The Influence of Leadership, Motivation, Compensation, Work Stress and Career Development on Employee Performance through Job Satisfaction as A Mediating Variable at PT Sumber Masanda Jaya Brebes

Steven Firman Nugraha[1], Suwandi[2], Roberto Akyuwen[3]
{steven.upstegal@gmail.com}

Postgraduate Program, Master of Management, Universitas Pancasakti Tegal, Indonesia

Abstract. The purpose of this study is to determine the influence of: 1) leadership on employee performance, 2) motivation on employee performance; 3) compensation for employee performance; 4) work stress on employee performance; 5) career development of employee performance; 6 leadership towards employee job satisfaction; , 7) motivation towards employee job satisfaction; 8) compensation for employee job satisfaction; 9) work stress on employee job satisfaction; 10) career development towards employee job satisfaction; 11). job satisfaction with employee performance; 12). leadership towards employee performance with job satisfaction as a mediator; 13). motivation towards employee performance with job satisfaction as a mediator; 14). compensation for employee performance with job satisfaction as a mediator; 15). work stress on employee performance with job satisfaction as a mediator; and, 16). career development of employee performance with job satisfaction as a mediator. The population in this study was all employees of PT Sumber Masanda Jaya which amounted to 8,648 people and sampel in this study was taken using a formula from Slovin with a total of 380. The data collection technique of this study is a questionnaire. The data analysis method of this study is an instrument validity and reliability test, descriptive statistics, and SEM analysis.

Keywords: Compensation, Career Development , Employee Performance, Job Satisfication, Leadership, Motivation, Work stress

1. Introduction

The performance of employees in the organization leads to the ability of the employee to carry out the overall tasks for which he is responsible. Career development is one of the supporting factors for employees in working that come from outside or extrinsic factors (Rivai and Sagala, 2019). Career development is intended so that employees have higher abilities than previously possessed abilities, so that they can know their functions, roles, and responsibilities in the work environment. Proper career development within the company is expected to increase higher satisfaction among employees, so that they can actively participate in the company[1,2].

PT Sumber Masanda Jaya, which is domiciled in Brebes Regency, has been incorporated and is an individual company. The company is engaged in the footwear industry by producing

shoes of the brand "Nike", which is an international brand . The company has used advanced technology in its production process by utilizing more engine power, but still needs human resources in the company's operations[3,4].

PT Sumber Masanda Jaya was established in 2018 and is currently able to absorb a workforce, most of which are the community around the company. Companies in carrying out their operational activities need to build harmonious relationships and make a positive contribution to society and the environment (Suwandi et al. , 2021). A positive contribution to the community can be in the form of PT Sumber Masanda's efforts to maintain and improve its performance in order to be able to survive in increasingly fierce business competition and be able to absorb a larger workforce, most of which are the surrounding community[5,6].

Leadership that is able to provide supervision and activation to employees, providing compensationin accordance with expectations, low work stress, and career development for employees will create higher job satisfaction and turnover low employees. Good leadership, appropriate compensation, and low levels of work stress tend to make employees stay in the organization, while employees who feel dissatisfied will choose to leave the company. The following is data on employee turnover of PT Sumber Masanda Jaya in 2018-2021.

Table 1.
Employee Turnover of PT Sumber Masanda Jaya in 2018-2021

Year	Number of Employees Beginning of the Year (people)	Number of Outgoing Employees (persons)	Number of Incoming Employees (persons)	Number of Year-End Employees (persons)
2018	7.905	-	179	8.084
2019	8.084	39	166	8.289
2020	8.289	84	123	8.496
2021	8.496	73	79	8.648

Based on the data presented in Table 1.1 it is known that the number of employees leaving or entering the company is experiencing fluctuations, which indicates a lack of employee job satisfaction. Based on the results of interviews with the work unit that manages HR development at PT Sumber Masanda Jaya, several reasons were obtained that caused employees to prefer to leave the company. Among these are employees accepted to work in other companies, employees feel that no awards are given to them, and the perceived career does not develop. In addition, there are complaints from employees about company leaders who do not support them in carrying out their work[7,8].

