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The Role of Motivation, Compensation, and Career Development on Employee Performance Through Job Satisfaction in the Digital Era

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ABSTRACT

This study aims to analyze the influence of motivation, compensation, and career development on employee performance through job satisfaction as a mediating variable in the context of human resource transformation in the digital era. The research was conducted at the Department of Communication, Informatics, Statistics, and Encryption of Semarang City using a quantitative approach and census method involving 143 employees, both civil servants and non-Civil servants. Data analysis was performed using Partial Least Squares (PLS) with the SmartPLS software. The results show that motivation, compensation, and career development have a significant effect on both job satisfaction and employee performance. Furthermore, job satisfaction effectively mediates the relationship between those variables and employee performance. These findings emphasize the importance of both internal and external factors in improving public sector employee performance, especially in facing the challenges of digital bureaucracy. This research provides empirical and practical contributions to human resource management in local government institutions.

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1. INTRODUCTION

The development of information and communication technology (ICT) has driven a digital transformation that has fundamentally changed the working patterns of organizations, including in the public sector. In this context, local governments are faced with the demands of providing public services that are not only fast and efficient, but also technology-based and able to respond to the changing needs of society. One of the strategic agencies in implementing digital-based government is the Semarang City Communication,

Informatics, Statistics, and Cryptography Service (DISKOMINFO). This agency plays an important role in integrating government information systems, as well as managing human resources (HR) that are adaptive to the dynamics of bureaucratic digitalization.

Robbins and Judge (2015) emphasized that individual readiness, especially state civil servants (ASN) and non-ASN personnel in facing organizational change, is the key to an agency's success in responding to external pressures such as technological changes and public expectations. However, although various internal policies have been implemented by DISKOMINFO, data shows that employee performance achievements during the period 2019 to 2024 experienced quite significant fluctuations. Mangkunegara (2017) defines employee performance as work results achieved in terms of quality and quantity in accordance with the responsibilities carried out. These performance fluctuations indicate that there are internal organizational variables that need to be studied further.

Some of the main factors that are thought to influence employee performance are work motivation, compensation systems received, and opportunities for career development. Sunyoto (2018) stated that motivation is an internal force within an individual that drives actions to achieve organizational goals. In the context of a digitally transformed public bureaucracy, it is important for organizations to create a work climate that is able to maintain employee enthusiasm and enthusiasm in facing the pressures of change. According to Deci and Ryan (2000), intrinsic motivation that comes from personal satisfaction is more effective in the long term than extrinsic motivation. This is reinforced by Gagne and Deci (2005), who emphasize the importance of an autonomous and supportive work environment in increasing employee motivation and productivity in a sustainable manner.

Several variables that are theoretically thought to influence employee performance include work motivation, compensation systems, and career development opportunities. Sunyoto (2018) stated that motivation is an internal force that drives individuals to act in order to achieve organizational goals. In public organizations undergoing digital transformation, creating a work environment that supports motivation is very crucial. Deci and Ryan (2000) argue that intrinsic motivation based on personal satisfaction is more effective in the long term than extrinsic motivation. Gegne and Deci (2005) added that an autonomous and supportive work environment plays an important role in increasing employee motivation and productivity in a sustainable manner.

On the other hand, compensation is one of the important factors in building loyalty and increasing employee productivity. Ramlall (2019) emphasized that compensation, whether in the form of basic salary, allowances, or additional incentives, has a significant influence on work loyalty. Furthermore, Armstrong (2020) stated that compensation is not solely assessed from the nominal amount given, but also from the perception of internal and external justice in the compensation system. If employees feel that the rewards they receive are commensurate with the workload and contribution made, it will create higher work satisfaction and motivation (Colquitt et al., 2015). In addition, Herzberg (1996) in his two-factor theory emphasized that non-material rewards such as recognition, a sense of appreciation, and work-life balance are also important motivators in creating job satisfaction. This is supported by Malik et al. (2021) who found that forms of psychological compensation such as involvement in decision-making and a sense of respect have a major contribution to the loyalty of public sector employees.

Furthermore, career development is also a crucial element in improving organizational performance. Trisnawati (2020) stated that career development allows employees to continue to grow and increase their contribution to the organization in the long term. Noe (2020) added that career development that is carried out in a structured manner can increase employee engagement. In addition, Ling and Nasurdin (2010), who showed that career development has a direct impact on improving employee performance.

