

The Mediating Influence of Work Environment on the Relationship Between Job Satisfaction and Employee Performance in Government Hospitals

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Abstract

This study examined the mediating role of the work environment on the relationship between job satisfaction and employee performance among healthcare workers in government hospitals in Davao Oriental. Anchored in Herzberg's Two-Factor Theory, Person-Environment Fit Theory, Social Exchange Theory, and the Job Demands-Resources Model, the study employed a descriptive-correlational design with mediation analysis. Using stratified random sampling, 350 healthcare workers from three government hospitals participated. Data were collected through a standardized questionnaire measuring job satisfaction, work environment, and employee performance, with reliability coefficients ranging from $\alpha = .873$ to $.968$. Regression procedures and the Sobel test were used for analysis. Results showed very high job satisfaction ($M = 4.282$, $SD = 0.444$), a very favorable work environment ($M = 4.326$, $SD = 0.430$), and high employee performance ($M = 4.056$, $SD = 0.499$). Job satisfaction was significantly associated with employee performance ($r = 0.492$, $p < .001$) and work environment ($r = 0.880$, $p < .001$), while work environment was significantly associated with employee performance ($r = 0.382$, $p < .001$). The work environment partially mediated the relationship between job satisfaction and employee performance, with a significant negative indirect effect ($z = -2.75$, $p < .001$). The study recommends sustaining supportive leadership, communication, employee participation, workplace safety, professional development, and positive workplace relationships while strengthening reward and recognition programs. The study aligns with SDG 3 (Good Health and Well-Being), SDG 8 (Decent Work and Economic Growth), and SDG 16 (Peace, Justice, and Strong Institutions). Its findings contribute to public health, socio-economic, community, and institutional sustainability by supporting employee well-being, organizational effectiveness, and sustainable public healthcare delivery.

Keywords: Employee Performance, Government Hospitals, Healthcare Workers, Job Satisfaction, Mediation Analysis, Public Healthcare, Sustainable Development, Work Environment

1. Introduction

Government hospitals in Davao Oriental provide essential healthcare services, particularly to geographically isolated and disadvantaged areas (GIDAs), while operating under staffing limitations, increasing patient demands, and resource constraints. These conditions can influence healthcare workers' job satisfaction, work environment, and performance. The continuing deployment of Human Resources for Health in the Davao Region reflects the need to strengthen staffing and service delivery in areas with weak health systems (Department of Health Region XI (2026)). Moreover, the migration of Filipino nurses emphasizes the importance of favorable work

environments in retaining healthcare professionals (Falguera et al., 2020). This study examines job satisfaction as the independent variable, employee performance as the dependent variable, and work environment as the mediating variable among healthcare professionals in government hospitals. It responds to limited empirical evidence concerning how workplace conditions influence the relationship between employee satisfaction and performance in the government hospital context of Davao Oriental.

Government hospitals require motivated and productive healthcare personnel to maintain quality public healthcare services. Job satisfaction is particularly important because satisfied employees tend to demonstrate greater motivation, commitment, efficiency, and collaboration. An employee's job satisfaction significantly affects their performance (Andreas, 2022), while satisfied medical staff demonstrate greater dedication, fewer absences, and stronger collaboration (Fagerdal et al., 2022). Employee performance refers to work accomplished within a specified period according to assigned duties, organizational standards, and responsibilities (Vuong & Nguyen, 2022). In government hospitals, performance is particularly consequential because healthcare services directly influence public well-being. Medical research further demonstrates that workplace satisfaction affects performance across healthcare services. Satisfied healthcare providers can achieve greater efficiency and better patient outcomes while avoiding burnout (Arnetz et al., 2020), whereas dissatisfaction may contribute to absenteeism and employee turnover that negatively affect service quality (Zulu, 2024). Bureaucratic barriers, resource limitations, and heavy patient caseloads can similarly reduce satisfaction and performance (Zulu, 2024). Employment arrangements may also shape satisfaction and performance. Regular employees may demonstrate stronger motivation and organizational commitment because of employment stability and benefits (Aman-Ullah et al., 2022), whereas contractual and job order workers may experience lower satisfaction and performance because of employment insecurity and limited benefits (Delgado, 2021). This distinction is relevant because government hospitals employ permanent, contractual, and job order personnel.