The results of interviews with several employees of PT Sumber Masanda Jaya show that there are still employees who feel that they do not get satisfaction at work. One of the causes of employee dissatisfaction has to do with the relatively low compensation received, although the compensation provided by the company has been adjusted to the regional minimum wage (UMR) of Brebes County. The Umr of Brebes Regency that is currently enforced according to employees is relatively lower when compared to other cities or counties, so it is one of the triggers for dissatisfaction among employees. Employees are required to have high performance, but the compensation received is less in line with the workload to be completed.

The leadership at PT Sumber Masanda Jaya is relatively young and has a faster and adaptive work pattern with changes that occur in the company, but according to some employees, these leaders have many shortcomings in terms of leadership, such as in

inappropriate communication patterns, so that employees in the work team often have difficulty or cannot understand the instructions or directions given by the leadership. The leadership is also seen as lacking motivation for employees, so that the company's vision and mission have not been achieved optimally.

Some employees of PT Sumber Masanda Jaya also admitted that they felt work stress. The cause comes from poor communication between fellow employees, so it often results in misunderstandings that can trigger conflicts that should not need to occur. Work stress is mainly felt by new employees, because they generally do not have qualified skills, while employees who have worked longer feel reluctant to provide assistance to new employees.

The career development of a future employee largely depends on his quality and performance. Every company, including PT Sumber Masanda Jaya, must carry out career coaching for its employees which is carried out in a planned and sustainable manner. PT Sumber Masanda Jaya is a relatively new company operating in the Brebes Regency area, so career development for its workers is still a challenge[9,10].

Based on the background of the problems that have been described, the author is interested in conducting a study with the title "The Influence of Leadership, Motivation, Compensation, Work Stress, and Career Development on Employee Performance through Job Satisfaction as a Mediation Variable at PT Sumber Masanda Jaya".

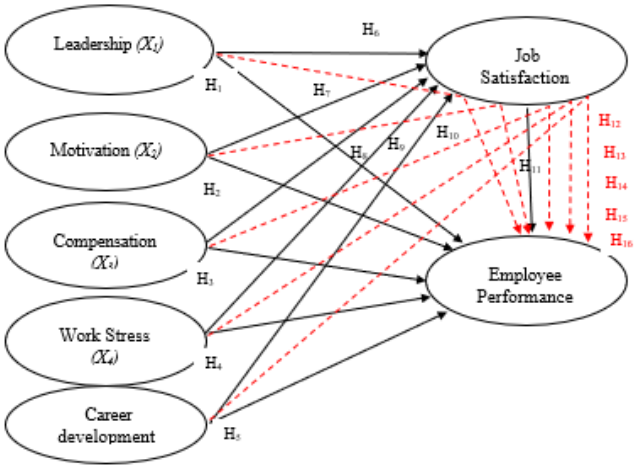

Figure 1 Theoretical Thinking Framework

2. Method

This research can be categorized as a type of survey research. The population in this study was all employees of PT Sumber Masanda Jaya which amounted to 8,648 people and the sample in this study was taken using a formula from Slovin. The technique used to collect data in this study was carried out with a survey approach using questionnaires as a primary data collection tool.

3. Analysis Data

3.1 Instrument Validity and Reliability Test

Before carrying out data analysis, it is necessary to first test the research instruments, namely validity tests and reliability tests. The validity test is used to determine the feasibility of items in a list of statements in defining a variable. The validity test in this study was carried out using the Pearson product moment correlation test. An instrument is said to be valid if the resulting calculated r value is equal to or greater than the table r with a significance level of 5 percent.

Reliability points to the notion of whether a research instrument can measure something that is measured consistently over time. Reliability testing to determine internal consistency is carried out by trying the instrument only once, then the results obtained are analyzed with a certain technique. The results of the analysis can be used to predict the reliability of the instrument. The reliability test in this study was carried out with the Cronbach's Alfa technique (alpha coefficient). A measurement item can be said to be reliable if it has an alpha coefficient value greater than 0.7.

