The Effect Of Performance Evaluation And Career Development On Employee Performance Mediated By Motivation To Work In The Office Sidikalang District Dairi Regency

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Abstract

Employee performance is influenced by various factors, including Performance Evaluation provided by the organization. Effective Performance Evaluation and proper Career Development can increase Motivation, which further contributes to improved performance. This study aims to identify the influence of Performance Evaluation and Career Development on Employee Performance by considering the role of Motivation as an intervening variable in the Sidikalang District Office, Dairi Regency. Data was obtained through a survey of employees with a quantitative approach and analyzed using the Partial Least Squares (PLS) method. The results of the analysis showed that Performance Evaluation had a positive and significant influence on work motivation, with a T-Statistic value of 1.227 and a P-Value of 0.000. Career Development also has a positive and significant influence on Work Motivation, with a T-Statistic value of 5.022 and a P-Value of 0.000. Work Motivation is proven to have a positive and significant influence on Employee Performance, with a T-Statistic value of 5.782 and a P-Value of 0.000, emphasizing the importance of Motivation as a performance driving factor. However, Performance Evaluation has a positive but not significant influence on Employee Performance, with a T-Statistic value of 0.957 and a P-Value of 0.000. Career Development also showed a positive but not significant influence on Employee Performance, with a T-Statistic value of 0.376 and a P-Value of 0.000. Indirect influence analysis showed that Work Motivation significantly mediated the relationship between Career Development and Employee Performance, with a T-Statistic value of 3.988 and an influence coefficient of 0.856. On the other hand, Work Motivation as a mediator in the relationship between Performance Evaluation and

Employee Performance showed a not significant influence, with a T-Statistic value of 1.181 and an influence coefficient of 0.246. These findings indicate that improving Performance Evaluation and Career Development will be more effective in encouraging Employee Performance if facilitated by high work motivation.

Keywords:

Performance Evaluation, Career Development, Work Motivation and Employee Performance.

INTRODUCTION

Background

Performance evaluation and career development are two important aspects of human resource management that have a significant influence on employee performance. In the context of the sub-district office, such as the Sidikalang District Office of Dairi Regency, increasing work motivation is the main goal that must be achieved to provide optimal service to the community. Performance evaluation aims to assess the extent to which employees meet predetermined job standards, while career development aims to improve employees' skills and competencies in order to meet the demands of increasingly complex jobs.

Performance evaluation is a systematic process to assess work motivation in performing tasks for which they are responsible. According to (Rahmat, 2015), performance evaluation is an important tool to identify employee strengths and weaknesses and provide constructive feedback for future performance improvements. Performance evaluation is also the basis for decision-making related to employee promotion, training, and development.

At the Sidikalang District Office, performance evaluation is expected to provide a clear picture of the performance of each employee so that necessary improvement steps can be taken. Based on initial observations and interviews, the author found that some employees at the Sidikalang District Office, Dairi Regency were dissatisfied with their jobs. This is reflected in complaints about the workload, and the lack of performance evaluation from the leadership.

Career development is an ongoing process that involves improving employees' skills, knowledge, and competencies to achieve their career goals. According to (Ololube, 2023), career development includes a variety of activities such as training,

education, and work experience designed to help employees develop their abilities and prepare for greater responsibilities in the future. At the Sidikalang District Office, career development is expected to increase the work motivation of employees by giving them the opportunity to develop and reach their full potential. Based on initial observations and interviews, the author found that employee career development is also relatively low, as seen from the lack of initiative and innovation in daily work.

Work motivation is an important factor that affects employee performance. According to (Robbins et al., 2016), work motivation is a process that describes the intensity, direction, and perseverance of an individual's efforts in achieving a specific goal. High work motivation will encourage employees to work harder, smarter, and more efficiently. At the Sidikalang District Office, employee motivation can be improved through fair and transparent performance evaluations and relevant career development programs.

Employee Performance is the result of the efforts and contributions of employees in achieving organizational goals. According to (Hendrijaya, 2020), the performance of employee A includes effectiveness, efficiency, quality, productivity, and job satisfaction. High performance is expected to increase productivity and quality of services provided by the Sidikalang District Office to the community.

Good work motivation can strengthen the positive effects of performance evaluation and career development on employee performance. In other words, effective performance evaluations and good career development programs can increase employees' work motivation, which in turn will improve their performance.

This research is important to understand how performance evaluation and career development can affect work motivation through work motivation. The results of this study are expected to provide useful insights for the management of the Sidikalang District Office in designing and implementing effective policies to improve employee performance. In addition, this research is also expected to contribute to the academic literature on human resource management, especially in the context of the public sector.

Performance evaluation, career development, and work motivation are three key components that are interrelated in improving employee performance. Through fair performance evaluations and comprehensive career development programs, the

Sidikalang District Office can increase employees' work motivation, which will ultimately improve their performance. This research is expected to provide a strong basis for the development of human resource management policies and practices in the Sidikalang District Office, Dairi Regency.

Problem Formulation

The formulation of this research problem is as follows:

1. Does work evaluation have a positive and significant effect on employee performance at the Sidikalang District Office, Dairi Regency?
2. Does career development have a positive and significant effect on employee performance at the Sidikalang District Office, Dairi Regency?
3. Does work evaluation have a positive and significant effect on work motivation at the Sidikalang District Office, Dairi Regency?
4. Does career development have a positive and significant effect on work motivation at the Sidikalang District Office, Dairi Regency?
5. Does work motivation have a positive and significant effect on employee performance at the Sidikalang District Office, Dairi Regency?
6. Does work evaluation have a positive and significant effect on employee performance mediated by work motivation at the Sidikalang District Office, Dairi Regency?
7. Does career development have a positive and significant effect on employee performance mediated by work motivation at the Sidikalang District Office, Dairi Regency?

