

The Effect of Compensation and Work Discipline on Performance with Career Development as an Intervening Variable in PT Hutama Karya Infrastruktur Binjai-Brandan Zone IV

¹Muhammad Yuanto, ²M. Isa Indrawan, ³Mesra B.

^{1,2,3}Master of Management Study Program, Universitas Pembangunan Panca Budi Medan, Indonesia
(email: yuantopermana@gmail.com)

Abstract

This study aims to determine the effect of Compensation and Work Discipline on Performance with Career Development as an Intervening Variable at PT Hutama Karya Infrastruktur Binjai-Brandan Zone IV. The population and sample in this study were contract employees of PT Hutama Karya Infrastruktur Pembangunan Tol Pekanbaru-Padang, Padang Siring Section totaling 82 respondents. With sampling techniques, namely saturated samples. The data analysis technique in this study uses (SEM) structural equation modeling using the help of smartPLS. The results of this study showed that work discipline had no effect on performance. Work discipline affects career development. Compensation affects performance. Compensation affects career development. Career development affects performance. Compensation affects performance through career development as an intervening variable. Work discipline has no effect on performance through career development as an intervening variable.

Keywords:

Compensation, Work Discipline, Performance and Career Development

Introduction

Human Resource Management (HRM) is a discipline on how to manage the relationships and roles of resources owned by individuals efficiently and effectively so that they can be used optimally to achieve common goals. Companies need potential human resource factors both at the leadership and employee levels in the pattern of tasks and supervision which are determinants of achieving company goals. As a resource that drives and directs the organization, HR must always be considered, maintained, maintained and developed by the organization. One indicator of a company's success is good performance. The success of an organization is greatly



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influenced by the individual performance of its employees. As revealed Gitosudarmo (2014) that the success of a company's goals is greatly influenced by an effort made by the manager of the organization to the overall HR that exists and works in the organization he leads. [Click or tap here to enter text.](#)

Employee performance is very necessary, because with this performance it will be known how far the ability of employees to carry out the tasks assigned to them, so it is necessary to determine clear and measurable criteria and set together which are used as a reference. The role of performance is performance is real behavior that everyone themes as work achievements produced by employees in accordance with their role in the company. An organization needs support from (Rivai & Sagala, 2013) its members in the form of work reforms to achieve the goals set by the organization. The tangible results of individual and organizational work lead to the successful achievement of organizational goals.

A developed and developing company is the desire of every employee who works in the company, the company is able to compete and keep up with the times. Some variables in terms of HR management among the many variables that affect performance include compensation, employee work discipline, and career development provided to employees. This is important in the company's operational relationship, especially in PT HKI Binjai-Brandan Zona IV, because these three are inseparable things to achieve company goals besides other variables.

Compensation has an important role in improving employee performance. Compensation is the main reason a person chooses or does a job to make ends meet. Compensation will mean different things to different people. Basic compensation is necessary to maintain employees with a decent standard of living. However, compensation also provides a tangible measure of an individual's value to the organization. Compensation is a strategic function of human resources that has a significant impact on other human resource functions.

Good discipline fosters a person's awareness and sense of responsibility towards the tasks assigned to him. Regulations are needed to provide guidance and counseling for employees in creating good discipline in the company. This encourages morale, realization of company goals, employees and helping the community. According to Sinungan (2014) Disciplin, it is the psychological attitude of a person or group of people who always want to follow / obey all the rules / decisions that have been set. Discipline can be developed through practice, among others, by working to respect time, energy, and cost.

Career development activities related to staffing activities related to the enhancement of intellectual or emotional abilities necessary to carry out a better job. Career development is an organizational effort in providing opportunities to develop employee competencies and abilities. Career development aims to increase employee



potential, provide a clear career path, and create employees who are competent and ready to face the demands of increasingly complex work. As an intervening variable, career development acts as an intermediary between compensation and work discipline with employee performance. With good career development, it is expected that employees will feel more motivated to improve performance because they see opportunities and clarity in their career development in the company. Career development affects employee performance, where career development is a formal approach taken by organizations to ensure that employees with the right qualifications and experience are available when needed. According to Marwansyah (2014) career development are self-development activities taken by a person to realize his personal career plan.

