

The Effects of Organizational Climate and Leadership on Employee Performance: The Mediating Role of Job Satisfaction at the Bpjs Kesehatan Depok Branch Office

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ABSTRACT

This study aims to examine the effects of organizational climate and leadership on employee performance, with job satisfaction serving as a mediating variable, at the BPJS Kesehatan Depok Branch Office. A quantitative approach with a causal research design was employed. The study population consisted of all 50 permanent employees of the BPJS Kesehatan Depok Branch Office. Since the population was relatively small, a census sampling technique was adopted, resulting in a total sample of 50 respondents. Data were collected using a structured questionnaire and analyzed through Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS 3.0.

The findings reveal that organizational climate and leadership have positive and significant effects on job satisfaction. In addition, organizational climate, leadership, and job satisfaction each exert positive and significant effects on employee performance. Job satisfaction was found to partially mediate the relationships between organizational climate and employee performance, as well as between leadership and employee performance. Furthermore, the total effect analysis indicates that organizational climate has the strongest influence on employee performance. These findings suggest that fostering a supportive organizational climate, strengthening leadership effectiveness, and enhancing job satisfaction are essential strategies for improving employee performance in public sector organizations.

This study contributes to the human resource management literature by providing empirical evidence that job satisfaction functions as an important mechanism linking organizational climate and leadership to employee performance. Practically, the findings offer valuable insights for BPJS Kesehatan in formulating human resource management policies aimed at strengthening organizational climate, enhancing leadership quality, and promoting job satisfaction to improve employee performance and support sustainable public service delivery.

Keywords: organizational climate; leadership; job satisfaction; employee performance; BPJS Kesehatan.

INTRODUCTION

Employee performance has long been recognized as one of the most critical determinants of organizational effectiveness and long-term sustainability. Across both private and public sector organizations, employee performance directly influences service quality, operational efficiency, organizational productivity, and stakeholder satisfaction. In public organizations, where accountability and service quality constitute the primary objectives, employee performance assumes an even more strategic role because it determines the extent to which public institutions fulfill their mandates and respond to citizens' expectations (Robbins & Judge, 2023; Dessler, 2024; Colquitt et al., 2023). Consequently, improving employee performance has become a central concern in human resource management and public administration, particularly in organizations responsible for delivering essential public services.

The increasing complexity of public service delivery has significantly transformed the way public organizations manage their human resources. Digital transformation, changing public expectations, increasing organizational

accountability, and continuous institutional reforms require public employees not only to perform efficiently but also to demonstrate adaptability, collaboration, innovation, and commitment. As a result, organizational success increasingly depends on the ability to develop a work environment that encourages employees to contribute beyond their formal responsibilities while maintaining high standards of public service quality (Armstrong, 2023; Luthans, 2021).

Healthcare organizations represent one of the most dynamic public service sectors because they operate under constant pressure to improve accessibility, efficiency, responsiveness, and service quality. Healthcare administrators are expected to manage increasingly complex healthcare systems while simultaneously ensuring financial sustainability and equitable access to healthcare services. Consequently, employee performance becomes a fundamental determinant of organizational effectiveness because healthcare employees directly influence service outcomes experienced by the public (WHO, 2023).

In Indonesia, BPJS Kesehatan serves as the administrator of the National Health Insurance Program (Jaminan Kesehatan Nasional/JKN), which represents one of the world's largest single-payer healthcare insurance systems. Since its implementation, the JKN program has substantially expanded healthcare coverage and improved access to medical services for millions of Indonesian citizens. Nevertheless, maintaining high-quality public healthcare services remains a major challenge due to increasing service demand, administrative complexity, limited organizational resources, and continuous institutional reforms. These challenges require BPJS Kesehatan to continuously strengthen organizational capability through effective human resource management.

The BPJS Kesehatan Depok Branch Office reflects these broader organizational challenges. According to internal organizational records presented in this study, JKN membership coverage in Depok City has not yet achieved the national target of 95%, leaving approximately 440,167 residents outside the national health insurance system. This condition indicates that organizational performance improvement remains necessary to achieve national healthcare objectives. Furthermore, preliminary observations identified several organizational issues, including delays in employee attendance, communication barriers between supervisors and employees, inconsistent perceptions regarding organizational support, and varying assessments of workplace conditions. These organizational phenomena suggest that employee performance is influenced not only by individual competencies but also by organizational conditions that shape employees' daily work experiences.

Human resource management literature consistently argues that employee performance cannot be explained solely by employees' knowledge and technical competencies. Instead, organizational factors play equally important roles in shaping employee attitudes, motivation, and behavioral outcomes. Among these organizational factors, organizational climate has emerged as one of the most influential determinants of employee performance because it represents employees' shared perceptions regarding organizational policies, management practices, communication, interpersonal relationships, recognition systems, and working conditions (Stringer, 2002; Wirawan, 2017).