Related literature consistently identifies workplace conditions as important to healthcare workers' satisfaction and performance. Excessive working hours, understaffing, and high patient volumes are major healthcare-worker stressors (Joshi et al., 2022), while inadequate equipment, outdated facilities, and insufficient supplies can reduce job satisfaction (Masuwa, 2022). Poor managerial support, ineffective communication, and interpersonal conflicts can create unfavorable work environments (Robbins et al., 2019), while infection risks, workplace violence, and inadequate protection may weaken employee morale and performance (Mokhtar, 2019). Low wages, delayed benefits, and contractual employment can further contribute to dissatisfaction and turnover (Abd Razak & Ali, 2023). Workplace conditions also influence public service delivery. Concerns regarding inadequate frontline services among government personnel have been documented (Maduraiveeran et al., 2020), with dissatisfaction, insufficient supervisory guidance, and interpersonal tensions contributing to these problems. Poor working conditions can reduce employee engagement and service standards (Maduraiveeran et al., 2020). Conversely, government employees in the Davao Region reported positive social, psychological, and physical workplace environments (Lerio & Bandiola, 2023), consistent with evidence that comfortable and pleasant environments can encourage employees to work harder and improve their output (Maidaryanti et al. (2021)). The work environment can substantially affect job satisfaction (Anasi, 2020). Supportive leadership, clear communication, adequate resources, and safe working conditions contribute to favorable environments, whereas toxic and stressful workplaces can cause dissatisfaction, burnout, and turnover (Labrague et al. (2020)). Work environments likewise affect employee performance (Shammout, 2021), as appropriate facilities and resources can improve efficiency and reduce errors, while inadequate equipment, weak management, and insufficient staffing can increase stress and decrease productivity. Healthcare workers are consequently better positioned to provide high-quality services within supportive professional environments (Maczuga (2021)). More specifically, the relationship between job satisfaction and employee performance may depend strongly on workplace conditions (Idris et al., 2020). Safety, autonomy, supervisory support, and organizational climate influence employees' perceptions of their jobs, while difficult working conditions may undermine productivity and contribute to burnout. These effects are especially relevant to government hospital employees working under demanding healthcare conditions (Zulu, 2024).

At the local and regional levels, government hospitals in Davao Oriental operate within a healthcare system characterized by continuing workforce needs. The Department of Health Region XI (2026) deployed 29 healthcare professionals in 2026, bringing the total deployed Human Resources for Health (HRH) in the Davao Region to more than 1,449. This initiative sought to strengthen healthcare delivery in areas with weak health systems and demonstrates the continuing need for sufficient personnel in public health facilities. Within the broader Philippine context, workforce retention is also a concern because Filipino nurses continue to migrate abroad, emphasizing the importance of supportive hospital environments (Falguera et al., 2021). Public institutions likewise face concerns regarding the quality of frontline services, which may be associated with dissatisfaction, inadequate supervision, interpersonal difficulties, and unfavorable working conditions (Maduraiveeran et al., 2020). The wider literature reinforces these concerns by identifying staffing shortages, heavy workloads, resource limitations, employment insecurity, organizational support, safety, and leadership as conditions affecting healthcare employees' satisfaction and performance. Together, the local, national, and broader evidence

establishes the work environment as an important organizational condition through which job satisfaction may translate into improved employee performance.