Performance is a real behavior displayed by everyone as work achievements produced by employees in accordance with their role in the company Rivai & Sagala (2013). To achieve company goals, employees need to be given enough encouragement to be motivated such as compensation, increasing work discipline, and in carrying out career development for each individual. Thus, it can be known what factors affect performance, both in terms of intrinsic and extrinsic employees. Human resources in an organization are people who provide their energy, talent and creativity to the organization.

PT HKI (Hutama Karya Infrastruktur) Binjai-Brandan Zone IV is a construction company operating in the Binjai-Brandan area, Zone IV. The company is part of Hutama Karya, a state-owned enterprise (State-Owned Enterprise) in Indonesia that focuses on infrastructure construction and development. PT HKI Binjai-Brandan Zona IV is involved in toll road construction projects in the region. The company has a skilled and experienced team in planning, executing and overseeing infrastructure projects to a high standard. PT HKI Binjai-Brandan Zona IV is committed to making a significant contribution to infrastructure development in Indonesia, by prioritizing quality, safety, and sustainability.

Literature Review

Employee Performance

According Sutrisno (2016) *to said employee performance is the result of employee work seen in aspects of quality, quantity, working time and cooperation to achieve goals set by the organization.* According to (Rivai, 2018) giving the understanding that performance is the result or level of overall success of a person during a certain period in carrying out a task compared to various possibilities, such as standards of work results, targets or objectives or criteria that have been determined in advance and mutually agreed. According to Wirawan (2019), performance is the output produced by the functions or indicators of a job or a profession in a certain time. From this definition, it can be



stated that employee performance is a form of a person's success to achieve certain roles or targets derived from his own actions. A person's performance is said to be good if the individual's work results can exceed predetermined roles or targets.

According to that there are six employee performance indicators, namely Sutrisno (2016):

1. Work results, including the level of quantity and quality that has been produced and the extent of supervision.
2. Job knowledge, related to job duties that will directly affect the quantity of work.
3. Initiative during carrying out work duties, especially in terms of handling problems that arise.
4. Morale attitude and positive attitude in carrying out work duties.
5. Time and attendance discipline
6. Punctuality and attendance rate.

Compensation

According Sinambela (2016) also says that compensation is the sum of all rewards that the organization gives to employees in return for their services. According to Dessler (2017) compensation, it is a matter in the form of pay to be given to employees and matters related to employees. Then according to Sedarmayanti (2017) compensation is everything that employees will receive as a form of employee work remuneration. Compensation is a part of rewards or rewards that are only related to the economic part, but after the belief that individual behavior has the influence of a wider spectrum system, compensation cannot be separated from the rewards provided by the organization Widodo (2016).

Based on some of the opinions above, the author can define that compensation is something in various forms such as money, prizes, and rewards or rewards that have been provided and given by organizations to their employees in return for the services and hard work of employees. According to Hasibuan (2019) the factors affecting compensation, namely:

1. Labor Supply and Demand
2. Company Capabilities and Willingness
3. Work Productivity of Employees or Employees
4. Cost of Living
5. National Economic Conditions

There are several things that can be used as compensation indicators according to Sinambela (2016), namely, as follows:

1. Wages and Salaries



2. Incentive
3. Allowances
4. Facilities

Work Discipline

According to Hasibuan (2019), discipline is one of the most important HR operative functions because the better the discipline attitude possessed by employees, the higher the work performance that will be achieved and thus their performance can increase. Discipline is any individual and group that guarantees obedience to orders or rules and has the initiative to perform a necessary action if there is no order, this trait is already the basis of discipline without paying attention to the good or bad of the rules Husnan (2015). Work discipline is the awareness and willingness of employees to obey all organizational regulations and applicable social norms Sinambela (2016).