Organizational climate creates the psychological environment within which employees perform their daily responsibilities. A supportive organizational climate enhances employees' perceptions of fairness, trust, organizational support, communication effectiveness, and psychological safety. Employees working in such environments generally demonstrate higher levels of organizational commitment, stronger motivation, greater collaboration, and improved work performance. Conversely, unfavorable organizational climates frequently generate workplace conflicts, uncertainty, stress, reduced organizational commitment, and declining employee performance (Aboramadan et al., 2022; Nguyen & Malik, 2022).

Recent empirical evidence further demonstrates that organizational climate contributes significantly to employee engagement, organizational commitment, innovative work behavior, and organizational citizenship behavior, all of which ultimately enhance employee performance (Schaufeli, 2021; Aboramadan et al., 2022). These findings suggest that organizational climate represents not merely an environmental characteristic but a strategic organizational resource capable of strengthening both employee well-being and organizational effectiveness.

In addition to organizational climate, leadership has consistently been recognized as another critical determinant of employee performance. Leadership extends beyond directing employees to accomplish organizational objectives; effective leaders inspire, motivate, support, and empower employees while creating conditions that facilitate continuous learning, innovation, collaboration, and organizational commitment (Yukl, 2020; Northouse, 2022). Leaders also play an essential role in communicating organizational goals, resolving workplace conflicts, encouraging employee participation, and fostering positive interpersonal relationships.

Transformational leadership literature particularly emphasizes that leaders who articulate a compelling vision, provide individualized consideration, intellectually stimulate employees, and demonstrate inspirational motivation significantly improve employee attitudes and performance outcomes (Bass & Riggio, 2006; Avolio & Bass, 2004). Effective leadership therefore becomes increasingly important in public organizations where employees often encounter bureaucratic procedures, changing regulations, and high service expectations.

Although organizational climate and leadership independently influence employee performance, previous research suggests that these relationships are frequently indirect rather than purely direct. Employees interpret organizational policies and leadership behaviors psychologically before translating them into behavioral outcomes. One of the most widely recognized psychological mechanisms explaining this process is job satisfaction.

Job satisfaction reflects employees' overall evaluation of their work experiences, including satisfaction with supervision, compensation, organizational support, career development, communication, and working conditions (Spector, 2022). Employees who experience higher job satisfaction generally exhibit stronger organizational commitment, reduced turnover intentions, increased work engagement, improved service quality, and superior job performance (Judge & Kammeyer-Mueller, 2023). Consequently, job satisfaction has increasingly been viewed as a mediating mechanism through which organizational conditions influence employee performance.

The theoretical foundation of this study is derived from Goal Setting Theory (Locke, 1968; Locke & Latham, 2002), which proposes that employees perform more effectively when organizational goals are clearly defined, challenging, and supported by conducive organizational conditions. According to this perspective, organizational climate and leadership provide contextual resources that enable employees to understand organizational expectations, maintain motivation, and achieve performance objectives. Employees working within supportive organizational environments and under effective leadership are therefore more likely to experience higher job satisfaction, ultimately leading to improved performance.

Despite extensive research examining organizational climate, leadership, job satisfaction, and employee performance, previous empirical findings remain inconclusive. Several studies report significant positive relationships among these variables (Aboramadan et al., 2022; Nguyen & Malik, 2022), whereas other studies indicate that the magnitude and significance of these relationships vary across organizational contexts, particularly within public sector institutions characterized by bureaucratic structures, formalized procedures, and multiple stakeholder expectations. These inconsistent findings suggest that contextual differences continue to influence the effectiveness of organizational climate and leadership in improving employee performance.

Furthermore, previous studies have predominantly focused on private organizations, manufacturing industries, educational institutions, or hospitals, while empirical investigations within Indonesia's public health insurance administration remain relatively limited. The organizational characteristics of BPJS Kesehatan differ considerably from those of commercial organizations because its primary mission emphasizes public service rather than profit maximization. Consequently, understanding employee performance within this institutional context provides valuable theoretical and practical insights into public sector human resource management.

This study therefore seeks to examine the influence of organizational climate and leadership on employee performance through the mediating role of job satisfaction among employees of the BPJS Kesehatan Depok Branch Office. Unlike many previous studies that investigate only direct relationships, this research develops a

comprehensive structural model incorporating both organizational factors and psychological mechanisms to explain employee performance within a public healthcare institution.