The study is anchored in Herzberg's Two-Factor Theory, which explains job satisfaction and dissatisfaction through motivators and hygiene factors associated with the work environment. Hygiene factors such as salary, organizational policies, administration, and working conditions can produce dissatisfaction when inadequate, whereas motivators such as recognition, achievement, and career growth can enhance satisfaction. Employee motivation is consequently important to organizational performance, although financial incentives are not the sole determinants of motivation and non-financial rewards can also support exceptional performance (Peramatzis & Galanakis, 2022). The theory is therefore relevant in explaining how job satisfaction and workplace conditions influence motivation and performance in government hospitals. The Person-Environment Fit Theory further proposes that optimal performance occurs when employees are congruent with their work environment, including their job, organization, and workplace relationships (Armitage & Amar, 2021). Social Exchange Theory explains the reciprocal relationship between employees and employers: employees who perceive organizational support are more likely to experience satisfaction and perform effectively, reflecting the reciprocal character of employer-employee relationships. The Job Demands-Resources (JD-R) Model additionally explains how job demands and resources affect employee well-being and performance (Bakker et al., 2023), making workplace safety, leadership support, and resource availability particularly relevant within government hospitals. Conceptually, job satisfaction serves as the independent variable. It is subjective and multidimensional and represents an important component of motivation and organizational behavior. Higher satisfaction may reduce turnover and absenteeism while strengthening motivation, commitment, creativity, innovation, and organizational citizenship (Gopinath, 2020). The work environment serves as the mediating variable and encompasses the conditions surrounding employees while performing their responsibilities. Its physical dimension includes facilities, equipment, lighting, and ventilation (Hamidi et al., 2020); its psychological dimension includes emotional health, workload, and management (Caniago, 2023); and its social dimension includes employee interactions, management relationships, teamwork, and organizational support (Iteba & Wekesa, 2018). Supportive work environments can enhance well-being and productivity, whereas unfavorable environments can reduce performance and organizational effectiveness (Caniago, 2023). Employee performance is the dependent variable and reflects employees' capacity to fulfill their responsibilities (Darvishmotevali & Ali, 2020). It is central to organizational goal attainment (Werdhiastutie et al., 2020) and can be understood through work output, productivity, quality, initiative, and attitude (Bodin et al., 2019; Hadj-Mabrouk, 2019). Strong employee performance contributes to organizational objectives, whereas poor performance may produce organizational losses (Sitopu et al., 2021). Accordingly, the study examines whether the work environment mediates the relationship between job satisfaction and employee performance. Job satisfaction encompasses teamwork, leadership, reward and recognition, empowerment and participation, training and individual development, working hours, communication, and working conditions. Employee performance encompasses task performance, contextual performance, and counterproductive work behavior, while the work environment considers top management and the need to be honored, feelings of safety and comfort at work, and workplace relationships.

Although previous studies establish relationships among job satisfaction, work environment, and employee performance, limited empirical research has specifically investigated the work environment as an intervening variable between job satisfaction and employee performance among government hospital personnel in Davao Oriental. This gap is significant because these hospitals must sustain healthcare delivery despite workforce shortages, increasing service demands, and resource limitations. The study therefore seeks to determine how the work environment influences the relationship between job satisfaction and employee performance among healthcare professionals in government hospitals. Specifically, it examines healthcare workers' job satisfaction, workplace physical conditions, organizational culture and management, and employee performance; determines the relationship between job satisfaction and performance; investigates the influence of employment conditions on this relationship; and provides recommendations for improving workplace conditions, satisfaction, and performance. The proposed relationships assume that employee performance and job satisfaction are significantly correlated, that job satisfaction is associated with the work environment, that employee performance is associated with the work environment, and that the work environment influences the effect of job satisfaction on employee performance. These relationships establish the empirical basis for investigating the mediating role of workplace conditions in government hospitals. Addressing this gap can provide hospital administrators and policymakers with evidence for developing supportive work environments, strengthening employee satisfaction, and improving organizational performance. The findings may also inform leadership development, employee welfare, workplace safety, organizational support, and human resource management while contributing evidence to public administration and healthcare management research.

The study aligns with SDG 3 – Good Health and Well-Being because improving the working environment and satisfaction of government hospital personnel can support employee well-being and the quality of healthcare services delivered to patients. Government hospitals rely on satisfied, motivated, and productive personnel to maintain effective public healthcare delivery, making workforce conditions relevant to sustainable health systems.

The research also supports SDG 8 – Decent Work and Economic Growth through its examination of job satisfaction, employee performance, and workplace conditions. Its attention to safe and supportive environments, employee welfare, fair working conditions, and organizational support reflects the importance of decent employment conditions in sustaining productive healthcare workforces. Finally, the study relates to SDG 16 – Peace, Justice, and Strong Institutions because government hospitals are public institutions whose effectiveness depends partly on organizational capacity and workforce performance. Strengthening workplace conditions, satisfaction, and operational effectiveness can contribute to more capable public healthcare institutions. These three SDGs are explicitly identified as relevant to the study's focus on healthcare environments, employee satisfaction, service quality, decent work, and institutional efficiency.

