., 2018) provides results in line where there is no significant influence of work ethics on work discipline.

The Impact of Rewards on Work Discipline

The results of the research indicate that hypothesis 6 is rejected or there is an insignificant influence of Work Ethics on Work Discipline. This is contrary to the general assumption that employee rewards will affect employee discipline. The results of the study indicate that even though the company has provided rewards in the form of bonuses, incentives, or awards, this will not guarantee that it will increase employee work discipline. Employees can be motivated by other factors such as a sense of personal responsibility, relationships with superiors, or personal and professional goals. The implications of this study provide insight for companies to re-evaluate reward strategies and balance other approaches. This is in line with research (Sakinah & Palupi, 2024) which provides results that there is no significant influence of reward on work discipline.

The Impact of Work Discipline on Employee Productivity

The results of the research indicate that hypothesis 7 is accepted or there is a positive influence of Work Discipline on Employee Productivity. This finding shows that with the awareness of an employee to comply with the applicable SOP in the workplace, employee productivity will increase. This is related to how work equipment is used properly so that it can minimize risks while working. This is in line with Martono and Aspiyah (2016) in their research, which gave the results that Work Discipline has an effect on Employee Productivity. This confirms that good work discipline from an employee will also have a good impact on employee productivity.

The Impact of Work Environment on Employee Productivity with Work Discipline as intervening

The results of the research indicate that hypothesis 8 is rejected or work discipline is considered incapable of moderating the work environment on employee productivity. This

means that employee work discipline does not affect the work environment which has an impact on less than optimal employee productivity. This is in line with the results of the study Moor and Sujianto (2022) which shows that work discipline is unable to moderate the work environment on employee productivity.

The Impact of Work Ethic on Employee Productivity with Work Discipline as intervening

The results of the study indicate that hypothesis 9 is rejected or work discipline is considered unable to moderate work ethic on employee productivity. This means that the level of employee work discipline does not affect work ethic which results in less than optimal employee productivity. This is in line with the results of research Aji and Cori (2019) which shows that work discipline is unable to moderate work ethic on employee productivity.

The Impact of Rewards on Employee Productivity with Work Discipline as intervening

The results of the study indicate that hypothesis 10 is rejected or work discipline is unable to moderate rewards on employee productivity. This means that the level of employee work discipline does not affect employee rewards which results in less than optimal employee productivity. This is in line with the results of the study Dihan and Hidayat (2020) which also showed that work discipline is unable to moderate rewards on employee productivity.

4. CONCLUSION

Based on the findings and research and discussion that have been presented in the points above, it can be concluded that, 1) through testing shows that the work environment does not show any significance towards increasing employee productivity and also the work discipline of employees of the Tas Grosir Sederhana MSMEs. 2) through testing shows that work ethic does not show any significance towards increasing employee productivity and also the work discipline of employees of the Tas Grosir Sederhana MSMEs. 3) through testing shows that rewards do not show any significance towards increasing employee productivity and also the work discipline of employees of the Tas Grosir Sederhana MSMEs. 4) through testing shows that work discipline has a significant effect on increasing employee productivity of the Tas Grosir Sederhana MSMEs. 5) through testing it is shown that the work environment, work ethic and rewards on employee productivity cannot be mediated by work discipline due to insignificance.

This study has limitations in the form of simple analysis so that the results shown cannot capture more complex relationships between variables. In addition, there are several methodological assumptions used in the statistical model that may not be fully in accordance with real conditions in the field. The results of this study can be used as a reference for other studies with the same human resource theme. It is hoped that through further research, new research variables can be added and other variables can be found that may affect employee productivity. Therefore, future research can lead to a deeper understanding of the factors that contribute to employee productivity.

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