The study contributes to the human resource management literature in three important ways. First, it extends Goal Setting Theory by empirically demonstrating how organizational climate and leadership jointly influence employee performance through job satisfaction. Second, it provides evidence from Indonesia's public healthcare administration sector, an organizational context that has received relatively limited scholarly attention. Third, the findings offer practical implications for managers and policymakers seeking to improve employee performance through integrated human resource management strategies emphasizing supportive organizational climates, effective leadership practices, and enhanced employee job satisfaction.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Goal Setting Theory

This study is grounded in Goal Setting Theory, originally proposed by Locke (1968) and further developed by Locke and Latham (2002). The theory posits that individuals achieve superior performance when they are provided with clear, specific, and challenging goals accompanied by appropriate feedback. Goal clarity enhances employees' attention toward organizational priorities, increases persistence, stimulates greater effort, and encourages the development of effective work strategies. Consequently, employee performance is not merely determined by individual capability but also by organizational conditions that facilitate goal attainment (Locke, 1968; Locke & Latham, 2002).

Within public organizations, Goal Setting Theory provides a valuable framework for understanding how organizational environments influence employee behavior. Employees working in organizations characterized by supportive climates and effective leadership are more likely to perceive organizational objectives clearly, understand performance expectations, and remain motivated throughout task completion. Such organizational conditions encourage employees to align personal objectives with organizational goals, thereby improving both job satisfaction and work performance (Latham, 2012).

Moreover, Goal Setting Theory emphasizes that motivation is strengthened when employees perceive organizational support during the goal achievement process. Therefore, organizational climate and leadership function as contextual resources that facilitate goal accomplishment through increased employee satisfaction and commitment. This theoretical perspective forms the foundation for examining the mediating role of job satisfaction in the relationship between organizational climate, leadership, and employee performance.

Organizational Climate and Job Satisfaction

Organizational climate refers to employees' shared perceptions regarding the characteristics of their working environment, including organizational policies, communication patterns, supervisory support, reward systems, interpersonal relationships, and organizational practices (Stringer, 2002). Unlike organizational culture, which reflects deeply embedded values and beliefs, organizational climate represents employees' immediate perceptions of how the organization functions on a daily basis (Wirawan, 2017).

A favorable organizational climate creates psychological safety, trust, fairness, collaboration, and effective communication among employees. Such conditions encourage employees to develop stronger emotional attachment toward the organization while simultaneously reducing work-related stress and uncertainty. Employees who perceive fairness in organizational procedures and receive adequate organizational support generally experience higher levels of job satisfaction because they feel valued and respected within the organization (Aboramadan et al., 2022).

Recent empirical studies consistently demonstrate that organizational climate positively influences employee attitudes and behavioral outcomes. Nguyen and Malik (2022) reported that supportive organizational climates significantly improve employee engagement, motivation, and job satisfaction. Similarly, Aboramadan et al. (2022) found that organizational climate enhances innovative work behavior and organizational commitment,

ultimately improving overall employee effectiveness. These findings suggest that organizational climate functions as an important antecedent of employee satisfaction because it shapes employees' daily work experiences.

According to Goal Setting Theory, supportive organizational environments facilitate goal accomplishment by reducing organizational barriers and increasing employee confidence. Employees working in positive organizational climates perceive organizational goals as achievable and meaningful, thereby strengthening their intrinsic motivation and satisfaction.

H1: Organizational climate positively and significantly influences job satisfaction.

Leadership and Job Satisfaction

Leadership is widely recognized as one of the most influential organizational factors affecting employee attitudes and performance. Leadership involves the ability to influence, motivate, inspire, and guide individuals toward the achievement of organizational objectives (Yukl, 2020). Effective leaders establish clear expectations, facilitate communication, provide constructive feedback, and create supportive working environments that encourage employee development.

Transformational leadership theory suggests that leaders who communicate an inspiring vision, demonstrate individualized consideration, intellectually stimulate employees, and motivate followers beyond self-interest substantially improve employee satisfaction and organizational commitment (Bass & Riggio, 2006). Employees working under supportive leaders generally experience greater recognition, empowerment, and trust, leading to stronger psychological attachment to their work.

Empirical evidence further supports this relationship. Judge and Kammeyer-Mueller (2023) concluded that leadership quality significantly determines employee attitudes, particularly job satisfaction. Similarly, Northouse (2022) argues that effective leadership creates an organizational atmosphere characterized by fairness, open communication, and mutual respect, all of which positively influence employees' psychological well-being.

Within the framework of Goal Setting Theory, leaders play a central role in clarifying organizational goals and providing continuous feedback throughout the performance process. Such leadership behaviors strengthen employees' motivation and enhance satisfaction by reducing ambiguity regarding organizational expectations.

H2: Leadership positively and significantly influences job satisfaction.