Research Objectives

The objectives of this study are as follows:

1. To find out and analyze the positive and significant influence of work evaluation on employee performance at the Sidikalang District Office, Dairi Regency.
2. To find out and analyze the positive and significant influence of career development on employee performance at the Sidikalang District Office, Dairi Regency.
3. To find out and analyze the positive and significant influence of performance evaluation on work motivation at the Sidikalang District Office, Dairi Regency.
4. To find out and analyze the positive and significant influence of career development on work motivation at the Sidikalang District Office, Dairi Regency.
5. To find out and analyze the positive and significant influence of work motivation on employee performance at the Sidikalang District Office, Dairi Regency.
6. To find out and analyze the positive and significant influence of work evaluation on employee performance mediated by work motivation at the Sidikalang District Office, Dairi Regency.

7. To find out and analyze the positive and significant influence of career development on employee performance mediated by work motivation at the Sidikalang District Office, Dairi Regency.

Theoretical Framework

Performance Evaluation

Definition of Performance Evaluation

According to (Rahmat, 2015), Performance evaluation is a systematic process used by organizations to measure, assess, and monitor employee performance in carrying out assigned duties and responsibilities. These evaluations aim to provide feedback to employees on the effectiveness and efficiency of their work, as well as to assist in further professional development. Performance evaluation is carried out through various methods such as performance assessments, discussions with superiors, and the use of performance indicators that have been set. This process not only focuses on work results, but also includes employees' work behavior, skills, and attitudes in carrying out their duties. Thus, performance evaluation can provide a comprehensive picture of the employee's contribution to the organization.

Meanwhile, according to Robbins. & Coulter, (2018), performance evaluation is a systematic process to evaluate the performance of an employee's work and provide the necessary feedback so that they can improve their performance in the future.

Job Evaluation Indicators

According to Robbins & Coulter, (2018) There are several performance evaluation indicators, namely:
1. Ability to complete tasks well;
2. collaboration with the team;
3. initiatives in work;
4. adaptability to change.

Career Development

Definition of Career Development

According to (Ololube, 2023), career development is a systematic process designed to assist individuals in planning, evaluating, and achieving their career goals through a variety of programs and activities that enhance their skills, knowledge, and work experience. Career development encompasses a wide range of efforts made by organizations to help employees identify and achieve their career goals, whether through training, mentoring, challenging assignments, or other professional

development programs. In narrative, career development can be understood as one of the important aspects of human resource management that focuses on increasing the capacity of individuals to achieve long-term goals in their careers. This process involves various steps, from the initial assessment of abilities and interests, career planning, to the implementation of relevant development programs.

Organizations that are effective in career development usually provide various opportunities for employees to learn and grow, both through formal training programs and diverse work experiences. Additionally, it is important for organizations to provide continuous evaluation and feedback mechanisms, so that employees can continue to improve and adjust their career plans according to changes in the work environment and market needs.

Career Development Indicators

According to (Ololube, 2023) The indicators of career development are as follows:
1. Training and development
2. Challenging assignment
3. Mentoring and coaching
4. Structured and continuous performance evaluation
5. Opportunity to attend conferences, seminars, and workshops
6. There is a clear career development plan and is tailored to the employee's individual goals and aspirations
7. Opportunities for promotion or transfer of positions within the organization

Employee Performance
Definition of Employee Performance

According to Malthis and Jackson in (Hendrijaya, 2020) states that employee performance is the result or output of work done by an employee in a certain period of time in accordance with organizational standards and goals. Employee performance is also measured by their productivity, which is the amount of output produced in a certain period of time. Productive employees are those who can produce a lot of output with good quality, in an efficient time. Job satisfaction also plays an important role in employee performance. Employees who are satisfied with their jobs tend to be highly motivated, work harder, and show greater commitment to the organization. Other aspects of employee performance include their ability to adapt to change, collaborate with colleagues, and participate in efforts to improve work processes. All these factors contribute to the overall performance of employees and the success of the organization in achieving its goals.

Employee Performance Indicators

According to Mathis and Jackson in (Hendrijaya, 2020) The indicators of employee performance are as follows:

1. Effectiveness: Effectiveness refers to the extent to which employees succeed in achieving the goals and targets that have been set.
2. Efficiency: Efficiency refers to how well employees use the resources available to them to achieve the desired results.
3. Quality: Quality refers to the level of perfection or meticulousness of the work achieved by employees.
4. Productivity: Productivity measures the amount of output produced by employees in a given period of time.
5. Job Satisfaction: Job satisfaction refers to the level of satisfaction felt by employees with their work and work environment.
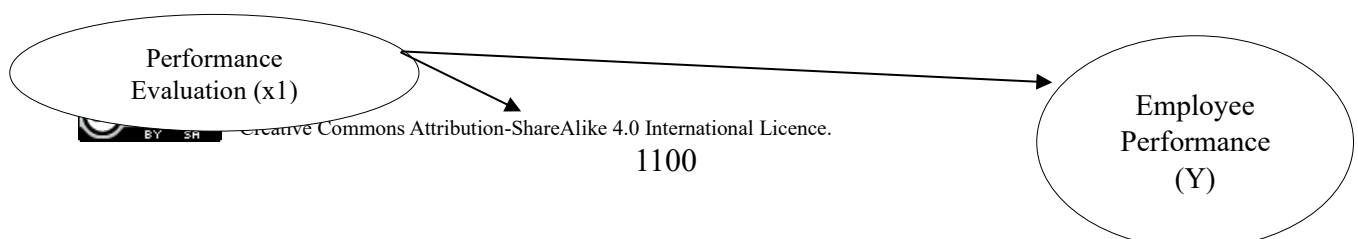
Work Motivation
Definition of Work Motivation