3.2 Descriptive Statistics

This analysis was carried out to obtain a descriptive picture of the characteristics of research respondents and their answers or perceptions of the research variables used. Descriptive statistics serve to describe or give an overview of the object under study through sample or population data (Sugiyono, 2018). The data presented in descriptive statistics is usually in the form of a measure of data centering. One of the commonly used measures of data centering is the mean. In addition to being in the form of a size of data centering can also be presented in the form of one of which is a pareto diagram and a table.

3.3 Intervariable Relationship Analysis

Testing the intervariable relationship in this study was carried out using the Structural Equation Modeling (SEM) approach from the AMOS 4.0 statistical software package. SEM is a set of statistical techniques that allow simultaneous testing of a series of relatively "complicated" relationships (Ferdinand, 2018). To create a complete modeling, it is necessary to carry out the following steps (Ferdinand, 2018):

a) Development of theoretical models.
   The first step in the development of SEM is the search or development of a model that has a strong theoretical justification. So it is the belief of a researcher to propose a model of causality by assuming that there is a causal relationship between two or more variables based on the relevant theory.
b) Development of a path diagram to make it easier for researchers to see whether there are causality relationships to be tested.
c) Conversion of flowcharts into a set of structural equations and measurement model specifications. Once a theoretical model has been developed and drawn into a flowchart, the researcher can begin converting the model specification into a series of equations.
d) Selects the input matrix and model estimation.
   The difference between SEM and other multivariate techniques is in the input of data used in modeling and estimating. SEM only uses a variance/covariance matrix or correlation matrix as input data for the entire estimate made.
e) Possible emergence of identification problems. One of the fundamental problems in structural models is the identification problem that gives an indication that a model can be solved either or cannot be solved at all.

f) Evaluasi kriteria goodness of fit.

Some of the criteria for goodness of fit are:

1) Chi-square
   The value of $\chi 2$ is a measurement of the difference between the relationship that actually occurs in a sample and what is expected if the model is assumed to be correct. A large difference (ratio) indicates that the model is not fit. The $\chi 2$ distribution is different for df (freedom level) which is different as most other distributions. The value of $\chi 2$ should be interpreted in df. This is done by calculating the ratio $\chi 2$/df.
2) Goodness of Fit Index (GFI)
   GFI is analogous to R2 which is used in regression to infer the variant described in a dependent (free) variable, but GFI refers to a variant that encompasses the entire model. The $\chi 2$ value actually tests the model's misspesification.
3) Comparatice Fit Index (CFI)
   Comparative fit index is a revised form of normed-fit index that takes into account a sample size that performs well even when the sample size is small. The value for this statistical range is between 0 - 1. The cut-off criteria of the CFI was originally $\geq$ 0.90, but recent research shows the CFI value of $\geq$ 0.95 is currently recognized as an indication of the fit model (Ferdinand, 2018).
4) Root Mean Square Error of Approximation (RMSEA)
   This index corrects the complexity of a model. When two models explain that the data tested is good, then the easiest model will be better assessed. An RMSEA value of $\leq$ 0.08 indicates that a model is classified as good fit, while if the RMSEA value < 0.05 indicates that a model is categorized as close fit.

4. Result & Discussion

Testing the intervariable relationship in this study was carried out using the *Structural Equation Modeling* (SEM) approach from the AMOS 4.0 statistical software package. SEM is a set of statistical techniques that allow simultaneous testing of a series of relatively "complicated" relationships. To create a complete modeling, it is necessary to carry out the following steps

1. Development of theoretical models.
   The first step in the development of SEM is the search or development of a model that has a strong theoretical justification. So it is the belief of a researcher to propose a model of causality by assuming that there is a causal relationship between two or more variables based on the relevant theory.
2. Development of a *path diagram* to make it easier for researchers to see whether there are causality relationships to be tested.
3. Conversion of flowcharts into a set of structural equations and measurement model specifications.Once a theoretical model has been developed and drawn into a flowchart, the researcher can begin converting the model specification into a series of equations.
4. Selects the input matrix and model estimation. The difference between SEM and other multivariate techniques is in the input of data used in modeling and estimating. SEM only uses a variance/covariance matrix or correlation matrix as input data for the entire estimate made.