Organizational Climate and Employee Performance

Employee performance represents the extent to which employees successfully accomplish assigned responsibilities while achieving organizational objectives efficiently and effectively (Robbins & Judge, 2023). High-performing employees demonstrate superior work quality, productivity, responsibility, innovation, and commitment toward organizational success.

Organizational climate significantly contributes to employee performance because it determines the psychological conditions under which employees perform their daily activities. Organizations characterized by supportive communication, collaboration, recognition, fairness, and organizational support generally experience higher employee productivity and lower workplace conflict.

Aboramadan et al. (2022) found that organizational climate directly improves employee performance by strengthening organizational commitment and encouraging innovative work behavior. Likewise, Schaufeli (2021) emphasized that supportive organizational environments increase employee engagement, which subsequently enhances performance outcomes.

Goal Setting Theory further explains that conducive organizational climates enable employees to pursue organizational goals more effectively by minimizing uncertainty and enhancing work motivation.

H3: Organizational climate positively and significantly influences employee performance.

Leadership and Employee Performance

Leadership effectiveness has consistently been identified as one of the strongest predictors of employee performance. Leaders influence employee behavior by providing direction, motivation, coaching, evaluation, and continuous support throughout task completion (Yukl, 2020).

Transformational leaders encourage employees to exceed formal job requirements by fostering innovation, commitment, and organizational citizenship behavior. Employees who trust their leaders generally demonstrate stronger commitment, greater discretionary effort, and higher productivity (Bass & Riggio, 2006).

Empirical research consistently confirms the positive association between leadership and employee performance. Robbins and Judge (2023) argue that effective leadership facilitates goal achievement by aligning employee behavior with organizational objectives, while Northouse (2022) highlights leadership as a critical determinant of organizational effectiveness.

Within Goal Setting Theory, leadership serves as a mechanism for communicating organizational expectations and maintaining employee motivation throughout goal attainment.

H4: Leadership positively and significantly influences employee performance.

Job Satisfaction and Employee Performance

Job satisfaction refers to employees' overall positive emotional evaluation of their work experiences, including satisfaction with supervision, compensation, career development, organizational support, and workplace conditions (Spector, 2022).

Employees experiencing higher job satisfaction generally exhibit stronger organizational commitment, greater work engagement, lower absenteeism, reduced turnover intentions, and superior job performance. Job satisfaction therefore functions as an important psychological mechanism linking organizational conditions to employee behavior.

Judge and Kammeyer-Mueller (2023) concluded that satisfied employees consistently outperform dissatisfied employees because positive emotional experiences enhance intrinsic motivation and discretionary effort. Similarly, Colquitt et al. (2023) argue that satisfied employees demonstrate greater persistence when facing organizational challenges.

Goal Setting Theory suggests that employees who experience satisfaction while pursuing organizational goals are more likely to sustain motivation and maintain high performance throughout the work process.

H5: Job satisfaction positively and significantly influences employee performance.

The Mediating Role of Job Satisfaction

Although organizational climate and leadership directly influence employee performance, their effects frequently operate through employees' psychological experiences. Job satisfaction represents one of the most important mediating mechanisms explaining how organizational conditions translate into improved employee performance.

Supportive organizational climates create comfortable working environments that increase employees' positive evaluations of their jobs. Likewise, effective leadership strengthens employees' confidence, recognition, and motivation, thereby improving job satisfaction. Employees who experience greater job satisfaction subsequently become more committed, motivated, and productive, ultimately leading to enhanced performance.

Previous studies consistently support this mediating relationship. Aboramadan et al. (2022) demonstrated that organizational climate influences employee performance through psychological mechanisms including organizational commitment and satisfaction. Likewise, Judge and Kammeyer-Mueller (2023) argued that job satisfaction functions as an essential pathway through which organizational practices shape employee behavior.

Accordingly, this study proposes that job satisfaction partially mediates the relationships between organizational climate and employee performance as well as between leadership and employee performance.

H6: Job satisfaction positively mediates the relationship between organizational climate and employee performance.

H7: Job satisfaction positively mediates the relationship between leadership and employee performance.

RESEARCH METHOD

This study employs a quantitative approach with an explanatory research design. This approach was selected to examine the causal relationships among organizational climate, leadership, job satisfaction, and employee performance through the testing of formulated hypotheses. Explanatory research enables the researcher to explain both direct and indirect effects between variables within the research model (Hair et al., 2022).

The object of the study is the BPJS Kesehatan Depok Branch Office, while the unit of analysis comprises all employees working at that office. The selection of the research site was based on empirical phenomena indicating ongoing challenges in achieving organizational targets, as well as the importance of enhancing employee performance as part of efforts to improve the quality of public services.