According to Mathis and Jackson in (Zainul & Harlie, 2022) Work motivation is an encouragement both from within and from outside that directs, activates, and maintains employee work behavior in achieving organizational goals. Work motivation can also be described as "a process that describes the intensity, direction, and perseverance of an individual's efforts in achieving a goal." In short, motivation is a factor that makes a person want and still want to do a job.

Work Motivation Indicators

The initiator of work motivation according to Mathis and Jackson in (Zainul & Harlie, 2022) be:

1. Intensity is the level of energy used by employees in carrying out their duties.
2. Direction is the choice of the Employee to focus his efforts on certain activities that are relevant to the job.
3. Resilience is the duration and consistency of employees' efforts in achieving work goals.
4. Achievement is a success in achieving the goals or work standards set.
5. Recognition is an award given to Employees for their achievements or contributions.
6. Responsibility is the willingness of Employees to take and carry out responsibilities in their work.
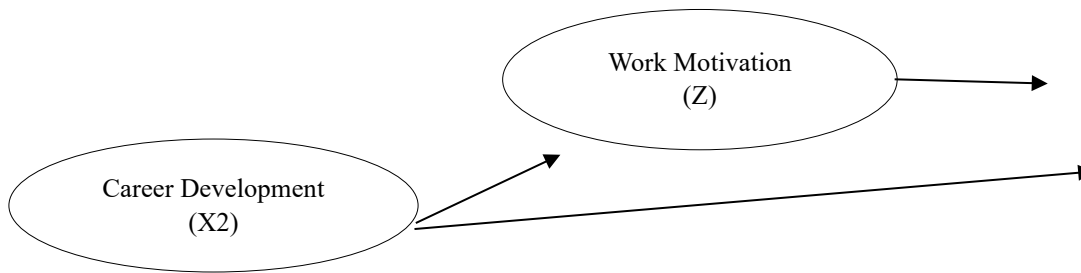
Conceptual Framework

Figure 1. Conceptual Framework

Hypothesis

H1 : Work evaluation has a positive and significant effect on employee performance at the Sidikalang District Office, Dairi Regency

H2 : Career development has a positive and significant effect on employee performance at the Sidikalang District Office, Dairi Regency

H3 : Work evaluation has a positive and significant effect on work motivation at the Sidikalang District Office, Dairi Regency

H4 : Career development has a positive and significant effect on work motivation at the Sidikalang District Office, Dairi Regency

H5 : Work motivation has a positive and significant effect on employee performance at the Sidikalang District Office, Dairi Regency

H6 : Work evaluation has a positive and significant effect on employee performance mediated by work motivation at the Sidikalang District Office, Dairi Regency

H7 : Career development has a positive and significant effect on employee performance mediated by work motivation at the Sidikalang District Office, Dairi Regency

RESEARCH METHODS

Research Approach

The type of research that will be used is quantitative associative, which is research that aims to find out the relationship between two or more variables. In this study, the exogenous variables are Performance Evaluation (X1) and Career Development (X2) While the endogenous variables are Employee Performance (Y) and the intervening variable is Work Motivation (Z).

Place and Time of Research

Research Venue

This research was carried out at the Sidikalang District Office, Dairi Regency, which is located at Jl. Merdeka No.02 Sidikalang, Sidikalang District, Dairi Regency, North Sumatra 22219

Research Time

The time of this research will be carried out from October 2024 to December 2024.

Population and Sample

Population

In the opinion of several experts, one of them is according to (Sugiyono, 2021), population is a generalization area consisting of objects/subjects that have certain qualities and characteristics that are determined by the researcher to be studied and then drawn conclusions. In this study, the population used is the entire number of employees in the Sidikalang District Office, Dairi Regency, which is as follows:

Table 1 Population Details at the Sidikalang District Office, Dairi Regency

No.	Status	Number (Person)
1.	ASN	44
2.	Honorary	5
	Sum	49

Source : Sidikalang District Office, Dairi Regency

Sample

A sample is part of the overall number and certain characteristics possessed by a population. In the context of research, when the population is large, researchers often face obstacles in studying the entire population. This can be due to limited funds, human resources, and available time. Therefore, to overcome these limitations, researchers can use a representative sampling technique from the population. This sample is expected to be able to describe the characteristics of the population as a whole. However, in this study, because the population is relatively small, the researcher decided to use a sampling technique called the saturated sample technique. This technique involves all members of the population as respondents or a research sample of 49 employees.