Based on some of the opinions above, it can be concluded that work discipline is a person's attitude consciously or initiative in obeying a regulation that exists in a company or organization, and social norms that apply in an environment. That way the discipline attitude possessed by a person or employee is very important because with good discipline employees can work optimally. According to Sutrisno (2016) there are factors that affect employee work discipline, namely, as follows:

1. The size of the compensation award
2. Whether or not there is an example of leadership that can be used as a handle
3. The courage of leaders to take action
4. Whether or not there is attention to employees
5. Created habits that support discipline

Work Discipline Indicators

According to Hasibuan (2019) the indicators affecting the level of discipline of employees are, as follows:

1. Goals and Abilities
2. Leadership Examples
3. Justice
4. Waskat
5. Humanitarian relations

Career Development

Every employee must be given the opportunity to develop their career, which is as a tool to motivate them to perform better. Career is the entire position or position



that a person may occupy in an organization in his or her work life, and career goals are the highest positions that a person will occupy in an organization. According to Sutrisno (2016) career development are personal improvements made to achieve a career plan. Career development means that the organization / company / leader has prepared advance planning on how to do to develop the career of employees while working.

According to Masram & Mu'ah (2017) career development is the process of increasing the work ability of individuals achieved in order to achieve the desired career. Based on some opinions according to the experts above, it can be concluded that career development is a process in improving and adding to the ability of an employee to achieve his career goals and objectives in the company. According to Busro (2018) career development programs are very important for profit and non-profit organizations, because to increase job satisfaction which affects the increase in efficiency, effectiveness, productivity, and quality of work implementation.

Career development is the responsibility of an organization that prepares its employees with certain qualifications and experience, so that at the time needed the company already has employees with certain qualifications.

A person who has a career will find many factors that will influence him to do development. According to Siagian et al. (2019) revealed, there are several factors that affect employee career development, namely:

1. Work performance
2. Loyalty to the organization
3. Mentors and sponsors
4. Support of subordinates
5. Opportunity for growth

According to Busro (2018) the disclosure, there are several indicators of employee career development, as follows:

1. Career clarity
2. Self-development measured
3. Performance quality improvement

Methods

Research Approach

This research is a descriptive research with a qualitative approach. Quantitative methods are referred to as scientific methods because they have fulfilled scientific principles, namely concrete / empirical, objective, measurable, rational and systematic. Referred to as a quantitative method because research data is in the form of numbers and analysis using statistics (Sugiyono, 2015).



This research was conducted at PT Hutama Karya Infrastructure for the Construction of the Pekanbaru-Padang Toll Road, Padang Sicincin Section. The research time will be planned for 4 months, namely, June to August 2023. The purpose of this study was to determine the effect of compensation (X1) and work discipline (X2) on employee performance (Y) with career development as an intervening variable (Z).

Population and Sample

According to Sugiyono (2019), population is a generalization of areas consisting of objects / subjects that have certain qualities and characteristics set by researchers to be studied and then drawn conclusions. The population in this study was all contract employees of PT Hutama Karya Infrastruktur Pembangunan Jalan Tol Pekanbaru-Padang, Padang Siring Section totaling 82 respondents.

According to Sugiyono (2019), the sample is part of the number and characteristics possessed by the population. Sample measurement is a step to determine the size of the sample taken in carrying out a study. . In this study, the sampling technique used was nonprobability sampling with the technique taken, namely saturated sampling (census). According to Sugiyono (2019), Saturated Sampling is a sample selection technique if all members of the population are sampled. Because the population is relatively small, the sample used in the study was taken from all population numbers, amounting to 82 people.

Data Analysis Techniques

The data used in this study is primary data, namely data obtained and must be reprocessed, namely questionnaires. In collecting data related to what will be discussed is carried out directly by means of the questionnaire method. Activities in data analysis are grouping data based on variables and types of respondents, tabulating data based on variables from all respondents, presenting data for each variable studied, doing calculations to answer problem formulations, and doing calculations to test hypotheses that have been presented.

The analytical method used in this study is the Structural Equation Model (SEM) method. SEM modeling is a further development of path analysis, in the SEM method the causality relationship between exogenous variables and endogenous variables can be determined more completely, Abdullah (2015)

1. Descriptive Statistical Analysis

Descriptive statistical analysis is raw data information into a form that is easy to understand or interpret. Usually the form of interpretation can be in the form of frequency tables, graphs, or text that will facilitate the next analysis process.