The study population consists of all employees at the BPJS Kesehatan Depok Branch Office. Given the relatively limited population size, a census sampling technique was employed, meaning all members of the population served as research respondents. This technique affords every population member an equal opportunity to participate as a respondent, thereby providing a more comprehensive depiction of the organizational conditions.

The data utilized in this study consist of both primary and secondary data. Primary data were obtained by distributing questionnaires to all respondents using a five-point Likert scale, ranging from a score of 1 (strongly disagree) to 5 (strongly agree). Meanwhile, secondary data were gathered from organizational documents, internal reports, and relevant literature. The use of both data types aims to enhance the completeness of the information required for the analysis process.

The research instrument was developed based on indicators established in prior studies. The organizational climate variable was measured using dimensions of structure, standards, responsibility, recognition, support, and commitment, as proposed by Stringer (cited in Wirawan). The leadership variable was measured based on indicators of a leader's ability to provide direction, motivation, communication, decision-making, and supervision. The job satisfaction variable was measured through satisfaction with the work itself, rewards, working relationships, development opportunities, and working conditions, while the employee performance variable was measured through work quality, work quantity, timeliness, effectiveness, and employee independence.

Prior to hypothesis testing, the research instrument underwent validity and reliability assessments. Convergent validity was evaluated based on outer loading values (>0.70) and Average Variance Extracted (AVE) values (>0.50). Construct reliability was assessed using Cronbach's Alpha and Composite Reliability, with a minimum threshold of 0.70. These tests aimed to ensure that all indicators could measure the research constructs in a valid and reliable manner (Hair et al., 2022).

Data analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with the aid of SmartPLS software. The PLS-SEM method was selected because it is suitable for research aimed at developing predictive models and testing complex relationships between latent variables, and it provides robust estimates even with relatively limited sample sizes (Hair et al., 2022). The analysis stages involved evaluating

the measurement model (outer model) through construct validity and reliability tests, followed by evaluating the structural model (inner model) by assessing the coefficient of determination (R^2), predictive relevance (Q^2), and effect size (f^2), as well as testing the significance of relationships between variables using a bootstrapping procedure at a 5% significance level.

Hypothesis testing was based on path coefficient values, t-statistics, and p-values. A hypothesis was considered accepted if the t-statistic exceeded 1.96 and the p-value was less than 0.05. Subsequently, the mediation effect was tested by analyzing the indirect effect using a bootstrapping procedure to determine the role of job satisfaction in mediating the relationship of organizational climate and leadership with employee performance (Hair et al., 2022).

RESULTS AND DISCUSSION

Respondent Profile

A total of 50 employees from the BPJS Kesehatan Depok Branch Office participated in this study, representing the entire population through a census sampling approach. Consequently, the response rate reached 100%, ensuring that the collected data accurately reflected employees' perceptions regarding organizational climate, leadership, job satisfaction, and employee performance within the organization.

The respondents represented various organizational units and functional positions, providing comprehensive insights into the organizational environment. The complete participation of all employees also minimizes sampling bias and strengthens the internal validity of the findings.

Structural Model Evaluation

Data analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS software. Prior to hypothesis testing, the research model was evaluated through measurement and structural model assessments to ensure validity, reliability, and predictive capability. The structural model evaluation utilized the coefficient of determination (R^2) and predictive relevance (Q^2) as indicators of the model's ability to explain the variation in endogenous constructs.

The analysis results indicate that the R^2 value for the job satisfaction variable is 0.594, meaning that 59.4% of the variation in job satisfaction can be explained by organizational climate and leadership. Meanwhile, the R^2 value for the employee performance variable is 0.747, indicating that 74.7% of the variation in employee performance can be explained by organizational climate, leadership, and job satisfaction. Based on the criteria established by Hair et al. (2022), these values suggest that the model's predictive capability falls within the moderate-to-strong range.

Furthermore, the predictive relevance (Q^2) test yielded a value of 0.90. This value approaches one, indicating that the model possesses excellent predictive capability. Thus, the research model is capable of explaining a significant portion of the empirical information contained in the data, making it suitable for testing the causal relationships between the research variables.

Hypothesis Testing

Hypothesis testing was conducted using t-tests, distinguishing between the assessment of direct and indirect effects (i.e., testing for mediating variables). The following sections outline the results of the direct effect tests and the analysis of mediating variables, respectively.