The study contributes primarily to public health, socio-economic, community, and institutional sustainability by examining workforce factors that can influence the continuity and effectiveness of government healthcare services. From a public health sustainability perspective, supportive hospital environments and satisfied healthcare personnel are important because employee performance directly affects the quality and continuity of services available to communities, particularly populations dependent on government hospitals. From a socio-economic perspective, the study addresses workplace conditions that influence employee satisfaction, retention, motivation, and productivity. Understanding these relationships can assist healthcare workers in advocating for improved working conditions, fair compensation, and professional development while providing administrators with evidence for employee welfare and workplace improvement strategies. The study also contributes to community sustainability because stronger workforce performance in government hospitals can improve the reliability of healthcare services provided to the public, including communities in geographically isolated and disadvantaged areas. At the institutional sustainability level, evidence concerning job satisfaction, work environment, and employee performance can support government policies and administrative strategies intended to improve staff efficiency and healthcare service quality. Overall, investigating the mediating role of the work environment provides an integrated perspective on how employee attitudes, organizational conditions, and performance interact within government hospitals. By generating context-specific evidence for Davao Oriental, the study can support workplace and human resource strategies that simultaneously promote employee well-being, organizational effectiveness, and sustainable public healthcare delivery.

2. Material and methods

2.1 Research Design

The study used a descriptive-correlational research design with mediation analysis to examine the relationships among job satisfaction, work environment, and employee performance. The design also determined whether the work environment significantly mediated the relationship between job satisfaction and employee performance. The validity and reliability of the measures were assessed before the main data collection to ensure their suitability for statistical analysis.

2.2 Locale of the Study

The study was conducted in three government hospitals in Davao Oriental: Davao Oriental Provincial Medical Center (DOPMC), Davao Oriental Provincial Hospital – Lupon (DOPH-Lupon), and Davao Oriental Provincial Hospital – Governor Generoso (DOPH-GovGen). These facilities provide healthcare services to patients with diverse needs within the province. DOPMC, located in Mati City, serves as the province's main referral hospital, while healthcare facilities distributed across municipalities support access to services among urban and rural communities.

2.3 Respondents of the Study

The respondents consisted of 350 healthcare workers employed in the three participating government hospitals. Of these, 235 were from DOPMC, 62 from DOPH-Lupon, and 53 from DOPH-GovGen. They represented the Medical, Nursing Services, Finance, Administrative/Ancillary, and General Services divisions. Eligible respondents were healthcare workers with at least six months of work experience in their respective institutions and who provided informed consent. Employees with less than six months of service were excluded because they might have insufficient experience to assess their work environment and job satisfaction accurately. Participants could withdraw at any time, while resignation, transfer, health concerns, or other circumstances preventing continued participation were considered grounds for withdrawal.

2.4 Sample and Sampling Procedure

The total workforce of the three participating hospitals was 917 employees, based on information obtained from their Human Resource Offices. Using the Raosoft Sample Size Calculator with a 50% response distribution, 5% margin of error, and 95% confidence level, the required sample was determined to be 350 respondents. Stratified random sampling was used to obtain proportional representation from the major hospital divisions. The strata comprised the Medical Division, Nursing Services Division, Administrative/Ancillary Division, Finance Division, and General Services Division. Stratification was necessary because personnel performing different

hospital functions may perceive job satisfaction, work environment, and performance differently. Representing these groups supported findings and recommendations applicable to the broader government hospital workforce rather than being concentrated on a single occupational group.