2. Evaluation of the Measurement Model (Outer Model)



Test outer model or measurement model, measuring how far the indicator can explain its latent variable. The reflective indicators used in the study were tested by looking at the results of Convergent Validity, Discriminant Validity, and Composite Reliability.

3. Structural Model Evaluation (Inner Model)

The inner model test in principle is to test the effect of certain exogenous latent variables on endogenous latent variables whether they have a substantive influence (Ghozali, 2015; 78). The test was carried out by looking at the results of path analysis 46 (path analysis) and goodness of fit. The stability of these estimates is tested using t-statistics tests obtained from bootstrapping procedures.

Results

1. Description of Research Respondents

Based on the results of research conducted by researchers on 82 respondents who were used as research samples through questionnaires distributed, therefore several characteristic pictures of respondents based on gender, age, and occupation can be drawn.

Table 1. Characteristics Based on the Respondent's Gender

No.	Gender	Sum	Presentation
1	Man	60	73,17%
2	Woman	22	26,83%
		82	100%

Based on the table data above, it can be concluded that there were 82 respondents consisting of male gender totaling 60 respondents whose percentage was 73.17% and female gender as many as 22 respondents with a percentage of 26.83%. This shows that most of the employees of PT Hutama Karya Infrastruktur Binjai-Brandan Zona IV who filled out the questionnaire of this study were male.

Table 2. Characteristics of respondents by age

No.	Gender	Sum	Presentation
1	< 26 Years	15	18,29%
2	26 - 35 years	36	43,90%
3	36 - 45 years	25	30,49%
4	> 45 years old	6	7,32%
		82	100,00%



Based on the table data above, it can be concluded that the most dominant age of respondents at the age of 26-35 years was 36 respondents with a percentage of 43.9%, 25 respondents with an age range of 36-45 years whose percentage was 30.49%, 15 respondents with an age range of <26 years whose percentage was 18.29%, and 6 respondents aged > 45 years with a percentage of 7.32%. This shows that some employees of PT Hutama Karya Infrastruktur Binjai-Brandan Zona IV who filled out the questionnaire of this study were aged 26-35 years.

2. Statistical Analysis Is Comprehensive

Descriptive statistics are a description of the minimum value, maximum value, total value, average value and standard deviation used in the study. The descriptive statistics of each aria are described in the following table:

Table 3. Descriptive Statistical Analysis

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Compensation	82	1	5	4,12	0,628
Work Discipline	82	2	5	4,14	0,561
Career Development	82	1	5	4,20	0,717
Employee Performance	82	1	5	4,05	0,630
Valid N (listwise)	82				

Based on table 3. The results of the analysis using descriptive statistics present a response value of n = 82, the minimum value of the compensation variable is 1 and the maximum value is 5 with a mean value of 4.12 and a standard deviation of 0.628. The minimum value of the work discipline variable is 2 and the maximum value is 5 with a mean value of 4.14 and a standard deviation of 0.561. The minimum value of the career development variable is 1 and the maximum value is 5 with a mean value of 4.20 and a standard deviation of 0.717. The minimum value of the employee performance variable is 1 and the maximum value is 5 with a mean value of 4.05 and a standard deviation of 0.630.

3. Evaluation of the Measurement Model (Outer Model)

Data analysis techniques using SmartPLS in Measurement Model Evaluation (Outer Model) there are several criteria used to assess the outer model or measurement model, namely: convergent validity, discriminant validity, and consistency reliability (Hair, 2010).



Convergent Validity

The initial step taken is a measurement that serves to determine the extent to which the size correlates positively with alternative sizes in the same construct. Assessment can be done using processed data through loading factors. An indicator is said to meet the criteria when the loading factor value >0.5 .