The summary of path coefficient validation results for each direct effect path presented in Table 1 which provides the information necessary for hypothesis testing. The results of testing the seven hypotheses in this study are presented below:

Table 1. Results of Direct Effect Testing

No.	Relationships Between Variables	Path Coefficient (Bootstrapping)	T-Statistic	Explanation
1	Organizational climate -> Job satisfaction	0.479	5.433	Significant
2	Leadership -> Job satisfaction	0.413	4.531	Significant
3	Organizational climate -> Employee performance	0.396	4.408	Significant
4	Leadership -> Employee performance	0.266	2.544	Significant
5	Job Satisfaction -> Employee Performance	0.338	3.441	Significant

Source: *Output SmartPLS 3.0.*

The results of the hypothesis testing are presented as follows:

Organizational climate (X1) was found to have a positive and significant effect on job satisfaction (Y1). This result is indicated by a positive path coefficient of 0.479 and a T-statistic of 5.433, which exceeds the critical value of 1.96. Therefore, Hypothesis 1 (H1), stating that organizational climate has a positive and significant effect on job satisfaction, is supported. These findings suggest that a more favorable organizational climate enhances employees' job satisfaction at the BPJS Kesehatan Depok Branch Office.

Leadership (X2) was found to have a positive and significant effect on job satisfaction (Y1). The path coefficient was 0.413, with a T-statistic of 4.531, exceeding the critical value of 1.96. Accordingly, Hypothesis 2 (H2), which proposes that leadership positively and significantly influences job satisfaction, is supported. This finding indicates that effective leadership contributes to higher levels of employee job satisfaction at the BPJS Kesehatan Depok Branch Office.

Organizational climate (X1) was also found to have a positive and significant effect on employee performance (Y). The analysis produced a positive path coefficient of 0.396 and a T-statistic of 4.408, which is greater than the critical value of 1.96. Therefore, Hypothesis 3 (H3) is supported, confirming that organizational climate positively and significantly affects employee performance. This finding indicates that a supportive organizational climate enhances employee performance, whereas an unfavorable organizational climate tends to reduce employee performance at the BPJS Kesehatan Depok Branch Office.

Leadership (X2) was found to have a positive and significant effect on employee performance (Y2). This result is indicated by a positive path coefficient of 0.266 and a T-statistic of 2.544, which exceeds the critical value of 1.96. Therefore, Hypothesis 4 (H4), which states that leadership has a positive and significant effect on employee performance, is supported. These findings indicate that more effective leadership enhances employee performance at the BPJS Kesehatan Depok Branch Office.

Job satisfaction (Y1) was found to have a positive and significant effect on employee performance (Y2). The analysis yielded a positive path coefficient of 0.388 and a T-statistic of 3.441, which is greater than the critical value of 1.96. Accordingly, Hypothesis 5 (H5), proposing that job satisfaction positively and significantly influences employee performance, is supported. This finding suggests that higher levels of job satisfaction contribute to improved employee performance at the BPJS Kesehatan Depok Branch Office.

To provide a clearer overview of the structural relationships among the research variables, the complete SEM-PLS structural model is presented in Figure 1.

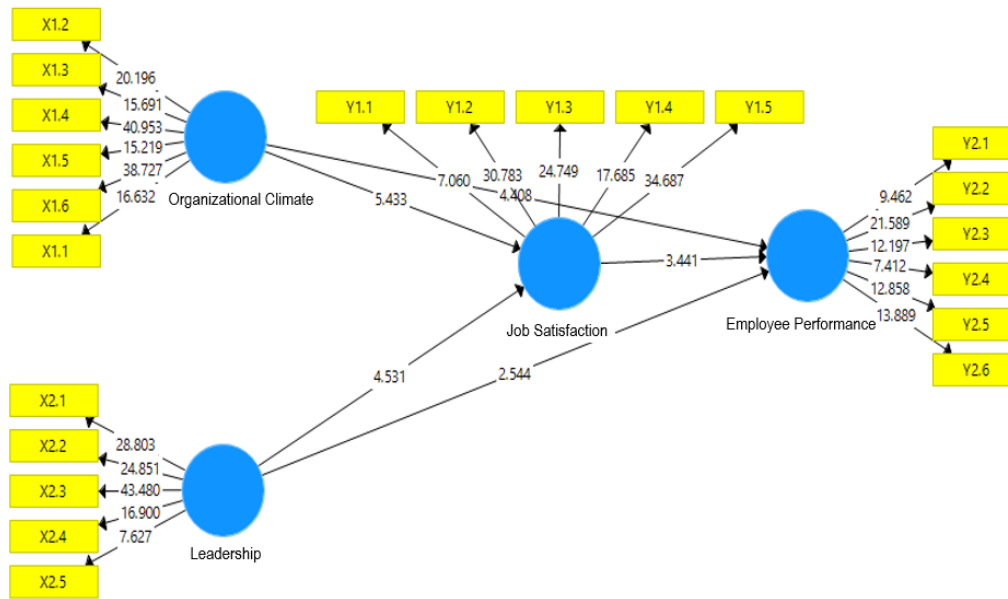


Figure 1. Full Structural Model of the SEM-PLS Analysis

Job satisfaction (Y1) was found to positively and significantly mediate the relationship between organizational climate (X1) and employee performance (Y2). The mediation analysis showed that all relevant paths (a, b, c, and d) were statistically significant. These findings indicate that a more favorable organizational climate enhances employees' job satisfaction, which subsequently improves their performance. Furthermore, the mediation effect of job satisfaction was identified as partial mediation, indicating that organizational climate continues to exert a significant direct effect on employee performance in addition to its indirect effect through job satisfaction. Therefore, job satisfaction serves as an important, but not exclusive, mechanism linking organizational climate to employee performance.