2.5 Research Instrument

Data were collected using a standardized survey questionnaire consisting of four sections. The first section obtained respondents' demographic information, while the remaining sections assessed the study variables using a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The work environment measure was adapted from studies by Ramli (2019), Shammout (2021), and Asio (2021) and assessed top management, the need to be honored, feelings of safety and comfort at work, and workplace relationships. Job satisfaction was measured using an established instrument adapted from Ahmad et al. (2020), covering teamwork, leadership techniques, reward and recognition systems, empowerment and participation, training and personal growth initiatives, work-hour scheduling, communication channels, and working conditions. Employee performance was assessed using a scale adapted from Widyastuti and Hidayat (2018), which measured task performance, contextual performance, and counterproductive work behavior. Instrument reliability was evaluated through a pilot study involving 30 healthcare workers from DOPH-Manay who were excluded from the main study. Cronbach's alpha showed excellent reliability for Work Environment ($\alpha = .953$) and Job Satisfaction ($\alpha = .968$) and good reliability for Employee Performance ($\alpha = .873$), indicating adequate internal consistency for the main data collection.

2.6 Data Gathering Procedure

Before data collection, the researcher sought questionnaire validation through the University of Mindanao Ethics Review Committee (UMERC) to ensure voluntary and informed participation, freedom from coercion, and appropriate research quality. UMERC issued the Certificate of Approval on January 5, 2026, under Protocol Number UMERC-2025-556. Following approval and validation, the researcher distributed the survey questionnaire to the identified respondents in the participating government hospitals. Completed responses were collected, coded, tabulated, and submitted to the statistician for analysis.

2.7 Data Analysis Techniques

The collected data were analyzed to determine the relationships among job satisfaction, work environment, and employee performance and to assess the mediating role of the work environment. Regression procedures and the Sobel test were used to determine whether the work environment significantly mediated the relationship between job satisfaction and employee performance.

2.8 Ethical Considerations

Ethical principles were observed throughout the research process. Participation was voluntary, informed consent was obtained before data collection, and respondents' identities and responses were kept confidential. The study proceeded after approval from the University of Mindanao Ethics Review Committee under Protocol Number UMERC-2025-556. Research records were securely stored and used exclusively for academic purposes.

3. Results and Discussion

3.1 Levels of Job Satisfaction, Work Environment, and Employee Performance

3.1.1 Job Satisfaction

The respondents demonstrated a very high level of job satisfaction, with an overall mean of 4.282 (SD = 0.444). Leadership obtained the highest rating (M = 4.430, SD = 0.527), followed by teamwork (M = 4.362, SD = 0.462) and empowerment and participation (M = 4.360, SD = 0.510). Working hours (M = 4.275, SD = 0.562), communication (M = 4.242, SD = 0.612), and training and individual development (M = 4.238, SD = 0.632) were also rated very high. Reward and recognition received the lowest rating but remained high (M = 4.066, SD = 0.734). Overall, the findings indicate strong employee satisfaction across the assessed dimensions. The high rating for leadership indicates that employees are particularly satisfied with organizational leadership practices. This is consistent with Abun (2021), who showed that effective and empowering leadership can strengthen employees' motivation, involvement, and sense of value. Similarly, Sammut et al. (2021) identified leadership support and leadership styles as important determinants of healthcare professionals' job satisfaction. The high teamwork rating also corresponds with De Henríquez & Valerio (2023), which emphasized that positive coworker relationships and teamwork promote belonging and organizational attachment. Likewise, strong empowerment and participation support Aslan & Atesoglu (2021), who emphasized employee involvement and empowerment in improving job satisfaction. Although reward and recognition were rated positively, the comparatively lower result indicates an area for improvement, consistent with Bai et al. (2024), who noted that meaningful recognition, support, and growth opportunities promote positive employee attitudes and engagement.

3.1.2 Work Environment

The respondents assessed their work environment as very favorable, with an overall mean of 4.326 (SD = 0.430). Top Management and the Need to Be Honored obtained the highest mean (M = 4.424, SD = 0.458), followed by

Relationship at Work ($M = 4.320$, $SD = 0.503$). Feeling Safe received the lowest mean ($M = 4.233$, $SD = 0.502$), although it remained within the very high range. These results indicate generally favorable conditions for employee comfort, workplace relationships, cooperation, and productivity. The favorable work environment supports the findings of Agarwal (2021) and Al-Omari & Okasheh (2020), who highlighted workplace support, sound management practices, and positive employee-employer relationships as important to workplace experiences and organizational performance. The strong assessment of management is consistent with Rhoades & Eisenberger (2020) and Kurtessis et al. (2020), who associated perceived organizational support with employee satisfaction, commitment, and performance. Positive workplace relationships similarly support Bakker & Albrecht (2021), who emphasized supportive relationships and social networks as contributors to employee engagement and satisfaction. Although safety received the lowest rating, its very high assessment suggests generally positive perceptions while indicating opportunities for further improvement, consistent with Newman et al. (2020), who identified physical and psychological safety as important to employee well-being, engagement, and communication.