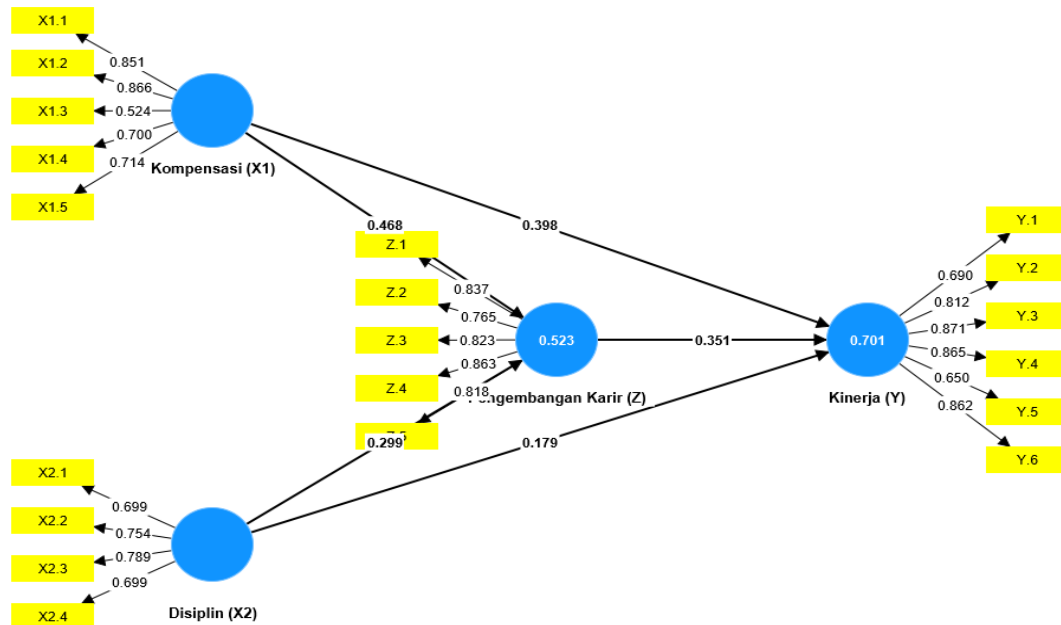


Figure 1. Model I Path Diagram

Table 4. Outer Loading

	Discipline (X2)	Performance (Y)	Compensation (X1)	Career Development (Z)
X1.1			0.851	
X1.2			0.866	
X1.3			0.524	
X1.4			0.700	
X1.5			0.714	
X2.1	0.699			
X2.2	0.754			
X2.3	0.789			
X2.4	0.699			
Y.1		0.690		
Y.2		0.812		
Y.3		0.871		
Y.4		0.865		
Y.5		0.650		



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Y.6	0.862
Z.1	0.837
Z.2	0.765
Z.3	0.823
Z.4	0.863
Z.5	0.818

Based on table 4. It can be seen that the results of some indicators meet the requirements of the indicator to have a loading factor value above 0.5. Thus, the construct is said to be valid and has met the validity requirements because the loading factor is above 0.5.

Discriminant Validity

Measurement of reflexive indicators based on cross loading with its latent variables. If the cross loading value on the variable concerned is largest compared to cross loading on other latent variables, it is said to be valid.

Table 5. Cross Loading

	Compensation (X1)	Discipline (X2)	Career Development (Z)	Performance (Y)
X1.1	0.851	0.556	0.522	0.565
X1.2	0.866	0.654	0.687	0.589
X1.3	0.524	0.465	0.310	0.254
X1.4	0.700	0.566	0.489	0.439
X1.5	0.714	0.583	0.500	0.851
X2.1	0.550	0.699	0.368	0.407
X2.2	0.597	0.754	0.485	0.627
X2.3	0.550	0.789	0.543	0.582
X2.4	0.562	0.699	0.517	0.451
Z.1	0.603	0.556	0.837	0.643
Z.2	0.621	0.541	0.765	0.580
Z.3	0.557	0.538	0.823	0.585
Z.4	0.591	0.614	0.863	0.678
Z.5	0.480	0.433	0.818	0.570
Y.1	0.612	0.562	0.893	0.690
Y.2	0.557	0.478	0.570	0.812



Y.3	0.632	0.557	0.476	0.871
Y.4	0.670	0.632	0.551	0.865
Y.5	0.485	0.564	0.481	0.650
Y.6	0.721	0.592	0.496	0.862

Based on the data presentation in table 5. It can be seen that each indicator in the research variable has the largest cross loading value on the variable formed compared to the cross loading value on other variables. So the instrument is said to be discriminantly valid.