Job satisfaction (Y1) was also found to positively and significantly mediate the relationship between leadership (X2) and employee performance (Y2). The mediation analysis demonstrated that all relevant paths (a, b, c, and d) were statistically significant. These results indicate that effective leadership enhances employees' job satisfaction, which in turn contributes to improved employee performance. Similar to the previous finding, the mediating role of job satisfaction was identified as partial mediation, suggesting that leadership influences employee performance both directly and indirectly through job satisfaction. Consequently, although job satisfaction plays an important mediating role, it is not the sole mechanism through which leadership affects employee performance.

The results of the indirect effect (mediation) analysis are summarized in Table 2.

Table 2. Summary of the Results of the Mediation Analysis

No.	Relationships Between Variables	(a)	(b)	(c)	(d)	Explanation
1	Organizational climate -> Job satisfaction -> Employee performance	0.396 (Sig)	0.786 (Sig)	0.479 (Sig)	0.338 (Sig)	Partial Mediation
2	Leadership -> Job satisfaction -> Employee performance	0.266 (Sig)	0.366 (Sig)	0.413 (Sig)	0.338 (Sig)	Partial Mediation

Note: Signifikan (Sig.) = T-statistic > 1.96 pada α : 5%

Source: *Output SmartPLS 3.0.*

To provide a comprehensive understanding of the relationships among the study variables, the direct, indirect, and total effects were examined. The results are presented in Table 3.

Table 3. Summary of Direct, Indirect, and Total Effects

No.	Relationships Between Variables	Direct Effect	Indirect Effect	Total Effects
1	Organizational climate -> Job satisfaction	0.479 (sig)	-	0.479
2	Organizational climate -> Job satisfaction -> Employee performance	0.396 (sig)	0.162 (sig)	0.558
3	Leadership -> Job satisfaction	0.413 (sig)	-	0.413
4	Leadership -> Job satisfaction -> Employee performance	0.266 (sig)	0.140 (sig)	0.406
5	Job satisfaction -> Employee performance	0.338 (sig)	-	0.338

Source: *Output SmartPLS 3.0*

As presented in Table 3, the mediating effect of job satisfaction (Y1) on the relationship between organizational climate (X1) and employee performance (Y2) was stronger than its mediating effect on the relationship between leadership (X2) and employee performance (Y2). The indirect effect of organizational climate through job satisfaction yielded a path coefficient of 0.162, whereas the indirect effect of leadership through job satisfaction produced a path coefficient of 0.140. Furthermore, the total effect of the organizational climate → job satisfaction → employee performance pathway (0.588) was greater than that of the leadership → job satisfaction → employee performance pathway (0.406). These findings indicate that improvements in both organizational climate and leadership contribute to higher employee job satisfaction, which subsequently enhances employee performance. However, organizational climate demonstrates a stronger overall influence on employee performance than leadership, highlighting its more prominent role in improving employee performance at the BPJS Kesehatan Depok Branch Office.

DISCUSSION

The findings of this study indicate that all hypothesized relationships are positive and statistically significant, providing empirical support for all proposed hypotheses. These results suggest that improvements in organizational climate and leadership contribute to higher levels of job satisfaction and employee performance, both directly and indirectly through job satisfaction. The findings highlight the importance of organizational and managerial factors in enhancing employee performance within public sector organizations.

The results demonstrate that organizational climate has a positive and significant effect on job satisfaction, with a path coefficient of 0.479. This finding indicates that employees' perceptions of their working environment play a crucial role in shaping their level of job satisfaction. A supportive organizational climate characterized by clear job responsibilities, organizational support, fair recognition, effective communication, and harmonious interpersonal relationships creates favorable working conditions that enhance employees' satisfaction. This finding is consistent with previous studies, which reported that a positive organizational climate promotes employee well-being and increases job satisfaction by fostering trust, collaboration, and psychological safety (Aboramadan et al., 2022; Nguyen & Malik, 2022). From the perspective of Goal Setting Theory, employees are

more satisfied when organizational conditions facilitate the achievement of work goals and reduce barriers to task accomplishment.

