UNDERGRADUATE THESIS

THE INFLUENCE OF NON-PHYSICAL WORK ENVIRONMENT ON EMPLOYEE LOYALTY BY MEDIATING JOB SATISFACTION (STUDY ON GRAHA WITEL TELKOM BANJARMASIN EMPLOYEES)

Submitted in Partial Fulfillment of the Requirements for the Degree of
Bachelor of Management

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STATEMENT OF ORIGINALITY

With full sincerity, I, the undersigned, hereby acknowledge that this thesis is the result of my efforts and thinking. All references and assistance I have received from various sources have been honestly and properly cited. This thesis has never been published or submitted for any other purpose to any party. If it is later proven that this statement is untrue, I am fully prepared to accept any legal consequences resulting from the inaccuracy of this declaration.

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PREFACE

Bismillahirrahmanirrahim,

All praise and gratitude are devoted to Allah SWT for His boundless mercy and blessings, through which I have been able to complete this undergraduate thesis entitled “The Influence of Non-Physical Work Environment on Employee Loyalty by Mediating Job Satisfaction (Study on Graha Witel Telkom Banjarmasin Employees)”. This thesis is prepared as a partial fulfillment of the requirements to obtain a bachelor’s degree in the Faculty of Economics and Business, Lambung Mangkurat University, within the Management Study Program.

The preparation of this thesis is not solely an academic obligation but also a meaningful learning process that has enriched the researcher’s understanding of human resource management, particularly regarding the role of non-physical work environment, job satisfaction, and employee loyalty within organizational settings. Furthermore, this study has deepened the researcher’s knowledge in applying theoretical perspectives of management into practical contexts of the workplace. This scholarly work is the culmination of extensive reflection, field observations, data analysis, and the invaluable support of various individuals who have wholeheartedly contributed their time, insights, and encouragement through out the process.

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15. Lastly, I would like to express my appreciation to myself for the resilience and determination to endure both struggles and triumphs in completing this thesis, despite the many challenges encountered.

ABSTRACT

Rizqa Amaliqa Qalby (2025). The Influence of Non-Physical Work Environment on Employee Loyalty with Job Satisfaction as a Mediating Variable: A Case Study of Employees at Graha Witel Telkom Banjarmasin.
Supervisor: Mrs. Wimby Wandary, S.E., M.M.,

In contemporary organizational dynamics, employee loyalty is recognized as a critical determinant of corporate sustainability and competitiveness. This study investigates the effect of the non-physical work environment on employee loyalty, with job satisfaction serving as a mediating variable. The research employs a quantitative approach, utilizing primary data collected through questionnaires administered to 47 employees of Graha Witel Telkom Banjarmasin.

Data analysis was conducted using the Structural Equation Modeling-Partial Least Squares (SEM-PLS) technique with SmartPLS 4.0 software. The empirical results demonstrate that: (1) the non-physical work environment exerts a positive and significant influence on employee loyalty; (2) the non-physical work environment exerts a positive and significant influence on job satisfaction; (3) job satisfaction exerts a positive and significant influence on employee loyalty; and (4) the non-physical work environment exerts a positive and significant indirect influence on employee loyalty through job satisfaction as a mediating variable. These findings underscore that psychological comfort, harmonious interpersonal relationships, and a supportive organizational climate foster higher satisfaction level, which in turn cultivate stronger loyalty among employees.

The study highlights the strategic importance of managing non-physical work environment factors such as interpersonal relations, communication openness, and psychological security as a pathway to enhancing job satisfaction and long-term organizational commitment. Theoretically, this research contributes to the discourse on human resource management by emphasizing the mediating role of job satisfaction. Practically, it provides actionable insights for organizations in developing non-physical work environments conducive to strengthening employee loyalty.

Keywords: Non-Physical Work Environment, Job Satisfaction, Employee Loyalty, Human Resource Management, Graha Witel Telkom Banjarmasin.

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