Job satisfaction is an important mediating variable in understanding the influence of motivation, compensation, and career development on performance. Spector (2021) defines job satisfaction as an individual's positive attitude towards their work that influences their work spirit and ethic. Locke (1976) emphasized that job satisfaction arises when an individual's expectations are in line with the reality received in the workplace. Kim (2005) also stated that in the context of the public sector, job satisfaction has a close relationship with the quality of public services provided.

However, previous studies have shown inconsistent results. Puspita (2023) found that compensation and work motivation have a positive effect on performance through job satisfaction as a mediating variable. In contrast, Bahyu (2024) reported that career development did not have a significant effect on job satisfaction, although it had a direct impact on employee performance. This inconsistency indicates the need for further studies with a more holistic approach.

In the context of digital transformation, research by Shahi et al. (2024) shows that digital-based HR management practices such as technology-based training and digital assessment systems have a significant impact on job satisfaction, which ultimately has an impact on improving employee performance. Widodo and Sutanto (2022) also emphasize the importance of good governance principles - such as efficiency, accountability, and transparency - in supporting the effectiveness of technology-based public services.

Hasan et al. (2023) stated that ASN digital readiness, including technological literacy and adaptability to digital systems, are the main prerequisites for the success of bureaucratic transformation. This is reinforced by the findings of Ismail and Nugraha (2021), which revealed that technology-based training plays an important role in improving ASN capabilities. In addition, Harahap and Sari (2021) stated that a transformational leadership style can increase employee motivation and readiness to face digitalization.

Organizational culture factors also cannot be ignored. Ramli and Putra (2023) showed that an adaptive and innovative work culture can encourage increased satisfaction and productivity. The use of digital systems in performance management, such as e-Kinerja, also plays a role in creating accountability and transparency (Wijayanti & Yuliana, 2023).

Nurdin et al. (2024) added that the evidence-based HRM approach based on performance and competency data results in fairer and more efficient personnel policies. In addition, Prasetya and Suharto (2023) stated that a physically and psychologically conducive work environment also supports employee performance. Organizational support also has an influence on engagement, as explained by Widodo and Lestari (2022), where positive perceptions of organizational support increase employee engagement with work.

Bass and Riggio (2021) and Yusuf and Sari (2024) underline the importance of digital leadership in shaping a collaborative and innovative work culture. Meanwhile, Amalia and Hakim (2022) emphasize the importance of redesigning organizational structures to be more in line with digital systems. Lestari and Firmansyah (2024) also point out that digital performance management systems not only function as reporting tools, but also as a medium for evaluation and continuous improvement. Fitriani and Hidayat (2023) also highlight the importance of work stress management in a stressful digital bureaucratic environment, by suggesting emotional management training and adequate rest time.

Based on this background, this study aims to empirically examine the influence of work motivation, compensation, and career development on employee performance, with job satisfaction as a mediating variable. This study uses a quantitative approach with the Partial Least Square (PLS) analysis method, which allows simultaneous testing of direct and indirect relationships between variables. The population in this study were all ASN and non-ASN employees in the DISKOMINFO environment of Semarang City as many as 143 people, who were also sampled using the census method.

The novelty of this research lies in its focus on digital transformation in local government, the use of PLS to explain complex relationships between variables, and the integration of the latest theories and findings on digital HR, job satisfaction, and public sector performance.