Variable Operational Definition

The operational definition of the variables in this study is as follows:

Table 2 Operational Definition of Variables

Types of Variables	Variable Definition	Indicators
Performance Evaluation (X1)	According to Robbins & Coulter, (2018), performance evaluation is a systematic process to evaluate the performance of an employee's work and provide the necessary feedback so that they can improve their performance in the future.	According to Robbins & Coulter, (2018) There are several performance evaluation indicators, namely: 1) Ability to complete tasks well; 2) collaboration with the team; 3) initiatives in work; 4) Adaptability to change
Career Development(X2)	In this study, the definition of Career Development from (Ololube, 2023), career development is a systematic process designed to assist individuals in planning, evaluating, and achieving their career goals through a variety of programs and activities that enhance their skills, knowledge, and work experience	According to (Ololube, 2023) The indicators of career development are as follows: 1. Training and development 2. Challenging assignment 3. Mentoring and coaching 4. Structured and continuous performance evaluation 5. Opportunity to attend conferences, seminars, and workshops 6. There is a clear career development plan and is tailored to the employee's individual goals and aspirations 7. Opportunities for promotion or transfer of positions within the organization
Employee Performance (Y)	In this study, the definition of employee performance. According to Malthis	According to Malthis and Jackson in (Hendrijaya, 2020) Employee Performance indicators are as follows:

	and Jackson in (Hendrijaya, 2020) states that employee performance is the result or output of work done by an employee in a certain period of time in accordance with organizational standards and objectives	1. Effectiveness: Effectiveness refers to the extent to which employees succeed in achieving the goals and targets that have been set. 2. Efficiency: Efficiency refers to how well employees use the resources available to them to achieve the desired results. 3. Quality: Quality refers to the level of perfection or meticulousness of the work achieved by employees. 4. Productivity: Productivity measures the amount of output produced by employees in a given period of time. 5. Job Satisfaction: Job satisfaction refers to the level of satisfaction felt by employees with their work and work environment.
Work Motivation (Z)	According to Mathis and Jackson in (Zainul & Harlie, 2022) Work motivation is an encouragement both from within and from outside that directs, activates, and maintains employee work behavior in achieving organizational goals.	Indicators of work motivation are Mathis and Jackson in (Zainul & Harlie, 2022): 1. Intensity is the level of energy used by employees in carrying out their duties. 2. Direction is the choice of the Employee to focus his efforts on certain activities that are relevant to the job. 3. Resilience is the duration and consistency of employees' efforts in achieving work goals. 4. Achievement is a success in achieving the goals or work standards set.

| | | 5. Recognition is an award given to Employees for their achievements or contributions. |
| | | 6. Responsibility is the willingness of Employees to take and carry out responsibilities in their work. |

Data Analysis Techniques

The data analysis technique used in this study is a quantitative data analysis method. Data analysis in this study uses Structural Equation Modeling (SEM) based on Partial Least Square (PLS) using SmartPLS 3.0 software which is run with computer media.

Data Quality Test

The procedure in testing the measurement model consists of a validity test and a reliability test.

1. Validity Test

Validity tests are used to assess the validity of a questionnaire or not. A questionnaire is said to be valid if the questionnaire questions are able to reveal something measured by the questionnaire. Validity testing is applied to all question items that exist on each variable.

2. Reliability Test

In general, reliability is defined as a series of tests to assess the reliability of statement items. Reliability tests are used to measure the consistency of measuring tools in measuring a concept or measuring the consistency of respondents in answering statement items in questionnaires or research instruments. To measure the level of reliability of research variables in PLS, you can use the value of the alpha coefficient or Cronbach's alpha and composite reliability). Cronbach's alpha value is recommended to be greater than 0.7 and composite reliability is also recommended to be greater than 0.7 (Sekaran et al., 2021).

Structural Model (Inner Model)

This test was carried out to determine the relationship between exogenous and endogenous constructs which has been hypothesized in this study. To generate the inner model test values, the steps in SmartPLS are carried out by bootstrapping method. The structural model was evaluated using R-square for dependent variables, Stone-Geisser Q-square test for predictive elevation and t-test as well as the

significance of the structural path parameter coefficient with the following explanation:

1. Coeficient of Determination / R Square (R2)

   In assessing the model with PLS, it starts by looking at the R-square for each dependent latent variable. The interpretation is the same as the interpretation on regression. Changes in the R-square value can be used to assess the influence of certain independent latent variables on dependent latent variables whether they have a substantive influence (Ulum et al., 2014). The R2 value is generally between 0 and 1.

2. Predictive Relevance (Q2)

   This test is used to measure how well the observation values are generated by the model as well as the estimation of its parameters. If the value of Q2 is greater than 0, it means that the model has predictive relevance, which means it has a good observational value, while if the value is less than 0, it means that the model does not have predictive relevance (Ulum et al., 2014).

3. t-Statistic

   At this stage, it is used for hypothesis testing, namely to find out the significance of the relationship between variables in the research using the bootstrapping method. In the full model, Structural Equation Modeling, in addition to confirming the theory, also explains whether or not there is a relationship between latent variables. A hypothesis is said to be accepted if the statistical t value is greater than the t of the table. The criteria for the t-value of the table are as follows:
   - Score 1.96 with a significance level of 5%

4. Path *Coefficient*

   This test aims to determine the direction of the relationship between the existing variables, whether they are positive or negative. If the test result value ranges from 0 to 1, then the relationship between these variables is categorized as a positive relationship. Conversely, if the value obtained is in the range of 0 to -1, then the relationship between these variables is considered negative. In other words, a value close to 1 indicates a strong positive relationship, while a value close to -1 indicates a strong negative relationship. This testing process is important for understanding the dynamics of the relationship between variables in the study, helping researchers interpret the data better, and ensuring the accuracy of the conclusions drawn from the analysis.