Composite Reliability, Cronbach's Alpha, and Average Variated Extracted (AVE)

Composite Reliability evaluation is done by looking at the Composite Reliability value of the indicator block that measures the construct and Cronbach's alpha value. A construct is said to be reliable if the Composite Reliability value is above 0.7 and Cronbach's alpha value is recommended above 0.6 and looking at the Average Variant Extracted (AVE) value for each indicator is required the value should be > 0.5 for a good model.

Table 6. Composite Reliability, Cronbach's Alpha, and Average Variated Extracted (AVE)

	Cronbach's alpha	Composite reliability (rho_a)	Average variance extracted (AVE)	Conclusion
Discipline (X2)	0.720	0.730	0.542	Reliable
Performance (Y)	0.881	0.886	0.634	Reliable
Compensation (X1)	0.793	0.827	0.550	Reliable
Career Development (Z)	0.879	0.883	0.675	Reliable

Based on the test results in table 6. Obtained Composite Reliability value greater than 0.7, Cronbach's alpha value above 0.6, and Average Variant Extracted (AVE) value greater than 0.5, it can be concluded that all variables are said to be reliable and produce stable or constant measuring results.

4. Structural Model Evaluation (Inner Model)

After testing the outer model, the next step is to test the inner model. The inner model test interprets structural models that link latent variables.



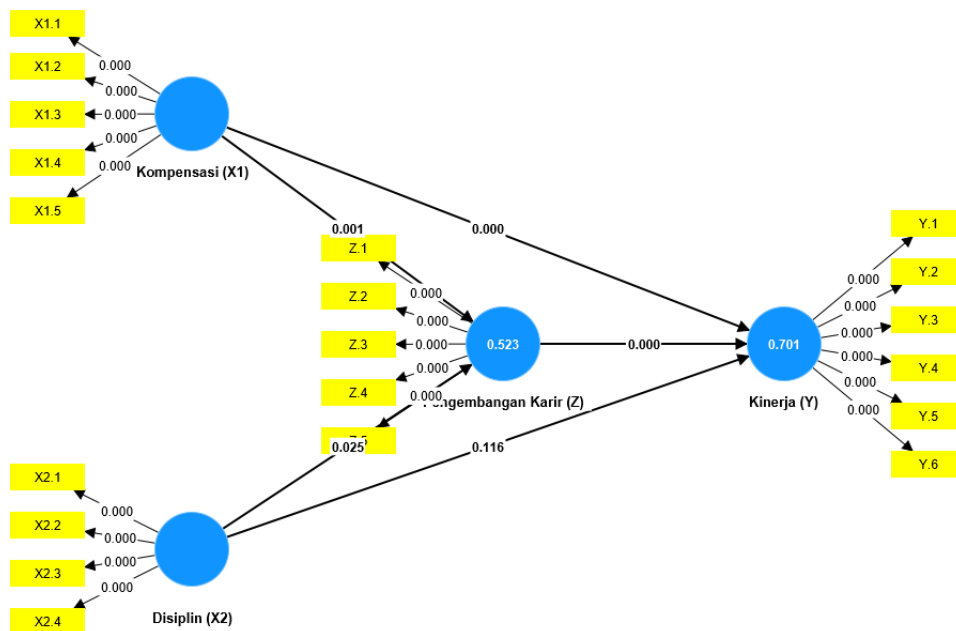


Figure 2. Model II Path Diagram

Coefficient of Determination (R²)

In assessing structural models with PLS, we begin by assessing RSquares for each endogenous latent variable as the predictive force of the structural model. R-Squares values of 0.75, 0.50, 0.25 can be concluded that the model is strong, moderate and weak. The results of PLS R-Squares represent the amount of variance of the construct described by the model. The following is the calculation of the RSquares value from the processing results using SmartPls 4. :

Table 7. R-Square

	R-square	R-square adjusted
Performance (Y)	0.701	0.689
Career Development (Z)	0.523	0.511

Based on table 7. that the result coefficient of determination (R Square) of the performance variable is 0.701 or 70.1%. This shows that performance can be explained by work discipline, compensation, and career development. While the remaining 29.9% was explained by other variables that were not studied in this study. R-Square career development has a value of 0.523 or 52.3%. This shows that career development can be explained by work discipline and compensation by 52.3%. While the remaining 47.7% was explained by other variables that were not studied.