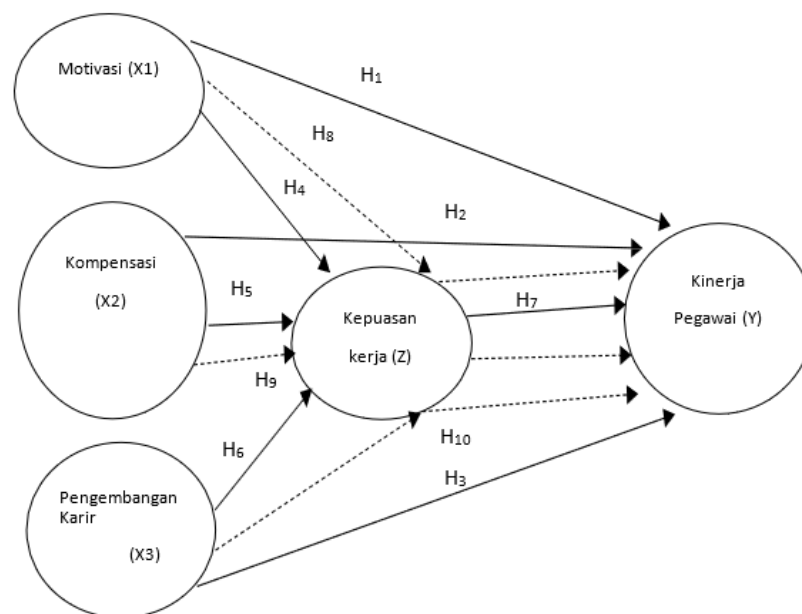


Figure 1.1 : Conceptual Framework

Based on the theory and framework of thought that have been explained above, the hypothesis in this study can be formulated as follows:

- H1: Motivation has a positive and significant effect on employee performance.
- H2: Compensation has a positive and significant effect on employee performance.
- H3: Career development has a positive and significant effect on employee performance.
- H4: Motivation has a positive and significant effect on employee performance.
- H5: Compensation has a positive and significant effect on employee performance.

- H6: Career development has a positive and significant effect on employee performance.
 H7: Job satisfaction has a positive and significant effect on employee performance.
 H8: Job satisfaction mediates the influence of work motivation on employee performance.
 H9: Job satisfaction mediates the effect of compensation on employee performance.
 H10: Job satisfaction mediates the influence of career development on employee performance.

2. RESEARCH METHOD

In this study, the type of research used is an explanatory quantitative approach that aims to test the effect of motivation, compensation, and career development on employee performance, with job satisfaction as an intervening variable. The design of this study follows the guidelines explained by Sugiyono (2019) that the quantitative approach is used to research certain populations and test hypotheses statistically. The population in this study were all employees at the Semarang City Communication, Informatics, Statistics and Code Service, consisting of 91 ASN and 52 Non-ASN (a total of 143 people).

Data analysis was performed using the SmartPLS application. The analysis steps include validity testing to ensure that the indicators are able to measure the intended variables, as well as reliability testing using Cronbach's Alpha and Composite Reliability values to assess the internal consistency of the questionnaire. In addition, descriptive analysis was carried out to describe the characteristics of the respondents, as well as testing the structural model (path analysis) to see the influence between variables. The significance test was carried out using the bootstrapping method, while the mediation test was used to test the role of job satisfaction as an intervening variable. The model feasibility assessment used the R2 and SRMR values¹⁰ ensure the model met the goodness of fit criteria.

Hypothesis testing was conducted using Partial Least Square (PLS) analysis to determine the simultaneous effect of the three independent variables, namely motivation, compensation, and career development on the dependent variable, namely employee performance, with job satisfaction as an intervening variable. Testing includes the coefficient of determination (R²) to measure how much variation in employee performance. Can be explained by the independent variables, as well as significance testing using the bootstrapping method to see the direct and indirect effects between variables. The t-statistic test was used to test the significance of each relationship path, with the criteria $t > 1.96$ at a significance level of 5%. In addition, an indirect effect test was conducted to assess the role of job satisfaction as a mediating variable in the structural model. All tests were conducted using the SmartPLS application.

3. RESULTS AND DISCUSSION

3.1 Research Results Review

Respondents in this study were all employees at the Semarang City Communication, Informatics, Statistics and Cryptography Service, consisting of 91 ASN and 52 Non-ASN (total 143 people). The research questionnaire was divided into several categories, namely as follows:

3.1.1 Respondent Characteristics Based on Gender

Respondent characteristics based on gender can be shown in the table below:

Table 1: Respondents by Gender

Gender	Amount	Presentation
Man	94	65.73%
Woman	49	34.27%
Total	143	100%

Source: Primary data processed in 2025

Based on the characteristics of the respondents' gender, Table 1 shows that there were 94 male respondents or 65.73% and 49 female respondents or 34.27%.