5. Fit Model

   This test is used to assess the extent to which the applied research model is in accordance with the ideal model expected in this study. This conformity evaluation was carried out by observing the NFI (Normed Fit Index) value generated from the statistical analysis program. The NFI value is an indicator that shows the quality of the model's conformity, where the closer to the value of 1, the better the level of conformity of the model. In other words, if the NFI value is close to 1, then the

research model can be considered to have a good fit with the existing empirical data. This assessment process is important to ensure that the model used is able to accurately describe the relationship between variables, so that the research results are reliable and relevant in the context of the research being conducted. This conformance analysis assists researchers in validating the developed model, providing confidence that the model can be used to comprehensively understand the phenomenon being studied.(Ulum et al., 2014).

RESULTS AND DISCUSSION

Results

Outer Model *Analysis*

The outer *model* test in this study uses algorithm analysis in *SmartPLS software version 3.0,* in order to obtain *outer loading* values that meet *the validity and reliability requirements.*

Convergent Validity Test Results

The convergent validity of the measurement model with reflexive indicators can be seen from the correlation between the score of the item/indicator and the construction score. Based on the results for outer loading, it shows that there is an indicator that has a loading below 0.60 and is not significant. The following is presented as the results of the outer loading value in the following table.

Table 3. *Outer Loading*

Indicators	Outer Loading	Information
Performance Evaluation (x1)		
EK1	0.755	Valid
EK2	0.880	Valid
EK3	0.887	Valid
EK4	0.892	Valid
Career Development (X2)		
PK1	0,764	Valid
PK2	0,854	Valid
PK3	0,762	Valid
PK4	0,801	Valid
PK5	0,753	Valid
PK6	0,824	Valid
PK7	0,711	Valid
Work Motivation (Z)		

Indicators	*Outer Loading*	Information
MO1	0,773	Valid
MO2	0,868	Valid
MO3	0,860	Valid
MO4	0,902	Valid
MO5	0,750	Valid
MO6	0,878	Valid Valid
Employee Performance (Y)		
KP1	0,890	Valid
KP2	0,821	Valid
KP3	0,645	Valid
KP4	0,756	Valid
KP5	0,831	Valid

Source : Output Smart PLS, 2024

Based on Table 3, it can be seen that all indicators have a *loading factor* value of > 0.60. According to (Ghozali, Imam & Latan, 2015) states that the indicator is declared valid if it has a loading *factor* value of > 0.60. Thus, it can be stated that all indicators in this study are declared valid and can be carried out further research. The following is shown in the form of a structural model as shown in the following image:
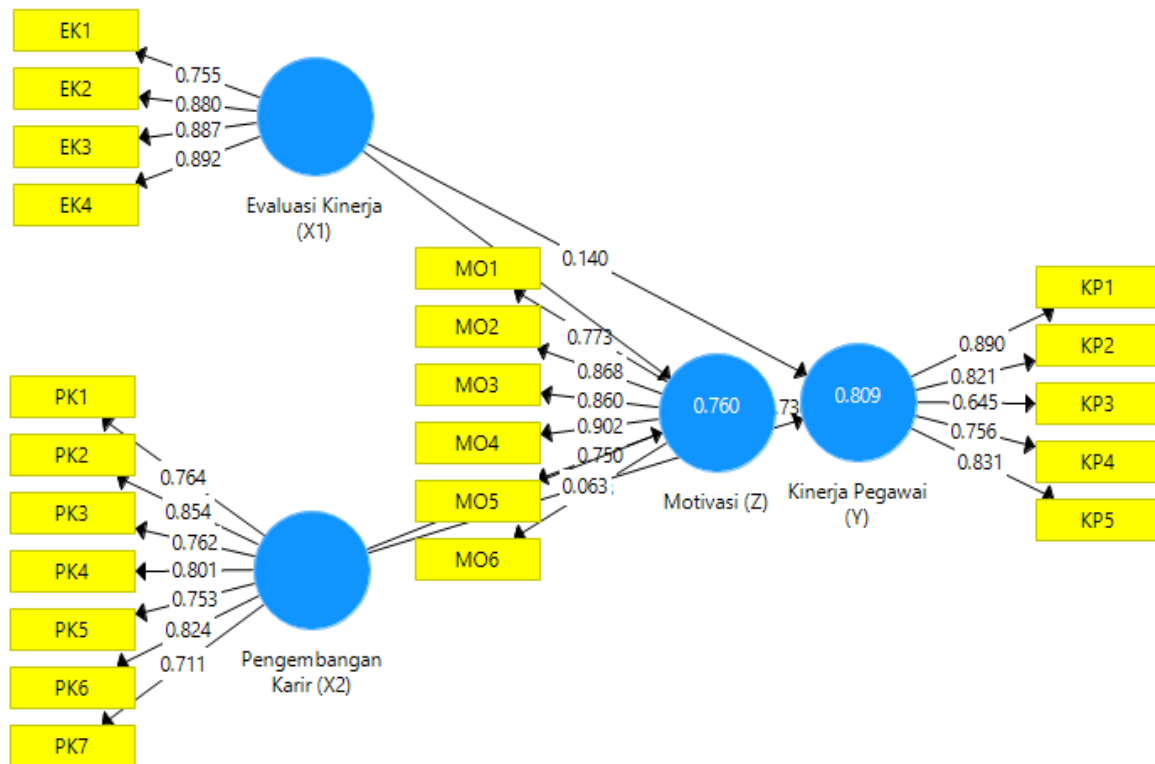
Figure 2. Outer Model Test Results