3.1.3 Employee Performance

Employee performance was rated high overall, with a mean of 4.056 ($SD = 0.499$). Task Performance obtained the highest rating ($M = 4.360$, $SD = 0.581$), followed by Contextual Performance ($M = 4.281$, $SD = 0.546$), both of which were very high. Counterproductive Work Behavior had a mean of 3.525 ($SD = 1.049$) and was reverse-scored; therefore, the result reflects generally low engagement in undesirable workplace behaviors rather than a high occurrence of such behaviors. Overall, respondents demonstrated favorable task accomplishment, contextual performance, and adherence to organizational standards. The findings suggest that employees effectively perform duties directly associated with their positions. This is consistent with Koopmans et al. (2020), who emphasized task performance as a major component of employee effectiveness because it reflects the accomplishment of activities that contribute directly to organizational goals. More broadly, Diamantidis & Chatzoglou (2020) and Sürücü et al. (2021) identified organizational support, working conditions, motivation, and employees' perceptions of their organizational roles as factors influencing performance. The low reported occurrence of counterproductive behavior further corresponds with Agarwal (2021), who associated low levels of CWB with healthier workplaces, stronger job satisfaction, organizational commitment, and supportive management.

3.2 Relationships Among Job Satisfaction, Work Environment, and Employee Performance

3.2.1 Relationship Between Job Satisfaction and Employee Performance

Job satisfaction had a statistically significant moderate positive relationship with employee performance ($r = 0.492$, $p < .001$). This indicates that higher job satisfaction was associated with higher employee performance. Since the p-value was below the 0.05 significance level, the null hypothesis of no significant relationship between job satisfaction and employee performance was rejected. The result indicates that satisfaction with one's work is associated with better employee performance. This finding is supported by Diamantidis & Chatzoglou (2020), who argued that satisfied employees tend to demonstrate greater engagement and productivity because they develop more positive attitudes toward their work and organization.

3.2.2 Relationship Between Job Satisfaction and Work Environment

Job satisfaction and work environment showed a statistically significant strong positive relationship ($r = 0.880$, $p < .001$). Employees who evaluated their work environment more positively also tended to report greater job satisfaction. Since the p-value was below the 0.05 significance level, the null hypothesis stating that no significant relationship exists between job satisfaction and work environment was rejected.

The strong relationship indicates the importance of favorable workplace conditions in employees' satisfaction with their jobs. The findings align with Al-Omari & Okasheh (2020), which reported that a positive work environment provides resources, support, and social connections that improve employees' workplace experiences and strengthen their attachment to the organization.

3.2.3 Relationship Between Work Environment and Employee Performance

The work environment was significantly and positively associated with employee performance ($r = 0.382$, $p < .001$), representing a weak to moderate positive relationship. Thus, more favorable workplace conditions were associated with higher employee performance. The null hypothesis of no significant relationship between work environment and employee performance was rejected because the p-value was below 0.05. The result suggests that favorable working conditions can contribute to better employee performance. This finding is consistent with prior studies by Diamantidis & Chatzoglou (2020), which state that a good work environment can improve motivation, engagement, and task performance by reducing workplace barriers and strengthening employees' connection with their organization. The results are similar to Bakker & Albrecht (2021), which found that supportive organizational environments enhance employee engagement and performance by improving access to social support, resources, and meaningful workplace experiences.