3.1.2 Respondent Characteristics Based on Education

Respondent characteristics based on education can be shown in the table below:

Table 2: Respondents Based on Education

Education	Amount	Presentation
High School/Vocational School	18	12.59%
Diploma III	33	23.08%
Diploma IV	1	0.70%
S-1	80	55.94%

S-2	11	7.69%
Total	143	100%

Source: Primary data processed in 2025

Based on the characteristics of respondents' education in table 2, it shows that out of 143 respondents, 18 people or equivalent to 12.59% have high school/vocational high school education, 33 people or equivalent to 23.08% have Diploma III education, 1 person or equivalent to 0.70% have Diploma IV education, 80 people or equivalent to 55.94% have S-1 education, and 11 people or equivalent to 7.695% have S-2 education. This shows that the majority of employees in the office have S-1 education.

3.1.3 Respondent Characteristics Based on Employee Category

Respondent characteristics based on employee category can be shown in the table below:

Table 3: Respondents Based on Employee Category

Employee Category	Amount	Presentation
ASN	91	63.64%
Non-ASN	52	36.36%
Amount	143	100%

Source: Primary data processed in 2025

Based on the characteristics of the employee status of the respondents in Table 3, it shows that respondents with ASN employee status numbered 91 people or 63.64% and respondents with Non-ASN employee status numbered 52 people or 36.36%.

3.1.4 Respondent Characteristics Based on Age

Respondent characteristics based on age can be shown in the table below:

Table 4: Respondents by Age

Age	Amount	Presentation
21 – 30 Years	63	44.06%
31 – 40 Years	52	36.36%
41 – 50 Years	17	11.89%
51 – 60 Years	11	7.69%
Total	143	100%

Source: Primary data processed in 2025

Based on the characteristics of the respondents' age in table 4, it can be seen that most respondents are in the age range of 21-30 years, which is 33.06%. Respondents aged 31-40 years comprise 36.36%, while the age groups of 41-50 years and 51-60 years are 11.89% and 7.69%, respectively. This finding shows that the majority of respondents are young and in the early phase of their productive period, so they are assumed to have high work enthusiasm, are adaptive to change, and have the potential to make maximum contributions to their work.

3.1.5 Respondent Characteristics Based on Length of Service

Respondent characteristics based on length of service can be shown in the table below:

Table 5: Respondents Based on Length of Service

Working Period	Amount	Presentation
15 years	82	57.34%
6 – 10 Years	61	42.66%
Total	143	100%

Source: Primary data processed in 2025

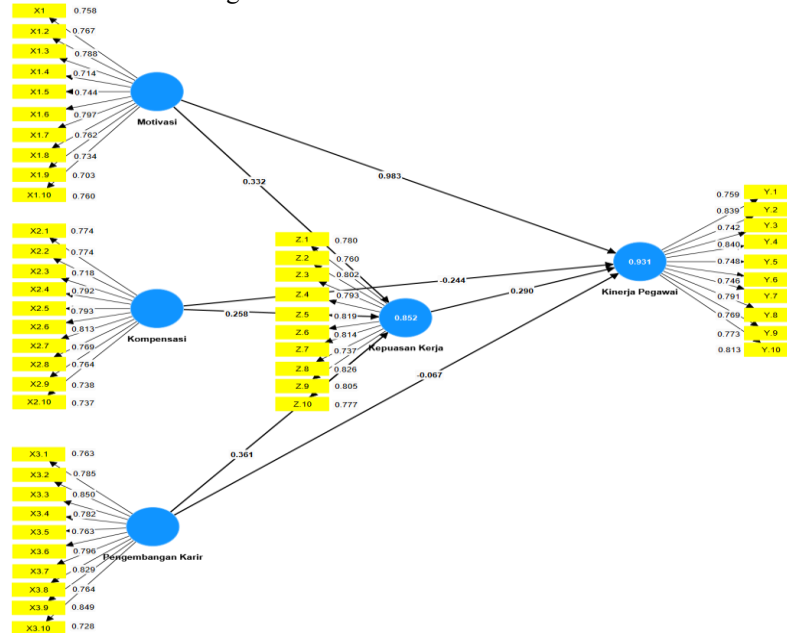
Based on the characteristics of the respondents' work period in Table 5, it shows that respondents with a work period of 1-5 years numbered 82 people or 57.34% and respondents with a work period of 6-10 years numbered 61 people or 42.66%.