Discriminate Validity *Test Results*

The next test is to test the validity of discrimination, this test aims to determine whether a reflective indicator is a good measurement for its construction based on the principle that the indicator is highly correlated with its construction. The following are the results of cross loading from the discrimination validity test as shown in the following table:

Table 4. *Discriminant Validity*

Indicators	Performance Evaluation (x1)	Employee Performance (Y)	Motivation (Z)	Career Development (X2)
EK1	0,755	0,538	0,593	0,809
EK2	0,880	0,690	0,660	0,794
EK3	0,887	0,625	0,654	0,766

EK4	0,892	0,623	0,549	0,735
KP1	0,594	0,890	0,768	0,718
KP2	0,589	0,821	0,703	0,619
KP3	0,792	0,645	0,693	0,799
KP4	0,462	0,756	0,570	0,502
KP5	0,404	0,831	0,754	0,572
MO1	0,499	0,716	0,773	0,607
MO2	0,604	0,726	0,868	0,762
MO3	0,743	0,857	0,860	0,767
MO4	0,649	0,767	0,902	0,801
MO5	0,500	0,686	0,750	0,623
MO6	0,610	0,730	0,878	0,754
PK1	0,692	0,568	0,562	0,764
PK2	0,817	0,607	0,569	0,854
PK3	0,751	0,606	0,659	0,762
PK4	0,649	0,767	0,902	0,801
PK5	0,606	0,457	0,537	0,753
PK6	0,665	0,804	0,819	0,824
PK7	0,846	0,568	0,489	0,711

Source: Output Smart PLS, 2024

Based on table 4, it can be seen that the *cross loading value* in each indicator and variable is greater than other variables and indicators, the cross loading of the Performance Evaluation variable shows that the cross loading of the variable indicator is greater than the cross loading of other latent variables, the cross loading of the motivation variable indicator shows that the value *of the cross loading* indicator is greater than the other latent variables, *Cross loading of* employee performance variables also shows a greater cross loading value of the indicator than the cross loading of the latent variable. Based on this data, it can be stated discriminatively *that* the cross loading *results* are considered valid.

Composite reliability *test results*

The test further determines the reliable value with *the composite reliability* of the indicator block that measures the construction. A construction value that is said to be reliable if the indigo *composite reliability* is above 0.60. In addition to looking at *the composite reliability* value, the reliable value can be seen in the variable construct value with *the alpha cronbachs* of the indicator block that measures the construct. A construct is declared reliable if the *cronbachs alpha value* is above 0.7. The following is a table of

loading values for the construct of the research variables resulting from running the Smart PLS program in the following table.

Table 5. *Construct Reliability and Validity*

Indicators	Cronbach's Alpha	Composite Reliability	Average Extracted Variance (AVE)
Performance Evaluation (x1)	0,876	0,916	0,732
Employee Performance (Y)	0,848	0,893	0,629
Motivation (Z)	0,916	0,935	0,706
Career Development (X2)	0,895	0,917	0,612

Source: *Smart PLS Output,* **2024**

Based on Table 5, it can be explained that the AVE value in each variable tested has a > value of 0.5, which shows that all variables in this study meet the *criteria for discriminant validity*. To determine the reliability in this study, *the composite reliability* value is used. The accepted value for the reliability level is > 0.7. Based on these criteria, it can be seen that all variables in this study have a > value of 0.70 so that it can be stated that all variables tested meet the reliability of the construct.

Structural Model Evaluation (*Inner Model*)

Evaluation of the structural model (*inner model*) is carried out to ensure that the structural model built is robust and accurate. The stages of analysis carried out in the evaluation of the structural model are seen from several indicators, namely:

1) Determination Coefficient Test Results (R2)

The determination coefficient (R2) test is used to see the influence of certain independent latent variables on the dependent latent variable whether it has a substantive influence. Based on the data processing that has been carried out using the SmartPLS 3.0 program, the R Square value is obtained as shown in the following table.

Table 6. R Square Results

Variable	R Square	Adjusted R Square
Employee Performance (Y)	0,809	0,796
Motivation (Z)	0,760	0,749

Source: *Smart PLS Output,* **2024**

Based on table 6, it is known that the R Square Adjusted value for the Motivation variable (Z) is 0.749 or 74.90%, which means that the influence of

Performance Evaluation and Career Development on Motivation is in the high category. This shows that the better the Performance Evaluation and Career Development is carried out, the more employee motivation will increase. Meanwhile, the R Square value in the Motivation variable (Z) is 0.760 or 76.0%, which means that the influence of Performance Evaluation and Career Development on Motivation is 76.0%, while the remaining 24.0% is influenced by other variables that have not been studied.

As for the Employee Performance variable (Y), the R Square Adjusted value is 0.796 or 79.60%, which shows that Performance Evaluation, Career Development, and Motivation together affect Employee Performance with a high level of influence. This means that improvements in Performance Evaluation, Career Development, and Motivation can significantly improve Employee Performance. The R Square value in the Employee Performance variable (Y) is 0.809 or 80.90%, which shows that 80.90% of the variation in Employee Performance can be explained by these variables, while the remaining 19.10% is influenced by other factors that have not been studied.