Leadership was also found to positively and significantly influence job satisfaction, with a path coefficient of 0.413. This result confirms that leadership quality plays a vital role in shaping employees' attitudes toward their work. Leaders who communicate effectively, provide clear direction, motivate employees, and encourage participation in decision-making create a positive working environment that enhances employee satisfaction. These findings are consistent with transformational leadership theory, which emphasizes that effective leadership strengthens employee motivation, commitment, and overall job satisfaction (Bass & Riggio, 2006; Northouse, 2022). However, the larger coefficient associated with organizational climate suggests that improvements in the work environment contribute more substantially to job satisfaction than leadership alone.

The study further reveals that organizational climate has a stronger positive effect on employee performance ($\beta = 0.396$) than leadership ($\beta = 0.266$). These findings indicate that employee performance depends not only on individual competencies but also on organizational conditions that support daily work activities. A favorable organizational climate facilitates coordination, strengthens teamwork, improves communication, reduces workplace conflict, and enhances employee motivation, all of which contribute to better performance. Meanwhile, effective leadership remains essential for providing direction, supervision, and motivation, enabling employees to achieve organizational objectives efficiently. These findings are consistent with previous research suggesting that organizational climate and leadership are complementary organizational resources that enhance employee performance.

Job satisfaction was also found to have a positive and significant effect on employee performance ($\beta = 0.388$). This finding suggests that employees who are satisfied with their jobs demonstrate higher motivation, stronger organizational commitment, and greater willingness to perform beyond minimum job requirements. Satisfied employees tend to produce higher-quality work, exhibit greater responsibility, and contribute more effectively to organizational objectives. This result supports the widely accepted view that job satisfaction is an important antecedent of employee performance because positive work experiences encourage employees to invest greater effort in their tasks (Judge & Kammeyer-Mueller, 2023).

The mediation analysis demonstrated that job satisfaction partially mediates the relationships between organizational climate and employee performance as well as between leadership and employee performance. These findings indicate that organizational climate and leadership influence employee performance both directly and indirectly through employees' psychological responses. In other words, improvements in organizational climate and leadership enhance employee satisfaction, which subsequently leads to higher performance. Nevertheless, because the direct effects remain statistically significant, job satisfaction serves as a partial mediator, suggesting that organizational climate and leadership also influence employee performance through additional mechanisms beyond job satisfaction.

The analysis of total effects further indicates that organizational climate exerts the strongest overall influence on employee performance, with a total effect of 0.558, compared with 0.406 for leadership. This finding emphasizes that creating a supportive organizational environment is more influential in improving employee performance than focusing exclusively on leadership development. Therefore, organizations should prioritize initiatives that strengthen collaboration, open communication, employee recognition, fairness, and continuous organizational support while simultaneously enhancing leadership effectiveness.

Overall, this study demonstrates that employee performance at the BPJS Kesehatan Depok Branch Office is shaped by the combined influence of organizational climate, leadership, and job satisfaction. Organizational climate and leadership function as organizational resources that foster positive employee perceptions, whereas job satisfaction serves as a psychological mechanism that strengthens their impact on performance. These findings suggest that sustainable improvements in employee performance require an integrated human resource management strategy that simultaneously promotes a supportive organizational climate, develops effective leadership practices, and enhances employee job satisfaction. Such an integrated approach is expected to improve both organizational effectiveness and the quality of public healthcare services.

CONCLUSION

This study examined the effects of organizational climate and leadership on employee performance through the mediating role of job satisfaction at the BPJS Kesehatan Depok Branch Office. The findings demonstrate that organizational climate and leadership have positive and significant effects on both job satisfaction and employee performance. In addition, job satisfaction positively influences employee performance and partially mediates the relationships between organizational climate and employee performance, as well as between leadership and employee performance. These findings indicate that improvements in the work environment and leadership effectiveness enhance employee performance both directly and indirectly by increasing job satisfaction.

The analysis of total effects reveals that organizational climate contributes more substantially to employee performance than leadership, highlighting the strategic importance of creating a supportive work environment characterized by effective communication, fair recognition, organizational support, and collaborative working relationships. Therefore, BPJS Kesehatan should integrate organizational climate improvement with leadership development initiatives as part of its human resource management strategy to enhance employee performance and improve the quality of public services.

This study contributes to the human resource management literature by providing empirical evidence that job satisfaction functions as an important mechanism through which organizational climate and leadership influence employee performance in a public sector context. However, the study is limited by its focus on a single BPJS Kesehatan branch office, which may restrict the generalizability of the findings. Future research is encouraged to include larger and more diverse samples from multiple public organizations and to incorporate additional variables, such as organizational commitment, work engagement, organizational culture, or organizational citizenship behavior, to provide a more comprehensive understanding of the factors influencing employee performance.

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