3.2 Validity and Reliability Test

3.2.1 Outer Model Evaluation

Outer model testing is the first stage in the analysis using SmartPLS. In the evaluation of the measurement model (outer model), testing of the research instrument is required through validity and reliability tests. This test is carried out to assess the feasibility of each indicator contained in the research variable.

Figure 3.1: Measurement Model Results



Source: data processed using SmartPLS 4.0.

Based on the results of the outer model test image of the research instrument, it was found that all indicators and each variable had a loading factor value above 0.7. This indicates that the statement items used in the questionnaire are able to measure the variable construct accurately and can be said to be valid.

3.2.2 Testing the Validity and Reliability of Research Constructs

To ensure the accuracy of the analysis results, testing the quality of the instrument is an important initial step in the research process. The instrument used must meet the validity and reliability criteria in order to be able to measure the intended construct accurately and consistently. Therefore, before conducting the structural model analysis, a validity and reliability test was first carried out on all latent variables in the model. Validity was tested through a convergent validity approach which was measured using the Average Variance Extracted (AVE) value, while reliability was assessed based on the Cronbach's Alpha and Composite Reliability values. This test aims to ensure that each indicator can represent the construct accurately and has good internal stability. The results of the validity and reliability tests are shown in table 6.

Table 6: Validity and Reliability Test

Variables	AVE	Cronbach's Alpha	Composite Reliability	Validity Statement	Reliability Description
Motivation	0.567	0.915	0.916	Valid	Reliable
Compensation	0.589	0.922	0.925	Valid	Reliable
Career Development	0.627	0.934	0.935	Valid	Reliable
Job satisfaction	0.627	0.934	0.934	Valid	Reliable
Employee Performance	0.613	0.929	0.930	Valid	Reliable

Source: data processed using SmartPLS 4.0.

Based on the results of data processing using SmartPLS 4.0, all constructs in this study have met the validity and reliability criteria. In terms of validity, all variables have an Average Variance Extracted (AVE) value above 0.50, with a range of values between 0.567 and 0.627, indicating that each indicator is able to adequately explain the latent variables (Ghozali, 2021). Furthermore, in terms of reliability, all variables show Cronbach's Alpha and Composite Reliability values above 0.70 - even approaching or exceeding 0.90 - which

reflects very good internal consistency between indicators in one construct. Thus, it can be concluded that all instruments used in this study have been proven valid and reliable, so they are suitable for use in hypothesis testing and structural model analysis in this study.

3.3 Assumption Test Results

3.3.1 R-Square Test

After evaluating the measurement model (Outer Model), the next step is to evaluate the structural model or called the Inner Model. The Inner Model is used to see the relationship between latent constructs that have been hypothesized previously. This testing stage of the structural model analysis is by looking at the R-Square value.

Table 7: R-Square Value

Variables	R-Square
Job satisfaction	0.852
Employee Performance	0.931

Source : Primary data Which has processed with SmartPLS 4 .0, 202 5

Based on the analysis of the table above, it shows that the R-Square value for job satisfaction is 0.852 and for employee performance is 0.931. This means that 85.2% of the level of job satisfaction and 93.1% of employee performance are influenced by the variables studied in this study. Meanwhile, the remaining 14.8% and 6.9% are influenced by other factors not included in the model. This high R-Square value indicates that the model used is good enough to explain the changes that occur in the two variables.

F-Square Test

In addition to using the R-Square test to assess the overall strength of the model, this study also applies the F-Square test to measure the influence of each independent variable on the dependent variable individually. The F-Square value helps identify the relative contribution of each variable in explaining the changes that occur.

Table 8: F-Square Value

Variables				
	Motivation	Compensation	Career Development	Job satisfaction Employee Performance
Motivation				0.097 1,679
Compensation				0.043 0.080
Career Development				0.120 0.008
Job satisfaction				0.181
Employee Performance				

Source : Primary data Which has processed with SmartPLS 4 .0, 202 5

From the analysis of the table above, it is confirmed that motivation and job satisfaction are the most significant variables in influencing employee performance, compared to compensation and career development. This implies that increasing motivation and job satisfaction can be the main strategy in driving employee performance more effectively.