2) Goodness of Fit *Test Results*

The Goodness of Fit test is a statistical method used to evaluate how well the tested model or statistical distribution matches the observed data. The Goodness of Fit test aims to determine the extent to which the observed data corresponds to the theoretical distribution assumed by the model or hypothesis. The goodness of fit model test can be seen from looking at the NFI value on the program. If the NFI value is > SRMR and the closer it is to 1, then the better the model (good fit). Based on the data processing that has been carried out using the SmartPLS 3.0 program, the Fit Model values are obtained as follows.

Table 7. Model Fit

	Saturated Model	Estimated Model
SRMR	0.143	0.143
d_ULS	5.158	5.158
d_G	2.874	2.264
Chi-Square	399.507	399.507
NFI	0.893	0.893

Source: Output Smart PLS, 2024

Based on table 7, it can be seen that the NFI value is 0.893 > 0.117 so that it can be stated that the model in this study has sufficient *goodness of fit* and is suitable to be used to test the research hypothesis.

Hypothesis Test Results

After conducting an inner model analysis, the next thing is to evaluate the relationship between latent constructs in order to answer the hypothesis in this study. The hypothesis test in this study was carried out by looking at T-Statistics and P-Values. The hypothesis was declared accepted if the *T-Statistics value* > 1.96 and the P-Values < 0.05. The following are the results of *Path Coefficients* of direct influence between variables as shown in the following table.

Table 8. *Path Coefficients*

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (IO/STDEVI)	P Values	Result
Performance Evaluation (X1) -> Employee Performance (Y)	0,140	0,183	0,147	0,957	0,000	Accepted
Performance Evaluation (X1) -> Motivation (Z)	0,334	0,329	0,273	1,227	0,000	Accepted
Motivation (Z) -> Employee Performance (Y)	0,736	0,741	0,127	5,782	0,000	Accepted
Career Development (X2) -> Employee Performance (Y)	0,063	0,029	0,167	0,376	0,000	Accepted
Career Development (X2) -> Motivation (Z)	1,163	1,165	0,232	5,022	0,000	Accepted

Source: Output Smart PLS, 2024

Based on the data in Table 8, it can be stated that performance evaluation has a positive but not significant influence on employee performance, with a T-Statistic value of 0.957 < 1.96 and a P-Value of 0.000 < 0.05. This shows that despite the influence, the increase in performance evaluation will not significantly improve the performance of employees at the Sidikalang District Office, Dairi Regency. This result answers the first hypothesis that performance evaluation does not have a significant influence on employee performance.

Meanwhile, the effect of performance evaluation on motivation showed positive and significant results, with a T-Statistic value of 1.227 > 1.96 and a P-Value of 0.000 < 0.05. These results mean that improved performance evaluations can

significantly increase employee motivation. These findings support the second hypothesis, that performance evaluation has a positive and significant influence on work motivation.

Career development had a positive but insignificant influence on employee performance, with a T-Statistic value of 0.376 < 1.96 and a P-Value of 0.000 < 0.05. This suggests that increased career development will not significantly improve employee performance. However, on the influence of career development on motivation, significant results were obtained, with a T-Statistic value of 5.022 > 1.96 and a P-Value of 0.000 < 0.05. This suggests that career development significantly contributes to an increase in employee motivation, supporting the hypothesis that career aspects, such as training and promotion, play an important role in building work motivation.

Furthermore, motivation has a positive and significant influence on employee performance, with a T-Statistic value of 5.782 > 1.96 and a P-Value of 0.000 < 0.05. These findings indicate that increasing employee motivation will have a significant impact on improving employee performance. This supports the last hypothesis in the study, that work motivation significantly affects employee performance.

Overall, the results of this study show that performance evaluation and career development have a more significant direct influence on motivation than on employee performance. Motivation, in turn, plays an important role as a mediating variable in improving employee performance at the Sidikalang District Office, Dairi Regency.

Table 9. Indirect Effect (Pengaruh Tidak Langsung)

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)		Result
Performance Evaluation (X1) -> Motivation (Z) -> Employee Performance (Y)	0,246	0,237	0,208	1,181	0,000	Accepted
Career Development (X2) -> Motivation (Z) -> Employee Performance (Y)	0,856	0,859	0,215	3,988	0,000	Accepted

Source: Output Smart PLS, 2024

Based on table 9, it can be explained that Performance Evaluation has an insignificant indirect influence on Employee Performance through the Motivation intervening variable. This can be seen from the T-Statistic value of 1.181 < 1.96 and the P-Value of 0.000 (less than 0.05), which shows that although the effect is not significant, Performance Evaluation still makes a positive contribution to the improvement of employee motivation, which can ultimately support the improvement of Employee Performance. The indirect influence coefficient of 0.246 shows that the increase in Performance Evaluation tends to increase employee motivation, which indirectly has an impact on Employee Performance.

Career Development is proven to have a significant indirect influence on Employee Performance through Motivation, with a T-Statistic value of 3.988 > 1.96 and a P-Value of 0.000 (less than 0.05). The indirect influence coefficient of 0.856 shows that effective Career Development will significantly increase employee motivation, which ultimately has a positive impact on improving employee performance. Thus, the role of Motivation as a mediator in the relationship between Career Development and Employee Performance proved significant, supporting the hypothesis proposed in this study.

These results underline that Motivation plays an important role as a mediating variable, especially in strengthening the relationship between Career Development and Employee Performance at the Sidikalang District Office, Dairi Regency.