Test the hypothesis

The t test aims to test whether the independent variable individually affects the dependent variable through the intervening variable or not. The basis used in testing the hypothesis is the image output and the values contained in the output path coefficients and indirect effects. Test the hypothesis of direct / indirect influence has criteria, if the significant value (PValue) < 0.05 = significant, while if (P-Value) > 0.05 = insignificant. The limit for rejecting and accepting the proposed hypothesis is 1.96. If the t-statistic value < 1.96 then the hypothesis is rejected. If the t-statistic > 1.96 then the hypothesis is accepted. Hypothesis testing using SmartPLS 4.0 was carried out with the bootstrap method on research samples and obtained the following results:

Direct Effect

Table 8. Path Coefficient

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	Conclusion
Discipline (X2) -> Performance (Y)	0.179	0.184	0.114	1.571	0.116	No Effect
Discipline (X2) -> Career Development (Z)	0.299	0.317	0.133	2.243	0.025	Influential
Compensation (X1) -> Performance (Y)	0.398	0.398	0.105	3.808	0.000	Influential
Compensation (X1) -> Career Development (Z)	0.468	0.461	0.140	3.342	0.001	Influential
Career Development (Z) -> Performance	0.351	0.345	0.097	3.622	0.000	Influential



(Y)	
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From table 8. can be explained as follows:

1. The Effect of Work Discipline on Performance
From the results of the hypothesis test shown by table 5 shows that work discipline (X1) has no effect on Performance (Y), it can be seen from the table that the resulting T-Statistic value is $1.571 < 1.96$ and the p-value value is $0.116 > 0.05$ so that the first hypothesis in this study is rejected.
2. The Effect of Work Discipline on Career Development
From the results of the hypothesis test shown by table 5 shows that work discipline (X1) affects Career Development (Z), it can be seen from the table that the resulting T-Statistic value is $2.243 > 1.96$ and the p-value is $0.025 < 0.05$ so that the second hypothesis in this study is accepted.
3. Effects of Compensation on Performance
From the results of the hypothesis test shown by table 5 shows that Compensation (X2) has an effect on Performance (Y), it can be seen from the table that the resulting T-Statistic value is $3.808 > 1.96$ and the p-value is $0.000 < 0.05$ so that the third hypothesis in this study is accepted.
4. The Effect of Compensation on Career Development
From the results of the hypothesis test shown by table 5 shows that Compensation (X2) affects Career Development (Z), it can be seen from the table that the resulting T-Statistic value is $3.342 > 1.96$ and the p-value is $0.001 < 0.05$ so that the fourth hypothesis in this study is accepted.
5. The Effect of Career Development on Performance
From the results of the hypothesis test shown by table 5 shows that Career Development (Z) affects Performance (Y), it can be seen from the table that the T-Statistic value produced is $3.342 > 1.96$ and the p-value value is $0.000 < 0.05$ so that the fifth hypothesis in this study is accepted.

Indirect Effect

Table 9. Specific Indirect Effect

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	Conclusion
Compensation (X1) -> Career Development (Z) -> Performance (Y)	0.164	0.161	0.071	2.301	0.021	Influential



Discipline (X2) ->	0.105	0.108	0.054	1.943	0.052	Influential
Career Development (Z) ->						
Performance (Y)						

From table 9. can be explained as follows:

1. The sixth hypothesis states that career development measured by questionnaires is able to mediate the relationship between compensation and performance. The test results showed that the exogenous variable compensation had a t-statistic value of 2.301. This proves that the t-statistic > 1.96 . While the P-Value is 0.021 which means the P-Value < 0.05 . So it can be concluded that career development is able to mediate the relationship between compensation to performance, in other words, hypothesis six is accepted.
2. The goal hypothesis states that career development as measured by questionnaires is unable to mediate the relationship between work discipline and performance. The test results showed that the exogenous variable of labor discipline had a t-statistical value of 1.943. This proves that the t-statistic < 1.96 . While the P-Value is 0.052 which means the P-Value > 0.05 . It can then be concluded that career development is not able to mediate the relationship between work discipline and performance, in other words, hypothesis seven is rejected.