3.4 Hypothesis Testing

3.4.1 Path Coefficient Test (Direct & Indirect Effect)

In order to examine the relationship between variables in the research model, a path analysis was conducted using the Structural Equation Modeling approach based on Partial Least Square (SEM-PLS). This approach was chosen because of its ability to handle models involving many latent constructs and is able to accommodate direct and indirect relationships between complex variables. In addition, PLS is considered appropriate for research with a relatively limited number of samples and data that is not fully normally distributed, such as in this study.

Path analysis includes testing the direct effect, which is the influence that occurs directly from exogenous variables to endogenous variables, as well as the indirect effect mediated by intervening variables, in this case job satisfaction. The three main variables tested as predictors of employee performance are motivation, compensation, and career development. Job satisfaction is positioned as a mediating variable to evaluate whether the relationship between the three factors on performance can be strengthened through increased job satisfaction.

Significance assessment is carried out based on the P-Value, with a threshold of <0.05 as the criterion for accepting the hypothesis. Through this approach, a deeper understanding is obtained regarding the extent to which each variable contributes to improving employee performance, both directly and through job satisfaction. The complete results of the path test are shown in Table 9 below.

Table 9: Path Coefficient Test Results (Direct & Indirect Effect)

Influence Between Variables	Original Sample (0)	P-Value
Direct Effect		
Motivation => Employee Performance	0.983	0,000
Compensation => Employee Performance	-0.244	0.028
Career Development => Employee Performance	-0.067	0.443
Job Satisfaction => Employee Performance	0.290	0,000
Motivation => Job Satisfaction	0.332	0.028
Compensation => Job Satisfaction	0.258	0.065
Career Development => Job Satisfaction	0.361	0.012
Indirect Effect (via Job Satisfaction)		
Motivation => Job Satisfaction => Employee Performance	0.096	0.058
Compensation => Job Satisfaction => Employee Performance	0.075	0.098
Career Development => Job Satisfaction => Employee Performance	0.105	0.052

Source : Primary data Which has processed with SmartPLS 4 .0, 202 5

The results of the path analysis in this study indicate that motivation and job satisfaction have a positive and significant direct effect on employee performance, indicating that individuals with high work drive and job satisfaction tend to show more optimal performance. Interestingly, the compensation variable actually shows a significant but negative effect, which can be interpreted that negative perceptions of the compensation system have the potential to reduce employee performance. In contrast, career development does not show a significant direct effect on performance, but has a positive impact on job satisfaction. This indicates that career development efforts have a greater impact on employee psychological aspects, such as feelings of appreciation and opportunities for development, rather than directly affecting work results.

Meanwhile, the test results on the indirect effect through job satisfaction as a mediating variable show that the mediation mechanism is not statistically significant, although the relationship between variables has a positive direction. In other words, job satisfaction has not been able to function optimally as a link between motivation, compensation, and career development on employee performance in the context of the organization studied. Overall, these findings emphasize that interventions to improve employee performance need to be focused on strengthening internal motivation and creating a directly satisfying work environment, while improvements to the compensation system and career development strategies need to be directed to provide a more functional impact on employee work results.

3.5 Research Discussion

3.5.1 The Influence of Motivation on Job Satisfaction

This study shows that work motivation has a positive and significant effect on job satisfaction. The higher the level of motivation, the more likely employees are to feel satisfied with their work. This is in line with the views of Deci and Ryan (2000), that intrinsic motivation - such as a sense of empowerment, purpose, and recognition - can create a more meaningful work experience. Employees who are driven by personal goals and organizational values will feel more satisfied because their work is considered valuable and impactful.

3.5.2 The Influence of Motivation on Employee Performance

Based on the results of hypothesis testing, this study shows that work motivation has a positive and significant effect on employee performance. This means that the higher the level of motivation an employee has, the better the performance displayed. This is in accordance with the concept of Self-Determination Theory which states that motivation, especially intrinsic motivation, plays an important role in encouraging individuals to achieve optimal work performance. Employees who have strong motivation tend to work harder, complete tasks enthusiastically, and are able to adapt to work demands in the digital era. This finding is reinforced by Robbins and Judge (2015) who emphasize that motivation is the main driver in productive work behavior.