Discussion

The results of this study can be strengthened by referring to relevant previous research. Research conducted by Ahmad and Setiawan (2019) shows that performance evaluations carried out effectively can significantly improve employee performance. Evaluations based on clear and measurable performance indicators allow organizations to provide constructive feedback to employees, ultimately motivating them to improve performance. This research emphasizes the importance of performance evaluation as a strategic tool in improving overall organizational performance.

Sari and Putra (2020) examined the influence of career development on employee performance in the local government environment. The results of their research show that well-designed career development, such as training and promotion, has a positive impact on employee performance. This research also highlights the importance of alignment between organizational needs and employee career aspirations to achieve optimal results.

Lestari and Nugroho (2018) revealed that work motivation has a significant influence on employee performance in government agencies. This study found that motivated employees tend to have a higher dedication to their tasks and are able to achieve work targets more effectively. Factors such as awards, a supportive work

environment, and development opportunities are the main drivers of employee motivation.

Rahman and Dewi (2021) showed that performance evaluation and career development together significantly affect employee performance. The study was conducted in the public sector and found that a combination of objective evaluation and an ongoing career development program is key in driving better performance. The results of this study support the importance of an integrated approach in human resource management.

Yusuf and Hidayat (2019) in their research found that performance evaluations carried out with transparency and fairness can increase employee work motivation. This increased motivation further has an impact on increasing work productivity. This study highlights that good performance evaluation not only improves employee performance directly, but also strengthens motivation as a supporting variable.

Research by Wulandari and Pratama (2020) revealed that effective career development can significantly increase employee work motivation. Employees who feel they have the opportunity to grow and be rewarded for their hard work tend to have higher levels of motivation. This research emphasizes that career development not only affects technical competence, but also improves employee morale.

Handayani and Suryadi (2021) discuss the role of work motivation as a mediator between career development and employee performance. Their research found that work motivation strengthens the influence of career development on employee performance. Employees who feel motivated by planned career development show higher performance. This emphasizes the importance of motivation as a determining factor in achieving optimal performance.

CONCLUSIONS AND SUGGESTIONS
Conclusion

From the results of the data analysis of the research results and discussions described above, it can be concluded that:
1. Positive but not significant influence between Performance Evaluation and Employee Performance. This is shown by a T-Statistic value of 0.957 < 1.96 and a P-Value of 0.000 < 0.05. This means that although Performance Evaluation contributes to the improvement of Employee Performance, its influence is not significant enough.
2. Performance Evaluation has a positive and significant influence on Motivation with a T-Statistic value of 1.227 > 1.96 and a P-Value of 0.000 < 0.05. This shows that improving Performance Evaluation can significantly increase employee work motivation.
3. Motivation has a positive and significant influence on Employee Performance with a T-Statistic value of 5.782 > 1.96 and a P-Value of 0.000 < 0.05. This means

that higher work motivation will have a significant impact on improving Employee Performance.

4. Career Development has a positive but not significant influence on Employee Performance with a T-Statistic value of 0.376 < 1.96 and a P-Value of 0.000 < 0.05. This shows that the improvement of Career Development does not necessarily have a significant impact on Employee Performance.

5. Career Development has a positive and significant influence on Motivation with a T-Statistic value of 5.022 > 1.96 and a P-Value of 0.000 < 0.05. These results indicate that good Career Development can significantly increase employee work motivation.

6. Performance Evaluation has an indirect influence on Employee Performance through Motivation, with a coefficient of 0.246, a T-Statistic value of 1.181 < 1.96, and a P-Value of 0.000 < 0.05. This suggests that Motivation plays an important role as a mediator even though this indirect influence is not significant.

7. Career Development has a significant indirect influence on Employee Performance through Motivation, with a coefficient of 0.856, a T-Statistic value of 3.988 > 1.96, and a P-Value of 0.000 < 0.05. These results show that work motivation is an important mediating variable in strengthening the relationship between Career Development and Employee Performance.

Overall, Motivation plays a significant mediating variable in the relationship between Performance Evaluation, Career Development, and Employee Performance at the Sidikalang District Office, Dairi Regency. These results support the hypothesis put forward in the study.

Suggestion

Based on the findings, the discussion and conclusions on the study can be suggested to the Sidikalang District Office, Dairi Regency as follows:

1. Increasing the Effectiveness of Performance Evaluation The Sidikalang District Office, Dairi Regency, needs to develop a more structured and relevant indicator-based performance evaluation system. Feedback from the evaluation should be clear and constructive to help employees understand areas that need improvement. This is expected to significantly increase the influence of Performance Evaluation on Employee Performance.

2. Optimizing Career Development Programs
Employee career development must be designed to better suit the needs of the organization and individual aspirations. Programs such as training, promotion, and mentoring need to be improved in order to have a more significant impact on Employee Performance, both directly and through Motivation.

3. Focus on Improving Work Motivation

   Motivation is proven to have a significant influence on Employee Performance. Therefore, the Sidikalang District Office should create a supportive work environment, provide awards for achievements, and provide professional development opportunities to increase employee motivation on an ongoing basis.

4. Utilizing Motivation as an Effective Mediator

   The results of the study show that Motivation plays an important role as a mediating variable. Therefore, programs that increase Motivation, such as performance awards, training opportunities, and work-life balance, need to be integrated with Performance Evaluation and Career Development strategies to ensure overall improvement in Employee Performance.

These suggestions are expected to help the Sidikalang District Office, Dairi Regency improve the efficiency and effectiveness of human resource management.

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