Discussion

1. The Effect of Work Discipline on Performance

As explained in the definition of discipline according to Singodimedjo, discipline is an attitude of willingness and willingness of a person to obey and obey the norms of regulations that apply around him. Good employee discipline will accelerate company goals, while degenerate discipline will be a barrier and slow down the achievement of company goals. However, this study shows that work discipline has no effect on employee performance. The thing that causes work discipline is not able to improve employee performance is that due to strict regulations made by the company, and there is no adequate supervision and control, employees may be less motivated to comply with company rules and regulations.

2. The Effect of Work Discipline on Career Development

Strong work discipline has a significant positive impact on the career development of employees. When an employee shows a high level of discipline in carrying out duties and abiding by company rules, it creates a positive reputation. Consistency in work discipline reflects dedication and responsibility, which are highly valued qualities in the world of work. Managers and superiors tend to see disciplined



employees as reliable individuals with the potential to take on greater responsibility. The results of this study also show that work discipline affects career development, meaning that work discipline can improve employee careers.

3. The Effects of Compensation on Performance

Fair and adequate employee compensation has a significant positive impact on improving their performance. Employees who feel that they are valued in a way that is appropriate to their contributions and achievements tend to be more motivated and engaged in their work. Competitive compensation is not only an incentive to work harder and achieve targets, but also creates a sense of fairness and satisfaction. This study states that compensation affects employee performance, so it can be concluded that compensation can improve employee performance.

4. The Effect of Compensation on Career Development

Adequate employee compensation not only plays a role in improving performance, but also has a positive impact on employee career development. The results of this study show that compensation affects employee performance. Employees who receive rewards that go along with their contributions and achievements feel valued and recognized. This not only creates motivation to give their best in daily work, but also encourages them to look for opportunities for self-development. In addition, companies that offer compensation programs that include career incentives, such as promotion opportunities, advanced training, or raises based on specific achievements, can create an environment where employees feel compelled to develop themselves on an ongoing basis.

5. The Effect of Career Development on Performance

Employees' career development has a significant positive impact on improving their performance. Career development processes, such as training, upskilling, and learning opportunities, provide employees with opportunities to develop their competencies. The results of this study show that career development has a positive and significant effect on employee performance. Career development also creates intrinsic motivation, as employees feel valued and invested by the company in the development of their potential.

6. The Effect of Compensation on Employee Performance through Career Development as an Intervening Variable

The effect of compensation on employee performance can be reflected through the intermediary of career development as an intervening variable. Adequate compensation provides incentives to employees to improve their performance. When employees feel valued and rewarded in proportion to their contribution, it can



increase motivation and engagement in work. Career development, on the other hand, plays an intermediary role in this process. Employees who receive motivating compensation tend to be more driven to take part in career development opportunities. Career development programs, such as training, learning, and opportunities for professional growth, provide pathways for employees to hone their skills. With increasing skills and knowledge, employees become more capable and confident in their work, which ultimately positively affects their performance. Therefore, through the intermediary of career development, adequate compensation can positively affect the performance of employees in an organization.

7. The Effect of Work Discipline on Employee Performance through Career Development as an Intervening Variable

The results of this study show that work discipline has no effect on employee performance through career development as an intervening variable. Although work discipline is generally considered an important factor in improving employee performance, there are some situations where work discipline may not affect performance through career development. First, if companies do not provide a clear path to career development or do not provide adequate incentives to upskill, employees may feel less motivated to maintain a high level of discipline. In addition, uncertainties in the career development process, such as a lack of transparency in promotion criteria or limited development opportunities, can make employees lose motivation to maintain work discipline.

Conclusion

This conclusion shows that high or low levels of work discipline do not have a significant impact on employee performance. This may indicate that other factors outside of work discipline are more dominant in influencing employee performance. The company can evaluate and review the established work discipline policy. There may be a need for adjustments or focus on other, more impactful factors.

Although career development has not been shown to have an effect in relation to work discipline and employee performance, companies can still improve the effectiveness of career development systems. This may involve reviews and improvements in training programs, skills development, and career plans for employees.

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