3.3 Mediating Role of Work Environment in the Relationship Between Job Satisfaction and Employee Performance

3.3.1 Direct and Indirect Effects

The mediation analysis showed that job satisfaction significantly predicted employee performance (Path c: $B = 0.553$, $\beta = 0.492$, $p < 0.05$) and significantly predicted the work environment (Path a: $B = 0.853$, $\beta = 0.880$, $p < 0.05$). The work environment also significantly predicted employee performance, although the coefficient was negative (Path b: $B = -0.267$, $\beta = -0.227$, $p < 0.05$). When work environment was included as the mediator, the direct effect of job satisfaction on employee performance remained significant (Path c': $B = 0.778$, $\beta = 0.692$, $p < 0.05$). The significant effect of job satisfaction on performance is consistent with Diamantidis and Chatzoglou (2020), who found that satisfaction, motivation, and organizational factors influence employee performance, and Sürücü et al. (2021), who associated positive employee attitudes with improved performance through organizational commitment and engagement. The relationship between job satisfaction and work environment is supported by Kurtessis et al. (2020), who explained that organizational support and positive work experiences shape employees' organizational attitudes and perceptions. The significant effect of work environment on performance also relates to Bakker & Albrecht (2021), who emphasized the influence of employee workplace experiences on performance. Because the direct effect remained statistically significant after including the mediator, the pattern is consistent with partial mediation as described by Hayes (2022).

3.3.2 Partial Mediation of Work Environment

The Sobel test confirmed a statistically significant indirect effect of the work environment on the relationship between job satisfaction and employee performance ($z = -2.75$, $p < .001$). Together with the significant direct effect after inclusion of the mediator, the result indicates partial mediation. The negative indirect effect shows that the mediating relationship is complex rather than uniformly positive. The partial mediation finding is consistent with Mazzetti & Schaufeli (2022), which suggested that working conditions facilitate the influence of employee attitudes on performance outcomes. The findings can also be considered in relation to Herzberg's Two-Factor Theory, which associates achievement, recognition, and growth opportunities with job satisfaction and performance. Social Exchange Theory relates supportive working environments to positive employee attitudes and behaviors, while Person–Environment Fit Theory emphasizes congruence between employees and their work environments. The Job Demands–Resources Model similarly proposes that sufficient workplace resources improve performance. However, the observed negative indirect effect when job satisfaction was controlled suggests that the relationship among these variables is complex and that the applicability of these theoretical explanations within government hospitals needs to be reconsidered.

4. Conclusion & Recommendations

The study concludes that healthcare workers demonstrated high job satisfaction, favorable perceptions of the work environment, and high employee performance, particularly in leadership, teamwork, empowerment and participation, management support, task performance, and contextual performance. Job satisfaction was positively and significantly associated with employee performance and the work environment, indicating that more satisfied employees tend to perform better and perceive their workplace more favorably. The work environment partially mediated the relationship between job satisfaction and employee performance, with a competitive negative indirect effect. Overall, the findings emphasize the importance of maintaining a conducive work environment to support employee satisfaction and performance in government hospitals.

Hospital management is recommended to sustain strong leadership, transparent communication, employee support, participative decision-making, workplace safety, positive working relationships, and employee development while strengthening reward and recognition programs. Management may maintain opportunities for coaching, mentoring, professional development, employee participation, workplace safety and wellness, teamwork, and interdepartmental collaboration to promote an employee-centered organizational culture. Further assessment of specific workplace factors associated with job satisfaction is also recommended to determine those most relevant to employee performance. Future researchers may replicate the study in other government healthcare institutions, particularly Level II and Level III hospitals, and examine organizational commitment, employee engagement, burnout, and organizational culture using quantitative, qualitative, or mixed-methods approaches.

The study was confined to the government hospital setting examined, limiting the extent to which its observed relationships can be considered across other healthcare institutions. The recommendation to replicate the research in Level II and Level III government hospitals indicates the need to determine whether similar patterns occur in other settings. In addition, other potentially relevant factors, including organizational commitment, employee engagement, burnout, and organizational culture, were identified for future investigation to provide a more comprehensive understanding of factors associated with employee performance.

5. Compliance with ethical standards

The author adhered to ethical principles throughout the research process. Participation was voluntary and based on informed consent, while respondents' identities and responses were kept confidential. Ethical approval was obtained from the University of Mindanao Ethics Review Committee (UMERC) under Protocol Number UMERC-2025-556. The author securely stored the research records and used them exclusively for academic purposes.

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