

## **ABSTRACT**

*PT.Freeport has realized that the company's success depends on the contribution of each employee. In order to do so, Freeport is committed to achieving excellence which includes necessity and satisfaction of each employee. The purpose of this research is to understand the representation of work environment between physical work environment and non-physical work environment, job satisfaction, as well as the influence of work environment on job satisfaction at Grasberg Power Distribution Department in PT. Freeport Indonesia Tembagapura Papua. Quantitative approach is used simultaneously with causal research method. Number of samples were 57 respondents, where the sampling technique used is saturated sample technique.*

*Descriptive analysis and multiple regression analysis are used as the technique of data analysis. The result of partial hypothesis test showed the physical work environment and the non-physical work environment had the most positive and significant influence to the employees satisfaction of Grasberg Power Distribution Department. Based on the result of simultaneous hypothesis test, the physical work environment and the non-physical work environment has the positive significant influence to the employees satisfaction of Grasberg Power Distribution Department. According on the determination coefficient test, around 59,8% employees satisfaction variable was affected by the work environment. The residue which are 40,2% was affected by the other variables which is not investigated in this research. The result of this research that the physical work environment are passable, the non-physical work environment are good, employee job satisfaction are satisfied, and the work environment had the most positive and significant influence to the employees satisfaction of Grasberg Power Distribution Department. in PT. Freeport Indonesia.*

**Keywords:** *Physical Work Environment, Non-Physical Work Environment, Employee Satisfaction.*