3.5.3 The Influence of Compensation on Job Satisfaction

The results of the analysis show that compensation does not have a significant effect on job satisfaction. This means that compensation is not the only determinant of employee satisfaction levels. Other factors such as relationships between coworkers, non-financial recognition, and work atmosphere actually play an important role in creating job satisfaction. This supports Herzberg's theory (1996) which distinguishes between hygiene

factors such as salary and motivating factors such as recognition and achievement. When compensation is considered sufficient but is not accompanied by other factors, it does not necessarily increase satisfaction.

3.5.4 The Influence of Compensation on Employee Performance

Although the hypothesis states a positive direction, the results of the study actually show that compensation has a significant but negative effect on employee performance. This means that employee perceptions of a compensation system that is considered unfair or unbalanced actually have an impact on reducing their work enthusiasm and performance. This shows that compensation is not just a nominal amount, but also includes the perception of fairness and appropriateness felt by employees. In line with Armstrong (2020), satisfaction with compensation is greatly influenced by internal and external justice. Mismatches between expectations and reality can create dissatisfaction and reduce performance.

3.5.5 The Influence of Career Development on Job Satisfaction

This hypothesis test shows that career development has a positive and significant effect on job satisfaction. This means that employees who have the opportunity to develop and improve their competence will feel more appreciated and motivated, so that job satisfaction increases. This is in line with Noe's opinion (2020) which states that involvement in training and career paths creates a sense of belonging and employee connection to the organization.

3.5.6 The Influence of Career Development on Employee Performance

The results of the study showed that career development did not have a significant direct effect on employee performance. This indicates that even though career development opportunities are available, they do not necessarily have a direct impact on improving work results. Employees may feel that existing career programs are still not concrete or have not had a real impact on the development of daily work competencies. This finding is in line with Bahyu's study (2024), which states that career development has a greater influence on psychological aspects such as motivation and loyalty than it does on productivity.

3.5.7 The Influence of Job Satisfaction on Employee Performance

This study proves that job satisfaction has a positive and significant effect on employee performance. Employees who are satisfied with their jobs tend to show higher work enthusiasm, are responsible, and have a commitment to results. In line with Locke's theory (1976), job satisfaction created from a balance between expectations and work reality acts as a driver of productive work behavior. Job satisfaction is also an important element in maintaining long-term loyalty and work enthusiasm.

3.5.8 The Influence of Motivation on Employee Performance with Job Satisfaction as an Intervening Variable

The results of the study indicate that job satisfaction has not significantly mediated the relationship between motivation and performance. Although motivation affects satisfaction, and satisfaction affects performance, the mediation path is not statistically strong enough. This indicates that motivation has a more dominant direct influence on performance than through job satisfaction. This finding implies that strengthening motivation remains a top priority for improving performance, without having to wait for a certain level of satisfaction to be achieved.

3.5.9 The Influence of Compensation on Employee Performance with Job Satisfaction as an Intervening Variable

This hypothesis is also not significantly proven. This means that job satisfaction is not an effective bridge between compensation and performance. The low effectiveness of this mediation indicates that the existing compensation system has not been able to generate job satisfaction, so it does not have an indirect impact on performance. As stated by Colquitt et al. (2015), the perception of fairness in compensation needs to be built first in order to increase satisfaction and ultimately drive performance.

3.5.10 The Influence of Career Development on Employee Performance with Job Satisfaction as an Intervening Variable

The results of the hypothesis testing show that job satisfaction has not been fully able to become a significant mediator between career development and employee performance. Although career development increases satisfaction, its influence on performance through this path is still statistically weak. This indicates the need for strengthening a more strategic and measurable career program in order to truly provide a positive impact on performance through increased job satisfaction.

4. CONCLUSION

Based on the results of the analysis and discussion, this study concludes that work motivation has a positive and significant influence on employee performance and job satisfaction, while compensation shows a negative influence on performance and does not have a significant effect on job satisfaction. Career development does not have a direct effect on performance, but contributes positively to job satisfaction. On the other hand, job satisfaction has been shown to significantly improve employee performance, although it does not act as a significant mediator in the relationship between motivation, compensation, and career development with performance. These findings confirm that in facing the challenges of digital transformation, motivational factors and job satisfaction play a key role in driving improved performance, while compensation systems and career development strategies need to be reorganized to be more effective and responsive to employee needs.

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