5. Possible emergence of identification problems.One of the fundamental problems in structural models is the identification problem that gives an indication that a model can be solved either or cannot be solved at all.
6. Evaluasi kriteria *goodness of fit.*
   1. *Chi-square*
      The value of $\chi 2$ is a measurement of the difference between the relationship that actually occurs in a sample and what is expected if the model is assumed to be correct. A large difference (ratio) indicates that the model is not *fit.* The $\chi 2$ distribution is different for df (freedom level) which is different as most other distributions. The value of $\chi 2$ should be interpreted in df. This is done by calculating the ratio $\chi 2$/df.
   2. *Goodness of Fit Index* (GFI)
      GFI is analogous to R^2 which is used in regression to infer the variant described in a dependent (free) variable, but GFI refers to a variant that encompasses the entire model. The $\chi 2$ value actually tests the model's *misspesification*.
   3. *Comparatice Fit Index* (CFI)
      Comparative fit index is a revised form of *normed-fit index* that takes into account a sample size that performs well even when the sample size is small. The value for this statistical range is between 0 - 1. The *cut-off* criterion of the CFI was originally ≥ 0.90, but recent studies have shown that the CFI value of ≥ 0.95 is currently recognized as an indication of the fit model (Ferdinand, 2018).
   4. *Root Mean Square Error of Approximation* (RMSEA)
      This index corrects the complexity of a model. When two models explain that the data tested is good, then the easiest model will be better assessed. An RMSEA value of ≤ 0.08 indicates that a model is *considered good fit*, while if the RMSEA value < 0.05 indicates that a model is categorized as *close fit.*.

References

[1] Zafar Q, Ali A, Hameed T, Ilyas T, Younas HI. Influence of Job Stress on Employees Performance in Pakistan. American Journal of Social Science Research n.d.;1:221–5.

[2]Wirawan. Evaluasi Kinerja Sumber Daya Manusia: Teori Aplikasi dan Penelitian. Jakarta: Salemba Empat; n.d.

[3]Waworundeng T. Pengaruh Gaya Kepemimpinan dan Lingkungan Kerja terhadap Kepuasan Kerja dan Kinerja Karyawan (Studi Pada Karyawan PT Wenang Cemerlang Press. Jurnal Administrasi Bisnis (JAB n.d.;11.

[4]Wartono T. Pengaruh Stres Kerja terhadap Kinerja Karyawan (Studi pada Karyawan Majalah Mother and Baby. Jurnal Ilmiah Prodi Manajemen Universal Pamulang n.d.;4.

[5]Rosyidawaty S. Pengaruh Pengembangan Karir terhadap Kinerja Karyawan di Telkomsel Regional Jawa Barat. EProceedings of Management n.d.;5.

[6]Sandiartha IWB. Pengaruh Stres Kerja terhadap Kinerja Karyawan Dimediasi oleh Kepuasan Kerja Karyawan Koperasi Graha Canti Semawang-Sanur. E-Jurnal Manajemen n.d.;9:1899–920.

[7] Rivai V dan S, Jauvani E. Manajemen Sumber Daya Manusia untuk Perusahaan dari Teori ke Praktik. Jakarta: PT Raja Grafindo; n.d.

[8] Ferdinand. Metode Penelitian Manjemen, Pedoman Penelitian untuk Skiripsi, Tesis dan Dsiertai Ilmu Manajemen. Semarang: Universitas Dipenegoro; n.d.
[9] Diputra AADP, Surya IBK. Pengaruh Stres Kerja Terhadap Kinerja Karyawan Dimediasi oleh Kepuasan Kerja Karyawan PT Destination Asia Bali. E-Jurnal Manajemen Universitas Udayana; n.d. https://doi.org/10.24843/ejmunud.2019.v08.i02.p16.
[10] Chandio JA, Jhatial AA, Mallah R. Modeling the Relationship of Unclear Career Development with Job Dissatisfaction, Job Stres and Employees Turnover Intention: Structural Equation Modeling Approach. Journal of Arts Humamanities n.d.;41:55–7.